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## Can For-Profit Corporations Be Religious?

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Can a business be religious? The answer to this question remains highly contested. Businesses like Hobby Lobby and Chick-fil-A have shown, in the news and in the courts,<sup>[i]</sup> how contentious this question can be. But these examples are only the tip of the iceberg and can be misleading since they are not typical of most religious businesses. A more comprehensive account of the existing sector of mission-driven, religiously shaped, for-profit corporations amply shows that the answer to this essay's opening question is yes.

### **Some Businesses Have Religious *and* Profit Motives**

The key question is whether they can be religious institutions even though they are for-profit corporations competing in the market. In *Burwell v. Hobby Lobby Stores*, the Supreme Court [held](#) that “closely held” for-profit corporations could be considered as “persons” under the Religious Freedom Restoration Act. The majority opinion did not address the matter of less closely held corporations.

Some have characterized the decision as novel, and Justice Ginsburg called it “startling” and “radical.” But Steven D. Smith argues that, since the Supreme Court has held for a century and a half that the term “persons” normally includes corporations, then the decision was in fact blandly “sensible” and “yawningly unadventurous.”<sup>[ii]</sup> If a corporation such as the *New York Times* Company can have free speech rights then a corporation can rightfully claim other First Amendment Rights.

As Stephen Monsma and Stanley Carlson-Thies point out, “the nonprofit vs for-profit distinction is less a real distinction than is commonly assumed. It is one made by the Internal Revenue Service to determine an organization's tax status. It does not rest on a fundamental difference in the nature of entities.” The brief filed by Hobby Lobby before the Supreme Court states, “The government agrees that a Jewish *individual* could exercise religion while operating a kosher butcher shop as a sole proprietor. Presumably, he could continue to exercise religion if he formed a general partnership with his brother. But the government says the ability of this religiously observant butcher to exercise his faith abruptly ends... at the moment of incorporation, even though he engages in the exact same activities as before.”<sup>[iii]</sup>

Many of the more general objections to the decision appear to stem from a belief that religion is, or should be, irrelevant to how corporations function. Elizabeth Sepper asked, “How can a business have beliefs, religious or otherwise? What does it mean for a business to hold a faith? How can a corporation exercise religion? How does it show sincerity? Can a single-minded obsession to maximize profits meld with religious devotion?”<sup>[iv]</sup> But many corporations have goals other than the maximization of profits, let alone the “single-minded obsession to maximize profits.” Religion can, in fact, be central to how corporations are structured and go about their business.

A key factor in discerning whether an institution, even a for-profit corporation, is religious is whether it does things that are shaped by a religious commitment. Does it do (some) things differently from other corporations? The fact that a for-profit corporation seeks to make a profit so it can continue to exist does not preclude it from integrating other guiding principles, including religiously based ones, into its ethos and operations. Many profit-making bodies commit themselves to support goals such as environmental stewardship, combatting climate change, as well as supporting charities, that might adversely affect their bottom line.

### **The Guild and the Modern Faith-Shaped Business**

Guilds in ages past could recognize and nurture the spiritual aspects of their members’ lives. There was no sharp distinction between a religious body and an economic one, and they could properly be described by terms such as profession, calling, or vocation. We can ask similar questions about a university, hospital, welfare organization, law firm, or for-profit corporation. Does it see itself as having a calling, a vocation, a mission? Does the entity’s religious vocation affect the way it operates and does that vocation set it apart from other commercial businesses.

For example, Chick-fil-A closes on Sunday, which is one of the more profitable days of the week for restaurants in America. This potential sacrifice of profits indicates that its owners see the company not merely as a profit-oriented entity but as a calling, a means of service, a corporate way of obeying God. In 2000, Chick-fil-A’s founder Truett Cathy and his brother presented a covenant to their sons that included promises never to open on Sunday, that the company would stay private, and that it would support philanthropic work. The covenant stated, “We will be faithful to Christ’s lordship in our lives. As committed Christians we will live a life of selfless devotion to His calling in our lives. We will prayerfully seek His leadership in all major decisions that impact our family and others. Our family roles as spouses to our lifelong mates, parents to our children, and loving aunts and uncles will be our priority.”<sup>[v]</sup> This is not merely theological window-dressing but, as with any genuinely religious organization, shapes the way it does business.<sup>[vi]</sup> Similarly, Hobby Lobby closes its stores on Sundays, reportedly starts staff meetings with Bible readings, pays above minimum wage, and uses a Christian-based mediation practice to resolve employee disputes.

