

The “Sugar Tax” Fight

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Abstract

The purpose of this case study was to examine the impact that environmental activism can have on agriculture by focusing on the Florida sugar industry’s reaction during the 1996 “sugar tax” amendment campaign. During the campaign, proponents and opponents of the three proposed Everglades-related amendments to the Florida Constitution spent more than \$40 million to sway the public. As a result of the public relations and political campaigns, communicators from Florida agricultural industries realized that they must increase their efforts to project a positive public image.

One hundred years ago, south Florida was considered by most to be a wasteland of mud, muck, and mosquitoes — a malarial swamp better left alone. The population of south Florida was approximately 23,000, most of whom were clustered along the Atlantic Coast. Land suitable for housing construction was scarce due to periodic and systematic flooding. Following serious hurricanes in 1926 and 1928, the federal government authorized the United States Army Corps of Engineers to create a massive system of canals, boats, dikes, and levees. This ambitious engineering project created 1.3 million acres for urban use, much of which is now the Miami/Dade metro area. Two million acres were set aside as the Everglades National Park; one million acres were designated as the Everglades Agricultural Area (EAA) (*Florida Crystals*, 1997).

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Today the one million acres of the EAA contain some of the most fertile farmland in the nation, much of which supports the largest producers of sugar in the country. This same area has also captured the attention of environmentalists and nature lovers around the world. As the scientific community continues to discover the ecological importance of the Everglades, it also discovers that run-off from farms, as well as the very existence of the farms, may threaten water quality in south Florida as well as the health of the remaining Everglades. As a result of these findings, many environmental activists began to attribute most or all of the Everglades' woes to sugar farming practices, without significant mention of the ecological impact of the Miami/Dade metro area. In response, sugar farmers contended not only that it is impossible to blame all of the environmental damage on their industry (they assert that their level of responsibility can not be determined scientifically), but also that it is a grave injustice to ignore the negative impact of the urban population residing on what used to be the Everglades itself.

In 1996, the issue finally was contested when a small but well-funded environmental activist group named Save Our Everglades Committee (SOE) authored three proposed amendments to the Florida Constitution. The committee collected enough signatures to place the proposals on the November 1996 ballot and began a campaign aimed at voters in support of the amendments (U.S. Sugar Corporation, 1997). The Florida sugar industry spent \$24 million – and by some reports, an estimated \$30 million (*The Tampa Tribune*, 1996) – and the Save Our Everglades Committee (SOE) spent over \$14 million on the most expensive public relations campaign in the state's history (Marcus, 1997). The three proposed amendments were as follow:

- Amendment Four: if passed, this amendment would put a penny-a-pound tax on all sugar grown in Florida. If passed, it has been estimated that sugar farmers would have had to pay \$1 billion (U.S. Sugar Corporation, 1997).
- Amendment Five: this proposed amendment, commonly known as the “polluters pay” amendment, stated that those in the Everglades Agricultural Area “who cause water pollution within the Everglades Protection area or the Everglades Agricultural Area shall be prima-

rily responsible” for paying the costs of cleanup (Kleindienst, 1997).

- Amendment Six: this amendment was designed to establish a state trust fund reserved for Everglades cleanup.

This case study will examine the impact that environmental activism can have on agriculture by focusing on the Florida sugar industry’s reaction during the 1996 “sugar tax” amendment campaign.

Literature Review

L. Grunig (1992) described an activist group as “two or more individuals who organize in order to influence another public or publics through action that may include education, compromise, persuasion, pressure tactics, or force” (p. 505). Not only do activist groups attempt to influence other publics, but members of activist groups contribute to the constraints on a given organization’s autonomy and bring about the need for public relations efforts (J. Grunig, 1989). It is in trying to maintain as much control over itself as possible that an organization must constantly monitor its environment for relevant publics with special attention paid to those that may be active or antagonistic (L. Grunig, 1992). When monitoring publics for potential negativism, the public relations practitioner should remember that not all constraints on an organization’s autonomy come directly from an activist group. Activist groups may also pressure government officials to support legislative regulation (J. Grunig, 1989).

