

## CONVERSATIONS WITH MIKE MILKEN



### David M. Rubenstein

Co-Founder & Co-Executive Chairman, The Carlyle Group

*June 10, 2020*

---

**Mike Milken:** David, thank you for joining me today. It's kind of a role reversal in that most of the time you're interviewing me and I'm honored to have the opportunity to interview you.

David Rubenstein: Michael, my pleasure.

**I just like to step back and talk about the responsibilities you've taken on and just look at the resume: The Library of Congress, the Council on Foreign Relations, the Kennedy Center, the National Gallery Of Art Trustee, the University Of Chicago, the Chairman of Board Of Trustees of Duke, Smithsonian chair, and as a member of the Giving Pledge with myself and my wife, Lori, have led many of the leading philanthropists. Why have you followed that path?**

I like to remind people that philanthropy is a derivative of an ancient Greek word that means loving humanity. It doesn't mean rich people, writing checks; you can love humanity by doing more than just writing checks: giving your time and your energy and

ideas can be just as valuable. What you should try to do is do something that justifies your existence on the face of the earth for that short period of time.

Other things I've done I've tried to do because it's like the country we're in. The Kennedy Center is the national performing arts center. The Smithsonian is our national museum. The Library of Congress is our national library. My family came to this country a hundred plus years ago as immigrants with no money. And with the last name Rubinstein, it wasn't clear to them or to me that I would be able to rise up in any other country necessarily. I was able in this country to get fortunate and now I want to repay my country. One of the things I've tried to do is develop something I've called 'patriotic philanthropy,' which is to remind people of the history and heritage of our country because we don't really do a very good job of that in schools anymore. And then try to get involved with federal or historical institutions that might remind people of the history and heritage of this country.

---

*"The COVID-19 crisis has made me realize that if there's anything I really want to get done in my life, I need to get it done sooner. I am ratcheting up my activity. I'm doing what I call sprinting to the finish line now because I realize how fragile life really can be and this crisis brought it home to me."*

---

Now, why is that important? If you want to improve upon what we've done already in the past, learn your history, learn what your government's about. That's been one of my passions in recent years.

**David, if we look at history we can't exactly see what was the leadership in an environment where we've had a pandemic in the United States with the technology that's available today. We've looked back at the Spanish Flu and others, and with a book coming out on how to lead and wisdom from great leaders, is there anything that we can look at and point to in this book that's going to be available this September that we could apply to how we should react to this COVID-19?**

There's no easy answer, and nobody has responded perfectly to a pandemic like this. We've had the same problems with the Spanish Flu that you mentioned in 1918. We actually lost a lot more people than we're going to lose this time. We lost, in this country, probably 750,000 people; around the world 50 to 100 million people. Interestingly, the same techniques were used then a hundred years ago, as we have today, which is hand washing, social distancing, and covering your mouths. We never developed a vaccine for

the Spanish Flu, never. And we still don't have one for that particular strand of virus. Hopefully we'll get one here.

In terms of leaders, the people that I interviewed for this book are people like Bill Gates, Jeff Bezos, Warren Buffet, Oprah Winfrey, Jim Baker, David Petraeus, are all great leaders. I would say they collectively have together the idea that they don't accept the status quo. They're trying to do something that hasn't been done before. Could anybody have solved this problem by doing something that hadn't been done before? It's not

---

*"I do not think we are going back to where we were one year ago or two years ago. People are not going to travel all over the world as much. People are going to get back their lives differently because they recognize how fragile life can be. It's going to take a while before you see unemployment numbers coming back or GDP numbers going back to where we'd like them to be."*

---

clear. I don't think anybody correctly anticipated how serious this problem was. But now that we know clearly for the future, we can do probably a better job than we've done in this. Hopefully next time this kind of thing comes around, we'll either have a vaccine or we'll have techniques to make certain that people don't die as at the levels that we had with this virus so far. Tragic situation. I don't think there's any one answer though.

**You've had responsibility in leading institutions, such as the Kennedy Center, and the Library of Congress at**

**the same time co-founding the Carlyle Group and being co-chairman of Carlyle, which today is the controlling shareholder of numerous companies all over the world. How have you balanced the two of them, and does anything you're seeing today give you cause for optimism?**

Well first, everything I'm doing I enjoy. I've now reached a point in my life where I don't have to do anything. I'm 70 years old and presumably the bulk of what I have accomplished or I'm going to accomplish, I've done. I don't feel I have to do something to please somebody more; I'm doing what I really want to do with the rest of my life. In thinking back for the purpose of this book, what is it that made me sort of a modest leader? I would say these are the qualities that I think are important. One, of course, is luck. Luck is very important. You meet the right person by luck or something like that. The same could be true in business growth.

