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The fight between Georgia Republicans and Delta Air Lines over the NRA could be a disaster for Atlanta's bid for Amazon's HQ2

Bob Bryan - Feb 28, 2018



Amazon CEO Jeff Bezos.

A political tussle between Georgia Republicans and Delta Air Lines has prompted concern among some local business groups that Amazon could overlook the state for its shiny new headquarters.

Republicans in Georgia's legislature blocked a potentially significant tax break for Delta on Monday after the Atlanta-based airline ended a partnership with the National Rifle Association that offered the group's members discounts on some flights.

Lt. Gov. Casey Cagle, who is running for governor this year, called Delta's move an affront to conservatives. And despite Delta's insistence that its move was an attempt to stay out of the partisan fray, Cagle and other Republican lawmakers in the state have said they will block a tax exemption worth about \$40 million annually until the airline reverses its decision.

That has prompted some business and civic leaders to worry that Amazon could skip Atlanta when deciding where to place its second headquarters, HQ2. Atlanta was announced as one of the 20 finalists for HQ2 in January, and many analysts believe that it is among the top destinations for Amazon.

Sam Massell, the former Atlanta mayor who is now the head of the Buckhead Coalition business group, told The New York Times that the Delta tangle was "embarrassing" and could cost the city the approximately 50,000 jobs expected to come with HQ2.

"I don't believe in blackmail, and I'm sorry to use such a dirty word, but that's almost what it tastes like," Massell told The Times. "That's terrible. That's not Georgia's image. That's backwoods stuff that doesn't belong at all."

Andrea Young, the executive director of the Georgia branch of the American Civil Liberties Union, said Amazon should "take note" of the Delta fight in the state.

"Politicians should not use taxpayer dollars to impose ideological litmus tests and punish organizations that express views that politicians dislike. Amazon should take note," Young said in a statement.

John Boyd, the principal of The Boyd Company, which advises corporations on site selection, told Business Insider the fight could make firms think twice about the business climate in the state as a whole.

"Cities and states are in a global competition to attract the best talent," Boyd said. "Progressive companies with a 'world view' and that value diversity (especially a company like Amazon) are becoming increasingly sensitive about investing in states where lawmakers are aggressive on divisive social issues. Whether that be North Carolina's bathroom bill - that helped shut down planned expansions by several companies like PayPal and EY a couple of years ago - or potentially in Georgia today."

Lawmakers from Alabama, New York, and Virginia took to social media after the spat erupted to offer their states to Delta as a new home for the airline's headquarters.

Even the Democratic Governors Association piled on.

"With Amazon watching, Georgia Republicans have embarrassed their state over and over again," the DGA's communications director, Jared Leopold, said in a statement. "Instead of creating jobs and growing the economy, Georgia Republicans made the state fodder for late-night jokes and viral news segments. If Republicans are willing to attack their largest employer to impress a few primary voters, why would anyone want to do business in the state?"