

Arthur W. Page Society Hall of Fame Lecture

Public Diplomacy Needs You



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September 19, 2005**

Thank you for that wonderful introduction. It is truly an honor and a rare privilege to stand before you to receive this. Having been a member of the Society since the mid 80s, I have seen it evolve and grow into our profession's finest organization. To receive this award is truly gratifying. Thank you again.

As I look back at my life, I recall when I left my hometown near St. Louis for the University of Illinois. I had a tuition scholarship, a Greyhound bus ticket, an appointment a day later to get a job on campus and \$25 in my pocket. And, I had absolutely no clue what life had in store for me. So it is truly remarkable that I can stand in front you a good number of years later and receive this accolade.

It has been quite a ride for me:

Four global companies, thirteen CEOs, a major agency, my own family agency, travel to most major countries in the world and work on most every kind of business situation you can imagine.

First and foremost, I want to thank my family for all of their support. Pat, my wife of 43 years, whom many of you know, could not make the trip. We are celebrating her mother's 90th birthday later this week at our home in Greenwich and she is up to her ears in the arrangements. Without Pat, I certainly wouldn't be here today. Her kind guidance, counsel and patience over the years has made all the difference in my life. I thank her with all my heart.

I am so pleased that my son Sean and his wife Sarah, who live in Hillsborough, south of San Francisco, are here today to support and encourage me. Sean, Sarah, please stand up. Sean was transferred here two years ago by his company from Chicago. That's a lot farther from New York than we like, but I have found more reasons to come to the West Coast since they moved. I am also grateful to the Society for having this meeting here - allowing me to spend a few more days with them.

Our other son, Jason, who is my business partner, is in Greenwich, holding down the fort for Murphy & Co., our consulting and marketing services company. Our daughter, Courtney, is in New York busy doing her post-graduate studies in psychoanalysis.

We are also the proud grandparents of four boys and a girl and I would love to have all five them with us today, but the oldest are only nine and, as much as we love one another, I don't believe these remarks could hold their attention too long.

Let's hope they can hold yours.

It is daunting to stand here, speaking to a group of people you feel know more about your subject than you do. It is certainly an anxious time. Many of the Hall of Fame members have indicated as much to me and I agree with them.

As I examined my options covering what topics to speak about, my first instinct was to talk about things I know something about. That has always seemed to me a good basis for a speech.

So, I ran through situations I've been involved with in my career which gave me the most challenges: the ones which are most memorable. In my case, they represent quite a diverse set of circumstances.

For example, I could speak to you about the Arizonan fire chief who had to use kerosene to set fire to an Owens Corning Fiberglas tub shower to prove it was a fire hazard. He had been hired by the ceramic tile industry.

Also, I have an interesting story about receiving a phone call from an executive of a well known water treatment company. He had just learned that his company had shipped to a number of homes, residential water softeners containing radioactive charcoal. A reporter from a radio station was on his other line asking what he was going to do about them.

I could also share with you the story of how my company shut down the dairy industry in the Hawaiian Islands by inadvertently feeding pesticides to the islands' milk herd.

Or, I could describe when a woman publicly accused my company, later proved falsely, that she had drunk a half gallon of our milk only to find a dead mouse in the carton.

Another incident I could share was the product recall of Perrier bottled water - an event from which the product never fully recovered.

I also have my share of the stories working in the financial services industry, where crises du jour is the modus operandi. One such story involved supporting Warren Buffet at Solomon Brothers in helping save that company from total collapse due to its famous bond trading crisis.

I have also seen a lot of litigation activity, including representing Pennzoil in its historic multi-billion dollar winning suit against Texaco.

And, of course, I could spend a month discussing the Accenture story, with the unbelievable chain of events over nearly a twenty year period. From the time when Andersen Consulting was legally separated from Arthur Andersen, to years of disputes over market competition, to filing and winning a landmark arbitration, through losing the name (thank God), rebranding the global company in less than 150 days, helping convert it from a global federation of national partnerships into a global corporation; helping launch the IPO and now playing a role in converting a global partner culture to a corporate one.

Those are all great stories from very important times in my professional life. But, I think I've said enough about them.

I'd like to talk about another topic - quite current--which impacts us all. It is also relevant today in that Arthur Page dealt with similar challenges at the height of his professional career.

My topic is the image of the United States around the world today. It is our number one public relations problem.

Based on research published this summer by the Pew Research Center, the United States is disliked in nearly every country in the world today particularly, in the Arab and Muslim countries. This research tells us that our presence in Iraq is a primary issue.