A desire to succeed is very important. If you don't really want to succeed, you're probably not going to be a leader. You want to do something that is different and unique

that hasn't been done before. You really need to work long hours. You can't accomplish anything great nine-to-five, five days a week as Mike, you obviously know. Nobody's ever won a Nobel Prize hating what they're doing are working five days a week, nine-to-five. You need to focus so you really know what you're doing and focus on one or two things at the outset. You need to accept failure as a way of learning. You need to persist. You need to learn how to persuade people of what you want them to do. And I think a humble demeanor is better than an arrogant demeanor. Obviously, some people who are arrogant are good leaders, but I think generally it's not a good thing to do.

Keep learning. Always learn. Keep reading. You cannot read too much. And most importantly, I would say integrity. People who have cut corners, probably in some cases, maybe they got ahead, but in general integrity is the most important thing. When I started practicing law in New York, the head of the firm, Judge [Simon] Rifkind, came in and said to us young lawyers, 'it takes a lifetime to build a reputation, five minutes to destroy it. Always do the best you can to make sure that you don't hurt your reputation.' I've tried to do those things without perfectly doing so. And I love what I'm doing. I think if you love what you're doing, it's not work. Everything I'm doing right now, I love doing. I just wish I had more time on my hands to do these things.

---

*“ One of the things I've tried to do is develop something I've called ‘patriotic philanthropy,’ which is to remind people of the history and heritage of our country because we don't really do a very good job of that in schools anymore.”*

---

**We define luck is when the prepared mind meets opportunity. Your determination has served you well over these years. I think the other element you've raised here is the luxury of being able to do something you enjoy. When I think back to the honor I had a financing more than 3,000 companies, I only had one CEO who ever told me he was in it for the money. Quite often, it's a person that has a passion, a passion to implement that idea or a passion for a particular area where value and wealth creation is a byproduct of that passion. One of the unique passions you've had that you've spoken about is for our country. Many of us are a product of how we grew up, who our parents were. You've talked about your parents and being the first one to graduate high school, go to college in your family and have the great opportunities our country has given.**

**You are a member of the baby boomer generation. Those born between 1946 and 1964. Our parents were often described as the most caring generation. They lived through the Depression. They lived through World War II. Our parents told us we could be all we wanted to be based on hard work and ability and one person could change the world. You worked in the Carter Administration and worked in the Senate early in your**

**career. Do you see this experience of COVID-19 crisis affecting not only how you look at the world, but how the baby boomers look at the world?**

I do, very much Mike. Let me explain. If you reach your age of 70, as you would know from all your healthcare work, Mike, the chance if you get to 70, you'll probably get to your mid-eighties, if not longer, because you've obviously gotten through a lot the challenges you have younger in life, so forth. But I, like a lot of those kinds of people said, okay, I'm now 70, I've got another 15 years of active life or whatever it might be. But now I realize that it's different. In recent years, if you get to 70 or 60 or whatever your age might be, you have a health problem, you go to a doctor, you get it fixed, and your life can be extended a bit longer than it might have otherwise been. Mike, you had cancer. You survived that cancer and now you have a very active life, which is great for everybody.

The COVID-19 crisis has made me realize that it's not the same in the future with this crisis. You could see your life going away in one week or two weeks. All of a sudden you realize you're not going to have a chance to say goodbye over five or 10 years to your children or grandchildren. You might be gone two weeks without even having a chance to say goodbye to your spouse, your children, because you're in an ICU or on a ventilator. It's made me realize how fragile life is, and that if there's anything I really want to get done in my life, I need to get it done sooner. So I am ratcheting up my activity. I'm doing what I call sprinting to the finish line now, because there's so many more things I want to do that I thought maybe I'll do when I'm 73 or 74 or 75. I'm trying to do them now because I realize how fragile life really can be.

