

A Note from the Authors -Two Years of Polarization.

In conjunction with our partners at Golin and Zignal Labs, the USC Annenberg Center for Public Relations began analyzing polarization in America more than two years ago, around the same time as the 2020 U.S. presidential elections. We created The Polarization Index, a first-of-its-kind data-based index, to track and measure the evolution of this phenomenon in the aftermath of a unique presidency that fostered deep partisan divisions, the rapid spread of misinformation, and a lack of faith in our democratic institutions. Our goal was to help leaders and PR professionals understand and navigate the risks of communicating in this volatile environment, and to help them determine whether, when or how to take a public stand on a controversial issue.

Powered by data from Zignal Labs, The Polarization Index's proprietary algorithm analyzed how news about ten polarizing topics in America was being shared by individuals on social media, measuring levels of engagement, bias, and reliability. After analyzing millions of shares from 450 media outlets for 27 consecutive months, we are able to state with conviction that polarization in America is persistent, but not necessarily consistent. In other words, while the overall level of polarization has remained roughly the same for the past two years, the polarization of individual issues has changed (in some cases significantly) based on the direction and intensity of political and social winds.

Both sides of the political spectrum, Left and Right, have employed polarization as a powerful tool to persuade voters, gain followers and raise funds, simultaneously alienating those on the other side. While the issues they leverage have not always been the same, both Left and Right have created a "bi-polar" echo chamber of public divisiveness that represents a challenge for anyone who wishes to engage in a dialogue about the issues that matter to them.

Nothing in our study suggests that polarization will decrease in the near future. As the power of polarization becomes more evident, more politicians and media build their brands by 'speaking to their base,' which has become a euphemism for intentionally delivering messages that are intended to fuel divisiveness.

This strategy was clearly in play during the 2022 midterm elections when the most polarizing topic in this study, immigration, was leveraged by the governors of Texas and Florida as a winning political ploy. Knowing this volatile issue would resonate with their supporters and weaken their political counterparts, Gov. Greg Abbot and Gov. Ron DeSantis organized the delivery of a plane full of immigrants to the liberal resort island Martha's Vineyard. This carefully calculated political stunt – which received significant media attention – brought immigration to the center stage, putting the spotlight on the two governors running for re-election.

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While the politics of confrontation are a constant, the controversial issues that fuel it have been less consistent. Over the last two years, we have seen hot topics such as healthcare and climate change cool off considerably, while emerging issues like voting integrity and the January 6th Capitol attack took their place, maintaining the same overall polarization levels. Similar to a shopping cart filled with groceries, the overall cost remains the same when the price of bananas decreases and the price of tomatoes increases.

The changing level of polarization on specific topics indicates that over time, society's opinions do actually evolve – even without legislative influence. When we first compiled the list of divisive issues to monitor, we included the legalization of marijuana, which had been a controversial topic for many years. But when we ran the numbers, we found that topic had lost its divisiveness. Even though many citizens and lawmakers may disagree with the recreational use of cannabis, the attention and energy opposing it has decreased to the point that it's no longer so polarizing.

Over the last two years, we have seen the same evolution with discussions about healthcare reform. During the Trump administration, the Affordable Care Act popularly known as 'Obamacare' was under siege. The Right tried numerous times to repeal it. Today, the same people rarely mention it. Either they have changed their minds, or figured out the average person has lost interest in it. In either case, everyone seems to be moving on.

The conversation around climate change has also cooled considerably, making it easier for corporate America to address this important environmental issue without fear of alienating their key audiences. On the flip side, voting integrity, which was never a major concern in the U.S., suddenly became a hot topic after the 2020 presidential election, which resulted in the unprecedented attack on the Capitol on January 6th. This event, and the discussions about the congressional investigation that followed, were one of the most polarizing issues in the U.S. according to our study.

In addition to moving up and down the list, some issues have moved from being driven by voices of the Left to those on the Right. In the aftermath of the murder of George Floyd and the Black Lives Matter protests, the issue of police reform was at the top of the Left's agenda, and defunding the police was a common refrain. But that issue was co-opted by the Right, who portrayed police reform as being soft on crime (one of their traditional hot buttons), which was addressed frequently in the recent midterms. Today, the issue of policing policy is driven almost entirely by engagement with Right-leaning sources, while engagement on the Left has dwindled elsewhere.

