



Keynote Address by The Honorable Arnold Schwarzenegger

38th Governor of California and Governor Downey Professor of State and Global Policy at the University of Southern California

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It is fantastic to be back here in Seoul for the USC Global Conference. I want to especially thank USC President Max Nikias.

You're a visionary and a fantastic leader for USC and I am grateful for our partnership. You are the perfect spokesman for our university – you're worldly, you're innovative, and you inspire the next generation. I'm happy to call you my friend.

I told you when we started the USC Schwarzenegger Institute that I couldn't wait to travel around the world with you to speak because I wouldn't be the only one with an accent, and here we are.

I did an informal poll to see what people wanted me to talk about today, and the results were all over the place. Fifty percent said they wanted to hear about my time as Governor, 40 percent wanted to hear about my bodybuilding and film careers, and 10 percent said they wanted their money back from Hercules Goes Bananas. But anyway, I'm honored to give the keynote speech at this very important conference.

I'm going to talk a little about some of the rules I've used throughout my life, and especially when I was Governor. Before I start, let me say it's great to be back in Korea.

You've always welcomed me with open arms, whether it was the 70's when I was pumping up fitness, the 80's when I was here for the Olympics, the 90's when I promoted movies, or just 3 years ago, when I came as Governor of California on my trade mission to expand the great partnership between Korea and California.

You may know that Korea is California's fifth largest trade partner, but we're also soul mates in many other ways.

California and Korea are both late-bloomers on the international stage. We became



powerhouses in the second half of the 20th century. We both lead the world in stem-cell research. We both showcase the power of a green energy economy.

We are titans of technology – just try to find a smartphone that didn't come from either California or Korea. No matter where you go in the world, we are seen as a force as visionaries and as leaders.

When I was here on my trade mission, I developed a great relationship with President Lee and we had wonderful discussions about green technology and trade. As soon as I heard he was known as the Bulldozer, I knew we would be friends. How can a Terminator and a Bulldozer not get along? I'm also excited that Korea has elected its first female President.

We in California are proud of our relationship with Korea. In fact, one of our USC professors, the great historian Kevin Starr, recently pointed out to me that as Governor, I presided over the second-largest Korean population in the world – Los Angeles is home to the largest Korean population outside of Korea. And I admire them tremendously.

Korean-Americans are some of the hardest working people I've ever met. I love the way they contribute to our economy in California and the United States. They graduate college at twice the rate of the average American. Korean Americans were 70% more likely to start their own businesses than the average American.

So it's not surprising that Korea is a great country with big vision, and therefore it is fitting to have this conference about global issues here.

Nothing captures my imagination more than your high speed rail. I love high speed rail. When I came here as Governor, I rode your high speed rail and I was in awe of the wonderful system you've built. Now, we're finally building our own high speed rail system in California, and you're one of our inspirations.

I've always been drawn to trains. It is true that they give us a more efficient way to commute. It is true that they represent trade and commerce. And it is true that trains are a powerful symbol of progress and of the visionaries who decided that horses and buggies weren't the way of the future.

The bottom line is, the faster you can move goods and people– that is economic power. But for me, trains are much more than that. Like every young child, I was in awe of trains – I was



transfixed by their size and power. In Austria, we used trains every time we traveled.

But there was one very specific train ride that I'll never forget, because it was the first stop on the journey to make my dreams a reality. That train ride took me from Austria to Stuttgart, Germany, where I won my first major international competition, Mr. Junior Europe. That first major title made me eligible for the next year's Mr. Universe, and the rest is history.

I had crazy goals. I wanted to move to America. I wanted to become a Champion bodybuilder. I wanted to become a movie star. And I wanted to be an entrepreneur and make millions of dollars.

That train to Germany was the Launchpad to all of those dreams, and I was so lucky that I was able to move to America, the land of opportunity, and make them a reality. Today, when I look back, I know that everything I accomplished in bodybuilding and film and business was because of the United States, because of California.

That brings me to my first rule: don't just take; give something back. I believe we all have an obligation to do something for our community -- to give something back to our state or our country. We must serve a cause greater than ourselves. Because we all know that in the end, we are not judged by how much we make, but by how much we give.

I love the words of my father-in-law, Sargent Shriver, who founded the Peace Corps. "Tear down that mirror in front of you, and you'll see the millions of people that need your help." So I took every opportunity I could find to give back. I trained athletes in Special Olympics. I served as the Chairman of the President's Council on Physical Fitness. I started after school programs for our most vulnerable children.

It felt so good to give back. Eventually, I decided to walk away from my movie career and serve the people full time. After I finished promoting Terminator 3, I ran for Governor of the great state of California. Those seven years were the most challenging, exciting, and rewarding years of my life.

To wake up every morning, to have interesting meetings on every subject you can imagine, from prison overcrowding, to education issues, to climate change, problems with the budget, to immigration reform. That capital became the best classroom in the world. And there was constant action. To speak with the President one minute and a homeless advocate the next. To go to a devastating fire, and thank the bravest firefighters in the world for saving lives. It was the



best job I ever had.

