

The Boston Globe

The end of Roe could be a boon for the Mass. economy. Here's why.

Companies may look to grow in states that protect abortion rights, but experts say it's likely to be but one of many factors.

By Diti Kohli and Larry Edelman Globe Staff and Globe Columnist, June 29, 2022



Liz Ridge held a sign during a demonstration in support of abortion rights at the Massachusetts State House in Boston on Saturday when hundreds gathered to protest the Supreme Court's decision to overturn the landmark Roe v. Wade case. Craig F. Walker/Globe Staff

As last week's Supreme Court decision overturning Roe v. Wade sparks fierce backlash from Massachusetts residents and politicians, some are pointing to a potential silver lining: the Bay State economy.

Companies reluctant to grow in states with strict limits on abortion rights could turn to Massachusetts, where reproductive access is guaranteed by state law, business and industry experts say. It may give the Bay State a boost in its long-running competition for jobs with lower-cost, faster-growing states such as Texas and Florida, where politicians are pushing for near-total bans on the procedure.

That's the message from Governor Charlie Baker, who said Tuesday that his administration may "encourage" employers in states with restrictive abortion laws to look here. The prospect of luring out-of-state companies is "a big opportunity," Baker said. "We are a state that takes this issue seriously."

One of the region's top business leaders agrees, saying Massachusetts' protection of abortion rights — and its progressive culture in general — will be appealing in an age where politics play a greater role in corporate decision-making.

"Issues of human rights, equity, and inclusion have been a driving force in physical relocations for businesses, individuals, and families," said Jim Rooney, president and chief executive of the Greater Boston Chamber of Commerce. "I can see Massachusetts' protection of abortion rights and access to quality reproductive healthcare as attractive to some groups."

But as the post-Roe landscape of abortion rights only begins to shake out, the real economic impacts are far from clear.

Shari Munro, a senior recruiter at Newton-based Techpros, put it bluntly.

"We will have to wait and see."

Both employers and employees consider a "jigsaw puzzle of factors" — infrastructure, government, family ties, and personal preference — when debating where to locate, said Brian Bethune, a Boston College economic professor. Social policy — the legal principles that separate red states from blue — is just one in the mix.

"That's why it's hard to say whether abortion services are going to eventually tilt the field one way or another," Bethune added.

Then there's what corporate relocation expert John Boyd described as Massachusetts' reputation as a "difficult business climate," which could make it less desirable than Southern competitors.

High housing costs, inflated wages, and taxes, including a possible new surcharge on incomes above \$1 million that will go before voters this fall, may concern executives eyeing the Bay State, compared with the lower costs in places with conservative stances on abortion.

And companies move for all sorts of reasons. Investment firm Citadel recently said it will move from Chicago to Miami, citing crime and business climate concerns. Defense giants Boeing and

Raytheon are both moving headquarters to the Virginia suburbs to be closer to the Pentagon. And a wave of gunmakers fled New England in recent years for firearm-friendly states in the South.

But in a world where companies chase talent, Massachusetts' left-leaning politics has its appeal, especially among 20-somethings deciding where to build a life and career.

Six in 10 Americans support abortion rights, and polls show that support is even stronger among adults under 30 and people with advanced degrees — key pillars of the local talent-driven economy. Outlawing abortion elsewhere could drive even more of them here, Boyd said.

“In an era of unprecedented mobility,” he added, “Generation Z and millennials want to live and work in states with legal abortions.”

Sara Fraim, vice president of programs and policy at the Massachusetts Technology Leadership Council, agrees. There's no data yet, but Fraim contended that abortion rights could help draw high school seniors to go to college in Massachusetts and more college seniors to stay here after school. Employees, particularly those who can work remotely, may also opt to live in the Northeast, where the culture lines up with their values, she said.

“If I lived in Texas and worked for a company with offices here and in Texas,” Fraim said, “I would move.”

Sixty-four percent of college-educated workers would not apply for a job in states with an abortion ban, according to a national survey commissioned by the Tara Health Foundation in August 2021. Half said they would consider moving if their state lawmakers severely limited access to the procedure. (With Roe now officially gone, at least a dozen states have existing trigger laws that will soon enact bans.)

In recent days, several companies picked up on that sentiment. Large players like Disney, Meta, and Amazon recently announced new policies promising time off and financial support for employees seeking abortions, as have Boston-based firms including State Street and Hubspot.

Seaport health tech startup 1upHealth is going further, offering to handle the cost of relocating any of its 60 or so remote employees nationwide who may want to move, around half its total staff. Some live in Texas or North Carolina, chief executive Joe Gagnon said, and deserve to work in “places where they're not feeling like an outsider.”

Incentives like that are “smart business,” Fraim said, especially in a tight labor market where talent is king.

A few employers made this sort of decision years ago, including Dog DNA testing startup Embark. The firm was founded in Austin, Texas, but chief executive Ryan Boyko — worried that state laws could hurt employees even in Texas' blue oasis — moved it to Boston in the months following

President Donald Trump's inauguration. Those days, he fretted about draconian immigration policies; now, he sees similar fears playing out around abortion.

"Just having low taxes and low regulations on businesses doesn't necessarily make a place business-friendly," Boyko said.

It's quite unlikely — impossible, optimists would say — that Massachusetts will restrict abortion. The ROE Act passed in 2020 codified abortion rights within the state, and reproductive health clinics from Springfield to Provincetown are preparing for an onslaught of patients.

Some say the controversial decision may turn out to be an economic victory for Massachusetts.

"In the end, the places that are welcoming to humans," Fraim said, "are going to win."