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In a polarized society, extreme voices disproportionately influence the conversation. Politically motivated journalists prefer to report stories with starkly contrasting points of view, over ones that express the nuances of a complex issue. In addition, our research has found that the more polarizing the issue, the more likely it is driven by sources known to produce misinformation.

It's also easier for politicians on both extremes to gain attention and raise money with confrontation rather than cooperation. We experienced this during the recent election of the Speaker of the House, when a handful of ultra conservative representatives were able to hijack the proceedings by refusing to vote with the majority. They weren't worried about public opinion, because they knew that in a polarized society, conflict is an effective means for gaining notoriety.

Most importantly, we've learned that polarization impacts American business. Modern CEOs are facing a growing number of complex issues that may have little to do with the companies they run. And they're receiving increasing pressure from stakeholders inside and outside of the company to take a stand on those issues. How they address them will be as critical to their organization's reputation as their financial performance.

As a result, many executives are asking the following questions in their decision-making process: Should we be engaging with issues that are outside the scope of our business? What are the risks of doing so? How many topics can we credibly address? Which ones are the most relevant to our stakeholders? Figuring out the answers to these questions has become the primary responsibility of their communications teams and their PR agencies. We hope the USC Polarization Index will help them find the answers that are right for them.addressed frequently in the recent midterms. Today, the issue of policing policy is driven almost entirely by engagement with Right-leaning sources, while engagement on the Left has dwindled elsewhere.



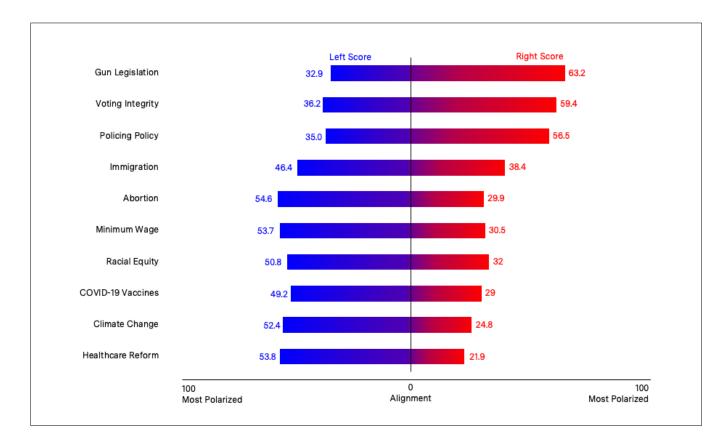




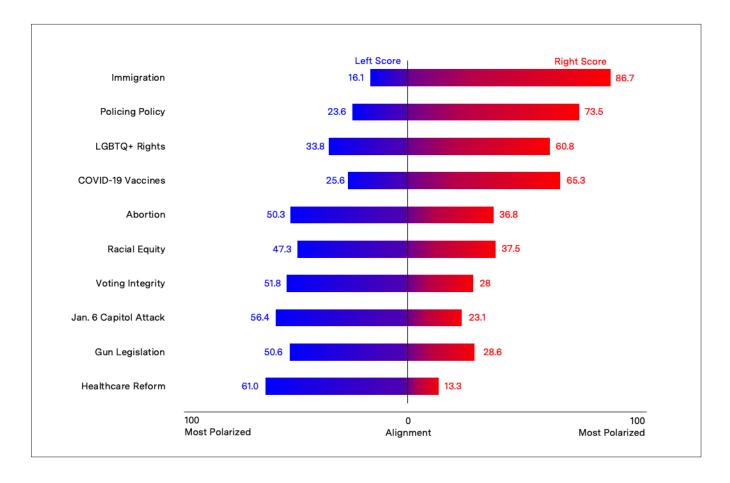
Table of Contents

Executive Summary	06
Best Business Practices and Recommendations	11
Appendix	15
Methodology	22