The process of monitoring publics is an ongoing one for an organization. Knowing how publics perceive an organization, as well as how to reach those publics (L. Grunig, 1992) is essential for public relations studies that focus on proactive interaction rather than situational crisis management. In order to be more exact when addressing the issue of interaction between an organization and its publics, it is helpful to think in terms of J. Grunig’s (in Lindeborg, 1994) four models of public relations. He was able to identify and define four distinct ways in which public relations is practiced: **J. Grunig’s Four Models of Public Relations Practice** —

1. Press Agency — produces favorable publicity, especially in the mass media, with little regard to ethics or outside input.

2. Public Information — disseminates relatively objective information through mass media and controlled media with little input from outside groups.
- 3 Two-way Asymmetrical — uses research to develop persuasive communication in an effort to control the message.
4. Two-way Symmetrical — uses research and makes use of communication to manage conflict and improve understanding with strategic publics.

A given organization may practice more than one model at a time; the models are not discreet. Being able to recognize the models when they are practiced makes it easier to evaluate and compare public relations efforts.

One mistake an organization can make when taking an inventory of its publics is underestimating an activist group because its membership is small. Olson argued that smaller groups have an advantage over larger groups because smaller groups tend to perform more efficiently than larger groups and that they seem to have wider support than they actually have. He concluded that smaller special interest groups have disproportionate power (in L. Grunig, 1992). J. Grunig (1989) pointed out that in large groups, it is normal for members to assume that someone else will take over for them if their efforts are lacking; in smaller groups members realize that they must do their fair share or no one else will.

An additional consideration for an organization when evaluating an activist group is what motivates people to become a member of such a group. J. Grunig (1989) established a situational theory of publics that begins with the assumption that publics form around specific situations or issues produced by the consequences that organizations have on people outside the organization. He stated that people seldom seek information about situations that they do not feel has an impact on them. Organizations, therefore, should keep in mind that individuals often join activist groups to get information about and take action on topics they are interested in; this can help guide organizations in tailoring their messages to various publics (J. Grunig, 1989).

L. Grunig (1992) developed a series of conclusions about the impact and interaction between an organization and its

publics. The following summarizes some of her more relevant conclusions: **L. Grunig's Five Conclusions About Impact and Interaction** —

1. Activism represents a major problem for organizations.
2. Conflicts between activist groups and organizations tend to revolve around a discreet issue; regardless of the intensity of the conflict; all activist groups studied managed to disrupt the target organization.
3. A short-term “win” over an activist group often leads to long-term struggles.
4. Activists and organizations use public relations practitioners to communicate with one another.
5. All of J. Grunig's models of public relations were used by the organizations studied.

In recent years, the voices of environmental activist groups have been growing louder and gaining credibility. Vandervoort (1991) refers to the growing number of activist and regulatory pressure groups that are constantly monitoring the environmental sensitivity of industry as the “Big Green Brother.” She points out that the growing numbers of the environmentally-conscious public have created a situation where “companies not used to factoring public relations into the decision-making process may find themselves managing by crisis rather than practicing crisis management” (1991, p.15).

Harrison (1991) wrote that it is completely fitting for businesses and industry executives to view the environment as one of their biggest and most problematic issues. He observed that negative images of environmental disasters and industrial accidents, as well as the media's bias toward “green” advocacy, shape the public's opinion about the environment. As environmental activists continue to vocally advocate stricter government regulation of organizations, businesses must learn to cope. Harrison (1992) commented that businesses view government regulations as costs while the public views them as protection. It is his contention that businesses must embrace environmentally friendly practices before the activists' pressure forces compliance.

It would seem that Vandervoort agrees with Harrison when one examines Vandervoort's (1991) four generic principles of

promoting an organization in a positive environmental light. Those principles are: **S. S. Vandervoort's Four Generic Principles of Promoting** —

1. Make the environmental policy real.
2. Get out in front of the issues.
3. Go beyond compliance.
4. Communicate your actions.