But there is more to it than our foreign policy. The research also points to deeper problems.

I believe most of us are aware of these trends. But, how did we get to this point? The easy conclusion is that it is all about Iraq. Well, you certainly can't separate our PR efforts - that is - our public diplomacy, from foreign policy.

But, the reality is that we made some very bad decisions after the end of the Cold War regarding our public diplomacy apparatus. Over 10 years ago, we dismantled the country's most effective PR function, the United States Information Agency.

We also moved public diplomacy out of a policy role and we spread its responsibilities around to other functions and slashed the budgets.

What we did was unilaterally disarm ourselves of the weapons of diplomacy and communications. In more familiar terms to those of us in corporate life, we shut down the PR department and cut everyone's budget.

Without a doubt, our foreign policies have met strong opposition around the world. But, that is even more reason to strengthen our public diplomacy efforts, not cut them back. Favorable opinion on the part of our traditional European allies, except for the UK, has now dropped below 50 per cent.

It is no surprise that opinions are low in the Muslim countries, but they are now at the lowest in the history of the research in most countries.

So what can we aspire to in terms of public opinion around the world? What would the world like us to be? A starting point might be to try to describe what the ideal set of characteristics would be for a global superpower.

I took a crack at analyzing the latest Pew data to draw a picture of an ideal. To draw a comparison with a business situation, please think of our market category as Global Superpower and the brand or company as the United States of America.

Here is what I extrapolated from the research as what the people in 16 nations would agree on as the ideal set of characteristics for a global superpower.

The ideal superpower is a large, well-resourced, well-governed democratic country which has no ambitions to grow aggressively its power or influence at the expense of other nations. This attitude would apply equally to matters of the military, finance, business or culture. The superpower would be recognized as moral, honest, polite, hard-working, inventive and sympathetic to others' values. It uses its military only defensively and is essentially non-violent in nature. It would consult broadly with other countries before taking any significant foreign policy

action against other countries. It would be in the forefront of sharing technology and other resources with other countries and would lead the world's efforts to eradicate the evils of genocide, poverty and starvation. It would also lead the world in protecting both human rights and the environment.

That's quite a tall order - and realistically - no country will ever be able to reach such a perceptual ideal. However, I would suggest that most of us would hope our country could aspire to such an ideal. But, just how large is the gap between that ideal and what the research suggests about the current perceptions of the United States?

Unfortunately, the gap is immense. Here is what the world thinks:

The United States is going its own way in foreign affairs, influenced by business and other special interest groups. This is most exemplified by President Bush's actions regarding Iraq and the War on Terror. It will not hesitate to use military aggressiveness to resolve issues.

The country is no longer the leading land of opportunity, and is full of greed, violence, rudeness and immorality, although people still see Americans as hardworking, honest, and inventive.

The United States is the most trusted country in terms of eliminating genocide but is not trusted to protect the environment.

Its popular culture, although continuing to dominate other countries, is criticized for its prominent portrayal of sex and violence.

Overall, the United States is causing other countries to want to be more independent and self-reliant.

Certainly, we understand the Iraq issue, but should we simply accept the idea that the rest of these perceptions need be so severely negative?

In his first term, President Bush asked Charlotte Beers to lead an effort to improve the country's image. Using a simplistic, advertising dominated approach, that effort was a dismal failure.

Two years ago, studies by the Council on Foreign Relations and the Advisory Group on Public Diplomacy for the Arab and Muslim Worlds, both reported on the seriousness of the situation and called for significant changes.

These recommendations touch on a number of needs at the federal level:

- Restore the policy role of public diplomacy
- Strengthen intra-agency public diplomacy coordination
- Generate a highly vocal and visible commitment from the President regarding public diplomacy
- Establish formal research and evaluation to track both audience attitudes and the effectiveness of our public diplomacy efforts
- Develop messages connecting our values with those of other countries
- Generate proper credit for what we are doing well.
- Improve the training of our public diplomacy professionals and enlist all diplomats in the effort
- Increase the involvement of the private sector in the solutions

The good news today is that there is a new hope that many of these recommendations will be implemented.

As you know, Karen Hughes was recently sworn in by the President as the new Under Secretary of State for Public Diplomacy and Public Affairs. Ms. Hughes, now Ambassador Hughes, is a close confidant of the President. She has a strong mandate to pull together all of the resources of the Federal government to improve the perception of the United States around the world. She promises to lead many of these initiatives to listen, formulate and package our ideas. Her underlying theme is to re-connect us to the rest of the world on the basis of values, not force.