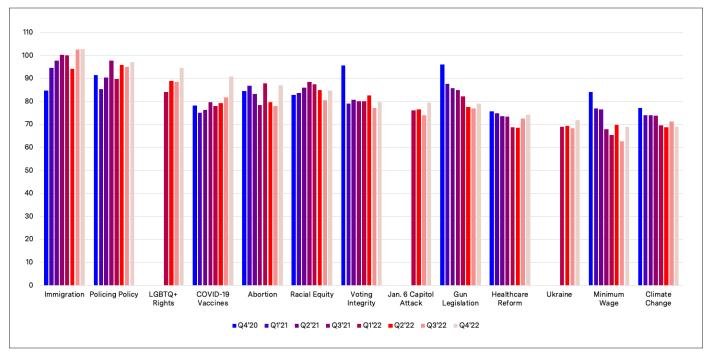
Q4'20 Issues



Q4 '22 Issues



Quarterly PI Issues (Two Year Comparison)

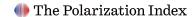


*Q4'21 data not available

- After more than two years, the overall level of polarization in the U.S. remains unchanged. Even though the issues that comprise it have shifted up and down, left and right, the Polarization Index score for each of the nine quarters in this study oscillated in a very tight range (from low 80s to mid-80s), indicating that polarization is a persistent condition that is not going away any time soon.
- Both Left and Right have changed their focuses on certain topics over the past two years. While engagement with right-leaning sources drove conversations about gun legislation and voting integrity in Q4'20, today we're seeing an increased focus on other more polarizing issues such as immigration, policing policy, LGBTQ+ rights and COVID-19 vaccines.Left-leaning sources, on the other hand, accumulated more engagement with conversations about voting integrity and gun legislation after Q1'21, and has held steady engagement with issues like abortion, racial equity, and healthcare reform.
- While they were not always the most widely discussed topics, immigration and policing policy were among the most polarizing issues in this study. Immigration was once driven by shares of left-leaning sources in Q4'20, but it quickly became top-of-mind in the Right's agenda after President Biden took office in Q1'21. Similarly, policing policy became an important part of the Right's agenda around Q3'21. Today, some of the most shared stories are largely focused on criticizing Democratic politicians who have shown support for police reform movements.
- Engagement with news stories about COVID-19 vaccines has slowly moved from the Left to the Right side of the spectrum. Even though life in the U.S. has returned to a more normal state, the vaccine is still an important issue for the Right as they continue to question its effectiveness and safety, while local governments roll back some of the drastic measures taken in 2020.
- Abortion's PI score rose as conversations anticipating the Supreme Court's decision to overturn Roe v. Wade increased in the Spring 2022. Today, this issue is largely driven by engagement with left-leaning sources as the media continues to tell the individual stories of women who were impacted by the abortion bans that followed.
- Racial equity has been a clear example of bilateral polarization, with engagement from both sides of the political spectrum. Left-leaning engagement was focused on discussing links between Trump and white supremacy groups, while right-leaning engagement focused on criticizing pro-Black Lives Matter organizations and their leadership.
- Since Q1 of 2021, the conversations about the January 6 Capitol attack have been driven by engagement with left-leaning sources, focusing on the revelations, the indictments, and former President Donald Trump's role in the event. Engagement with right-leaning sources on the matter often expressed concerns over the legitimacy of the committee's closed door investigations.
- While gun legislation's PI score was at the top of the list in Q4'20, its polarization score has significantly decreased in the past two years as reliable media has consistently reported on the continual stream of high-profile shootings across the country. Today, this issue is driven by engagement with left-leaning sources, around conversations discussing tragic events like the mass shooting at a Walmart in Virginia and another at an LGBTQ+ nightclub in Colorado.

- Through the course of this study, both healthcare reform and climate change have been consistently driven by engagement with left-leaning conversations. The most widely shared articles about healthcare reform in Q4'22 focused on the GOP candidates' approach to Social Security and Medicare amid the 2022 midterm elections. Climate change conversations raised concerns over the U.S. efforts to cut carbon emissions, natural disasters related to climate change, and the search for alternative energy sources.
- Lastly, our study confirmed a strong correlation between polarization and misinformation. Widely shared articles from less reliable sources contributed to a higher PI score, which can ultimately lead to more extreme political beliefs and distrust in government institutions and businesses.