### **A Look at Religious Businesses Beyond the Culture War**

Lest it be thought that such corporate religion is merely the province of conservative Christians in America’s culture wars, there are many other examples. Don Larson, the founder and CEO of the Sunshine Nut Company left his senior corporate position with Hershey when he believed God was calling him to “Go and build food factories in developing nations to bring lasting economic transformation.” He and his family sold everything they had and in 2011 moved to Mozambique.

They started a food factory hiring primarily adult orphans, developed relationships with orphanages and other community organizations throughout Mozambique, and supported and developed projects using 90% of their profits. In 2014, they were able to start supplying U.S. retailers such as Wegmans and Whole Foods and now have an all-African staff of 30.<sup>[vii]</sup> This could be described both as a business and as mission work.<sup>[viii]</sup> Indeed there is a trend in missions to develop businesses to support local communities so that they can be self-sufficient and not need aid.<sup>[ix]</sup>

The supermarket chain Wegmans seeks to reflect Catholic social teachings on solidarity, subsidiarity, the dignity of the human person, and the care of the common good, and in doing so has, according to *Fortune*, become the second-best place to work in America. Following similar principles, Nucor Steel, the second largest steel company in the U.S., makes compensation for both the CEO and the company's employees rise or fall together depending on the company's success. In the similarly Catholic-oriented The Wine Group, the second-biggest wine company in the U.S., senior executives are only rewarded with stock bonuses for their work 20 years down the road, so that planning for the company is based on a "20-year time horizon." William Bowman, Dean of the Catholic University of America's Busch School of Business, maintains that simply using "strict metrics for return on investment" is "itself...a minor violation of Catholic social teaching, because the person is the purpose of the business, and not the dollar, and that has to be reflected in how the company operates...."<sup>[x]</sup>

Forward Sports is a Pakistani company based in Sialkot, Punjab, that manufactures sports equipment. It has been the official provider of balls for the last two FIFA world cups, produces about 70% of the global output of hand-stitched soccer balls, and supplies an estimated 40% of the total world soccer ball market. Its owners are discreet about their Islamic faith, but they are pious Muslims and their faith shapes their business. The company has a commitment to honesty, going green, providing good benefits to its employees, and helping them develop. It is the only company in the area that also employs women. Its Community Initiative program includes interest-free loans for employees; food for employees during Ramadan; support for the poor and widows; running its own free school; providing funds to the Chamber of Commerce for its Child Labor Elimination Program; and providing health care, medicines, and electric appliances for prisoners of the Central Jail Sialkot. They are also committed to the study of Islam, notably Islamic finance and business, and sponsor the Seerah (Sira) Study Center at the Government College Women University Sialkot (sic).<sup>[xi]</sup>

Whole Food's Buddhist ethos can reveal itself in its commitments to "Be a Servant Leader. Our leaders care about others. We are not driven by our ego's desire for self-aggrandizement. Instead, we always try to serve the higher purpose of the company, as well as serving all of our major stakeholders...."<sup>[xii]</sup>

On a smaller scale, down the road from me is Whiffletree Farm. It's owners and operators, Jesse and Liz Straight, are converts to Catholicism and have been strongly influenced by Wendell Berry, and on these bases they have made a commitment to a life centered on family, the community, and "rootedness." They had never farmed, but Jesse says, "We came into the Church at the Easter Vigil of 2009.... That next Monday we moved back to Warrenton to start the farm." Later, their friend Jonathan Elliott joined the team after graduating with a master's degree in theology from the Dominican House of Studies in Washington. The farm is committed to organic, sustainable, and

humane practice. “In terms of the farm...it is understanding as much as we can about God’s world, how God made the natural system and how we can work within that. In a posture of humility and gratitude and attentiveness, we want to follow God’s order, rather than imposing our own.”<sup>[xiii]</sup>

To be sure there are many other farmers committed to similar practices, sometimes without an explicit religious commitment, though many have a deep environmental quasi-religious disposition, but the Straight’s practices are driven by their religious commitment. They are also at the very same time real business practices. They have a summer intern program at no cost for aspiring farmers to learn sustainable farming practices. “Plus, our program is distinct in that we have weekly business meetings where we teach the interns on how to actually run this kind of business, not just raise the food!” It is a business—a thoroughly religious business.

