

Summary **Business Engagement for Democracy Protection**03/2025

Businesses are developing <u>corporate political responsibility</u> initiatives to protect democratic values like electoral integrity, civic participation, and governance. Examples include: the <u>Business & Democracy Initiative</u>, <u>Business for America</u> in the US, or <u>We Stand for Values alliance</u> in Germany. Not just in domestic initiatives, businesses also take part in global efforts to protect different democratic institutions, such as through the <u>UN Global Compact</u>, or funding initiatives like the <u>IFPIM</u>. In addition to principled support for democratic institutions, commercial interests have also motivated businesses in a number of countries to come out against <u>populist trade protectionism</u>, internet shutdowns, or foreign agent laws.

However, businesses' global role in safeguarding democracy still remains underdeveloped. So far, there has been insufficient cross-sectoral collaboration between the private sector and international democracy protection stakeholders. In some contexts, the ecosystem suffers from unproductive conversations in silos, failing to reach out to non-traditional actors. As a remedy, on November 28, 2024, we organized a panel in Berlin titled "Corporate Civic Responsibility for Safeguarding Democracy," which brought together representatives from different sectors and business associations. The insights from these debates have informed our logic of intervention:

- There is a clear value-added to engage businesspeople for democracy protection as non-traditional/emerging actors. As a powerful social group, businesspeople may use market influence to incentivize democratic norms, help bridge business, civil society, and policy domains for democracy protection purposes, and reframe democracy as a business-critical infrastructure by demonstrating the economic benefits of stable democratic systems.
- Engagement with businesspeople requires a new toolkit and framework of conservation.
 Democratic resilience should be packaged as business risk management and democratic stability should
 be highlighted as a necessary condition for good economic performance, as democratic erosion is shown
 to produce higher compliance costs, and increased market uncertainty. A new engagement strategy
 should include business-centric democratic resilience indicators.
- National-level corporate programs may not be enough to counter global-level autocratization trends. To that aim, a unified response would help leverage combined economic influence and coordinated economic pressure on anti-democratic actors with knowledge-sharing and networking mechanisms for CPR programs.

We envision the following activities and outputs:

- A desk review of existing business initiatives and corporate political responsibility programs that support different types of democratic institutions;
- Series of structured, frank, and discreet conversations on democratic resilience in a flagship event that
 brings together business representatives from Europe, the US, and the democracy protection ecosystem
 in a fixed location; creating a loose network of businesses with clear commitments to specific
 democratic institutions, allowing businesspeople to prioritize a specific topic, which makes coordination
 easier and avoids generic pro-democracy statements.
- Case-study-based learning modules including Al-empowered democratic stress test simulations
 targeting businesses, offering insights into how businesses should react to different types of executive
 aggrandizement or incumbent overreach.