Business Practices and Recommendations



Based on our analysis of these polarizing issues, and case studies of corporations who have addressed them with their words or actions, we have developed some guidelines for business leaders who are considering taking a public stand on a divisive topic.

Corporations and their CEOs have a long history of weighing in on proposed laws and regulations that could have a material impact on their businesses – matters like taxation, tariffs, environmental regulations, and various license-to-operate issues. In years past, leaders typically limited their agendas to topics that were directly aligned with business goals and strategy, and they often expressed their points of view through discreet and sometimes private conversations with elected officials and other leaders.

Today's CEOs live in a different world, one where a diverse array of stakeholders expects them to comment on a wide range of political and social issues, not all of which are linked to typical business agendas. And they're asked to do so in an often harsh and unforgiving public spotlight.

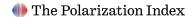
Rare is the week that passes without another survey or study reminding CEOs and other leaders that their stakeholders have new expectations; that the general public expects businesses and their leaders to address pressing social and political issues; that six in 10 workers in the U.S. approve of business leaders taking a stand on political issues; that seven in 10 of U.S. adults say CEOs should speak out on political, social or cultural issues; and that when choosing between similar products from two different brands, four out of 10 consumers favor the one made by the company that takes a stand on shared political values.

Also rare, though, is the company whose stakeholders are so homogeneously monolithic that, contrary to what Abraham Lincoln posited, you can please all of the people all of the time. Take a stand and there almost certainly are customers, employees and shareholders who will vehemently disagree, speak out against the company in traditional and social media, and act against the best interests of the company.

CEOs are Split on Engaging

It's not surprising then that a 2021 Fortune magazine survey of Fortune 500 CEOs revealed that CEOs are evenly divided on whether to speak up on important social and political issues: 50% agreed that CEOs have a responsibility to speak out on important social and political issues and should continue to do so. And 50% felt that CEOs have recently gotten too involved in commenting on social and political issues and should pull back. Both the benefits and the drawbacks of doing so can be consequential in terms of business and reputation.

But it can be equally perilous to remain on the sidelines and avoid taking a stand. And that applies regardless of whether a company's stakeholders lean Left or Right. Recall the decisions by Coca-Cola and Delta, whose CEOs both declined to take a public position as Georgia's Legislature debated and passed new voting laws viewed by many as restrictive, particularly for Black voters. Only when voting rights activists, customers and a coalition of Black executives expressed outrage and called for boycotts did the CEOs of both companies publicly express their opposition to the law.



Or consider the lesson Disney learned earlier this year when its CEO initially opted not to take a public position in the debate around Florida's so-called "Don't Say Gay" bill. When Disney employees later demanded that the company oppose the bill and Disney's CEO spoke out, Gov. Ron DeSantis publicly excoriated the CEO and the company, and the Florida Legislature promptly passed legislation terminating the company's highly valued preferential tax status. Wall Street Journal editorial writers opined the dustup proves that CEOs should literally mind their own business: "The Disney lesson for CEOs is to stay out of these divisive cultural fights. The lesson for political partisans in the workplace is that their bosses run the office, not the country." In the end, many observers attribute the firing of Disney CEO Bob Chapek, in part, to his mishandling of this issue.

At the heart of these challenges CEOs and their communicators face is a sweeping and unrelenting wave of polarization that affects everyone in America. It poses serious risks for companies, brands and society. Just what are today's leaders to do?

Look Beyond Data for the Full Picture

The Polarization Index can be an extremely helpful tool for executives when debating whether or not to take a public stand or speak out on a particular social issue. A good analogy is to think of the Index as a multi-function weather station: It can tell leaders the temperature of the issue (how polarized it is), whether pressure is building or waning (whether it is trending up or down), and which way the wind is blowing (where does engagement with Left and Right sources lean and which side is fueling the intensity of the polarization).

