

Payola

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dalous waste, it's unethical and it's wrong," says Ralph G. Neas, president of People for the American Way, a Washington-based public interest group. "It reminds me of the old 'payola' scandals in radio. Armstrong Williams received \$240,000 of our tax dollars — yours and mine — to create propaganda for a government program," he said in a news release.

In an interview with the NNPA News Service, Williams says, "I regret what I did [not disclosing a conflict of interest]... Before, it was not even a consideration because I wasn't familiar with journalism guidelines. But I am willing to adhere to journalism standards."

He vehemently disagrees with those who think he should return the money to the Department of Education. "I have no intention of giving any money back," Williams states. "They got what they paid for — and they got it cheaply. I'm in a business. This is how I earn a living, I sell advertising."

Williams denies ever urging television producers to arrange for No Child Left Behind to be discussed on air, though he signed a contract to that effect.

"I don't care what they put in the contract, my understanding with the Department of Education was that I would never do that," he says. "I never thought it was necessary to talk to America's Black Forum or anyone else."

News of Williams's ethical lapse appeared in the front pages of *USA Today*, the *Washington Post* and the *New York Times* and made most of the network news programs.

"You can criticize me; you can take me to task; but let me just tell you something: This is an issue that has been blown up," Williams asserts. "I'm stunned at how huge it is. I admit there were ethical matters, as I look back at it in hindsight, but I never considered mentioning it to anybody because it was advertising — and we do advertising all the time. The difference is, we've never done it with the government."

Williams is not the only person or agency caught in an ethical quagmire.

According to the General Accounting Office (GAO), the Department of Health and Human Services (HHS) and the Office of National Drug Control Policy (ONDCP) both engaged in propaganda efforts by producing and distributing pro-Bush adminis-

tration videos that simulated television news stories.

The GAO report on ONDCP, issued earlier this month, noted: "Each of ONDCP's news stories includes narration by an unseen person, sometimes identified as Mike Morris or Karen Ryan. (The scripts for ONDCP's prepackaged news stories refer to this person as the 'announcer.') The narrator explains that he or she is 'reporting' on press conferences and other activities of ONDCP and other government officials regarding ONDCP's anti-drug campaign."

The report continues: "Each story is accompanied by proposed 'lead-in' and 'closing' remarks to be spoken by television station news anchors. Many of the suggested anchor remarks include a phrase like, 'Mike Morris has the story,' or 'Mike Morris has more.'... None of these narrators were affiliated with any news organization at the time the stories were produced and distributed."

Those prepackaged video news releases (VNRs) were carried on nearly 300 television stations, reaching more than 22 million households, the GAO reported.

"...We conclude that the prepackaged news stories in these VNRs constitute covert propaganda and violated the publicity or propaganda prohibition because ONDCP did not identify itself to the viewing audience as the producer and distributor of these prepackaged news stories," the GAO report states.

Likewise, Armstrong Williams wrote about and commented on No Child Left Behind without disclosing his financial connection.

The National Association of Black Journalists (NABJ) issued a news release highly critical of Williams.

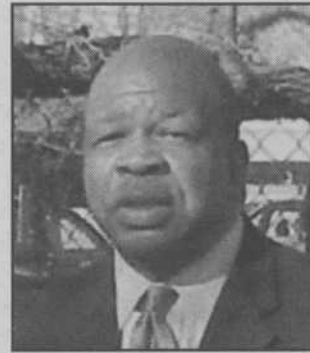
"I thought we in the media were supposed to be watchdogs, not lapdogs, not lapdogs," said Brian Monroe, the association's vice president for print. "I thought we had an administration headed by a president who took an oath to uphold the First Amendment, not to try to rent it."

NABJ's vice president for broadcast, Barbara Ciara, said of Williams: "He's lost his credibility. He's tainted fruit, and he's unfairly indicted all commentators who have their own independent opinion, don't need a script from the administration and don't need to be paid off."

The association called on all media outlets that use Williams to "drop him immediately."

Williams says he is a pundit and, at first, did not think he should be judged by journalistic standards.

"What they're saying is that, 'We hold you to the same standards that we hold jour-



"I am appalled to learn that the U.S. Department of Education has apparently used taxpayers dollars to influence public opinion."

—Rep. Elijah E. Cummings

nalists," he says. "Before, they said, 'You're shrill, you have no audience, nobody pays you any attention.' Now, all of a sudden, they're treating me like I am a *New York Times* journalist or a *Washington Post* journalist. They are saying I'm in the same league as a journalist. I never put myself off as a journalist."

Williams is chief executive officer of the Graham Williams Group, which describes itself as an international public relations firm. Williams' admitted behavior doesn't just violate professional journalism standards, it violates the Public Relations Society of America's [PRSA] Code of Ethics.

Those guidelines require publicists to, "Avoid actions and circumstances that may appear to compromise good business judgment or create a conflict or potential conflict between personal and professional interests." The code obligates public relations practitioners to, "Disclose promptly any existing or potential conflict of interest to affected clients or organizations." The association also objects to "lying by omission."

