

Business

Big companies feel heat as US voting rights debate intensifies

Corporations had stayed quiet throughout legislative discussion

NEW YORK: Facing boycott threats over their earlier public neutrality on a new voting rights law in Georgia, Delta Air Lines and Coca-Cola on Wednesday publicly slammed the state measure and vowed to work to ensure better ballot access. Delta chief executive Ed Bastian called the new Georgia state law “unacceptable” in a memo to staff, while Coca-Cola chief James Quincey said in a broadcast interview the controversial measure was “a step backward.”

The statements came as big companies in Georgia and beyond face pressure from civil rights leaders to fight against a wave of voting rights changes in myriad states that critics have likened to Jim Crow-era restrictions used to repress the political power of African Americans. Georgia’s new law comes after unprecedented turnout in the 2020 election due to increased use of early voting and vote-by-mail amid the coronavirus pandemic, in a state with a history of slavery and segregation where Black people have faced decades of attempts to inhibit their votes.

Major lobbies such as the Business Roundtable have broadly endorsed ballot access and initiatives to promote voting, but individual companies have largely tried to steer clear of thorny legislative debates on voting in an era of US political polarization. Quincey said Coca-Cola had always opposed the new Georgia law. “Many things are improved and done and achieved in private without having to take a public stand,” he told CNBC. “But in this case, it has not worked, clearly, so we’re being more forceful in our public position.”

Microsoft wins \$22bn US army contract for augmented reality gear

SAN FRANCISCO: Microsoft has won a Pentagon contract for augmented reality headgear for soldiers worth \$21.88 billion over the next decade, the company and the US military announced Wednesday. The headsets, based on commercially available HoloLens, will make soldiers safer and more effective, according to Microsoft technical fellow Alex Kipman.

The Department of Defense (DoD) said the production agreement is for five years with a renewal option – that could make the contract worth “in excess of \$21.88 billion” over 10 years, a Pentagon official said in a statement. Microsoft will rapidly start producing the so-called Integrated Augmentation System under the contract.

The award aims “to deliver next-generation night vision and situational awareness capabilities to the Close Combat Force at the speed of relevance,” the Pentagon said. A head-mounted display used by soldiers for battle and training employs sensors for night and thermal vision in addition to providing data for help in engaging targets and making tactical decisions, officials said.

“The program delivers enhanced situational awareness, enabling information sharing and decision-making in a variety of scenarios,” Kipman said in a blog post. The contract shows that Microsoft can make money from its augmented reality offerings with the military and likely heralds expanded uses by private businesses as well as consumers, according to Wedbush analyst Dan Ives. “The second and potentially most important point is this deal just further drills in the narrative that Microsoft is tightening its grip on deals within the DoD and Pentagon,” Ives said in a note to investors.

Georgia not alone

A group of 72 prominent black executives – including Merck chief executive Kenneth Frazier and Mellody Hobson and John Rogers Jr, the co-chief executives of Ariel Investments – released a public letter Wednesday calling for corporate America to oppose restrictive voting measures, US media reported.

The Georgia measure, signed into law last week by Republican Governor Brian Kemp, imposes voter identification requirements, limits the number of voting drop boxes and enacts other restrictions, such as forbidding volunteers from giving water bottles to voters who can be forced to wait in line for hours.

Voting rights advocates had sought support from big corporations in the large southern state, whose capital Atlanta is also home to the headquarters to Home Depot and UPS. But the companies had largely stayed publicly quiet throughout the bruising legislative debate. Kemp, in an interview on CNBC Wednesday, said the measure had been misrepresented by opponents, noting that the law ensures more early voting days than many states and automatic voter registration when obtaining a driver’s license.

But critics say measures such as restricting the access to voting drop boxes to business hours are designed to depress turnout, and make it difficult for those in underrepresented communities to vote. Georgia was one of the most hotly contested states in the 2020 election, with President Joe Biden narrowly prevailing over Donald Trump, who claimed falsely that he lost Georgia due to voter fraud.

Legislators in 43 states have introduced more than 250 bills that would make it harder to vote in response to the former president’s

“continued lies about voter fraud,” according to the Brennan Center for Justice, a progressive think tank.

‘Based on a lie’

After Kemp signed the bill into law, Delta released a statement last Friday that said it “engaged extensively” with lawmakers in both parties to improve the bill, while adding that “there continues to be work ahead” on the matter. However, the company faced consumer criticism, with #BoycottDelta trending on Twitter over the weekend.

Bastian said Wednesday’s announcement came after the company had more time to “fully understand” the bill and its effect on the black community. “The entire rationale for this bill was based on a lie: That there was widespread voter fraud in Georgia in the 2020 elections,” Bastian said. Nse Ufot, chief executive of the New Georgia Project Action Fund, applauded Delta’s shift, “even if it’s late.” “Conversations with black and brown leaders must happen at all stages and all areas of decision-making, not after the damage is done,” she wrote in a statement. “Here’s the lesson: Listen to black and brown people. Listen to young voters. Listen to new voters. We are the future, and our voices matter.” — AFP



Ed Bastian



BLACKSTONE, Virginia: This handout photo courtesy of US Army taken on Oct 21, 2020 shows soldiers testing the CS3 militarized form factor prototype of the Army’s IVAS and wield a SiVT during a training environment test event at its third STP 3 at Fort Pickett. — AFP

The Pentagon late last year said it was sticking with its decision to award a \$10 billion cloud computing contract to Microsoft, despite Amazon’s claims that former president Donald Trump improperly influenced the process. “In a cloud arms race, Microsoft right now has the momentum,” Ives said. The Redmond, Washington-based company recently launched a platform called Mesh, in which long-distance coworkers can collaborate as though in the same room, using augmented reality glasses and cloud computing power. “One of the easiest ways to think about it is Microsoft Mesh connects the physical and digital worlds, allowing us to transcend the traditional boundaries of space and time,” co-creator Simon Skaria said in a video presentation. — AFP

Japan business confidence back to pre-COVID levels

TOKYO: Major Japanese manufacturers are feeling optimistic for the first time since the pandemic began, a key survey showed yesterday, marking a further improvement after business confidence plunged last year. The Bank of Japan’s Tankan business survey, a quarterly poll of about 10,000 companies, showed a reading of 5 among big manufacturers.

A positive figure means more manufacturers see business conditions as favorable than those that consider them unfavorable. The upbeat reading beat a market consensus estimate of minus 1 and is the first positive reading since Sept 2019, before the coronavirus began to wreak havoc on the world’s economy.

Three months ago, the same survey showed a reading of minus 10, up from minus 27 in the September survey and minus 34 in June – the lowest level since the global financial crisis more than a decade ago. The short-term business sentiment survey is considered to be the broadest indicator of how Japan Inc. is faring, and comes after the country lifted a pandemic state of emergency in the Tokyo area on March 22.

Despite a spike in COVID-19 infections over the winter, Japan has seen a comparatively small outbreak overall with around 9,000 deaths, and has avoided imposing the blanket lockdowns seen in other countries. However, the number of new cases is rising gradually in the capital and more quickly in some other regions, sparking fears over a fourth wave as Japan’s vaccine drive lags behind many other large economies. Yesterday’s survey showed confidence among big non-manufacturers also improved to minus 1 – against a market consensus of minus 4 – after logging minus 5 in December. The Japanese government last year announced several multi-billion-dollar stimulus packages to shore up the world’s third-largest economy as it suffered a coronavirus slump. — AFP