

Turning Americans into “Employee Voters”: Employer Mobilization as Corporate Political Power

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Studies of business power in American politics typically focus on the external face that companies present to politicians, whether through lobbyists or campaign contributions. But increasingly employers are leveraging a resource inside the workplace to change politics and policy: their employees. Consider the following examples from recent years:

- An Ohio coal-mining firm invited Republican presidential candidate Mitt Romney for a rally at its plant.¹ The firm’s management told miners that they would be required to attend the rally, and that they would not be paid for their participation.
- Executives at Cintas, a provider of uniforms and other workplace supplies, and Georgia Pacific, a major paper-product manufacturer, sent letters to their respective workforces expressing clear partisan stances during the 2012 election.² Executives at Georgia Pacific, which is owned by Charles and David Koch, distributed a flyer and a letter indicating which candidates the firm endorsed in races ranging from the presidency to state government. The letters warned that workers might “suffer the consequences” if the company’s favored candidates were not elected.
- During tight Congressional elections in 2010, a regional president at Harrah’s casinos sent a spreadsheet to supervisors with rows for each employee working at the company’s Las Vegas properties.³ Supervisors were instructed to ask each of their employees whether they had voted in the race, and if not, why.

All of these examples, legal under current federal law, are cases of what I call *employer mobilization of workers*, or when the top managers of a company attempt to change the political behaviors and attitudes of their employees as a matter of company policy. In ongoing work, I argue that employer mobilization is an important source of corporate political power that merits serious attention from scholars, citizens, and reformers alike. In the rest of this memo, I lay out the prevalence of employer mobilization, discuss the economic, legal, and political reasons for the development of mobilization as a strategy, describe the value of mobilization for companies, and conclude by presenting a preliminary analysis of the consequences of employer mobilization for American politics.

¹ Banerjee 2012.

² Jamieson 2012; Elk 2012.

³ Crum 2010.

THE PREVALENCE OF EMPLOYER MOBILIZATION

Beyond the initial vignettes I offered, there is strong evidence that employer efforts to recruit workers into politics are common in the American labor force. A recent nationally representative telephone survey I commissioned indicates that perhaps one in four employees, or about 29 million to 39 million Americans, have ever been contacted by their managers about voting, political candidates, or public policies and political issues.⁴ This estimate squares well with a 2014 poll from the *National Journal*, which found that about a third of workers indicated that their employers were vocal about positions on politics and legislation. At the same time, it is important to recognize that not all employers are mobilizing their workers all the time. Drawing on survey data from 2015, for instance, I found that only about five percent of workers indicated that they were contacted by their employers about politics in the past two years.

Employer mobilization ranges from efforts to help employees to register to vote to more intensive efforts, such as those at Georgia Pacific and Koch Industries, where managers have explicitly endorsed specific candidates. In the nationally representative survey of employees I conducted in April 2015, 11 percent of workers experienced “get out the vote”-type mobilization that only discussed voter registration and turnout, while 13 percent reported employer contacts about specific issues or political candidates.

While I have the strongest evidence for the cross-sectional prevalence of mobilization, there is suggestive data that employer mobilization has become much more common in recent years. Using its own proprietary polling, the Business-Industry Political Action Committee (or BIPAC), which helps firms to mobilize their workers, estimates that the share of employee voters hearing from their bosses about politics has risen from 7% in 2000 to 10% in 2010 and 31% in 2014.⁵ Another data point hinting at a dramatic rise in the incidence of employer mobilization comes from the observations of campaign finance experts, who were baffled by a slew of news stories in 2010 and 2012 indicating that employers were actively campaigning for political candidates in the workplace. “We’ve never seen something like this before,” said one partner at a Philadelphia-based labor law firm in response to a story about how Las Vegas casino conglomerate Wynn Resorts was encouraging its workers to vote for specific candidates in the 2012 election.⁶

THE CHANGING CONTEXT OF EMPLOYER MOBILIZATION

Historically speaking, it is clear that early American elections were sometimes characterized by mobilization of workers by their employers (in addition to party bosses and other brokers).⁷ Historians have also documented how large industrial employers in the early twentieth century, like DuPont and General Electric, engaged in similar practices, promoting the

⁴ For a more detailed summary of the prevalence of mobilization from worker and manager surveys, see Hertel-Fernandez 2016.