But as they say, all good things must end. Even though my terms ended, my work wasn't finished. There was much more that needed to be done. I felt no different than when I retired from bodybuilding. Then, I stopped competing, but that didn't mean I stopped working out or promoting fitness around the world. I want to do the same thing with serving the people.

So I partnered with USC to create the Schwarzenegger Institute to continue to do the work that was unfinished, and also to inspire the next generation and other leaders around the world to govern with courage, with vision, with determination.

That brings me to my second rule. Never, ever think small. We must have a vision that matches the needs and the hopes of the people. Too many politicians focus on preserving the status quo, instead of finding dynamic solutions that create positive change. The biggest challenge we face is small thinking. I never had any patience for that.

There is a saying in German / Wenn Schon Den Schon. It basically means, if you're going to do it, do it. Go all out. But let me tell you something. Big thinking sometimes creates big challenges. Especially when you go from the private sector to the public sector.

In the private sector, if you want action, you get action. If there was a business idea or a building to invest in, I was a one man show. I listened to the facts and looked at the numbers and made the decision. If we were working on a movie and we wanted to rewrite a scene or add a major special effect, we just changed it and moved ahead.

Warren Buffett and second largest railroad system. When you're in the political arena, it doesn't work like that. You have so many different forces at work, it can be hard to get anything done. You have the legislature. You have an Attorney General and a Secretary of State, a Controller and a Treasurer. You have special interests, press, and non-profits, all with their own way of thinking. Once you get through that minefield, you have the courts, the Judiciary branch which can also block any idea.

Imagine a painter like Vincent Van Gogh, sitting down to paint a masterpiece. He decides he envisions a 3 foot by 3 foot painting of the evening sky, with stars and swirls. Now, all of the sudden he finds out his decisions have to be approved by a committee of bureaucrats. So someone chimes in from the right that they think instead of the night, he should paint a landscape of a beautiful mountain vista. So they negotiate, and come to an agreement. Then



Van Gogh reaches for the blue oil paint.

But someone from the left stops him and says, hold on, let's do watercolor, and did you ever think about purple? So they negotiate and come to an agreement again. Finally, someone sitting down in front says we need to stop the whole project, because the easel hasn't been inspected to be sure that it is safe. Under those circumstances, do you think that Van Gogh would have been able to paint his masterpiece, *Starry Night*? No, we would have ended up with a postcard-sized watercolor of someone's favorite dog.

It is an absurd scenario, but I just want to give you an idea of how I felt about the bureaucracy involved in every decision / and the challenges of negotiating with certain politicians who had a tendency to think small. The sad story is, many of our leaders would prefer to be maintenance men, when the world needs builders. Instead of building bridges, some people think infrastructure policy is just about filling holes in the road. Instead of creating a sustainable energy policy, some politicians would prefer to squeeze every last ounce of fossil fuels out of the Earth.

Instead of talking about health care, what they really mean is sick care, because they focus on treating illnesses instead of preventing those illnesses in the first place. Let me give you an example of what I mean when I talk about thinking big.

For instance, when I wanted to rebuild California's ancient infrastructure, I didn't want to fix a few roads. I wanted to build massive freeways on top of freeways, the first high speed rail in the United States, bridges and tunnels. You name it. I wanted to see cranes everywhere. At first, some of those legislators looked at me like I was nuts.

Some politicians have a hard time thinking big because they haven't traveled the world and experienced a place like Korea, or China, or Brazil. Other politicians simply don't have a vision of the future past their next election. I learned from that experience that we have to change the way people think about the future.

The future isn't the next news story or the next election. It is what we want our world to look like 30, 40 or 50 years from now. In California, our Legislators started to think big.

Republicans and Democrats came together around a big vision and we invested \$60 billion to rebuild California / the biggest investment in our state in 50 years. Which brings me to the third rule: We don't have to redesign the wheel.



As I travel the world, I see solutions everywhere. Every region or country I've visited has something to offer to move us forward. When we talk about energy policy, I always like to start with what we did in California.

California is unique in the United States, that with our population, our diversity, and our GDP, we are basically a nation-state. When we talk / the world listens. While others were frustrated about the failure of Washington to fight climate change or create a coherent energy policy, we decided to move ahead.

We were the first state in the country to pass a tailpipe emissions reduction that was so successful it was eventually adopted by President Obama as a national policy. We were the first state to create a Renewable Portfolio standard to require 33 percent of our power to come from renewable sources. With hydro power, we will be at 48 percent. We were the first state to adopt a cap and trade policy to fight greenhouse gas emissions, and we became a huge inspiration to the rest of the world. So much so that I was invited to speak at the Opening Session of the United Nations by Secretary General Ban Ki Moon to inspire other states around the world to follow our lead.

