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The Murky Logic of Companies' Israel-Hamas Statements

In recent weeks, public statements about the war have emerged from corporations of all kinds. Predictably, they have not all gone over well.

By Lora Kelley



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Since October 7, more than 150 companies have made statements condemning Hamas's attacks on Israel. A tracker compiled by Jeffrey Sonnenfeld, a business professor at Yale, shows the wide-ranging nature of the industries represented. Palantir, which works with governments on data and defense projects and has an office in Israel, took out a full-page ad in the *The New York Times* that said "Palantir stands with Israel." Salesforce, which has offices in Israel, put out a statement condemning Hamas's attack and outlining support for employees there. And brands with less obvious connections to the region, such as Major League Baseball, have issued statements as well.

At one time in American history, tech firms and sports leagues would not have been expected to wade into geopolitical issues. For many years, for better or worse, the role of corporations was principally to make money. But over the past decade especially, some employees and customers have started expecting, or even demanding, that companies speak out on social issues. The rise of the social web, and the eagerness among many brands to establish a direct line of communication with consumers, created an environment in which such a dialogue wasn't just possible but seemed unavoidable. After George Floyd's murder in 2020, as the Black Lives Matter movement continued to grow, many corporations made statements about racial justice (and many, in turn, faced blowback from employees and consumers who saw the statements as insincere). After the fall of *Roe v. Wade*, corporations generally took a circumspect approach, more commonly issuing statements about what they were doing to help employees access health care than taking a stance on the morality of abortion. Now companies are once again navigating the tricky terrain of public statements as the Israel-Hamas war continues.

A lot of the pressure on corporations to speak out about political or social issues is coming from younger workers who believe that companies should operate with a sense of purpose beyond just making money, Paul Argenti, a professor at

Dartmouth's Tuck School of Business, told me. And some are vocal: Employees at Instacart and Procter & Gamble have reportedly complained about their employers' lack of immediate public statements on the Israel-Hamas war. And some workers are pressuring their employers—including major tech companies, according to a *Washington Post* report—to issue statements condemning the deaths of Palestinians in Gaza, which fewer large corporations have done thus far. (Plenty of companies have issued mealier-mouthed statements falling somewhere in the middle, angering even more people.)

It's important, Argenti said, for executives to think about why releasing a statement in a fraught moment makes sense for them. Companies that speak out on one issue without truly thinking about why they are doing so may get caught in a challenging loop. "If you don't have a plan for how you're thinking about" social issues, "then you have to talk about everything," Argenti said, adding that speaking without a clear reason can lead to "wishy-washy statements that are just trying to get on the bandwagon ... That is a very dangerous place to be, because you're going to get heat." There are plenty of good reasons, he argued, for an executive to issue a statement—because of business interests in a region, for example, or to speak out on an issue of great personal importance. But saying something just because everyone else is, because employees are outraged, or because you want to seem like the good guy in a charged moment may well backfire. "Corporations are not political entities that have to speak out on every issue," he told me.

The proliferation of company statements in recent years might suggest that customers are clamoring for their favorite brands to speak up, too, but it's not clear that the majority of consumers actually care all that much, especially lately. This year, 41 percent of consumers said that businesses should take a stand on current events, according to a poll from Gallup and Bentley University, down from 48 percent last year. Forrester, a research and analysis firm, saw a dip for the first time in four years in the number of surveyed adults who say they "regularly purchase

from brands that align with their personal values.” There are certain issues that consumers tend to think companies should comment on: 55 percent of people said companies should speak up about climate change, the Gallup and Bentley polling found. But just 27 percent of people said that companies should speak up about international conflicts (however, these data were gathered before the Israel-Hamas war began).

Businesses aren’t the only ones making statements—or taking heat for their stances. Universities, celebrities, and even many individuals with large followings on social media have shared public statements on the conflict in recent weeks. Sam Adler-Bell, writing about statement mania in *New York magazine*, suggested that part of the compulsion to speak out has to do with the sense of helplessness many feel about the war and their own ability to affect its outcome. “When our government is this unresponsive, it makes sense that Americans look closer to home for moral clarity. Powerless to influence actual policy outcomes, we settle for battling over discourse,” he writes.

Corporations exist to make a profit, and they sell goods and services that end up shaping our culture. But their role is also slowly morphing into something more personal—and much wider in scope than it once was. Sonnenfeld, the Yale professor tracking statements, told me that in his view, some of the pressure to speak out may come from the role that business leaders play in a time of deteriorating trust in politicians, media, and the clergy. “CEOs have become pillars of trust in society,” he said. The notion of CEOs as America’s hope for moral leadership may be enough to make skeptics raise an eyebrow, but the decline in public trust is worrying and real.

Even for the corporations whose CEOs are driven primarily by a mission in the public interest, more often than not, opining on issues of global foreign policy is of questionable value. Corporations are already deeply embedded in the political system because of their lobbying power and ability to influence regulations.

“That’s enough,” Argenti said. “Do we want them involved in thinking about political issues,” too?