⁵ BIPAC 2014.

⁶ Hindman and Wilkie 2012.

⁷ E.g. Keyssar 2009; Bensel 2004.

virtues of capitalism and the free market through extensive educational material distributed to workers.⁸

Later, two mid-century federal bills had important implications for the ability of employers to shape the political behavior of their workers. In 1965, the Voting Rights Act made it illegal for individuals—including managers—to intimidate or threaten others in the voting process.⁹ In 1971, the Federal Election Campaign Act (FECA) and its subsequent amendments restricted partisan communication between a company’s top managers and their rank-and-file workers.¹⁰ These federal protections still left considerable ambiguity for employers and workers. For instance, since private sector workers in the United States enjoy no constitutional right to free speech in the workplace, employees can conceivably be fired for engaging in political activities, or even for their political affiliation.¹¹ While some states have passed laws barring the firing of workers for political actions or views, not all states have equally vigorous protections in place.¹² Moreover, while the FECA generally prohibited explicitly partisan messages from firm managers to their rank-and-file, it left open the possibility that companies could use workplace resources to educate workers on political issues (rather than candidates), using what labor law scholars refer to as mandatory “captive audience” meetings.¹³ There is considerable evidence to suggest that firms have used such meetings extensively.¹⁴

Another major legal shift occurred with the Supreme Court’s 2010 decision in *Citizens United v. Federal Election Commission*. Most of the attention to that case has focused on how it lifts previous restrictions on the ability of corporations to spend directly on political ads from their treasuries, so long as that spending is uncoordinated with campaigns, inviting fears of a flood of corporate-backed attack ads.¹⁵ But *Citizens United* also has important implications for the legality of employer mobilization. In allowing the use of corporate funds for electoral ends, *Citizens United* also permits managers to use their employees’ time and effort—a corporate resource—in elections.¹⁶ Combined with the fact that private-sector employees enjoy minimal legal protections against political coercion,¹⁷ many employers can now require that their workers participate in partisan electoral politics, and can even discipline or even dismiss workers who refuse to engage in those activities.

⁸ Phillips-Fein 2009; Sheehan 2010.

⁹ U.S. Commission on Civil Rights 1971.

¹⁰ Prywes and Jones 2008; Secunda 2010.

¹¹ Prywes and Jones 2008; Volokh 2011-2012. Employees do possess rights to speech related to collective bargaining as a result of the National Labor Relations Act, though there is evidence that this right is regularly violated in practice by employers (Bronfenbrenner 2009; Secunda 2008).

¹² Volokh 2011-2012.

¹³ Secunda 2008.

¹⁴ Bronfenbrenner 2009; Secunda 2008.

¹⁵ For a discussion of the changing rhetoric around *Citizens United*, see Weiner 2015.

¹⁶ Secunda 2010; Harvard Law Review 2014.

¹⁷ Volokh 2011-2012.

Aside from a more favorable legal environment, firms also have access to a range of new technologies that permit them to easily communicate with their workforce, facilitating political mobilization in ways that would have been previously unfeasible. In the 1950s, General Electric would have had to print tens of thousands of free-market leaflets to disseminate its messages to employees.¹⁸ The same sort of political campaigns are now much easier and less expensive to implement. At the click of a mouse button, a government affairs officer can send an email message encouraging all employees to support an issue or candidate. This message could link to a website dedicated to providing political information to workers, with opportunities for employees to contact their lawmakers about legislation, register to vote or find their polling station, or to contribute to a corporate PAC.

Moreover, the information that companies send to workers can be easily (and automatically) customized to particular workers based on characteristics like employees' geographic locations and rank within the firm. In addition to facilitating contact between employers and workers, this technology also permits managers to monitor the success rate of their efforts, tracking, for instance, whether workers submitted correspondence to lawmakers, downloaded voter registration forms, or turned out to vote. In fact, employers can legally use tracking information to reward workers who do the company's political bidding and punish those who do not. So while employers may no longer be able to follow workers into the polling place to verify that workers cast the "right" ballot as they once did, employers could monitor a range of other responses to their political requests.