## Conclusion

These examples and many others illustrate that even for-profit corporations can have religious duties and embody religious convictions.<sup>[xiv]</sup> Accordingly, for-profit entities that are authentically shaped by religious ground-motives deserve religious freedom protections along with their non-profit, NGO, and congregational counterparts. In other words, they are due the rights and protections of institutional religious freedom.

## Endnotes

[i] See my “Rights, Institutions, and Religious Freedom: Toward Clarity in the Midst of Controversy,” *Cornerstone Forum*, September 26, 2019,

<https://www.religiousfreedominstitute.org/cornerstone/rights-institutions-and-religious-freedom-toward-clarity-in-the-midst-of-controversy>.

[ii] Steven D. Smith, “Corporate Religious Liberty and the Culture Wars,” pp. 333-364 of Michael D. Breidenbach and Owen Anderson, *The Cambridge Companion to the First Amendment and Religious Liberty* (New York: Cambridge University Press, 2020) pp. 333, 338, 340.

[iii] Stephen V. Monsma’s and Stanley W. Carlson-Thies, *Free to Serve” Protecting the Religious Freedom of Faith-Based Organizations*, (Grand Rapids: Brazos Press, 2015), 61, 62-63.

[iv] Elizabeth Sepper, “Contraception and the Birth of Corporate Conscience,” *Journal of Gender, Social Policy and the Law* 22 (2014), pp. 316-316, quoted in Steven D. Smith, “Corporate Religious Liberty and the Culture Wars,” pp. 333-364 of Michael D. Breidenbach and Owen Anderson, op. cit.

[v] Kate Taylor, “Chick-fil-A’s CEO signed a covenant with his father — the founder — pledging to remain a committed Christian, keep the company private, and never open on Sunday,” *Business Insider* (August 12, 2019), <https://www.insider.com/chick-fil-a-ceo-promised-closed-sunday-keep-company-private-2019-8>.

[vi] See Ethan Bronner, “A Flood of Suits Fights Coverage of Birth Control,” *New York Times*, January 27, 2013, <https://www.nytimes.com/2013/01/27/health/religious-groups-and-employers-battle-contraception-mandate.html>.

[vii] <https://sunshinenuts.com/sunshine-approach/our-story/>.

[viii] See the website of Business as Mission <https://businessasmission.com/> and the section on starting businesses on the TEAM mission-supporting agency website, “Five Tips For Starting a Business as Mission,” <https://team.org/blog/start-business-as-mission>.

[ix] See ABWE Missions at <https://www.abwe.org/serve/focuses/business-community-development>; the Business as Mission website at <https://businessasmission.com/library/>; C. N. Johnson, *Business As Mission: A Comprehensive Guide to Theory and Practice*. (Downers Grove, IL: InterVarsity Press, 2009).

[x] Peter Jesserer Smith, “Wegmans Among Businesses Putting Catholic Social Teaching to Good Use,” *National Catholic Register*, May. 2, 2017, <https://www.ncregister.com/daily-news/wegmans-among-businesses-putting-catholic-social-teaching-to-good-use>.

[xi] <https://www.fgear.pk/community-initiative>; Prof. Dicky Sofjan, pers. comm. June 22, 2020. My thanks to Professor Sofjan for pointing out this example.

[xii] Lauren Hamer, “These Companies Have Made Being Religious Part of Their Image,” *CheatSheet*, May 18, 2018, <https://www.cheatsheet.com/money-career/these-companies-have-made-being-religious-part-of-their-image.html/>.

[xiii] Alexandra Greeley, “Catholic Family Goes Back to Nature: Harvesting God’s Good Earth — and Faith,” *National Catholic Register*, October 12, 2017, <https://www.ncregister.com/daily-news/catholic-family-goes-back-to-nature-harvesting-gods-good-earth-and-faith>.

[xiv] For further examples, see “5 Companies Radically Shaped By the Faith of Their Owners,” *Christianity Today*, May/June 2020, pp. 86-93, <https://www.christianitytoday.com/partners/c12/5-companies-radically-shaped-by-faith-of-their-owners.html>.

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