

# THE ECONOMIC CLUB

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O F W A S H I N G T O N, D. C.

**Excerpts from the Signature Event featuring Randall L.  
Stephenson, Chairman, Business Roundtable, Chairman and CEO,  
AT & T INC.**

**June 17, 2014**

“... this low growth, it’s not a coincidence that it is occurring commensurate with the lowest level of private-sector investment in this country as a percentage of GDP since World War II. The percent of our population that’s working is at its lowest level in 36 years. All of us who run businesses *[know]* ... if you’re not investing, you’re not going to grow. And if you’re not investing, you’re not hiring. If we want to get at the core of why the U.S. is not growing, we believe we have to address those areas that are getting in the way of investment and hiring. ... What public policies are beginning to distort markets and are getting in the way of investment and hiring? The answer to that became four pillars of growth. It’s called the BRT Growth Agenda. First and foremost is restoring fiscal stability. The second may not surprise you, and that is business tax reform. The third is expanding global trade and the fourth is fixing an immigration system that’s flat broken.” ~ *Randall L. Stephenson, Chairman, Business Roundtable; Chairman and Chief Executive Officer, AT&T Inc.*

“When you’re a business, and you’re evaluating multi-billion dollar capital commitments that span multiple years, sitting in a position where you don’t know if the government’s going to default on its debt or if you’re going to have essential services stopped is not a very pleasant place to be when you’re trying to make those decisions. While this may seem like a radical idea to some, the BRT believes that it makes a lot of sense for the largest institution in the history of the planet, the federal U.S. government, to operate on a budget – a budget that’s been approved by both Houses of Congress and the Administration. When we talk about stability, that’s what we’re looking for.” ~ *Randall L. Stephenson, Chairman, Business Roundtable; Chairman and Chief Executive Officer, AT&T Inc.*

“... the ability to work on core issues where there is general agreement is the part that frustrates me. If you think about these areas -- tax reform -- if I were to go sit down in Senator Wyden’s *[D-OR, Chairman of the Senate Finance Committee]* office this afternoon, walk across and go over to Dave Camp’s *[R-MI, Chairman of the House Ways and Means Committee]* office later in the afternoon, I could walk out of that meeting and think, we’re going to get a deal done tomorrow because there is just general agreement on the big issues, what needs to be done – get rid of the preferences and the special deductions and the loopholes, get rid of all of that, and invest it into getting the tax rate down to a competitive level, so you stop seeing companies move offshore and then so forth. ... It comes to starting to pass legislation, and you can’t get past square one. That’s part of the frustration.” ~ *Randall L. Stephenson, Chairman, Business Roundtable; Chairman and Chief Executive Officer, AT&T Inc.*

“*[Immigration reform]* has become an emotional issue around the country and it’s a hard one. I wish it were one that would just simply go away, but it’s not going to go away. We’re going to have to deal with this. Interestingly enough, in spite of what you see in recent elections ... 70 percent of the American public – both Democrat and Republican – support immigration reform. We have 11 million undocumented immigrants in this country right now, and obviously any conversation about immigration has to begin with enforcing the border. That’s critical. But then the next logical question is, what do you do with the 11 million people? The fact of the matter is, we aren’t sending them home. Not only is it impossible to send them home, but I believe it flies in the very face of what we stand for as a country, what we have always stood for. We welcome people here who work hard, who pay taxes and contribute to our prosperity. We have a higher education system that is still the envy of the world. And that system is educating more foreign

students each year. We have these really strict limits on H-1B visas that are ensuring that these people receiving these world-class American educations are going to work in countries that are competing head-to-head against us. I just question how that makes any sense for any of us. Immigrants and their children have founded more than 40 percent of the companies in the Fortune 500. And they have founded 60 percent of the top 25 tech companies. Immigration has always been a source of strength for us. If we want to remain a leader in innovation and growth in this country, we think this is an area that has to be addressed and needs to be addressed in short order.” ~*Randall L. Stephenson, Chairman, Business Roundtable; Chairman and Chief Executive Officer, AT&T Inc.*

“... mobile data is no longer what’s going to drive this industry, and what’s going to drive your industries. It’s mobile video. ... So we’re buying DirecTV. DirecTV comes with a lot of assets and great things. First of all, they have 20 million video customers. And that’s a great place to start if you’re going to build a mobile video business.” ~ *Randall L. Stephenson, Chairman, Business Roundtable; Chairman and Chief Executive Officer, AT&T Inc.*

“In 2007, we had no smartphone customers, and today we have over 70 million smartphone customers. We ignited what we think is a global revolution, and it’s a revolution that has really changed how commerce and business is done. Try to imagine any of you doing your jobs or even interacting with your families without having one of these devices on you.” ~ *Randall L. Stephenson, Chairman, Business Roundtable; Chairman and Chief Executive Officer, AT&T Inc.*