

DEALBOOK NEWSLETTER

How Corporate America Has Changed After the Capitol Attack

Business leaders promised a reckoning after the Jan. 6 riots. They've altered some practices, and returned to others.

How Corporate America Has Changed After the Capitol Riot - The New York Times (nytimes.com)

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In response to the riot, corporate America has changed some practices in the past year — and returned to others.Credit...Leah Millis/Reuters

One year later

On this morning a year ago, we did not know just how fragile American democracy would prove to be. The U.S. Capitol would soon become an <u>unimaginable scene</u>: A deadly riot by a mob encouraged by President Donald Trump and other Republicans objecting to their loss in the 2020 presidential election and seeking to overturn the result.

This shocking event forced a reckoning for businesses. Companies were called to task for their political lobbying and spending, having directly and indirectly supported candidates and groups that opposed certifying the election. Many business leaders committed to changing their policies. A month after the riot, we asked whether this would prove a <u>turning point or a momentary blip</u>. A year later, here's what has and hasn't changed.

Companies continued giving to lawmakers who tried to discredit the

election. Promises to stop or pause funding to the 147 members of Congress who opposed certification did not always hold. Companies that made initial commitments have since donated nearly \$2.4 million directly to these lawmakers' political campaigns and leadership PACs, according to <u>Citizens for Responsibility and Ethics in Washington</u>.

Overall, since the riot, more than 700 corporations and trade groups have given \$18 million to groups that benefit those lawmakers, including the national Republican committees for the Senate and House. A handful of major companies, including American Express and Microsoft, have affirmed that they <u>will not donate any money to the election objectors</u> this year.

A push for more information about corporate political activity gained

momentum. Last year, public company shareholders, including major institutional investors, approved more proposals than ever before asking for disclosure of company political spending, <u>the Center for Political Accountability found</u>. Companies also made oversight of donations a priority for directors, where previously middle management often handled such matters.

Corporate leaders took a stand on voting rights. In March, more than 70 Black executives <u>called on corporations</u> to oppose legislation that restricts voting in response to the swift passage of a Georgia law limiting ballot access, one of many such bills introduced by Republican state lawmakers. In April, <u>hundreds of companies</u> signed a statement in support of ballot access. (There were <u>notable holdouts</u> who wanted to stay above the political fray.) Some business leaders banded together to <u>ask Washington for help</u> in their states, but a national voting rights law has yet to pass.

On this somber anniversary, some business groups have reaffirmed the

<u>commitments</u> they made a year ago to support the legitimacy of elections, stressing that democracy is a "critical foundation for capitalism." Michael Porter, the Harvard Business School professor, said "we are at an inflection point in our nation's democratic history, with unprecedented attacks on voting rights and our electoral system," adding that "protecting our democracy must become a top priority for business and political leaders."