

## AMLO Defends Billionaire, Raising Doubts About His Anti-Graft Promises

[Andrea Navarro](#)

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business

## Walmart Chief Steps Forward as Unlikely Archetype of New-Age CEO

By

[Matthew Boyle](#)

- McMillon earning reputation for taking stands on social issues
- E-cigarette ban is the latest maverick move by giant retailer



Doug McMillon.

Photographer: Andrew Harrer/Bloomberg

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Walmart Inc.'s Doug McMillon just took over as the [chief spokesman](#) for Corporate America, and he's not wasting any time taking action.

On Friday, the Walmart chief executive said the retailer will [stop selling](#) e-cigarettes in its more than 5,300 U.S. locations, displaying a tendency toward action that the company has typically lacked.

The announcement supports the emerging narrative that Walmart's 52-year-old CEO is unafraid to take stands on national hot-button issues. McMillon has already [limited](#) ammunition sales in the wake of two deadly shootings at Walmart stores, [criticized](#) President Donald Trump's post-Charlottesville remarks, pledged environmentally friendly changes to its supply chain and [called](#) for Congress to boost the minimum wage.



Photographer: Patrick T. Fallon/Bloomberg

A native of Walmart's home state of Arkansas who began working at one of the retailer's warehouses as a teenager, McMillon is not your typical corporate crusader. But he's emblematic of a younger generation of business leaders who are more woke than their pusillanimous predecessors in the executive suite.

McMillon maintains an active Instagram feed, populated with pictures from his visits to stores around the world. He's also improved employee wages and benefits and overhauled Walmart's [board of directors](#), bringing in more women and minorities.

Even amid the societal hubbub, McMillon hasn't taken his eye off his primary job, battling Amazon.com Inc. for retail supremacy. He's presided over 20 straight quarters of U.S. same-store sales growth -- the key barometer of a retailer's health

-- and [shares](#) are up about 62% over the past three years, beating the S&P 500's 40% gain.

McMillon's sensibility likely led to his ascension this week to the leadership of the Business Roundtable, replacing JPMorgan Chase & Co. CEO Jamie Dimon. That positions McMillon as the public face of Big Business, heading a Washington-based group of about 200 CEOs at companies such as AT&T Inc. and General Motors Co. The organization caused a stir last month by declaring the purpose of a corporation isn't merely to generate returns for shareholders -- the group's official line since 1997 -- but to care for all its stakeholders.

### Tariffs' Bite

That new mantra provides McMillon with institutional backing to be a more vocal spokesman on issues such as tariffs, which have a direct impact on Walmart. The retailer has said that it may have to hike prices on some goods to offset the bite of the levies, but McMillon has stopped short of directly rebuking Trump's policy. Another topic he could tackle head-on is immigration, given Walmart's status as the nation's biggest private employer.

McMillon, along with other next-generation business leaders such as Apple Inc.'s Tim Cook and Brian Moynihan of Bank of America Corp., see an increased need to speak out on political and social issues that don't slice into their bottom lines. Gridlock in Congress has prevented progress on issues that matter to millions of Americans, presenting an opportunity for CEOs to become advocates.

After the February 2018 school shooting in Parkland, Florida, for instance, Moynihan said he would stop lending to certain gun manufacturers, and in April he decided to raise the bank's minimum wage to \$20 an hour from \$15 over two years.

Walmart has also taken steps in response to gun violence and to improve worker compensation. Earlier this month, the company said it would discontinue sales of handgun ammunition and bullets that can be used in assault-style weapons, while also asking that shoppers not openly carry their firearms into its stores.

### Pay Too Low

In June, McMillon said the \$7.25 minimum wage was "too low," and urged Congress to "put a thoughtful plan in place" to increase it. Walmart has raised its own starting wage several times in recent years to the current \$11 an hour, which is still below rivals like [Target Corp.](#) and [Costco Wholesale Corp.](#)

In 2017, McMillon said Trump had "missed a critical opportunity to help bring our country together" in the wake of racist violence in Charlottesville, Virginia. He's also promised to remove a billion metric tons of greenhouse-gas emissions from

Walmart's supply chain by 2030, and is leaning on vendors such as General Mills Inc. and Unilever to account for the bulk of the reductions.

So far at least, McMillon's outspokenness hasn't jeopardized Walmart's core business. E-cigs were a "relatively small category," according to a Walmart spokesperson, and the stores continue to sell traditional cigarettes and all manner of hunting rifles. The sustainability push will save Walmart money in the long run.

Still, McMillon's higher profile may extract a price. His public appearances could start to draw protesters who disagree with his stances on guns, wages and other issues. Opponents of gun-control legislation have threatened to challenge Walmart's new open-carry restrictions by provoking confrontations in stores. But as McMillon said when announcing the gun-policy changes, he's ready for it: "The status quo is unacceptable."

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