

Forget Politics as Usual: We're Mad as Hell and We're Not Going to Take It. . .

BY GEORGE GENDRON

Inc.'s editor-in-chief comments on successful entrepreneurs who feel compelled to run for public office.

In late September Tom Golisano announced his last-minute bid for the governorship of New York, which he financed with \$8 million of his own money, running as the candidate of a political party he had cofounded. The *New York Times* wondered whether he was just another highly successful entrepreneur who had run out of corporate mountains to climb. Here, after all, is a man who 23 years ago launched a payroll-processing company -- Paychex, based in Rochester, N.Y. -- that is today worth more than a billion dollars, a publicly owned company trading at 10 times book value. Given that Golisano still holds 13.5% of Paychex's stock, he is a man who could well afford to be bored. And yet when you talk to him these days, what comes across sounds less like boredom and more like pure, unmitigated anger.

"While it is impossible to overstate my disenchantment with the current administration," Golisano told us recently, "my candidacy is not about Bill Clinton. The sense of outrage I feel is cumulative and has to do with decades of increased government spending with nothing to show for it. Look at New York. Between state and local taxes, residents of this state are the highest taxed in the country. And what do we have to show for this? We are only one of two states in the country to actually lose population since 1970. Our businesses are leaving and taking with them many of our most productive people. Meanwhile, 9% of the population is on welfare. We are number two in the nation in spending per student but 43rd when it comes to the percentage of students who actually graduate from high school. Oh yeah, there's one area where we rank first in the country: the juvenile crime rate. Not only are taxes out of control, we're getting absolutely no return on our investment. This has to stop. And I'm committed to doing everything in my power to see that it stops."

You might quibble with some of Golisano's statistics. You might question why, if he is so upset about the state of his state, he never voted before 1992 (as he told the *Times*). You might dismiss his bid for office as the impulse of someone who has temporarily lost control of his temper. But to do that, you'd have to overlook the character of the man.

Tom Golisano is the ultimate pragmatist. He is more focused on *results* than anyone I've met in all my years at *Inc.* I've never seen him waste even a moment of his time on something he doesn't believe will produce tangible results, whether in business, philanthropy, or politics. He is not given to hollow gestures. "Tom Golisano always delivers on his promises -- *always*," one securities analyst told me recently. "He is able to do this," the analyst went on to say, because "he is more in command of his organization and better prepared for business than any other chief executive I know."

Though staging a political campaign may be new to Golisano, he has done his homework. Two years ago he funded a sophisticated voter survey conducted by another *Inc.* 500 CEO, pollster Gordon S. Black, Ph.D. "We found that many people had lost all confidence in the ability of our political system to address the major issues confronting this country," says Golisano. "As a result, voters are willing to consider alternatives. In the language of business, the market is ready."

To be sure, voter disillusionment comes as no surprise. But while it is leading to political apathy in the electorate, it's producing political activism among company owners. And that is new.

Until recently, successful chief executives have held a view of politics and politicians commonly summed up in one line: "The best thing government can do for my business is to stay out of my way." Owners seldom broached the topic of politics unless an issue arose that posed an immediate threat to their business. Even then, hands-on political involvement was generally left to advocacy groups or trade associations. But all that is changing, and changing dramatically, as more and more company owners enter the political fray with a zeal traditionally reserved for commerce.

Occasionally, this new activism takes the form of a candidacy. Two years ago Robert F. Bennett, another *Inc.* 500 veteran, left the top spot at Franklin Quest and mounted a successful bid for the Senate seat vacated by astronaut Jake Garn. But Bennett and Golisano are exceptions. More typical is Robert L. Luddy, the founder and chief executive of Captive-Aire Systems, based in Youngsville, N.C. "My management team is now at a point in its development," Luddy explained to me recently, "where I can afford to take time away from the business. And I'm spending that time getting more and more involved in state and local politics -- on a level where I can really make a difference. My mission is simple: introducing elected officials down here to a whole new concept -- accountability."

Luddy's approach, I've been told, lacks a certain grace. "He's loud, he's shrill, he's arrogant, he's obnoxious," a prominent local politician whispered to me at a breakfast in Raleigh not long ago. "He has no idea how to work within the system." Luddy, for his part, says he has no

intention of working within the system. "There's so much inertia, so much resistance to change, the only way to get anything accomplished is to be abrasive and loud and persistent. I couldn't care less what most politicians think of me. And I'm not going to go away."

Golisano shares Luddy's promise of resilience. "That's what this is all about," says Golisano, "taking the political process back from professional politicians. The lack of accountability, the poverty of choices at election time -- it's over. I am not given to melodrama, but I honestly believe this is the forefront of a revolution. People said I didn't stand a chance of winning, and I probably didn't, but I'll make you this promise. Four years from now I'll be back, and I'll be in their faces. I am not going to go away."

The chances are that Golisano will never be governor of New York. On the other hand, I've learned at least one thing during my tenure at *Inc.*: never, ever underestimate the capacity of the Golisanos of the world to get things done in the face of overwhelming odds.

Entrepreneurs keep the economic system dynamic, vital, and vibrant, not by being smarter or more enlightened than the rest of us but by being relentless in challenging the status quo. Relatively few of them start out with a revolutionary concept or a proprietary product. The majority are people like Golisano, Bennett, and Luddy, who build on the failures of others. Those entrepreneurs see the waste, carelessness, negligence, and sloppiness of established businesses and set out to do better, competing on execution and service, insisting on results.

What these entrepreneurs have done in the private sector, they are now doing in politics. They are taking the same values, temperament, and skills, and applying them to public affairs. The wonder is that the entrepreneur-activists think they can make a difference, but then that's the nature of entrepreneurship. Cynics don't start companies -- not successful companies, at any rate. You won't get very far with a new business if you're prone to believing that things can't change, improve, or be done better.

And therein may lie the real contribution this new generation of political activists can make. They arrive on the scene at a time when cynicism is rampant in the electorate. Large numbers of us seem to have lost the capacity for outrage and the will to transform our anger into action. Perhaps these entrepreneur-activists can put us back in touch with both. If they do, they will have performed a service beyond anything they've accomplished in business.

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