What is interesting to me on this occasion is that Arthur Page could certainly relate to the big job that Karen Hughes has been handed.

During his lifetime, he volunteered his considerable talents to helping three Presidents cope with the challenges of a rapidly changing world. In World War II, he was called upon to advise cabinet officers and military leaders alike how to communicate with their constituencies, both at home and abroad.

He oversaw the information efforts during the Normandy invasion. He taught the military how to use public relations to keep up the morale of our fighting forces around the world. He wrote the statement that President Truman used to tell the world we dropped an atomic bomb on Japan.

After the war, Page continued his public involvement, working for passage of the Marshall Plan and becoming active with Radio Free Europe, an important communications presence in the Cold War.

In 1946, he was even asked to become assistant secretary of state for public relations, a precursor of the role Karen Hughes has now taken on. He declined for personal reasons, but he nonetheless helped set the standard for the job.

There is no question that Page was dealing with a much different world than that which we face now. Much of what Page did half a century ago was focused on the needs of America rather than the global perceptions of who we are. And, of course Page didn't face the chaos of a 24/7 global news cycle.

But, he was guided by his belief that all institutions in a democratic society begin with public permission and exist by public approval. He applied that thought to the public sector, as well as the private. He helped America become widely recognized as caring about the values of others, a nation with no ambitions to grow at the expense of other nations. It was an image close to the ideal superpower that I described a minute ago.

Now our image is in tatters around the world, and we need to do something about it. I believe that the philosophy that Arthur Page brought to his public diplomacy efforts are as valid today as they were then and can serve as helpful guideposts for Ambassador Hughes in her new role.

It was always Arthur Page's view that we need to tell the truth - always. We need actions to back up our words. We need to be open and forthcoming. We need to practice public diplomacy as if the country needs it for survival. As Page and Hughes clearly agree, we need to reach out to people everywhere and reconnect on the basis of values.

And we need to pull together the resources of both the public and private sectors and put them to work.

Why should we be concerned about this?

Beyond the basic reason that friendly relations among nations promotes peace is the fact that anti-Americanism is bad for business.

From security costs to an inability to recruit the best people to the outright rejection of our products and services, I believe U.S. companies increasingly face the potential loss of our competitive edge.

What should we do?

Business-led initiatives can still build new bridges of cooperation, respect and mutual understanding across cultures and borders.

Where the efforts of government are met with skepticism, American companies with our entrepreneurial spirit, pragmatism and enthusiasm can bring to life the true values we believe in.

Programs can include exchange programs for young professionals and executives, investments in small and start up local businesses, overseas internships and introductory roles to help members of our diplomatic corps meet foreign business leaders.

Providing support to organizations such as Business for Diplomatic Action, led by Keith Reinhart, is another part of our arsenal.

One simple action all of us could take is to survey our own overseas employees regarding their personal feelings, as well as their observations of local attitudes toward the U.S. and U.S. businesses. The results of such research will undoubtedly point us in the right direction regarding what future actions to take.

Thoughtful adjustments to your marketing and advertising messages can also help. Strike the right balance between localizing your products and operations while still keeping an appropriate connection to the strength and power of American values.

Perhaps most important is to respond positively to the outreach we will receive from Karen Hughes' leadership.. The public sector cannot win this battle of ideas alone. As President Bush said when he swore in Ambassador Hughes: Karen's job is to "deliver our message of freedom, humility, compassion and determination to the world." She responded with words I believe we all can embrace:

"In our response to terror and tragedy both at home and across the world, we've been reminded that what unites us as human beings is so much greater than even the important matters on which we sometimes disagree. Our ability to differ freely, openly and respectfully is, in itself, something to be celebrated."

She continued:

"I believe there is no more urgent challenge for America's national security and for a more peaceful future for the world than the need to foster greater respect, understanding and a sense of common interest and common value between Americans and people of different countries, cultures and faiths."

So, as our companies are asked to support our public diplomacy initiatives, let's keep in mind, that in addition to the serious threats to our economic success, the most important motive for our cooperation is that the future of our American life as we know it could be shattered. We need to re-build the bridges to re-connect to the rest of the world based on our core values and beliefs.

Certainly Arthur Page would agree with that. And so do I.

Thank you again for this recognition and the chance to share my thoughts with you today.