

September 27, 2011 6:53 PM

CEO to DC politicians: Think 'one-term'

By Scott Pelley



RLJ CEO Robert Johnson speaks with CBS Evening News anchor Scott Pelley. (CBS News)

NEW YORK - Politicians in Washington appear to be stumped, or at least, they can't agree on how to get America back to work. CBS Evening News anchor Scott Pelley has been asking some of America's most prominent corporate executives to weigh in on the subject.

Starbucks CEO Howard Shultz told Pelley, "We have to understand that the problem we have in America today, unemployment, the fracturing of consumer confidence, the lack of lending - all of these things are tied, unfortunately, to the dysfunctionality and the ideology of separate agendas in Washington."

Caterpillar CEO Doug Oberhelman echoed those sentiments advising Washington to, "Check the politics at the door. An honest discussion with Americans, tell us how deep the hole is."

In 1980, Robert L. Johnson founded Black Entertainment Television, and later sold it to Viacom for almost \$3 billion. Johnson is now the chairman of [RLJ](#), which invests in companies in a variety of industries, from entertainment to real estate.

Pelley asked Johnson for his take on this country's growing debt.

Johnson: I liken what's happening in this country to this scenario. Imagine a group of people go to a restaurant. And they start eating. Well, they don't have enough money to pay the bill, so when the waiter comes with the bill, they don't want to pay it. They don't want to make the sacrifice of paying so they keep ordering and that's what we're doing. We just keep piling on the debt and piling on the costs because we don't want to make hard choices.

Pelley: Well you know the Republicans believe that they have it right, the Democrats believe that they have it right, and this is a battle of ideology to see who wins.

Johnson: I think what business people are saying - hey, we're gonna pull back, sit on the sidelines, and-- and let the country make a decision as to which way they want to go in.

Pelley: It is a fact that businesses across this country are holding onto about a trillion dollars in cash - that they have on their books. Banks are holding onto to about a trillion dollars in cash and yet we can't get away from nine percent unemployment. It doesn't seem to make sense.

Johnson: I've been in business for over 30 years. I've never seen a time when there's been more zero-sum game mentality in the United States among political parties. If you were a business person looking at this and you saw two people arguing like that - you would say I don't want to do business with any of those guys. And you'd go

off looking for somebody else who you want to do business. And you know what you find, the Chinese who want to do business. You find the Vietnamese who want to do business. You find the Brazilians. You find the Indians want to do business with you.

Pelley: We have had unemployment around nine percent for more than two years now. Are you telling me you see a third year of that?

Johnson: I don't see consumer confidence coming back. And that's 70 percent consumer spending of the economy.

Pelley: How do you create jobs in this country?

Johnson: Unfortunately now, I don't think we have the leadership either in the White House or the Congress to end what I call a zero-sum game mentality towards the U.S. economy. And until both parties agree that the goal is to rebuild the American economy to reflect the 21st century on a global environment - we're going to be stuck. And it's a little bit frightening from the standpoint of a business person and particularly an African-American business person.

Pelley: What do you mean frightening?

Johnson: The facts are African-American unemployment is 16.7 percent, almost double the national average and probably higher than that when you factor in those people who've given up or those people who can't find real jobs. And studies continue to show that African-Americans are falling behind by every indices that you can imagine - home ownership, economic opportunity, access to capital. And that to me, creates a prescription that could lead to two societies, separate and unequal, but also to a lot of social unrest.

Pelley: Your message to Washington then is what?

Johnson: My message to Washington is simply sacrifice your political job for the job that American people want you to do. That's as simple as that. Be willing to be a one-term Congressperson. Be willing to be a one-term President, be willing to be a one-term Senator. Take that position. That the issues before the country are far greater than me returning to Washington and starting the same old treadmill over again.