



# Making history (belatedly)

by Bernie Niemeier

Virginia, sometimes better known for its history than anything else, is poised to make more of it this November.

There will be two female candidates on this year's ballot for lieutenant governor. It has been nearly three decades since Mary Sue Terry served as Virginia's attorney general from 1986 to 1993. Heretofore, Terry has been the only woman to hold statewide elective office in Virginia.

On the face of it, that's a pretty imbalanced record. While the numbers in other places also remain unequal, there are numerous states where women have served as governors or held other statewide elective offices. Thirty states have elected a woman as governor at some point in their history. Eight states currently have a woman serving a governor. Currently, the U.S. Senate includes 24 women among its 100 senators.

Here's how history will be made in this November's Virginia elections: Unlike Terry, who is white, both major party candidates for Virginia lieutenant governor in 2021 are women of color.

In May, the Republican Party of Virginia held an "unassembled convention" at 39 drive-thru locations across Virginia, selecting Glenn Youngkin as the GOP candidate for governor; former state Del. Winsome Sears for lieutenant governor; and Del. Jason Miyares, R-Virginia Beach, for attorney general.

In June, state Democrats held a more traditional primary, selecting Terry McAuliffe as their candidate for governor; Del. Hala Ayala, D-Prince William County, to run for lieutenant governor; and incumbent Mark Herring to stand for a third term as attorney general.

In fairness, this is probably the most diverse set of candidates the two major parties have ever assembled. In addition to Sears, who was the first Black Republican woman elected to the House of Delegates, and Ayala, who is of Afro-Latina, Irish and Lebanese descent, Miyares comes from a family who fled from Cuba in 1965.

Nevertheless, the top of the ticket continues to be a bastion for white males, the only previous exceptions being former Gov. Doug Wilder, who was elected as Virginia's first (and the nation's first) Black governor in 1989, and Terry, who ran unsuccessfully for governor against George Allen in 1993.

That's not to say that female candidates didn't show up for the 2020 convention and primary. State Sen. Amanda Chase, R-Chesterfield County, competed unsuccessfully for the Republican gubernatorial nomination against three men. And two women — state Sen. Jennifer McClellan, D-Richmond, and former Del. Jennifer Carroll Foy — were among the five candidates vying for governor in this year's Democratic state primary.

Outside of politics, when it comes to business, progress on gender diversity has been slow but steady. Our nation has come a long way from the World War II days of Rosie the Riveter entering the workforce to replace men fighting overseas, but that was nearly 80 years ago.

As of Jan. 1, women today hold 30% of CEO positions in the S&P 500. According to a May report by The Associated Press and Equilar Inc., only 16 of the 342 top-paid CEOs last year were women. On the other hand, these women executives earned \$13.6 million in median compensation for 2020 — about \$1 million more than the median pay earned by their 326 male counterparts. While still clearly underrepresented in C-suite positions, women may be doing a better job than their male counterparts. Or at least their boards appear to think that.

In planning this month's cover story, our inaugural Virginia Business Women in Leadership Awards (*see Page 20*), we celebrate many examples of women who are guiding their organizations to success, setting the pace for growth and mentoring new leaders within the ranks of some of Virginia's most admired companies.

As for the 2021 lieutenant governor's race, Virginia's poor, 400-plus-year record on diversity, equity and inclusion can only benefit from increased racial and gender diversity. May the best woman win. ■



# Magical thinking

by Bernie Niemeier

**L**istening can be difficult; that's often an early lesson learned and hopefully one paid better attention to as life goes on. I'll admit that's been the case for me.

Listening is especially important in business. Customers, co-workers, suppliers and vendors all have points of view that are worthy of consideration. Listening is probably the most cost-effective form of research. Listening to family members is always helpful, too. That said, it's surprising what you can hear.

Not long ago, a family member told me that COVID was like the flu — never mind that it has killed more than 4.6 million people globally in less than two years. The flu doesn't even come close to that. Others will say they don't want to get vaccinated because they don't know what's in the vaccine. Really? Do you know what's in your fast food diet? Has everyone suddenly become a scientist or epidemiologist? More likely, they're grasping for excuses to justify their behavior.

Beyond the vaccination problem, the magical thinking that what one chooses to believe makes it so can become even more extreme. Secret space lasers are causing wildfires? Bill Gates is using vaccines to implant the world's population with computer chips? Who believes this stuff?

It seems as if there is now a global conspiracy theory for anyone willing to believe such things despite an overwhelming lack of any proof. Just because something can be found on the internet doesn't make it true.

