DEALING WITH AN ANGRY PUBLIC

The Mutual Gains Approach to Resolving Disputes

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Why Is the Public Angry?

The public can get angry about all kinds of things. After the *Exxon Valdez* spill, thousands of Exxon customers mailed their plastic credit cards back to company chairman Lawrence G. Rawl. The Indian government, incited by enraged advocates of the thousands left alive but still suffering in Bhopal, unsuccessfully attempted to extradite Union Carbides chairman Warren Anderson to be tried for murder. After a Pittsburgh surgeon transplanted a baboon liver into a dying man, protesters gathered around his house to chant, "Animals are not spare parts!" When a state agency in Massachusetts decided to hold a controlled deer hunt to help protect the forest that surrounds Bostons drinking water reservoir, protesters camped out at the edge of the forest with signs exclaiming, "Stop the slaughter!" After the hunt, one protester wrote to the local paper, "Left on those rocks was the innocent heart of a once-living, breathing, feeling creature whose only sin was survival."

What Is Anger?

Anger takes many forms and arises from many different circumstances. Anger is fists thrust into the air, yelling, screaming, and in its extreme, physical violence. Anger can take the form of political expression—picket signs, petitions, and get-out-the-vote campaigns. Modern-day "tar and feathering" such as editorials, paid advertising, and 60 Minutes exposes are all means of expressing anger, as are "tea partying," when consumers say "Hell, no!" through boycotts of gasoline, tuna, and even travel to states which pass laws that some people find offensive. Anger can take many forms, but what is it? What causes it?

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The American Heritage Dictionary defines anger as "a strong feeling of displeasure or hostility." The Webster's New International Dictionary adds that anger suggests "no definite degree of intensity." Thus, anger might be slight displeasure or out-of-control rage. Anger may be wrath seeking punishment, or indignation provoked by something mean or offensive.

A working definition of anger that we find helpful builds on these standard definitions, but adopts a more psychologically-nuanced perspective. We believe that anger is a defensive response to pain or the threat of pain, real or perceived. Much as a mother bear will attack a hiker crossing between her and her cub, individuals, perceiving themselves or those they love to be in danger, rear up and fight. To the hiker, walking innocently through the woods, a ton of charging fur and muscle is terrifying. For the bear, though, the hiker is no less threatening. While the hiker views the bear's charge as purely offensive (and deadly), the bear is motivated by fear.

Of course, human motives are even more complex. The form, cause, and use of anger is as complicated and unpredictable as any human behavior. We do not want to rule out the possibility that anger can be used strategically and consciously to build or maintain power. However, in the many public disputes that we have studied, anger seems most of all to be a natural human response to pain or the threat of pain.

Why Are People Angry?

We have identified at least six types of anger that are typically displayed in public disputes. People who are already hurt often express anger out of frustration with wrongs that cannot be righted. People who suspect they will be hurt in the future arc driven in part by fear, which easily takes the form of anticipatory anger. At least one type of anger, on the other hand, does not grow out of physical or other types of pain already incurred or clearly perceived. Indignant, self-righteous anger arises when fundamental values and beliefs, and not simply life and limb, are challenged or threatened. People will fight, sometimes to the death, for the beliefs that give meaning to their lives.

Thus, we see three basic circumstances when anger is likely to arise— when people have been hurt, when they feel threatened by risks not of their own making, or when they believe that their fundamental beliefs are being challenged. In each of these circumstances anger can be compounded by related factors. For example, when people feel weak in the face of others who

are more powerful, their anger is increased. When people feel they have not been treated fairly, or with respect, their anger multiplies. If they have been manipulated, trivialized, ignored or, worse still, lied to, the initial source of their anger may be less important than their sense of unfairness. People are angry in these situations not only because someone lied to them, but also because they feel duped or fooled. Lastly, anger may be part of a carefully thought-out strategic plan aimed at manipulating the reactions of others. Public displays of anger can be an effective means of "rallying the troops," altering the perceptions that others have of us, or bullying others into accepting our demands.

While these categories are useful for analysis, we want to stress that many, if not most, real-life events involve a combination of circumstances. A confrontation that may seem to be about risk, is—at another level—a conflict over values. Anger that takes the form of moral outrage might actually be a defensive response triggered by fear. While the case studies we present focus on only one type of anger at a time, in almost all circumstances it should be obvious that events and explanations are interconnected. Our intention is not to develop rigid categorizations for describing public anger, but rather to show how the six principles of the mutual-gains approach can and should be applied differently in different sets of circumstances.

