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Corporate America's Evolution on L.G.B.T. Rights

BY **RICHARD SOCARIDES**

Twenty years ago, when I was working as a White House special assistant in Bill Clinton's public-liaison office, one of my jobs was to rally support for the President's initiatives. We often focussed on enlisting business leaders, among whom the President had many supporters, thanks in part to the country's robust economy. When I tried, however, to get C.E.O.s to endorse Clinton's gay-rights initiatives, which included expanding protections against employment discrimination and hate crimes, as well as appointing gays to positions requiring confirmation by the U.S. Senate, I got very few takers. Just getting executives to a meeting about gay rights was a challenge, even though they generally liked being invited to the White House. I remember one event, in particular, for which the best we could do was get a producer, who was gay himself, to represent the business community. The entertainment industry was, at the time, the only business that wanted anything to do with gay rights.

I was thinking about that era as I read the amicus [brief](#) submitted to the Supreme Court in support of marriage equality by three hundred and seventy-nine major businesses and business organizations, in connection with four landmark cases that will be [argued before the Court](#) on Tuesday. The brief has been signed by a broad cross-section of American businesses from every region of the country, reflecting the commitment to the issue that has evolved, at first slowly and then forcefully, over the past decade. The brief argues that laws restricting marriage to heterosexual couples "impose a significant burden on us and harm our ability to attract and retain the best employees."

Also recently, we saw companies rally in opposition to a [so-called religious freedom law in Indiana](#), which would permit businesses to discriminate against the L.G.B.T. community under certain circumstances, based on religious beliefs. While that wasn't the first time that this kind of support has been offered—last year, Jan Brewer, who was then Arizona's governor, vetoed a similar measure after the business community objected—corporate leaders have never seemed as unified in opposition as they did in Indiana. On Twitter, Salesforce C.E.O. Marc Benioff wrote, "Today we are canceling all programs that require our customers/employees to travel to Indiana to face discrimination." Angie's List C.E.O. Bill Oesterle halted a planned forty-million-dollar expansion of his company's headquarters, in Indianapolis, saying, "We believe that the impacts of that bill on our ability to hire and continue to build a high-growth technology company are material and are inconsistent with the state's activities to encourage growth." (Oesterle has since stepped down and announced his aim to become more involved in Indiana state politics.) And Marriott C.E.O. Arne Sorenson called the legislation "pure idiocy from a business perspective." The reaction from the business world was considered by many observers to be the primary factor in getting the law revised.

Companies now realize that, beyond the imperative to support human rights, it's also smart business to be in favor of L.G.B.T. equality. This view may have started in Hollywood, but a number of other companies and leaders were also agents of change early on. Technology companies like Apple, Google, and Facebook not only enacted internal employee non-discrimination policies, they often publicly campaigned for gay rights. Apple, for its part, sanctioned gay employee groups as early as 1986. Ten years later, I.B.M. became the largest employer to extend health-care coverage to same-sex couples. A number of gay entrepreneurs who made a fortune in technology became full-time philanthropists and activists focussed on gay rights, such as Tim Gill of the [Gill Foundation](#).

The shift in corporate values has been apparent in other sectors of the U.S. economy, too, including at America's biggest retailer, [Walmart](#). In 2008, the company had adopted some gay-friendly policies, but Mike Duke, then its C.E.O., still felt that it was acceptable for him to sign a petition to ban gay adoption in Arkansas. (The subsequent ballot measure passed, though it was later struck down.) Five years after that, Walmart began to provide company-wide health-insurance benefits for the domestic partners of its workers, a move that included same-sex couples. And then last month, Walmart C.E.O. Doug McMillon issued a statement expressing his opposition to the discriminatory Indiana legislation. "Every day, in our stores," he wrote, "we see firsthand the benefits diversity and inclusion have on our associates, customers and communities we serve."

Wall Street has also become a major public force for gay rights. In 2011, a large group of high-profile leaders signed an open letter urging New York State lawmakers to legalize same-sex marriage. The next year, Goldman Sachs C.E.O. Lloyd Blankfein, who had signed the letter, released a widely shared [video ad](#), in which he offered a simple and clear message: "I'm Lloyd Blankfein, chairman and C.E.O. of Goldman Sachs, and I support marriage equality."

There have been exceptions, in recent years, to the wave of corporate support, especially in cases where money was involved. When Russian President Vladimir Putin issued a ban on gay "propaganda" during the 2014 Sochi Olympics, most Olympic sponsors looked the other way. (I wrote about that [here](#).) Gay-rights groups organized protests and attempted to start boycotts of some brands, but to little or no effect. A few companies were willing to say something—A.T. & T., a sponsor of the U.S. Olympic team, became the first Olympic brand to condemn Russian policy (though it did not alter its participation), while Google tacitly registered its objection by creating a version of its search-page logo depicting athletes against a rainbow backdrop. Many others kept silent.

The larger arc, though, has been toward support for equality. For more than a decade, the Human Rights Campaign has published a Corporate Equality Index, which rates major companies on pro-L.G.B.T. policies. When it was first introduced, in 2002, only thirteen companies achieved perfect scores, of three hundred and nineteen surveyed. Today, even though the index has been revised to make it more stringent, three hundred and sixty-six of seven hundred and eighty-one businesses scored a hundred per cent, including fourteen of the top twenty on *Fortune*'s rankings of the largest companies in the U.S. These companies are also coming together to discuss the issues and the politics involved in this larger shift. Last week, in New York, for example, some of America's leading law firms and banks sponsored two days of presentations organized by [Out Leadership](#), a professional network focussed on L.G.B.T. rights; later this week, in Los Angeles, the [Milken Institute Global Conference](#) will put on a panel entitled "How American Business Is Shaping the Gay Rights Debate." (I moderated a panel at the first event, and will participate in the upcoming one; my company, GLG, was a sponsor of both events.)

Which raises the question: Did business lead this revolution, or was it mostly reacting to and reflecting changes in public opinion? Much like the changes we have seen in the views of elected leaders—the very public evolution on the issue professed by Barack Obama, for example—the answer is, probably a little bit of both. No doubt business leaders have seen the evidence favoring the current movement, which suggests a certain level of self-interest. The [Williams Institute](#), a think tank at U.C.L.A. law school, analyzed the existing research and found that "LGBT-supportive policies and workplace climates are linked to greater job commitment, improved workplace relationships, increased job satisfaction, and improved health outcomes among LGBT employees."

But business practices help both to define and to reflect our values. On L.G.B.T. rights, companies can play an important leading role. To be sure, the brief submitted by business leaders to the Supreme Court will be

important to the Justices when the four same-sex-marriage cases are argued on Tuesday, and as they debate their ruling, which is expected in late June. Much remains to be done, especially outside the United States, where large multinational companies can play a potentially life-saving role in parts of Africa and the Middle East, especially, where some countries have laws that include draconian criminal penalties and even a death sentence for a range of actions associated with being L.G.B.T. There can be no mistake, though: companies have helped to spur a rapid evolution in public opinion in the U.S., with a majority of Americans now supporting not only marriage equality but also laws to prevent discrimination against gay people.

When I was done reading the business brief for marriage, I e-mailed the Academy Award–winning film producer Bruce Cohen, who attended that meeting at the White House twenty years ago. “We are now winning in the court of public opinion as well,” Cohen wrote in his reply. “The business community sees this. And one thing is for sure—when a stand on an issue starts hurting your business instead of helping it, a lot of businesses come around.”

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