On Sept. 9, the Capital Region Business Forum, a joint effort of the Greater Washington Board of Trade, the Northern Virginia Chamber of Commerce and the Prince George's Chamber of Commerce, featured a panel discussion with Virginia Gov. Ralph Northam, Maryland Gov. Larry Hogan and Washington, D.C., Mayor Muriel Bowser. When asked what the business community could do to help the economy get back to normal, these leaders were in broad agreement that vaccinations are a top priority. As Northam put it, "We are engaged in biological warfare and the enemy is COVID."

The same day, President Joe Biden issued a new mandate for all companies with 100 or more employees to require vaccinations or proof of recent negative COVID tests.

Why is that a big deal? Some would say such mandates infringe upon individual liberties or that businesses should decide such matters for themselves.

Frankly, it is a relief for the business community to have the government taking a more proactive role in solving what has become a pandemic among the unvaccinated. Why should the business

community have to take on the role of government? We already have our hands full trying to keep companies running under unusually difficult circumstances.

The individual liberties argument also falls flat. If you want to drive, the government requires a driver's license. For safety reasons, there are posted speed limits. The Occupational Safety and Health Administration (OSHA), under which the vaccine mandate falls, has always set standards for workplace safety. Helmets, sturdy work gloves and steel-toed shoes have long been required for certain types of jobs. This is nothing new.

The U.S. just marked the 20th anniversary of the 9/11 attacks. Since that time, the Transportation Security Administration has required everyone entering the concourse of a U.S. airport to be ticketed, show proof of identity, pass through a metal detector and subject their baggage to searches.

Battling the virus is about the safety of our health. In that regard, the vaccine mandate is no different from any other workplace or transportation safety policy. It is a legitimate role for government to play. Public safety should not be an individual or business choice. It is just the right thing to do.

It is time to move beyond magical thinking. Private industry should not usurp the role of government. That's the only way we will ever get back to business. ■



# Political Kool-Aid

by Bernie Niemeier

Depending on who's in charge in Dee Cee, plans alternate on what is best for the U.S. economy. The choices are seemingly reduced to tax cuts versus government spending, but things are rarely as they seem. More accurately, these choices are two different sides of the same dollar — or trillions of dollars to be more exact.

Government dollars have one vexing thing in common: They are deficit dollars. Despite being politically savvy in a populist kind of way, tax cuts have never paid for themselves through economic growth, nor have they been offset by reduced spending. Similarly, higher spending is rarely accompanied by taxes to cover new costs.

Fiscal responsibility? For the most part, that's just the sound of political lips flapping.

The backbone to balance budgets has always been lacking. The result is an increasing federal deficit. Still, it is a mistake to consider both tax cuts and increased spending as no more than two different flavors of the same political Kool-Aid.

The Tax Cuts and Jobs Act of 2017 (TCJA) passed under President Donald Trump was estimated by the Congressional Budget Office (CBO) to come in at a cost of roughly \$2 trillion over 10 years. Republicans were all for it.

Similarly, the \$1 trillion Infrastructure Investment and Jobs Act (IIJA) negotiated by President Joe Biden's administration and passed by the Senate last month will likely be increased by an additional \$2 trillion or more in "human infrastructure" spending. In fairness, not all of this is new spending. Some of it may be covered through higher taxes and some probably not. Democrats are all for it.

Fiscal responsibility? Maybe that starts with understanding that government plays a legitimate role; spending for the common good is what government should be doing. To think otherwise is to be absorbed by individual self-interest. U.S. spending for highways, bridges, airports, the power grid, broadband and even education and mental health has been well short of what's needed for decades. It's time for the U.S. to catch up.

The culture of American exceptionalism looks backward more than half a century to the boom following World War II. If the proposed new spending looks anything like the cost of that war, it will be well worth it and much needed, especially coming on the heels of a pandemic that took an even greater toll on American lives.

While both tax cuts and spending programs have fueled federal deficits, they are not equivalent in terms of economic outcomes. Tax cuts have led to significant

inequities in income distribution. The wealthy have never been better off. It's a telling anecdote that the richest men in the world are now spending their money on space flights, something that only the richest nations used to be able to afford.

Alternatively, government spending builds roads, bridges and other projects for the common good. The jobs created put money in the hands of working-class families who spend it on local goods and services. They pay taxes and support a growing economy, as compared with billionaires who pay little or no income taxes while spending more on personal investments and unparalleled luxuries like space flights.

When it comes to federal contracting, Virginia benefits more from federal spending than any other state in the nation. The commonwealth has the second-largest federal payroll of any state. On a per capita basis for total federal spending, including contracts, grants, payroll, retirement and nonretirement benefits, Virginia places first in the nation.

Tax cuts have been tilted toward the ultra-wealthy and have failed to trickle down money into either the common good or the hands of families needing it the most. Federal spending, on the other hand, is good for infrastructure and jobs, good for families and good for Virginia. It's just good business. ■