In addition to the Polarization Index there are other equally important variables that must inform any decision-making process. While the Polarization Index provides an objective, data-based view of polarization, equally important is a thorough self-examination of how a position on a particular issue is appropriate for comment or action. Here are three areas for companies to explore:

Authenticity

- Is the issue relevant to our business?
- Is the issue aligned with our brand purpose and CSR focus areas?
- Do we have a positive track record of action on this issue, internally or externally?
- Do we have a corporate commitment, goal or policy related to this issue?
- Have we commented on this issue in the past?

Relevance

- Are others in our industry or peer group speaking out on this issue?
- Is the issue rising to the level of national conversation and coverage?
- Are our internal or external stakeholders directly impacted by this issue?
- Do we have a significant presence in the affected area?
- Is there internal pressure for us to engage on this topic (e.g., from employees, leadership, etc.)?
- 🤲 Is there external pressure for us to engage on this topic (e.g., from consumers, partners, etc.)?

Action

- Are we willing to take a stand and/or demonstrate action on this issue?
- Are we prepared to and willing to engnage in discourse around the issue (beyond a single statement)?
- Are we willing to or able to handle the possibility of backlash from stakeholders who may disagree with our position?
- Are we committed to or willing to commit to this topic long-term, beyond the current situation?

According to a 2022 survey on corporate activism conducted by the USC Annenberg Center for Public Relations with support from Golin, nearly 80% of corporate communications executives believe that polarization is a challenge to their organizations and 73% predicted they will increase their engagement with social issues. This underscores the need for a thoughtful and thoroughly informed approach to decision making on whether, when, and how to engage.

A Final Word

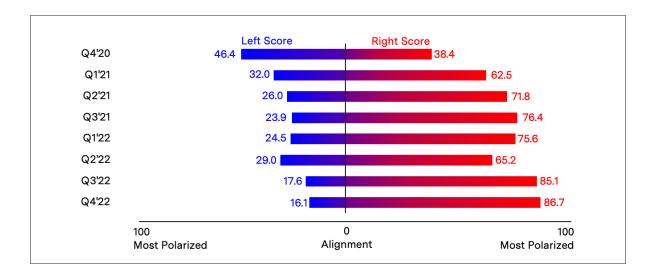
Based on our two-year study, we have concluded that as long as both political extremes benefit from using traditional and social media to promote their agendas, polarization will continue to erode our national dialogue. But we have also seen evidence that positive change is still possible, when more rational voices join the conversation, as long as those voices advocate for cooperation instead of confrontation.

Consumer and employee expectations for companies to engage on issues important to them also show no sign of abating. In a polarized world, corporate leaders are best served by paying particular attention to the data-based view the Polarization Index provides and then wisely navigating divisive issues by making sure comments and positions are authentic to their business and its values, relevant to stakeholders, and backed with matching actions or the intent to act.

Appendix

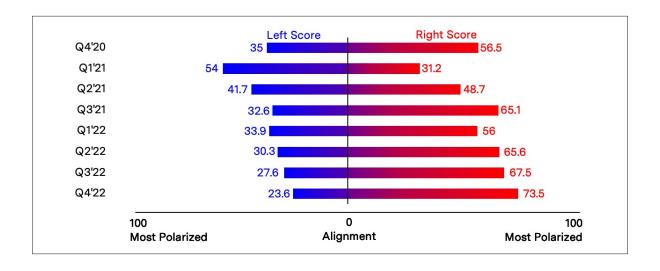
Immigration

Political Skew (Unilateral polarization)



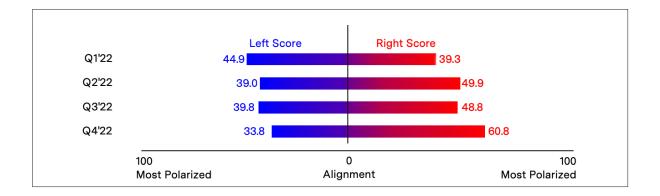
Policing Policy

Political Skew (Bilateral polarization)