**This crisis has brought that message home. With this crisis, when you look at who died, most of the people were older. The older you were, the higher probability you had of passing away. And the older you are, you have other preconditions. Italy has just put out the data: 96% of the people that died had preconditions or multiple preconditions. On the other side of the coin, 80 is the new 60 and 60 is the new 40. If you make it to 70, your life expectancy is over 90 today. There is an opportunity here for extended life. One thing I'm sure of David, you'll have the chance to accomplish more in your seventies, eighties and nineties than you did in the first part of your life. But I do think your analysis does bring home the immediacy of this issue. How do you see this COVID-19 crisis affecting us socially and psychologically?**

We've never had, at least in a hundred years and maybe even longer, a situation where a healthcare crisis that threatened people's lives fairly immediately was also compounded by a terrible economic decline far worse than normal recession. The combination of the two has scared people to death, the way your parents and my parents were scared by

the Great Depression. I think people who are younger than we are today are scared of what is going to happen in the future. And I do think it's meant for everybody on the face of the earth, to have a recognition that life is so fragile; so fragile, and you've got to do whatever you can to protect yourself and your family. My children who are grown, they didn't used to call me every single day. Now they almost call me every day to make sure I'm okay. COVID-19, for all the tragedy it has brought home to people, [has shown us] the importance of human relationships and family relationships. While it's hard to find any good that came out of all this, I think that is a good.

I hope with the U.S. government putting a lot of money into this, we come up with a vaccine. I also hope that it is not priced out of the range of people's affordability. It'd be a good thing for the U.S. government to figure out whether or not we treat the vaccine the way that Dr. Jonas Salk treated his soft vaccine for polio. He did not patent it. He didn't patent it. He didn't want to make any money off of it. He could have become extremely wealthy. He didn't do that. While I recognize the importance of commerce and business and so forth, and I'm a capitalist for sure, I do think it's important that we not try to make undue profits from this kind of vaccine. Whoever comes up with it, we should make sure it's freely available to everybody at modest, modest costs.

---

*“Philanthropy is a derivative of an ancient Greek word that means loving humanity. It doesn't mean rich people, writing checks; you can love humanity by doing more than just writing checks: giving your time and your energy and ideas can be just as valuable.”*

---

**Johnson and Johnson, who received support from BARDA [Biomedical Advance Research and Development Authority] set up under HHS, have offered their vaccine free to the world. The vaccine that Johnson and Johnson is working on was one that was part of their Janssen Pharmaceuticals acquisition, headquartered in Belgium. Alex Gorsky has made that announcement. We've seen that Gilead Science has opened their patent during the crisis and given the technology free to generic manufacturers to make their drug, which has an FDA approval. And you've seen Novartis and others announce that if what they're doing is effective, they will also offer it free during the crisis. I don't think they've gone as far as you've presented it, to where Jonas Salk and their group went. But I do think during the crisis, most of them have announced, if it works they'll provide it free and at very low costs. And as you know, full well, David, the pharmaceutical industry has been very active in the most depressed areas of the world, sub-Saharan Africa, by offering their products free.**

That has been very helpful. And obviously foundations like the Gates Foundation have been very helpful in making those kinds of medications available. That's to be applauded as well. Before I conclude, I do think that this has made clear to a lot of Americans – how

---

*“The great pleasure of life is showing your parents what you've been able to do with your life that they gave you. Try to honor them; it's not impossible, but it's harder to do it when they're not around.”*

---

wonderful certain Americans are in their tireless dedication to helping other people. The classic example to me is a friend of mine, Tony Fauci, who no doubt know. Tony Fauci has been running the National Institute of Allergy and Infectious Diseases for 36 years. He is 79 years old, a person who's just dedicated to this activity of helping people. When he turned 70, I'd known him for quite a while, and I went to see him and said, 'are you going to retire? And if so, why don't

you go into the investing world of private equity where I'll take your knowledge?' And he said, David, I don't care about making money. That's just not appealing to me. I want to just help people and just be happy with my job. I think American people are probably happy that he's on the job, and hopefully it'll be there for quite some time.

