



October 3, 2021

Seth Bernstein
CEO, President
AllianceBernstein
1345 Ave of the Americas
New York, NY 10105

Dear Mr Bernstein,

We are a coalition of State Treasurers, large asset owners, NGOs and eminent citizens, concerned that the current coordinated voter suppression effort poses a imminent threat to American democracy and economic growth.

As stewards and managers of capital, you no doubt recognize that voter suppression is an issue of significant materiality, and share our concern about the risk to long-term growth and investment returns. Voting rights are the bedrock of a thriving and stable democracy. Our economy and capital markets depend upon these foundational conditions.

The link between democracy and economic growth is well-documented. Recent studies by MIT, Columbia University and the V-Dem Institute, as well as international academic institutions have shown that stable democracies have stronger and more stable economic growth, and are much less likely to experience economic crises.^{1,2,3,4} Research from the V-Dem Institute also highlights a strong correlation between strengthening democracy indicators and higher equity investment returns, while Harvard University's Michael Porter has warned that such political instability harms American competitiveness.^{5,6}

The rise of a coordinated voter suppression effort is also well-documented. The Brennan Center for Justice and the Center for Political Accountability have catalogued voter suppression legislative efforts and the corporate funding behind it.^{7,8,9} There have been over 400 legislative efforts so far this year alone to restrict voting access, with a

¹ https://www.v-dem.net/media/filer_public/d3/f1/d3f1799a-5d50-4653-8440-1e9547144c0f/wp_111_final.pdf

² <https://economics.mit.edu/files/13147>

³ https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3179291

⁴ <http://ftp.iza.org/dp10880.pdf>

⁵ https://www.v-dem.net/media/filer_public/85/5b/855b0a07-a72f-4750-8b03-e0219015f4de/users_working_paper_4.pdf and https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2958522

⁶ <https://www.hbs.edu/competitiveness/research/Pages/research-details.aspx?rid=85>

⁷ <https://www.brennancenter.org/our-work/research-reports/voting-laws-roundup-july-2021>

⁸ <https://www.politicalaccountability.net/wp-content/uploads/2021/07/Conflicted-Consequences.pdf>

⁹ <https://www.politicalaccountability.net/wp-content/uploads/2021/07/Corporate-Enablers.pdf>

disproportionate impact on people of color.^{10,11} Numerous experts have amply highlighted the growing threat to democracy in the United States in recent years.¹²

Unfortunately, these efforts are being funded by many investee corporations in your portfolios, some of which have done so while also signing public statements condemning voter suppression.^{13, 14, 15} As stewards of shareholder capital invested in these corporations, you have an important role to play in speaking out against this misuse of shareholder resources and addressing evolving risk exposures. The creation of such significant externalities - the de-stabilizing of democracy and the deepening of racial injustice and exclusion - cannot be ignored.

We believe that you and your peers have the ability to make a difference in this precarious moment for our democracy and our economy. As the late John Bogle pointed out, Wall Street investment managers “are the most potent force in corporate America.” Warren Buffett similarly made clear, “If you had the top five institutional investors, and when they saw something outrageous the five of them spoke together .. the world would change.”^{16, 17}

We therefore ask that you urgently and actively publicize your position on voter suppression efforts, and engage with investee corporations on this misuse of corporate resources.

We also ask for a timely response in the next four weeks, outlining the engagement activities that your firm is taking with investee corporations, and would greatly appreciate timely updates thereafter on your ongoing efforts in this critical area.

Katherine Venice has been tapped to liaise with you regarding these requests on behalf of our coalition so that we can be kept apprised of the actions that your firm is taking. We are keen to recognize the efforts of those who take effective action. Ms. Venice can be contacted at KVenice@EthicalCapitalismGroup.com or (202) 600 6958.

Thank you for your time and consideration.

Sincerely

Akosua Ali, President
NAACP DC

Henry Beck
Maine State Treasurer¹⁸

Laura Campos, Director of Corporate and Political Accountability
The Nathan Cummings Foundation

Dan Chu, Executive Director
The Sierra Club Foundation

Zach Conine
Nevada State Treasurer

¹⁰ <https://www.brennancenter.org/our-work/research-reports/voting-laws-roundup-may-2021>

¹¹ <https://www.brennancenter.org/our-work/research-reports/voting-laws-roundup-july-2021>

¹² Jason Stanley and Timothy Snyder at Yale University, Ruth Ben-Ghiat at New York University, Brian Klaas at University College London, Daniel Ziblatt at Harvard University, V-Dem, Freedom House, Bright Line Watch, et al

¹³ <https://popular.info/p/texas-voter-suppression-bills-are>

¹⁴ <https://www.citizen.org/news/corporate-america-bankrolls-voter-suppression/>

¹⁵ <https://popular.info/p/what-we-learned-from-the-first-major>

¹⁶ John C Bogle: *The Clash of the Cultures, Investment vs Speculation*

¹⁷ Robert A G Monks, *Citizens Disunited*

¹⁸ As sole trustee of the state trust funds

Michael W. Frerichs
Illinois State Treasurer

Sarah Godlewski
Wisconsin State Treasurer

Deborah Goldberg
Massachusetts State Treasurer and Receiver General

Janie Grice, Organizer
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