Leading Business School and NGO Release Corporate Political Activity Primer to Help Companies Navigate Today's Highly Charged Environment

Wharton Impact, Value, and Sustainable Business Initiative and Center for Political Accountability Detail Risks Companies Face and How to Manage Them

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The Impact, Value, and Sustainable Business Initiative at the Wharton School of the University of Pennsylvania (Wharton Impact) and the nonprofit Center for Political Accountability have jointly published the Wharton Impact-CPA Corporate Political Activity Research Primer, cautioning business leaders that "In today's polarized politics, corporate political donations are in the crosshairs."

Corporate political activity has surged since the U.S. Supreme Court's Citizens United decision in 2010. The primer summarizes research on corporate political activity and underscores rising inherent risk for companies.

"By approaching the issue through the lens of risk and value, companies can protect themselves while also promoting their core values," the primer states. It advises companies to ask themselves six questions before spending, ranging from "Can a strong case be made that the spending advances the corporation's key business objectives?" to "Are corporations that spend generously for political access engaged in a legal form of corruption?"

The primer endorses transparency in corporate political spending and explains how giving to hard-to-track third-party groups "often leads to a loss of control over the ultimate recipient—sometimes resulting in reputational risks if donations support misaligned causes." In addition, it says, "[T]he use of third parties exposes companies to the risk of corruption when administrative or legislative actions benefit a company following political contributions."

To illustrate the scale of such spending, the primer says more than $1 billion has flowed since 2010 from corporations and trade associations to six major political organizations – governors, state attorneys general, and state legislative campaign committees.

The primer also states that "A thriving capitalist system relies on the strength of a healthy democracy," and it quotes experts as warning that "the ongoing erosion of democratic norms and the rule of law poses risks to businesses." Company political spending "may not always fall in line" with the goals of protecting a healthy democracy and the rule of law, it adds.

"To manage these risks," the primer concludes, "companies are encouraged to adopt and adhere to ethical, transparent political engagement practices, with active board oversight and clear internal policies to ensure accountability and alignment with core values."

A key tool it cites is the Framework for Corporate Political Spending [embed link], developed by CPA and the Zicklin Center for Governance and Business Ethics, part of Wharton Impact. This index has been recommended for company consideration by The Conference Board, the nation's leading business research organization.

The primer seeks to inform senior corporate management and boards about a risk factor that may not be getting their full attention. "Is it possible that one of the most critical, timely, and impactful risk factors facing your company has been overlooked?" asks contributing scholar William S. Laufer, Faculty Co-Director of the Zicklin Center, in the introduction.

"The risk companies face from political spending has reached an all-time high. It is hitting Code Red," said contributing scholar Bruce Freed, President of CPA. "At this critical moment, the primer gives companies guidance on approaching and handling their political spending."

The primer is the latest product of the longstanding collaboration between the Zicklin Center and CPA. Together, they annually publish the CPA-Zicklin Index of Corporate Political Disclosure and Accountability. The 2025 Index gave more than 20 percent of S&P 500 firms (112 companies) top scores of 90 percent or above on the accountability measures.

CPA and the Zicklin Center submitted an amicus brief to the Supreme Court in the Citizens United case in 2009, saying, “Corporations are coming to understand that members of the public demand greater transparency from companies that receive their investment and consumer dollars. Disclosure requirements cast light on the risks that secret political spending pose to our economy and our democracy, before they can become scandals that further erode the public trust.”

In June 2026, the Supreme Court affirmed disclosure as a deterrent to corruption in a campaign finance decision, National Republican Senatorial Committee v. Federal Election Commission.

Further questions the primer suggests companies ask before engaging in political spending are the following:

- “Does the spending threaten the company’s reputation or expose it to unnecessary risks?”
- “Does the spending undermine democratic institutions, public trust, and long-term societal stability?”
- “Beyond the law and a range of possible negative consequences, is such spending morally wrong? Is this simply an exploitation of First Amendment protections on corporate speech that firms should resist contributing to?”

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