A final trend that may have facilitated recent employer mobilization efforts is the decline of worker bargaining power. Evidence for this change in bargaining power is manifest in a variety of indicators, including the stagnation of workers' wages relative to gains in economic productivity.¹⁹ Taken together, these changes in the American labor force have meant that employers are better positioned to make demands of their workers, including participating in politics in certain ways. Just as employers face the logistical costs of producing and disseminating political material for workers, so too can they face the economic costs of having their workers protest or resist mobilization efforts. If workers are now less likely to protest employer requests given their reduced bargaining power, the potential costs of mobilization for managers are effectively lower.

THE VALUE OF MOBILIZATION FOR BUSINESSES: A NEW SOURCE OF CORPORATE POWER

Why would profit-seeking private-sector companies decide to become political recruiters? Sometimes managers engage in political recruitment, especially efforts to encourage greater voter registration and turnout, as part of a desire to be seen as socially responsible – like Starbucks and Marriott Hotels have done recently.²⁰ But in general, most companies are not so much like Starbucks and Marriott. Companies tend to invest in mobilization because of its value to corporate bottom lines.

¹⁸ Phillips-Fein 2009.

¹⁹ Mishel et al. 2012.

²⁰ Starbucks 2016.

There are at least four different pathways through which employers can influence politics and policy through mobilization of their workforce. Though I present these strategies as being distinct, in practice companies often combine these tactics together. The first pathway is through elections: if businesses prefer a policy change that is only likely to come about under a particular legislator or party, mobilization of workers could provide the votes necessary to elect those favorable candidates, especially in tight or low-turnout races. This strategy involves sending material to workers that encourages them to support or oppose particular political candidates, reminding workers about elections, and then ensuring workers turn out on Election Day. Wynn Resorts employed such an approach when they mailed a voter guide to their 12,000 workers in Nevada, which pushed the resort and casino workers to register and turn out to vote for the company's preferred candidates. In an interview with the *Huffington Post*, CEO Steve Wynn explained that his company was engaged in electoral outreach because "it would be a complete disaster if Obama wins, which is why I'm urging my employees to vote for Romney."²¹

Closely related to the first pathway, mobilization can serve as a mechanism for employers to demonstrate a commitment to a lawmaker (or aspiring lawmaker), building relationships that the company can leverage for access to the policymaking process at a later time. In this manner, employer mobilization could be seen as achieving one of the same goals as campaign contributions: supporting political allies so as to "buy time and effort" from them in the future.²² As with the first strategy, this tactic requires employers to send material to workers supporting or opposing candidates for elected office. But in addition to that, employers must also signal to politicians that managers have mobilized workers in ways relevant to a candidate's campaign. The National Association of Manufacturers (NAM) recommends that its member companies use just such an approach to build ties with important lawmakers, especially by arranging for elected or aspiring officials to visit factories. "Manufacturing plant visits offer an opportunity to build lasting relationships with members of Congress and their staff," explained NAM Vice President of Public Affairs Tiffany Adams, "They provide opportunities for lawmakers to meet with their constituents, hear the success stories and the struggles that manufacturers face, and witness how their policies work in real life."²³ This pathway can also function as a negative inducement for politicians, too: employers can threaten that they will encourage their workers to vote against a candidate in a subsequent election if candidates do not pledge themselves to the policy positions favored by the company.

Employer mobilization need not be confined to generating support for political candidates during elections. It can also be a tool for directly generating grassroots support for – or against – policy changes. An employer could, for example, encourage their workers to contact elected officials to express the company's preferred position on a particular bill under consideration by a state legislature or Congress, or even a proposed regulation. There is a strong parallel between this sort of workplace mobilization and the corporate political strategies

²¹ Hindman and Wilkie 2012.

²² Hall and Deardorff 2006; see also Clawson et al. 1992.