**He is a great American and a great public servant, David. I've personally partnered with him for decades. One of the podcasts we did was with Steve Rosenberg, who became the head of surgery at the NCI [National Cancer Institute] in the 1970s. He joined the NIH with Tony back in the 1970s. We are so lucky, both of them are in that position.**

**Let's talk about private industry for a moment. Carlyle controls numerous companies around the world. What has been their response in terms of protecting their own employees, what they've done for their suppliers or customers? We've seen a tremendous response by private industry. Have you seen any examples that you'd like to discuss of the companies that you've invested in and how they've responded to the community?**

I think all companies, private-equity owned companies or other companies, have been determined to make certain their employees are healthy. I do think that that has been the highest priority. Second, it has been to make certain that the business is viable and can stay in business, employing people and providing products or services. And third, all of them have been interested in helping philanthropically, providing money for first responders, providing resources for hospitals, providing food banks and other things with resources and so forth. Carlyle has been doing that. I've been personally doing that. No doubt you have as well. I think there's a lot of feeling that giving to other people who are less fortunate is very, very important. Hopefully that will continue for some time.

I have to be honest. I do not think we are going back to where we were one year ago or two years ago. Lives will have changed in the way that they want to conduct themselves. People are not going to travel to all over the world as much as they used to. People are not going to go to their offices with the frequency that they did before. People are going to get back their lives differently because they recognize how fragile life can be. I think it's going to take a while before you see unemployment numbers coming back to where they were before, or GDP numbers going back to where we'd like them to be. It's just going to take a while because people are scarred by this.

In employee surveys, the most consistent thing that people say about their job is that they want to make certain that they can do it safely. A lot of people are going to just stay working at home if they can. It's clearly not easy for everybody to do that, but if you can afford to do it and you have the childcare situation taken care of, more and more people are going to stay at home for quite some time.

---

***“My children who are grown, they didn't used to call me every single day. Now they call me almost every day to make sure I'm okay. COVID-19, for all the tragedy it has brought home to people, has shown us the importance of human relationships and family relationships.”***

---

In terms of philanthropy, there's no amount of money you can give that's adequate, and there's no amount of help you can give that's completely adequate. Everybody should be able to do more. I would like to do more. I've done as much as I think I can do, but I'm going to try to keep doing more. I hope to make some more announcements soon, things that I'm involved with that will try to help. But

again, it's a drop in the bucket compared to what's necessary. We've really changed so greatly the demands on human capital to resolve this problem and to deal with human needs. It's just so sad. Mike, I'm sure you were sad and shocked as I was to see in California or Texas 20-mile-long lines of cars, of people who had no food or hardly any food and were standing in food lines. People who are unemployed for the first time in their lives. Middle class people who didn't have money adequate to pay for their food bills. It's a sad situation. It can take a while for people to get that out of their memory and a while to really solve people's problems that have suffered through this. Sad situation.

**David, I think you've defined the challenge. We've had one of our Center for Public Health really focus on the mental-health issues. As we think about how our parents view the world who lived during the Depression and World War II, I think part of our effort here is to make sure that our children and society come back as fast as possible**

**so they can focus on building and not be so concerned with what will occur during this crisis or time and time again.**

I agree. A point I'd like to make: you've obviously done this and I did it to a much lesser extent. My mother lived to be 86, my father 85. Your mother is still alive, is that right?

**My mother is 96.**

Okay. 96. You're very fortunate. I made a mistake with my parents. My parents were very happy. I'm their only child, and they were happy that their child became successful in certain different areas. But I regarded my success as something that they were proud of and probably didn't do as much as I should have to honor them in certain ways. I regretted not doing more than I did. My father died suddenly and I realized I probably hadn't done enough. He was a Marine, so I decided to redo the Iwo Jima Memorial in his honor, which is an honor of Marines in Washington. It was kind of falling apart a bit and I just regretted that I hadn't done that while he was alive. I made certain not to make the same mistake with my mother. I put some money up to redo a building in Washington, named part of it in her honor, and brought it to her by surprise. She would never let me do that if I told her in advance, and she sadly died not too long after. So I tell people: do not wait to honor your parents. It's a lot easier to honor them when they're alive. The great pleasure of life is showing your parents what you've been able to do with your life that they gave you. Try to honor them; it's not impossible, but it's harder to do it when they're not around. You've done a lot of things to honor your father and your mother, and I congratulate you and others who do those kind of things,

**David, I think it defines who you are. It's hard not to listen to you speak to understand the humanity you bring, whether it's in business or philanthropy or in your daily life or to families. Thank you for joining us today. And I look forward to seeing you soon.**

Thank you very much, Mike. It's an honor to talk to you. Thank you.

---