In one appearance on CNN, Williams discussed the No Child Left Behind Act without disclosing that he was being paid to back the measure, according to network officials.

In his column, which has now been dropped by the Chicago Tribune syndicate, Williams made more than a dozen references to No Child Left Behind without disclosing his status as a paid contractor.

In one column, dated May 14 of last year, on the 50th anniversary of the landmark Supreme Court decision out-

lawing segregated schools, Williams wrote: "...Fifty years after *Brown v. Board of Education*, we need to ensure that our children are receiving a decent education, regardless of income, background or race. This need was not lost on President Bush, who passed the bipartisan No Child Left Behind Act.

Among other things, the act holds public schools accountable for failing to properly educate our children. That constitutes an important victory because up until recently, the teachers unions would be damned if they were going to allow public school teachers to be held accountable for the job they do educating our children."

In another May column, Williams directly referred to No Child Left Behind, the centerpiece of Bush's domes-

tic agenda, six times. Attacking the National Education Association, Williams wrote, "They are fundamentally opposed to any education reform — like vouchers or the No Child Left Behind Act — that seeks to hold public schools accountable for their failures."

Not only did Williams refuse to mention in that column that he was being paid to support the law, he also failed to disclose his close ties to the pro-voucher movement. He sits on the advisory board of the Black Alliance for Educational Options (BAEO), a group primarily made up of Black conservatives, including Ohio Secretary of State Kenneth Blackwell. In addition to being bankrolled by conservative foundations, including the Lynde and Harry Bradley Foundation and the Walton Family Foundation, the group received a \$600,000 grant from the Department of Education in 2002 and another \$500,000 award in 2003. Unlike its arrangement with Armstrong Williams, the Education Department announced its grants to BAEO.

In the interest of full disclosure, in personal opinion columns, this writer has writ-

ten critically of BAEO and its lack of support among African-Americans.

Williams says he will self-syndicate his column to approximately 50 newspapers that now carry him and issued a warning to those who think ethical transgressions are limited to him.

"The syndicate can cancel my column — that is their right," Williams states. "But they should be careful with this murky road. I am definitely not the only commentator or pundit that does something like this. Let me be clear on that."

Rep. Cummings is clear in his belief that the Bush administration should not be using taxpayers' money in this manner to advance its political agenda.

"Under No Child Left Behind, Congress authorized approximately \$122 billion to improve public schools and close achievement gaps. However, to date, this effort has been underfunded by \$27 billion," he says. "... I am disappointed that the administration gave priority to helping a political commentator profit while refusing to provide [funding] promised for academic support for low-income students, after-school programs, and other NCLB initiatives."

Peace

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He said the U.S. license does not allow it to begin work in Sudan yet, but the Sudanese agreement protects the company's interests should it decide to do so in the future. Duncan Bonnett, a partner at the consulting firm Whitehouse and Assoc. in Johannesburg, South Africa, said many international companies had already sent teams to Sudan's capital, Khartoum, to investigate opportunities not only in the oil and gas sector, but in agriculture, construction, engineering and other services.

"From an export point of view, machinery and equipment supply, recreating the concrete industry and rehabilitating industries that already exist, and taking advantage of the agro-industry side, will present significant opportunities, said Bonnett, who specializes in emerging markets.

South African companies, many with experience working in countries emerging from conflicts such as Mozambique, Angola and Congo, are aggressively moving into Sudan, he said. A trade fair in Khartoum attracted more than 500 companies from 15 countries, ranging from a French yeast firm to a Spanish company offering ceramic tiles.

"Sudan is going to be number one in Africa and the world for investment because it's a large country and the infrastructure is zero," said Tajeldin Awad, director of Spanish firm Emigres' Sudan operation. "People need buildings, power, highways, hospitals — they need everything."

The government instituted dramatic economic reforms in 1998 and in 2004 regis-

tered a 7.5 percent growth in gross domestic product. But inflation topped 8 percent in 2004 and Sudan's 38 million people averaged only \$1,900 a year in income, high by African standards but low compared to most oil producing countries.

Agriculture made up 38 percent of Sudan's GDP in 2003 and employed 80 percent of the country's workers in cotton, sesame, livestock, groundnut, gum arabic and sugar production. In 2003 the country attracted \$1 billion in foreign direct investment, said Nasser Hashim, an official at the Ministry of Investment, and that number is expected to climb.

But there are many uncertainties and difficulties ahead. Southern Sudan has seen virtually no development since the 1950s, and more than 4 million southern Sudanese fled their homes during the war. And the peace accord allows the southern Sudanese to hold a referendum on independence in six years, setting up the possibility of more conflict with the north.

Phil Heilberg, founder of New York-based Heilberg Management Group, said he encountered massive incompetence, unreasonable expectations and political infighting when he agreed to help the rebels in their business dealings in 2003. After a \$100 million deal fell apart because the rebels wanted to renegotiate the contract at the last minute, he gave up.

"They really have very little experience dealing with the international community," he said. "This is a very complex situation here, then when you complicate it with the people who are involved now, it is virtually impossible to solve."