She also recommended including representatives from opposing groups (i.e. community action groups, environmental activists, and political/regulatory officials) on environmental communications teams. While management may be very uncomfortable at the thought of including outsiders on a team designed to address sensitive environmental issues, Vandervoort (1991) maintains that history has proven that the earlier an organization incorporates opposing or outside perspectives, the earlier it can anticipate potentially serious problems.

The Fight

For several months before Election Day in November 1996, Florida voters were the targets of television and radio advertisements, direct-mail pieces, persuasive phone calls, and door-to-door campaigning — all related to the proposed amendments. The sugar industry, which is composed of two large corporations, a farming cooperative, and numerous small, independent farmers, was unprepared to face a serious challenge from a well-organized activist group. In addition, the industry was surprised by early polls that indicated widespread public support for the measures.

The sugar industry considered the proposed amendments a threat to its very existence. Seldom if ever before had a single agricultural commodity been singled out as “primarily responsible” for nonpoint-source pollution (pollution that is not the result of a direct, detectable environmental accident or contamination). One sugar industry statement said that “there are few times in the life of a business when one event can have a literal life-or-death impact; for U. S. Sugar (Corporation) and the Florida sugar industry, the threat of the \$1 billion tax was such an event” (U.S. Sugar Corporation, 1997 [on-line]).

For two months, the public relations battle continued, with each side of the argument accusing the other of distorting facts and deceiving the public. On November 6, Amendment Four was defeated, while Amendments Five and Six passed. Although the second two amendments passed, the sugar industry claimed the victory since the penny-per-pound tax was voted down.

How the Sugar Industry Conducted Its Campaign

Both sides of the issue spent a vast quantity of money on a wide variety of media. One of the primary strategies of the sugar industry was to finance a political action group called Citizens to Save Jobs and Stop Unwanted Taxes (CSJSUT). Even the selection of the name for this group was strategic in that it played on voters' aversion to taxes and fear of unemployment. An essential strategy of the sugar industry was to focus all of its media time and attention on Amendment Four, the penny-per-pound tax amendment. Little mention was made of the other two amendments, which may explain why they passed.

Over the course of the campaign, the sugar industry responded to being referred to as "Big Sugar" (a derogatory term) by attacking the founders of SOE. The industry referred to chairperson Mary Barley as "a millionaire land development heiress" and to financial supporter Paul Tudor Jones as a "mega-wealthy Connecticut commodities broker" (U.S. Sugar Corporation, 1997 [on-line]). CSJSUT aired television and radio advertising, portraying employees of the South Florida Water Management District (the regulatory agency with primary jurisdiction over the Everglades) as bureaucrats with a reputation for squandering public money on luxuries such as limousines and jet planes. This particular advertisement provoked then-Governor Lawton Chiles (who had remained quiet about the amendments issues thus far) to write a letter to CSJSUT, chastising it for intentionally damaging the reputation of the water management district's employees (Marcus, 1997).

In mailers sent to the homes of Floridians, CSJSUT referred to the proposed sugar tax as a "food tax." The mailer told voters that if the proposed amendment passed, they would wind up paying a tax on a food item - sugar - and would "give the politicians the power to raise property taxes hundreds of millions of dollars" (Citizens to Save Jobs and Stop Unfair

Taxes, 1996, p. 1). The mailer's assertions resulted in a letter from State Attorney Lawson Lamar. He wrote, "It is my strong recommendation that no further misleading materials be distributed to the public and that a statement correcting the misinformation in this document be included in your upcoming campaign mailings or other communications with the public" (Kleindienst, 1997 [on-line]).

According to Barbara Miedema (1997), manager of public relations for the Sugar Cane Growers Cooperative of Florida, the campaign that the sugar industry ran began as a direct response to SOE television advertisements that personally attacked farmers and farming advocates. In addition, every commercial released by the sugar industry was tested before focus groups before it was approved. Miedema said, "During the last stage of the campaign, daily tracking took place so we could react quickly in response to circumstances shaping public opinion. Public opinion research gave us the road map; kept us focused on our goals and on message; and helped measure the campaign's effectiveness" (Miedema, 1997, p. 6).

