

Stefanik echoed ‘great replacement’ theory. But firms kept donating.

Corporations’ pledges to pursue racial justice clash with their political giving

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As companies pledged support and money to fight racism following George Floyd’s killing in May 2020, Tom Naratil, U.S. president of the financial firm UBS, told his 20,000 workers, “Silence is not an option.”

“We all have a responsibility to call out hate, to stand for what’s right and to turn emotion into constructive action,” Naratil [said](#).

And UBS followed up. It donated more than \$3 million to racial justice groups. It joined an industry push to combat economic disparities based on race.

But UBS Americas also donated \$17,500 to the campaign and political action committees of Rep. Elise Stefanik of New York, the No. 3 House Republican, after she was widely criticized for echoing the white supremacist “great replacement” theory in [campaign advertisements](#) late last year. UBS declined to comment.

Stefanik’s ads are under renewed scrutiny after a deadly [mass shooting in Buffalo](#), where an 18-year-old shooting suspect was allegedly inspired by the baseless theory — about people of color replacing White people — to kill 10 people at a supermarket in a predominantly Black neighborhood.

But Stefanik is not a fringe political candidate that companies could easily decide to avoid. She has emerged as a rising star in the Republican Party who could have a leading voice in House leadership if the GOP wins control of the House in the midterm elections. Companies have treated her as such.

UBS was one of 22 large U.S. companies with racial justice pledges that continued donating money to Stefanik after her controversial ads, according to a Washington Post analysis. These companies, including Anheuser Busch and Walgreens, made vocal pledges to use their resources to combat racism while at the same time bankrolling a politician with a message widely seen as racist, illustrating a thorny contradiction for corporate America as companies seek to exert influence while following ethical principles.

A top executive at Walgreen's parent company, Walgreens Boots Alliance, wrote an open letter in 2020 on racial injustice, saying, "This must be the time we change." The firm then gave \$2,500 to one of Stefanik's political action committees on Dec. 15. Raytheon donated \$8,500 to Stefanik's campaigns. The defense contractor also promised after Floyd's death to give \$25 million over five years to support racial justice, empowerment and career readiness.

"When a company gives to an elected official, they are associated with what that official stands for — good or bad," said Bruce Freed, president of the nonprofit Center for Political Accountability. "They can't say we are for that, but against that."

For most companies, this is a new problem. Firms used to think of political contributions as a way to influence public policy. And few people paid attention to details of campaign finance. Now, companies are increasingly expected to take stands on social issues and factor in how their political donations may conflict with publicly expressed views.

It has become even trickier for companies as some members of the Republican Party have embraced the racist belief that White people are being replaced.

Companies could find it difficult to cut checks even to party leaders, such as Stefanik, a rising star in the GOP who might play an even larger role in Congress if the Republicans win a majority in the House in the upcoming midterm elections.

Stefanik has said her campaign ads were about illegal immigration, not white supremacy. She said she's never made a racist comment.

Stefanik's senior campaign adviser Alex deGrasse said criticism of her campaign ad is an "outrageous and wildly untrue smear from Democrats and their sycophant stenographers in the media" and helped Stefanik "raise record money from new donors across the country, helping further build one of the strongest fundraisings lists in the country."

The 22 corporations that made racial justice statements have given a total of more than \$148,000 to Stefanik's three campaign funds in the period between Sept. 22 — a week after her controversial ad last fall — and the latest reporting period that ended March 31, according to a Post tally. That accounted for more than a quarter of Stefanik's corporate PAC donations and about 6 percent of the \$2.4 million she and her PACs have raised since the ad controversy.

The online ads from Stefanik from last September accused Democrats of wanting a "PERMANENT ELECTION INSURRECTION" and an immigration amnesty plan that "will overthrow our current electorate and create a permanent liberal majority in Washington."

The idea that there is a concentrated effort to use non-White immigrants and others to intentionally outnumber whites in America has gained traction in conservative politics. The "great replacement theory" baselessly argues that a shadowy group of leaders is working to displace White Americans.

Companies with racial justice pledges and with PACs that donated at least \$1,000 to three Elise Stefanik committees since Sept. 22, 2021

COMPANY	DONATION ▼
UBS AMERICAS INC	\$17,500
Price Waterhouse Coopers	\$15,000
Charter Communications	\$10,000
Comcast NBC Universal	\$10,000
Home Depot	\$10,000
Raytheon	\$8,500
Boeing	\$7,000
L3 Technologies	\$7,000
Lockheed Martin	\$7,000
Altria Group Inc	\$5,000
Anheuser-Busch Companies	\$5,000
Cox Enterprises	\$5,000
GAP	\$5,000
MICHAEL BEST	\$5,000
UPS	\$5,000
UNUM	\$5,000
Federal Express	\$4,5...
General Motors Co.	\$2,500
International Paper	\$2,500
Pfizer	\$2,500
Walgreens	\$2,500
Centene	\$2,000

Democrats have denounced the racist theory. Republicans have been mostly silent on the topic, with a few exceptions. Republican Rep. Liz Cheney (R-Wyo.), who was replaced last year by Stefanik as conference chair, said this week that House Republican leaders had “enabled white nationalism, white supremacy, and antisemitism.” Cheney called on GOP leaders to “renounce and reject these views and those who hold them.”