California is a remarkable 40% more energy efficient than the rest of the United States. To give you a better idea of just what that means, if the rest of the country was as efficient as California, the country could close 75% of its coal fired power plants. Our green energy policy was also good for business. Innovators rushed to California to take advantage of our focus on the future. The Wall Street Journal called it the next California Gold Rush, and we represent almost 60% of the green tech venture capital invested in the United States.

It isn't just California. All over the world, I've seen innovation that moves us closer to a sustainable energy future. Delhi, India replaced all their polluting taxis and buses with cleaner burning natural gas vehicles, which emit 50% less greenhouse gases. Los Angeles has the second-biggest street lighting system in the world, and by replacing their streetlights with LEDs, they have saved 63% of the energy. In Brazil, 50% of the cars run on biofuel and 90% of the power comes from renewable sources, mostly from hydro. Even a little village in Austria called Güssing became completely energy independent over the last 20 years. And here in Korea, you were the first nation in the world to adopt a Green Growth Strategy and commit to investing 2% of your GDP in green projects. As you can see, we can find the answers everywhere, all over the world. We don't have to redesign the wheel.



My fourth rule is, we must accept personal responsibility. That's especially true about healthcare. We all know that government has a big responsibility. But that doesn't mean that we as individuals have no responsibility.

If you walk around 200 pounds overweight, eat cheeseburgers until grease runs down your chin, refuse to exercise, smoke 40 cigarettes a day and wash it all down with a bottle of whiskey, it makes no sense to be out there screaming and demanding better healthcare.

Start by taking care of yourself! Listen, you're always going to look like what you eat. If you eat garbage, you eventually end up looking like a garbage can. Instead of being a part of the problem, you can be part of the solution. Stop smoking. Join a gym. Eat healthier food. Terminate the whisky.

Healthcare starts with you. Accept personal responsibility. One of the biggest employers in the United States embraced this philosophy. Safeway, a huge grocery chain, has created a system that emphasizes individual responsibility. They started a partnership with their employees where they provide insurance with incentives for healthy living. They believe in true healthcare, not sick care. That partnership has worked extraordinarily well. Among Safeway employees, obesity and smoking rates are 30 percent lower than the national average. During the first four years of the policy, while most American companies' healthcare costs increased by almost 40%, Safeway's costs stayed flat.

Each of these examples teaches us that we can't passively hope for the future we want. Each and every one of us is responsible. We all have to work together to solve these problems.

That leads to my fifth rule: Each of us has the power to change the world. Don't ever think that democracy is a spectator sport. If you want change, you have to get involved / you have to create action / you have to step into the arena. In our first class at the Schwarzenegger Institute, we asked students to find solutions to real problems.

One group took on Los Angeles City Council. Ten years ago, city council banned any paintings or murals on public and private property. Lots of people were upset, but they didn't do anything. Two students in our class did something. They took action. They got involved. They researched the murals. They started a campaign over social media. They testified twice in front of city council and they met with the planning commission. They kept pushing and pushing until the law was changed. Now you can see beautiful new murals coming back all over the city. They taught an important lesson.



If you want change, don't ever think that it will just happen by itself or someone else or government will do it for you. You must create your own change.

I started the USC Schwarzenegger Institute to inspire students, which are going to be our next generation of leaders. USC is the perfect place for an institute with such big dreams. It's the perfect place to promote these rules.

We have assembled the greatest leaders in every possible field. No other university in the United States calls to the world like USC. It is truly a global university, with the most international students in the United States. USC has big vision, and this conference is a perfect example of that.

As you listen to the fantastic minds gathered here today, absorb their wisdom. Learn all you can. But also, ask yourself / what kind of future do I want? What can I do to make that future a reality? What can I do to make a difference?

Throughout my life, there were certain heroes that always inspired me because they made a difference / because they changed the world. People like Gorbachev, Reagan and Mandela. Look at President Gorbachev. Every time I meet with him, I'm in awe.

He grew up under Communism, and rose from the bottom of the ranks straight to the top. And then, he looked around and decided the system was broken, that Communism didn't work. So he started dismantling Communism. Think about that. Gorbachev completely transformed his country with glasnost, by giving his people freedom, and with perestroika, by reforming Russia's economy. He didn't wait for the next President to do it. He said, "If not me, who? And if not now, when?"

President Reagan won the Cold War. Some people called him a war monger or a lunatic, but he created peace for the first time in 50 years. That's big thinking.

Finally, look at President Mandela. I stood with him in his prison cell at Robben Island during the opening ceremonies of the Special Olympics in South Africa, and as he spoke about the need to forgive, to heal, to move forward, I was speechless. How could he not want revenge? He was in prison in terrible conditions for 27 years. He faced horrible injustice. His people were put through unspeakable persecution. But all he wanted was to unite the people and move his country forward.



These heroes always remind me that despite the challenges we face, we don't have to accept the world as it is.

Each and every one of us has an opportunity... No / a responsibility / to leave the world better than we found it. We can demand leaders to match our vision. We can create policies to capture the hopes of the people.

We can harness our own tremendous power as individuals to build the future we deserve. If not us, who? If not now, when?

Thank you very much.