Rational and Irrational Anger

Many commentators cannot avoid the temptation to add still another distinction among types of anger. They want to differentiate between rational and irrational anger. During the many seminars for top-level executives and government officials, almost always at least one participant will come to the podium and ask, "But what do I when I'm dealing with really crazy people? How do I deal with people who rant and rave, throw themselves in front of bulldozers, and chain themselves to trees?" While some anger is accepted as rational and normal, some is seen as irrational and abnormal.

Some kinds of anger seem to make sense. If your child were hurt in an industrial accident, you would have a right to be angry. In fact, when people don't display a kind of rage at extreme circumstance, others think they are "not normal." In the 1988 presidential debate, Michael Dukakis was asked, if his wife were raped and murdered, would he favor the death penalty? A distasteful question, indeed, but the candidate's response drew even wider criticism. "No, I don't," Dukakis calmly replied, moving quickly to a

discussion of the war on drugs.² The press and the public were horrified that a presidential candidate would approach such a terrible situation with so little emotion and so little outrage. Dukakis's answer left one pundit to exclaim: "Well, he became—at least the presence there seemed to be a man half-formed—a big, cold brain and no heart." J

Yet other kinds of anger are often met with disbelief. A Cambridge, Massachusetts man recently went on a hunger strike to protest the local cable television station s lack of a Portuguese-language channel. In November of 1993, a Minneapolis meat wholesaler's trucks were firebombed by animal-rights extremists, causing \$100,000 in damage. To most people, such behavior seems radical and extreme.

During the Cold War, protesters of the U.S. military build-up judged the seemingly rational discussions about the "missile gap" between the former Soviet Union and the U.S. to be irrational and self-destructive. In fact, many academics pointed out the faulty logic of such thinking. If each side believed it had to close the gap, the end result could only be mutual proliferation of deadly nuclear weapons. To these opponents, the "missile gap" was insanity masquerading as cold, calculating reason. But for at least some strategists promoting the build-up of weapons, "mutually assured destruction" was a powerful means of avoiding nuclear war. Proponents of "closing the gap" believed that the chances that either side would use nuclear weapons were extremely small. In the eyes of these strategists, the protesters were caught up in an uninformed and emotional reaction to a strategic action with a clear rationale and a high likelihood of success. Who was right?

We argue this: It simply doesn't matter whether you think that someone else's anger is rational or irrational. Someone else's behavior may appear bizarre to you, but from where they are standing, "zealots" see their outrage as quite logical and rational. The young woman tying herself to a tree may be acting in the way that she thinks is most likely to attract the attention of the press. She may sincerely believe that unless she takes this action, the things she loves—trees, forest, and animals—will surely die. Others, compelled by circumstances and motivations not easily understood by the rest of us, may appear irrational. Yet, it is almost always a mistake to treat someone else's anger as irrational.

The problem lies in how we perceive the actions of others in relation to our own. Lee Ross, a social psychologist at Stanford University, points out that most people operate from a position of "naive realism." This perspective is rooted in the belief that we are able to interpret reality objectively, and

that our social attitudes, beliefs, preferences, and priorities are rational, unemotional, and unbiased. Consequently, because of, and in order to maintain this belief, when others disagree with us, we must assume one of three things. We assume our opponents were exposed to or had access to limited information. That is, we know something they don't. Second, we may decide that our opponents are simply biased due to mistaken beliefs, ideology, or self-interest. For example, "They are misinterpreting the facts because they are liberals. Of course they cannot understand!" If these two explanations don't fit, we must assume that our opponents are too irrational to arrive at the proper conclusions given the evidence at hand. We conclude that they are not only biased, but perhaps unstable as well. They must be divorced from reality or else they would see things as we do.

Dale Griffin and Lee Ross illustrate the problems of naive realism through a study undertaken by Elizabeth Newton, a doctoral candidate at Stanford University. In her study, the subjects were given two roles, as either tappers or listeners. The tappers were given 25 well-known songs and asked to tap out the song to a listener sitting across from them at the table. In addition, the tapper was asked to estimate the percentage of her peers likely to succeed at the task. The listener was asked to identify the tune. The study then compared the tappers' estimates with the actual success rate of the listeners. While tappers estimated, on average, that the song would be identified 50 percent of the time, the listeners only succeeded in three out of 120 times, or less than 3 percent! The tapper, the melody clear and plain in her head, could not identify with the kind of information the listener actually received. The tapper, secure in her knowledge of both the tune and her ability to convey it, had failed to account for the very different stimuli the listener would receive. "It's obvious!" the tapper would exclaim with great frustration. "No. You are making a series of random taps without any melody," the listener might reply. Griffin and Ross conclude, "Issues look different to opposing partisans, who think their own perceptions and emotional reactions—are the only 'natural' ones."*