None of the nearly two dozen companies contacted by The Post addressed questions about whether they saw a contradiction between their past statements and their political donations to Stefanik.

Companies were not silent after the May 2020 death of George Floyd and the nationwide protests that followed.

Many companies responded with public commitments to racial justice. Corporate officials were frank about the pressure they were receiving from workers and customers to take a stand. They said they felt compelled to go beyond their usual focus on the bottom line. And many of them issued strong commitments to rooting out racism and pressing for change.

Anheuser-Busch InBev said in a statement that the events “brought to light the sadness, pain and frustration felt by many because of long-standing racial inequality and social injustice.” And although it wasn’t part of the huge brewer’s typical mission, chief executive Carlos Brito said the company did have “the ability to use our platform and influence to inspire change.”

Its U.S. arm, Anheuser-Busch, did not respond to a request for comment about its political action committee’s \$5,000 donation on March 31 to E-PAC, Stefanik’s leadership PAC for increasing the number of Republican women in Congress.

Boeing gave \$5,000 to E-PAC at the end of 2021, plus \$2,000 to Elise for Congress earlier this year. Two years earlier, the airplane builder had committed \$10.6 million to racial equity and social justice programs. It did not respond to a request for comment.

Comcast NBC Universal’s PAC donated \$5,000 to E-PAC on Dec. 31 and then \$5,000 on March 31 to Elise for Congress. In 2020, chief executive Brian Roberts said the media giant would spend \$100 million over three years to help fight racism and injustice. Comcast did not respond to The Post’s inquiry.

Clothing company the GAP, which also did not comment, gave \$5,000 to E-PAC on March 31. Its leaders sent a companywide email after Floyd’s death saying, “We’ll use our platform to support and influence work to end racial inequality.”

Some companies responded to The Post’s inquiry by saying their donations were focused on business policy alone.

A Pfizer senior director, Sharon Castillo, said in an email that the company’s “decision to contribute to elected officials is made based on their support of the biopharmaceutical industry and policies that protect innovation incentives and patients’ access to medicines and vaccines.”

General Motors spokesman Pat Morrisey said the automaker has committed \$22 million so far to groups that promote inclusion and racial justice, far beyond the \$10 million originally promised.

GM’s employee-funded PAC, Morrisey said, supports bipartisan lawmakers who “foster sound business policies, support American workers and understand the importance of a robust domestic auto industry as we pursue an all-electric vehicle future.”

But these positions are increasingly untenable today because public expectations of corporate behavior have changed, said Americus Reed, a marketing professor at the University of Pennsylvania’s Wharton School of Finance.

Consumers, especially younger ones, want a company's values to be aligned with their own, Reed said. They are not interested in a company's rationale for giving money to a politician just because it's good for business.

"It's very clear in the research that these kinds of things are tainted almost no matter what," Reed said. "You almost cannot get away with doing this kind of thing."

Eric Dezenhall, a Washington expert in corporate damage control, said he tells companies to be cautious when engaging in fights on social issues. No one used to question whether corporate donations were based on business decisions. Now, that calculation has changed.

"It's dangerous to expect perfect alignment," Dezenhall said. "It's a trap I don't know how companies can escape from."

Public pressure to reevaluate campaign donations surged after the Jan. 6, 2021, insurrection. Dozens of major companies halted giving to the 147 Republicans, including Stefanik, who voted to overturn the presidential election results based on false election-related conspiracy theories.

Other companies said they were rethinking their political donations. And a handful of firms — such as Hewlett-Packard and Charles Schwab — decided to close their PACs.

In the past, one or two companies might respond to a controversy by changing how they donate.

In 2004, pharmaceutical giant Merck was called out for a \$1,000 donation to Mississippi Supreme Court candidate Samac Richardson, who was viewed as business-friendly but ran against same-sex marriage and posted a TV ad in which a White audience was told he's "one of us."

Merck, known as a progressive firm, decided against future contributions in state judicial elections.

But the post-Floyd wave of social justice stands taken by dozens of big corporations promises to complicate future corporate giving.

"This is a moment of reckoning for their election-related spending," Freed said. "As politics changes, and customers and investors pay much closer attention to where a company is spending, the risk is becoming much greater."