²³ National Association of Manufacturers 2014.

described by Edward Walker, in which firms buy the services of public affairs consultants who can generate the appearance of grassroots support for corporate policy goals.²⁴

The last pathway for influence is more indirect, and involves changing the political preferences of workers over the long run. In this strategy, an employer might not encourage their workers to become involved in any one given election, but instead develop communications that change the ways workers construe their economic and political preferences. Firms that I interviewed described this process as “employee education” or, alternatively, turning workers into “employee voters” who take their companies’ perspectives into account when thinking about politics. Menard’s, a large home improvement chain in the Midwest, provides one good example of this practice. In January 2012, the store began encouraging its 40,000 employees to take an online civics course at home.²⁵ Though the course was optional, it was clear that managers would be tracking who did and did not pay attention to the material. Workers who passed the course with higher scores were singled out for recognition in company publications. The course was a recitation of conservative policy talking points, emphasizing how “limited government and individual liberties are the foundation of American economic dominance,” and that “taxes always limit freedom.” Using the language of “takers and makers,” the course argued that the rich and business already pay too much in taxes and that workers ought to support candidates who promise to lower taxes on job creators.

My polling of employers indicates that companies take mobilization of their workers seriously as a political strategy.²⁶ Top corporate managers responding to a survey in early 2015 indicated that mobilization of their workers was just as effective at changing public policy as hiring lobbyists. Managers also said that they thought that mobilization was even more effective, on average, than participating in major business associations (like the US Chamber of Commerce), making PAC contributions to candidates, and buying electoral ads.

CONSEQUENCES OF EMPLOYER MOBILIZATION FOR AMERICAN POLITICS

In ongoing work, I am studying the implications of employer mobilization for politics and policy. Below, I summarize four conclusions from that work relating to the effect of employer political messages on workers’ perceptions of environmental, fiscal, and health policy, as well as on the 2014 elections:

- *Worker attitudes toward environmental policy:* Drawing on data from the 2015 Cooperative Congressional Election Survey (CCES), I found that liberal recipients of employer political messages were far less likely to support a role for government in protecting the environment. Looking across four potential policy proposals – strengthening enforcement of the Clean Air Act, mandating renewable energy standards, increasing automobile fuel efficiency, and regulating carbon dioxide emissions, I found that the receipt of employer messages was estimated to reduce support by about one of those proposals, on average, among liberals. Put

²⁴ Walker 2014.

²⁵ Stan 2012.

²⁶ For more details on managers’ ranking of mobilization as a strategy, see Hertel-Fernandez 2016.

differently, liberal workers began to look more conservative on the environment after receiving employer messages.

- *Worker attitudes toward fiscal policy*: Data from the 2015 CCES also revealed that recipients of employer political messages had very different attitudes toward fiscal policy than did workers who did not receive employer messages. Recipients of employer political messages were much more likely to support closing the budget deficit through spending cuts, rather than tax increases. As with the environment, the effect of employer messages was largest for liberal workers.
- *Worker attitudes toward the Affordable Care Act*: Survey data from the 2015 CCES and polling by the Kaiser Family Foundation both indicate that recipients of employer political messages were more likely than workers who had not received employer political messages to say that they were pessimistic of the consequences of health reform for themselves and their families, and were more supportive of repealing the law.
- *2014 Election*: Lastly, I find suggestive evidence that voters were less likely to cast ballots for Democratic gubernatorial candidates in states where one business association – BIPAC – led more intensive employer political recruitment drives. The effect was about as large as union affiliation on vote choice, though in the opposite direction.

Together, the findings I outlined above suggest that mobilization matters in determining which politicians are elected, as well as the policies that those officials ultimately enact. My results also suggest that employer mobilization has a strongly conservative, pro-market bent, helping firms to advance their bottom lines by defeating regulations, lowering taxes, dismantling social programs, and electing Republican politicians. In all, this work implies that employer mobilization merits far more attention from political scientists, political observers and policymakers as an important mechanism through which businesses are shaping American politics. Debates over corporate lobbying and the power of business in politics thus ought to consider employer mobilization just as much as they focus on campaign contributions and other better-recognized corporate political strategies.

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