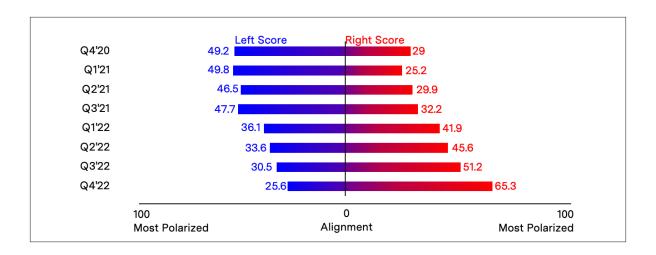
LGBTQ+ Rights

Political Skew (Bilateral polarization)



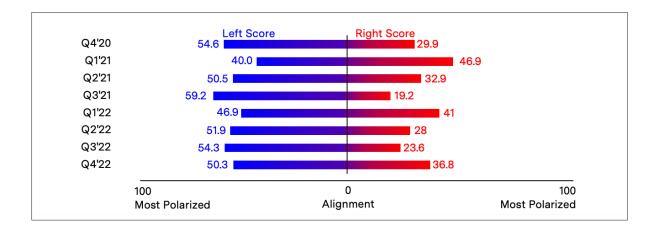
COVID-19 Vaccines

Political Skew (Variable polarization)



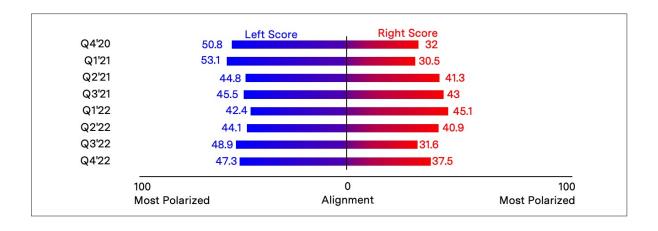
Abortion

Political Skew (Unilateral polarization)



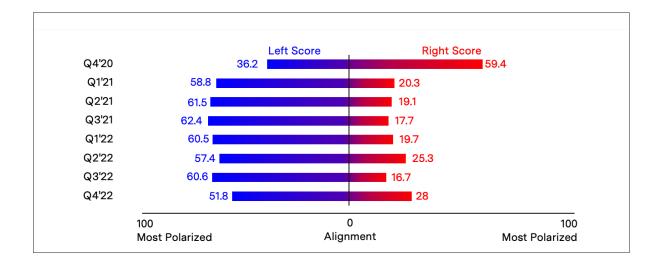
Racial Equity

Political Skew (Bilateral polarization)



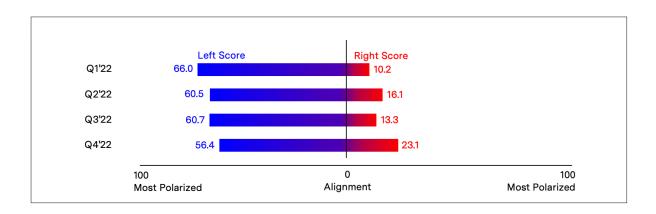
Voting Integrity

Political Skew (Variable polarization)



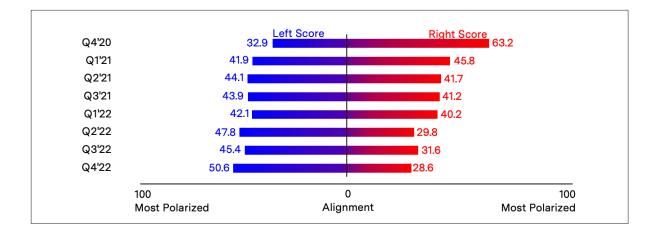
January 6 Capitol Attack

Political Skew (Unilateral polarization)



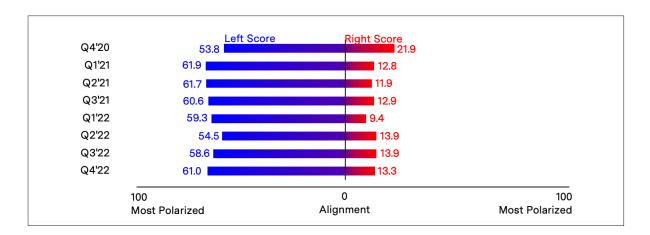
Gun Legislation

Political Skew (Bilateral polarization)