The sugar industry also distributed a number of press releases geared toward informing the public about the progress the sugar industry had already made toward cleaning up farm runoff. The message conveyed in several of the releases (that phosphorous levels in farm water had been reduced by 68% in just three years of voluntary management practices) was well-received by the mass media. In addition, just two weeks before the election, the start of the sugar harvest was delayed so that almost 2,000 employees could go door-to-door and personally ask communities to vote "no" (U.S. Sugar Corporation, 1997 [on-line]).

Discussion

The interaction between the sugar industry and the Save Our Everglades Committee will serve as a point of reference for Florida's agricultural communicators over the next several years. In many ways, the conflict between the sugar industry and SOE followed behaviors predicted by the literature on public relations and activism. As mentioned earlier, small activist groups are often more effective than larger ones. This was obviously the case concerning the sugar industry — a small activist group was able to present a formidable challenge to an entire industry.

If one compares the Florida sugar tax controversy to L. Grunig's (1992) conclusions about activism, similarities also will become apparent. In this case, activism certainly did have a significant impact on the target organization. If nothing else, one should note that the sugar industry was forced to spend \$24 million in the campaign. In addition, the sugar industry was portrayed to voters as irresponsible stewards of the environment.

This conflict between the sugar industry and SOE followed L. Grunig's conclusion (1992) that disputes between activist groups and organizations tend to revolve around a singular issue. The battle between the sugar industry and SOE can be **boiled down** to whether or not the Florida sugar industry should be held responsible for pollution and if it should be subject to a tax embedded in the state's constitution. This conflict also followed L. Grunig's conclusion that activists and organizations use public relations practitioners to communicate with one another. There is little, if any, evidence that members of the two organizations tried to establish common ground and compromise. Instead, they relied on the products of public relations practitioners, such as press releases and television rebuttals.

The last of L. Grunig's conclusions on activism that can be compared to this conflict is that all of J. Grunig's (1989) models of communication were practiced by the sugar industry. The mailers and television spots can be considered little other than press agency. The press releases are examples of public information. The sugar industry relied heavily on public opinion polls, demonstrating two-way asymmetrical communication; the fact that the research was being used to manipulate the message to achieve desired goals keeps it from being two-way symmetrical. Perhaps the only example of two-way symmetrical public relations practiced by the sugar industry was sending employees into the communities to personally carry its message to the voters and to foster understanding between the industry and the people who would be making the decisions in the voting booths.

One major impact of this conflict is that agriculturists across the state of Florida have become aware of the reality of challenges from environmental activists. This realization has led to a spirit of cooperation among Florida agricultural communicators, because not all commodity groups have the same finan-

cial resources as the sugar industry. The Agriculture Institute of Florida, a group of professional agricultural communicators representing various aspects of Florida's agricultural industry, meets frequently to share issues and strategies, such as responding collaboratively to activist groups.

The Florida sugar industry has already publicly acknowledged its commitment to support other segments of the agriculture industry if they are faced with similar challenges from activist groups. The sugar industry and, perhaps, the whole of Florida agriculture, were forced to view themselves through the public's eyes. One U.S. Sugar Corporation representative said, "They almost got us. They'll get citrus or tomatoes or some other commodity if we don't stand together... If we don't all stand up and come to whatever commodity is the next one to be singled out, we're going to lose one sooner or later" (Garner, 1997, p. 6).

Further research should be conducted to examine exactly what did and did not work, in terms of public relations and communications strategies, during the campaign. A content analysis of the television spots and mailers would be a good first step in determining exactly what was and was not effective. It also would be useful to know what impact the sugar tax controversy has had on Florida voters' opinions of both agriculture and environmental activism.

Keywords

Environment, Public Relations, Crisis Communications, Activism

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