

# [***Why Corporate America is keeping quiet on abortion***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BTF-2G51-JBSS-S00G-00000-00&context=1516831)

CNN Wire

April 16, 2024 Tuesday 10:00 AM GMT

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**Length:** 1295 words

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**Dateline:** (CNN)

**Body**

New York (CNN) &#8212; Eight years ago, when North Carolina tried regulate how transgender people use public bathrooms, Corporate America revolted.

PayPal scrapped a planned expansion of one of its operations in the state. Musicians canceled performances. And the NCAA said it wouldn't let North Carolina host championships while the law was on the books. All in, the boycott cost the state's economy around $4 billion, according to [*an analysis by the Associated Press*](https://apnews.com/article/e6c7a15d2e16452c8dcbc2756fd67b44), which noted its tally was likely an underestimation.

Lately, though, Corporate America doesn't have the same stomach for a culture war.

Last year, at least [*510 anti-LGBTQ bills*](https://www.cnn.com/politics/anti-lgbtq-plus-state-bill-rights-dg/index.html) were introduced in US state legislatures - a new record, according to the [*American Civil Liberties Union*](https://www.aclu.org/legislative-attacks-on-lgbtq-rights?impact=), and nearly three times the number of such bills introduced in 2022. [*Nearly two dozen states*](https://www.cnn.com/us/abortion-access-restrictions-bans-us-dg/index.html) have either banned or severely curtailed abortion rights since Roe v. Wade was overturned two years ago.

While corporate giants from a range of industries [*pledged to provide support*](https://www.cnn.com/2022/06/24/tech/companies-abortion-reaction/index.html) and financial assistance for employees seeking abortion care, few are wading into that political conversation with the kind of fervor we've seen on other issues in the recent past.

There doesn't appear to be a single, unified theory for why that's the case. Perhaps businesses were willing to take more risks in a zero-interest-rate environment, when their stocks were riding high and customers were unfazed by inflation. Perhaps the payoff of past progressive campaigns proved too costly in a deeply polarized country - no brand wants to be the [*next Bud Light*](https://www.cnn.com/2023/12/29/food/bud-light-year-in-review-future/index.html).

Another possibility: Customers and businesses simply have outrage fatigue, says Cait Lamberton, professor of marketing at the University of Pennsylvania's Wharton School of Business.

"People can only stay enraged for so long," Lamberton told me. "We are actually very good at adapting to psychological discomfort. Very quickly, our rationalization mechanisms kick in, and we are able to find a way to reframe the actions of a brand, or our own actions, in ways that don't create massive internal conflict."

I spoke to Lamberton about the changing winds of corporate activism and the dilemma leaders find themselves in.

The following interview has been edited for length and clarity.

**Nightcap:** There was a real trend, starting around 2016, of companies taking a political or moral stand on cultural fights. But in the past year or so, that seems to have gone out of vogue. What's happening?

**Lamberton:** What we've seen is the natural life cycle of an idea. And that idea is that every brand needs to have a social and ideological purpose.

For at least six years, we saw pretty strong numbers related to people's interest in brand activism.

Consumers wanted not only to have their own personal needs met, but for brands to more generally provide value to society as a whole. But in the last few years, we've seen that position softening.

Since 2016, we've had anger about ***politics***. We've had anger about Ukraine, about abortion rights, the list goes on. And it's not a place where most people can stay for extended periods of time.

**Nightcap:** It felt like we'd come full circle a year ago, when Bud Light angered some folks by partnering with a trans social media influencer. It was such a small, seemingly innocuous ad, but the reaction was enormous. (The brand's parent company Anheuser-Busch said it [*lost about $1 billion in sales*](https://www.cnn.com/2024/02/29/business/bud-light-boycott-ab-inbev-sales/index.html) as a result of the backlash.)

**Lamberton:** I think a few things happened there.

When people get into a room, it's very easy to start thinking that they represent the rest of the world. "Brand purpose" often takes an internal turn, so it comes to be defined by what the employees and the leadership believe in. But if you lose sight of your customer, you can make huge mistakes.

So, I think there was a disconnect there, which isn't to say that all Bud Light drinkers were anti-trans. But there may have been a vocal segment that was going to respond negatively.

The other thing that they did that caused some problems is that they backed off from it. Bud Light took a position that had a cost, and then they immediately ran away when they realized the cost, and that added [*insult to injury.*](https://www.cnn.com/2023/06/29/tech/dylan-mulvaney-bud-light-statement/index.html)

There certainly were ways that aligning with a historically excluded population could benefit the brand. But you can't do it without anticipating the potential effects.

**Nightcap:** So are we just reverting back to the old model of shareholder capitalism, everything focused on the bottom line and steering clear of ***politics***?

**Lamberton:** It depends very much on the kind of brand we're talking about.

Brands are in a difficult position, in some ways. On one hand, they can choose to be an activist about something that won't harm them, and shareholders should like that.

The problem is that when there's no cost, it's not seen as credible. So on the other hand, you can take an activist stance that has a cost, and then some stakeholders are going to be mad at you for doing so.

Brands' hesitation may be quite rational in that they're caught between these two poles - do we do something costless, that will not make any difference? Or do we do something costly and risk creating real damage, not only to our bottom line, but also potentially alienating some of our consumers?

It's not an easy decision to make.

**Nightcap:** When Georgia had restrictive voting bills on the ballot in 2021, a bunch of companies, including [*Coca Cola*](https://www.cnn.com/2021/04/01/business/coca-cola-ceo-georgia-voting-law/index.html) and [*Delta*](https://www.cnn.com/2021/03/31/business/brian-kemp-ed-bastian-delta-georgia-voter-law/index.html), spoke out about it. We haven't seen quite the same pushback in the wake of Roe being overturned last year and all the subsequent abortion bans that have been put in place since.

**Lamberton:** It is probably the biggest issue that divides us, and it is also probably the issue on which corporations feel the least empowered to really make a difference.

There is, I believe, a sense that there isn't a huge payoff to be had from courting public opinion. At the end of the day, the courts are going to make these calls.

Companies may recognize that they don't have as much power as they might in other areas. Corporations directly affect the environment with the products they make. They directly affect pay equity. They can directly affect gun-related issues. But they don't have a direct connection to abortion. The only way that they can do anything is by guaranteeing reproductive [*rights for their employees*](https://www.cnn.com/2022/06/24/tech/companies-abortion-reaction/index.html). Probably the best thing that corporations could do is give people voting day off.

**Nightcap:** Have we seen this play before? Like, what historical precedents do companies have to draw on when it comes to brand activism?

**Lamberton:** You know, there have been many times when corporations have taken strong political and ideological positions. Here in Philadelphia, the most vivid example is Wanamaker's department store (established in 1861).

John Wanamaker was an evangelical Christian who felt that a business' job in the world was to morally uplift people.

The general idea was that this company should be part of the set of forces that shape society. So we have had companies taking ideological positions for a long time. But I do think we're in a slightly different environment now.

Technology has created a high level of transparency about what companies do. People have new ways of connecting and sharing information that didn't previously exist. Politically, we've certainly become more polarized. Economically, we've seen a great deal of volatility just in the last half decade. So it would be very hard to say there's a historical analog that maps onto this context.

**Nightcap:** Right. The Wanamakers didn't need to hire a social media manager.

**Lamberton:** No, they did not worry about being on X.

Analysis by Allison Morrow, CNN

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**Load-Date:** April 16, 2024

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