The dangers of labeling your opponents as "irrational" are substantial. First, by discounting their behavior as irrational you may shore up your own self-confidence, you may also limit your ability to absorb new information. For example, the "other side" may have additional insights that could aid both of you in bringing the dispute to a close. But you must remain open to hearing and considering what they have to say for the information to be of any use. Second, you may discount plausible arguments or evidence

that require you to change your mind. The "trap" of the self-fulfilling prophecy (i.e., what you hear and see are what you expect to hear and see because you ignore or discount everything else) is very dangerous. Keep telling yourself that you are not necessarily more likely than they are to fully grasp the full complexity of the situation or to draw the proper inferences from the facts at hand. Third, by starting down the path of defining anger as irrational, you are more likely to exacerbate "irrational" anger by asserting and arguing that you are the only one who is rational. The more rational you attempt to be, the more likely you are to provoke the other side. By attributing other people's anger to insanity or maladjustment, you will undermine your own attempts to deal with an angry public.

Thus, we argue, it is not helpful to distinguish between rational and irrational, justified or unjustified, appropriate or inappropriate anger. Our definition is: Anger is a response to pain or threat of pain, real or perceived. Whether or not it seems rational to us does not matter. Even though we may not understand (or agree with) the reasons for someone else's anger, and even though we may be certain that we have not injured anyone or threatened to injure anyone, angry people believe that they are, will be, or have been threatened. This is what is important: If people believe they are threatened or think you have hurt them, whether you have or not, they will instinctively react in anger.

We believe that there are many advantages to employing our definition of anger. First, rather that writing off someone else's behavior to "emotion," "hysteria," or "nerves," we will immediately focus on finding the causes or perceived threats that underlie their anger. This underscores the need for problem-solving. Second, by assuming that anger is legitimate, we force ourselves to emphasize the concerns of the other side, rather than devaluing or downplaying them. We believe that acknowledging the concerns of others offers many advantages that we will detail later. Third, by viewing anger as defensive, rather than as offensive, we are more inclined to look for ways of easing people's pain. This will forestall counterproductive actions on our part that escalate rather than deescalate conflict.

Typical Responses to an Angry Public

What are the conventional responses to the six different kinds of anger we have enumerated? We will illustrate them, with brief vignettes that highlight the advantages and disadvantages of the conventional response to public

The Mutual-Gains Approach

hen the citizens of Jacksonville, Arkansas, expressed grave concerns about the risks of living near a toxic waste site, they were told, "Don't worry, there's a risk to everything." When Cree leaders challenged the proposed Great Whale hydroelectric project, the Premier of Quebec replied, "Seven million Quebecers cannot be wrong." A noted public-relations firm advised Clorox to avoid any debate on the scientific merits of chlorine safety because the public would be "too emotional." Clearly, many companies and many governmental agencies are going about public relations in the wrong way. They only make matters worse when they try to convince concerned citizens "not to worry" or explain to the minority that the majority is right. They certainly do not help their cause when they refuse to interact directly with the groups that are angry about what they have done, might do, or seem to stand for.

The Mutual-Gains Approach: Six Principles

In lieu of the conventional approach, we offer the *mutual-gains approach*— six simple guidelines that provide a framework for dealing more effectively with an angry public:

- Acknowledge the concerns of the other side.
- Encourage joint fact finding.
 - Offer contingent commitments to minimize impacts if they do occur; promise to compensate knowable but unintended impacts.
- Accept responsibility, admit mistakes, and share power.

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- · Act in a trustworthy fashion at all times.
- Focus on building long-term relationships.

These six principles sound remarkably simple, and at First blush they are. When we review, however, the way they translate into concrete actions, it will be clear that they reflect a profound shift: from traditional ways of doing business.

When companies and agencies are pitted against opponents in painful and protracted conflicts, or when an adversary has been demonized or ridiculed as a "money-grubbing capitalist pig" or a "ecofascist femi-Nazi," it becomes almost impossible to listen to, let alone acknowledge, that group's concerns. Yet the group being challenged must follow the first principle: *Try to look at the issue from the standpoint of others*. Indeed, it is only by taking a step back from one's own interests, and "walking a mile in the other side's shoes," that underlying interests (as opposed to positions) can be identified. In the words of negotiation theory, the players will be stuck in a zero-sum bargaining game—where the only common ground is the need to perpetuate the conflict—if they fail to appreciate the needs and concerns of the contending stakeholders. As Max Bazerman and Margaret Neal conclude in their book *Negotiating Rationally*, "In a negotiation, if each side understands and can explain the viewpoint of the other, it increases the likelihood of reaching a negotiated resolution."

