



Crossing the Line?

By Bud Ward

Bud Ward, a Washington, D.C.-based journalist, writes on news media and environmental issues.

Years ago John Stossel was the scourge of U.S. corporations when he worked as a TV consumer reporter.

More recently Stossel, a correspondent for ABC's "20/20," has been winning an ardent following in those same circles – particularly after his "20/20" special, "Are We Scaring Ourselves to Death?" aired last April. The hour-long show suggested that federal environmental, health and safety regulations are misguided – a position that many conservative and industry groups embrace.

Last fall Stossel advanced his free market philosophy in speeches before some of these groups, an apparent violation of an ABC policy prohibiting editorial staff from advocating positions on controversial issues.

Speaking at a November 30, 1994, meeting of the American Industrial Health Council (AIHC), a Washington, D.C.-based trade association, Stossel said the market, rather than regulators, is best able to protect public health and safety.

Federal health and safety regulations "don't make life safer," he said. "They make life less safe." But neither the media nor central planners will agree, he said, because their "ideology is that we must protect Americans from ourselves."

While commending the Food and Drug Administration for banning Thalidomide, a drug linked to birth defects, Stossel said, "Is [the FDA] worth it? I don't think so. What's the alternative? Not having FDA? I would argue: 'Yes.'"

After his AIHC speech, for which the group paid \$11,000, Stossel appeared for free at a screening of his October 1994 anti-social welfare special, "The Blame Game: Are We a Country of Victims?" at the Cato Institute, a libertarian organization.

Stossel spoke to at least two other pro-free market groups earlier that month. On the evening of November 16, 1994, he appeared at the conservative Heartland Institute think tank's 10th anniversary dinner in Chicago. Earlier in the day he gave the luncheon address at a Washington, D.C., symposium, sponsored by the American Council for Capital Formation, on the news media's influence on environmental regulations.

Stossel says he didn't charge the Heartland Institute but received between \$2,000 and \$10,000 for the luncheon speech. He declines to be more specific.

ABC guidelines clearly state that editorial staff members must "take particular care to avoid being identified with various sides of controversial issues," says Director of News Practices Lisa Heiden, reading from an ABC policy paper. The paper stipulates that staffers crossing that line "may be reassigned."

Teri Everett, ABC's director of news media relations, says Stossel's call for shutting down the FDA and other federal agencies "does not directly violate any ABC policy because it's not a matter of current controversy. If abolishing those agencies became a matter of public controversy, we would ask him not to express an opinion."

However, according to a December 12, 1994, story in the Wall Street Journal, incoming House Speaker Newt Gingrich and conservative think tanks are working on plans to replace the FDA and privatize some of its functions.

In any case, Bob Steele, ethics program director at the Poynter Institute for Media Studies, says giving speeches to and accepting honoraria from groups with a particular agenda "certainly raises some questions. It's the *perception* of conflict of interest that causes the real problem."

Likewise, Los Angeles Times media writer David Shaw, whose three-part series in September, "Living Scared: Why Do the Media Make Life Seem So Risky?" praised Stossel's April news special, says a journalist's credibility is called into question "if he's doing a significant number of these [speeches], and always on one side of the issue."

Last summer ABC News was the focus of conflict of interest questions. In the wake of embarrassing revelations about astronomical speaking fees paid to ABC correspondents Sam Donaldson and Cokie Roberts (see "Talk is Expensive," May 1994), network officials announced a ban on honoraria for speaking to for-profit businesses and trade associations that was to go into effect January 1.

According to Heiden, the new policy will continue to allow "reasonable and proper expenses" to be paid. She also says ABC will allow staffers to accept fees for speeches that were made before the end of 1994.

Although Stossel will not specify exactly what he was paid for his November 16, 1994, speech at a Washington symposium, he has been quoted as saying he supports the idea that journalists should fully disclose speaking fees. "People should scrutinize us the way we scrutinize them," he said in an October 18, 1994, column by Chicago Tribune Washington Bureau Chief James Warren. "We have power, and people should make intelligent decisions on whether other people corrupt us." He told Warren that he's invited to speak frequently and that a few times a year he'll accept a "gargantuan fee" of just over \$20,000.

Stossel says questions about his credibility come up primarily because "I happen to be the only one who does not hound the liberal agenda" of big government. Seeing no distinction between what he reports and what he says from the speaker's podium, he says, "I take positions of public controversy on the air."