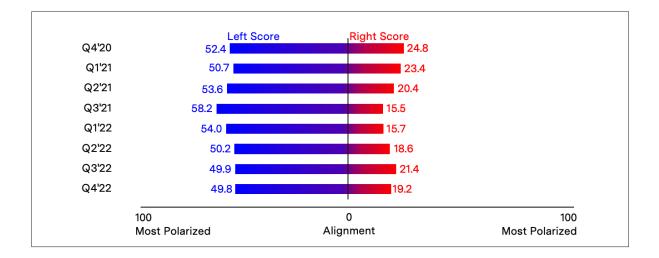
Healthcare Reform

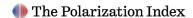
Political Skew (Unilateral polarization)



Climate Change

Political Skew (Unilateral polarization)





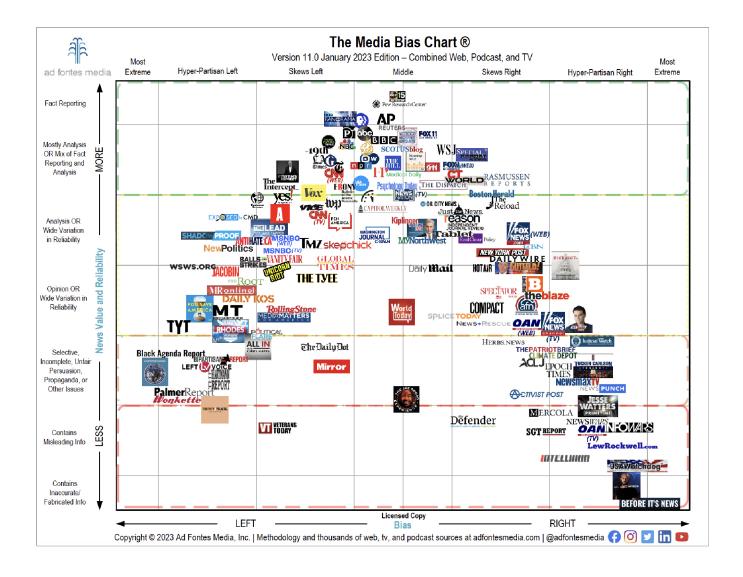
Methodology

The Polarization Index measures the engagement with polarized content on Twitter, with polarization calculated by combining volume of shares with the bias and reliability ratings of the media sources publishing the content. Engagement with a media source is counted when a user shares the URL of an article in a tweet. For engagement to register to a PI issue, the article in the tweet must reference one or more of the keywords related to the topic itself, or the user must reference one or more of the keywords related to the topic in their tweet along with the URL of an article from the list of sources tracked.

The political bias and reliability of media sources were rated by Ad Fontes Media, an independent news content rating company. Both the political bias and reliability ratings of a media source were taken into consideration in forming eight categories of media, including:

ow Reliable	Mid Reliable	High Reliable	High Reliable	High Reliable	High Reliable	Mid Reliable	Low Reliable
Left	Left	Left	Partial Left	Partial Right	Right	Right	Right
Лost Polariz	ed		Most N	Veutral		M	ost Polarized

While the political bias score rates how far leaning the source falls towards either end of the political spectrum, the reliability rating ranges from original fact reporting at the top, all the way down to containing inaccurate or fabricated information. Sources in the mid-reliable category range from high variation in reliability within analysis or opinion-based writing.



Related to each issue, the percentage of engagement within each category of media sources is calculated out of the total number of shares related to the issue during a given time period. Each category percentage is then weighted by Zignal's proprietary algorithm that weights engagement from low-reliable sources as more polarizing than engagement from high-reliable sources. The sum of category percentages is then summarized on the left and right sides of the political spectrum to produce a left and right score, which measures the strength of polarization on each side. While there are no sources within the Polarization Index that have no political leaning whatsoever, engagement with sources in the high-reliable partial left and partial right categories are weighted as the most neutral and least polarizing within the Index itself.

The delta between the left and right score is calculated as the polarization score for each issue, representing the gap between the partisan echo chambers of the left and right sides of the political bias spectrum.