The second principle also seems quite straightforward: *Encourage joint fact-finding*. In other words, try to generate information that is believable to both sides. For parties used to operating in the traditional mode, this can be worrisome. Attorneys, in particular, spend a lot of time advising clients not to release information that might be damaging. Dow Corning spent at least fifteen years and countless dollars to keep the evidence in damning lawsuits from escaping the confines of the courtroom. Business innovators do not want to let proprietary information enter the public domain; their competitors might use it to undercut them.

On the other hand, decision-makers want to have the best possible information to be certain they are making wise decisions. But the "best possible" information might not be the most convincing. In fact, it might be counterproductive to share information, if the "other side" is going to reject the content because of the source. Thus, decision-makers must decide what information others will find compelling. What should they share? What should they not reveal? What should be left for others to discover on their own?

Information gathered, analyzed, modeled, and carefully packaged behind closed doors may have no credibility when it appears, even if it is quite accurate. The answer is to open the doors wide and pursue fact-finding together. This means gathering data, analyzing data, and drawing conclusions together. This is a frightening proposition for someone who wants desperately to control the outcome. But in a world of a skeptical public, ready with instant expertise and a ready conspiracy theory, joint fact-finding is far more likely to lead to believable findings.

The third principle states: Offer contingent commitments to minimize impacts if they do occur; and promise to compensate unintended but knowable effects. It does make sense to minimize impacts up front, when they occur, rather than to wait and to pay a premium later. For example, we, the authors, were involved with a dispute that arose when a regional hospital decided to relocate to a different neighborhood. The abutters at the new site complained, "With all the traffic and the noise of ambulances, our property values will be reduced." Under most circumstances, the hospital would have answered either, "It's not our problem, we have the permits we need to move," or, "Don't worry, property values won't be affected." The right answer would have been for the hospital to encourage residents within an agreed-upon perimeter to file credible home appraisals well before they planned to sell. Homeowners could then file these appraisals at a local bank. The hospital would establish an escrow account. If a landowner sold any time within five to ten years after the hospital was built, and if they didn't realize the appraised cost of their property plus cost-of-living increases reflecting the changes in economic conditions in the area, the escrow account could be tapped to cover the difference. Such an offer of property value insurance would have settled the debate about what would or would not occur in the future. Up-front contingent commitments ensure those at risk that they are "held harmless." Such commitments do require corporate and government actors to put their money where their collective mouths are. If a company or an agency promises that something will not happen, or cannot happen, they should stand behind that promise with a contingent offer of compensation.

The fourth point is also quite succinct: Accept responsibility, admit mistakes, and share power. Consider the story of the hospital once again. The hospital's initial proposal for a new structure called for a very large facility, with an estimated price tag of \$120 million for 120 beds. After a state regulatory agency urged the hospital to initiate a public advisory process and

reconsider its proposal, a revised \$70-million, 90-bed facility emerged. More importantly, the new, smaller structure more closely reflected the rapidly changing and competitive health-care market, which assumed shorter stays, more emphasis on ambulatory care, and increased reliance on a network of home-based and community-based services. The initial proposal would probably have been a financial failure. The community felt that it had saved the hospital \$50 million in capital costs, not to mention continuous operating losses, through its opposition to the original proposal. But when the hospital leadership had the chance to thank the community for helping to come up with something smaller and more attuned to both local circumstances and the broader health-care market, they couldn't bring themselves to do it. They were smarting from the state's rejection of their initial proposal. Moreover, they resented being forced to sit side by side with their critics and "being told what to do by nonexperts" (even though that's not what happened). The goodwill the hospital could have bought by graciously admitting that their initial proposal was not nearly as good as the one that emerged from the public advisory process, was enormous. The positive effect that a simple "Thanks" would have had on hospital-community relations evaded the grasp of the public-relations professionals hired by the hospital. The hospital administrators found sharing power, even though they retained the final authority to decide, totally distasteful.

