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Allen Mendenhall: Regions Financial's reasonable retreat from ideology

[Allen Mendenhall](#) | 02.23.26



Illuminated Regions sign on bank building in downtown Huntsville, Alabama.

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Recently, **I stated** (<https://1819news.com/news/item/allen-mendenhall-admirable-course-correction-at-regions-bank>), that intellectual honesty compels the acknowledgment of credit where it is properly due. Today's column obliges me to report on a development both modest and meaningful: Regions Bank has demonstrated that it need not march in lockstep with ideological positions that alienate its customers and imperil its fiduciary obligations.

Last autumn, the Heritage Foundation, assisted by Bowyer Research, filed a shareholder proposal at Regions Financial, articulating what ought to be self-evident: that a regional banking institution serves its shareholders ill when it subordinates prudential judgment to fashionable politics.

The proposal identified a constellation of commitments – from racial equity initiatives to the Human Rights Campaign’s Corporate Equality Index protocols, to emissions reduction targets and membership in Ceres climate networks to healthcare policies weighted with ideological significance – that together suggested a troubling pattern of “brand politicization.”

This is not mere semantics. When Target Corporation and Cracker Barrel discovered, to their considerable dismay, that significant portions of their customer bases declined to subsidize lectures on social justice, they learned an expensive lesson about the perils of confusing a corporate balance sheet with a political platform.

Brand value, as the proposal noted, constitutes a meaningful portion of market capitalization. Squander it through ideological grandstanding, and fiduciary duty becomes an empty phrase.

The Heritage Foundation’s concerns were specific and focused. Certain regional policies raised potential reputational, legal and regulatory considerations. Corporate philanthropy guidelines excluded some religious organizations. Environmental commitments connected the institution to broader networks whose goals may have extended beyond traditional banking priorities. Additionally, there appeared to be limited explicit protections for viewpoint diversity, an important element of a healthy pluralistic society.

What merits attention, however, is not merely this filing but its resolution. I am pleased to report that Heritage has withdrawn our proposal because Regions Bank, displaying a becoming capacity for institutional self-reflection, worked in good faith to address our concerns.

Consider what Regions has committed to accomplish: It will not engage in “debanking,” an insidious practice by which financial institutions exile customers for their religious or political beliefs. It has severed its association with the Ceres Climate Network and has requested removal from that

organization's membership roster. It has pledged to eliminate language disqualifying religious nonprofits from its charitable giving policies, with revised language to be shared with us before finalization.

Not every request reached completion before withdrawal deadlines; perfection remains elusive even in corporate reform. But the substance and tone of the engagement persuaded Heritage that Regions' commitments represented genuine progress rather than mere public relations.

What lesson emerges from this episode? That American capitalism, properly understood, need not bend its knee to every passing ideological wind. That shareholders possess both the right and the responsibility to demand that corporate managers serve economic rather than political ends. That institutions, when pressed with reasonable arguments presented in good faith, can recalibrate their course.

The broader corporate world would profit from Regions' positive example. Too many American companies have adopted policies that reflect not the considered judgment of their boards but the ideological enthusiasms of activist pressure groups. They have mistaken the opinions of a vocal minority for the values of their customer base. They have exposed themselves to precisely the reputational and financial risks that Heritage's proposal identified.

Regions Bank has chosen a different path. It has recognized that a bank's proper business is banking, not social engineering, not climate activism, not the calibration of healthcare policies to satisfy advocacy organizations. It's returning to, not retreating from, the principle that corporations exist to serve their shareholders (and hence to lift all boats), not to advance ideological agendas, however worthy their proponents believe them to be.

Regions Bank's willingness to reconsider deserves recognition and applause. Perhaps other corporations, observing this constructive engagement, will conclude that fiduciary duty need not be sacrificed on the altar of fashionable

opinion. Perhaps they will recognize that customers, in their stubborn pluralism, prefer institutions that serve them rather than lecture them.

One may be forgiven a measured optimism. If a regional bank in Alabama can discover that good-faith engagement produces better results than defensive posturing, then perhaps American capitalism retains more resilience than its critics – and some of its practitioners – suppose. The Republic’s commercial institutions need not choose between principle and profit. They need only remember which principles their charters were designed to serve.

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