

Businesses cannot pretend to be apolitical | Column

Instead of punishing companies that support voting rights, environmental protection and LGBTQ safeguards, the Republican Party should demonstrate how their policies toward corporate America could produce a force for good.



Nelson Mandela spent decades fighting South Africa's official policy of apartheid. That fight led to him being imprisoned for 27 years. In 1994, he was inaugurated South Africa's first president elected by all races.

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American businesses cannot avoid moral responsibility for our nation's critical human rights issues. Corporations cannot avoid politics. For example, in the 19th century, the abolition of slavery was the most pressing human rights issue confronting America. Companies were forced to take a stand on this issue.

Silence was equal to support for the status quo that was dehumanizing and brutalizing Black Americans. Unfortunately, many Northern businessmen believed that losing their trade with the South would create economic hardship. To protect their profits, these companies either remained silent or opposed the abolition movement. These corporate actions helped to perpetuate sickening levels of violence and brutality toward Black Americans.

In the 20th century, the struggle to end apartheid in South Africa was one of the most central human rights issues of the time. Apartheid, the policy of racial segregation, was practiced in South Africa from 1948-1991. Under this system whites maintained political and economic power over the far more numerous Black population through brutal force and obscene levels of violence. Global companies could not avoid politics in their decisions on whether to participate in the South African economy. Apartheid survived so long due to the wide external support and corporate investments the racist government received from foreign countries.

In the 21st century, among the central moral/ethical issues of our time are protecting voting rights and democracy, combating climate change and safeguarding LGBTQ rights. All businesses in America have moral duties in regard to these critical human rights issues. Politics infuses action and inaction. To speak out or not to speak out, to act or not act, has ramifications on society. Businesses cannot pretend to be apolitical.

The Republican Party has demonized many companies that try to act morally on these issues. Examine the Republican reaction to corporate statements regarding voting rights, climate change and LGBTQ protections.

Voting Rights: After pushing through one of the largest corporate tax cuts in history, then-Senate Majority Leader Mitch McConnell in 2017 threatened companies with a message: "My warning to corporate America is to stay out of politics." This anti-corporate stance from McConnell and other Republicans was in response to Delta, Major League Baseball, Coca Cola and other companies criticizing restrictive state voting laws passed in Georgia. Republicans threatened to punish Delta by repealing a state tax credit for jet fuel. Florida Sen. Marco Rubio was particularly incensed: "Why are we still listening to these woke corporate hypocrites?" These Republicans were upset that these companies pursued policies counter to the far-right agenda. McConnell's hypocrisy was explicit when he qualified his statement that corporations should "stay out of politics" by remarking that "I'm not talking about political contributions."

Climate Change: Republican lawmakers seek to punish companies that act to reduce greenhouse gases that lead to global warming. Fifteen states are promoting legislation based on a new Texas law that bars the state's retirement and investment funds from doing business with companies that boycott fossil fuels. Officials in Utah and Idaho berated a major ratings agency for considering environmental risks when assessing the states' creditworthiness. In January 2022 the West Virginia state treasurer, Riley Moore, pulled about \$20 million out of a fund managed by BlackRock because the firm had encouraged companies to reduce greenhouse gas emissions.

LGBTQ Protections: And, as has been widely discussed, when the Walt Disney Co. spoke up in support of its LGBTQ employees and opposed the Florida "don't say gay" law, the reaction among right-wing Republicans was immediate and fierce. The Florida Legislature voted to strip Disney of its special governance structure that it had operated under since 1967.

An alternative approach to corporate social responsibility has been established at the United Nations. More than 15,000 companies based in more than 160 countries representing nearly every sector and size have joined the United Nations Global Compact, described as the world's largest corporate sustainability initiative. Eight hundred and eighty-five U.S. companies have joined the U.N. Global Compact, including W.R. Grace & Co., GoDaddy Inc, Bayer USA, Dell Technologies, Enersys, Avis, LG Electronics and Nike Inc.

Through this U.N. program, companies commit themselves to align their operations with 10 key human rights principles. Participating companies agree to support and respect the protection of all internationally proclaimed human rights, fight human rights abuses, uphold collective bargaining, eliminate discrimination, uphold a precautionary approach to environmental challenges, undertake initiatives to promote greater environmental responsibility and fight corruption, including extortion and bribery. The strategic action plans of these companies to achieve these societal goals are posted on-line.

The actions or inactions of American businesses either help or harm our society. The U.N. argues that through their Global Compact business can be "a force for good." Instead of punishing companies that support voting rights, environmental protection and LGBTQ safeguards, the Republican Party should demonstrate how their policies toward corporate America could produce "a force for good."

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