The fifth point is closely related to the previous point: Act in a trustworthy fashion. The concept of trust is elusive. What is it? How can it be created? Docs it differ from situation to situation, or culture to culture? While the debate surrounding the concept of trust continues, we think the mechanics of trust-building arc relatively straightforward. Trust, or the lack of it, relates primarily to expectations. Thus, to inspire trust one must shape expectations; or, to put it as simply as possible, we must "say what we mean and mean what we say" if we want to hold on to the trust we have or build more. If we camouflage our intentions, sugarcoat the truth, or spin the story to make it "sound better," we are not saying what we mean. This is not to say that subtlety and sophistication in communication are not important. Rather, the authors put the highest priority on the age-old maxim: "Honesty is the best policy." It is also crucial to mean what we say; that is, we should never make promises we do not intend to keep. Nor should we ask for commitments we know that others will be unable to honor. Not only are reputations ruined by exaggerations and misstatements that must be retracted or contradicted later on, but trust, once lost, is almost impossible to regain.

Despite the difficulties that many American managers have in accepting these five ideas, the last is harder still: Focus on building long-term relationships. With the emphasis on quarterly reports, annual shareholder meetings, short-term stock market fluctuations, shifts in monthly cost-ofliving and balance-of-trade reports, and the latest opinion polls, top managers in both the public and private sector seem utterly unable to look beyond their immediate situations. Indeed, there are tremendous incentives, especially in an increasingly decentralized, international, and competitive marketplace, to ignore long-term relationships. But, as companies like Saturn (the automaker) are finding out, tending to the long-term needs of customers • actually pays off. While the costs of not paying attention to long-term relationships may not, in the short term, be obvious, over time disgruntled customers, frustrated constituents, and an angry public can and will buy elsewhere. Consumers sent such a message to Detroit automakers in the 1970s, as did the voters in the 1992 presidential election. If you care about your reputation, if you care about your credibility, if you want to affect the bottom line two years from now, focus on building long-term relationships.

There they are: the six principles of the mutual-gains approach. Now that we have pointed out just how hard they might be to implement, we have to make a convincing case that they can be put into practice. The remaining portion of this chapter examines a composite case study, combining the details of a number of real life cases under the title of "The Old Plastics Factory." This case is meant to animate the six principles and to contrast the differences, not just in theoretical terms but in practice, between the conventional wisdom and the mutual-gains approach. This case has been used to teach the mutual-gains approach to over fifteen hundred high-level public- and private-sector managers and executives over the past several years.

Practitioners sometimes choose to adopt bits and pieces of this approach, but the authors advocate using the total mutual-gains approach as a comprehensive strategy for dealing with an angry public. Each of its six points is related to and informs the others. Together, they comprise a principled approach. Abiding by some but not all of the principles may undermine their overall effectiveness. Discounting one principle or another will likely lead to actions that contradict one another and exacerbate, rather than adequately address, the publics anger. In short, this approach is best understood as more than the sum of its parts. Of course, blindly marching ahead with a short set of instructions, without taking account of the uniqueness of each situation,

will surely cause even more problems. Thus, the six principles must be used to guide and inform experienced judgment, and not merely serve as a cookie cutter to be applied to the raw material of any and every dispute.

The Old Plastics Factory

Background

Halcyon Chemical Company, a multinational firm, purchased a plastics manufacturing plant in 1979 with every intention of operating it. However, with the recession of the early 1980s, demand decreased for the plastic valves the plant produced. Furthermore, advances in carbon fibers soon made the heavier and less sturdy plastic valves obsolete. After mothballing the plant and carrying the financial liability for two years, Halcyon sold the facility to a developer, Marvin Associates. As the real-estate market heated up, this developer razed the plant in the hope of selling the land. With a bustling new business center, including high-technology companies, forming at the intersection of two major freeways, Marvin decided to build a shopping mall to serve both the daytime workers in the business center and the many residents of the surrounding towns.

In 1990, Marvin's attorneys contacted Halcyons legal department. In the final phases of construction, during work on a corner of the parcel, the construction crews uncovered various kinds of waste containers filled with toxic waste. While the wastes were known to be on the EPA's list of toxic contaminants, the extent of the leakage into the surrounding environment and the potential risks to businesses and residents remained unknown. The chief counsel of Halcyon informed her C.E.O. that the company might attempt to release itself from any liability as a potentially responsible party under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) given the short period that Halcyon had owned the property as well as the terms of the sale to Marvin. But, as likely, the strict-and-joint-liability clause of the federal act would lead to a lengthy legal battle. After calls to several other companies that had found themselves in similar situations, and after hearing about the protracted litigation and costs involved, Halcyon decided to take responsibility for the clean-up.

Halcyon contacted Marvin Associates. After almost a year of negotiation and failed efforts to bring the former and bankrupt owners of the original