

**THE**

# **CALIFORNIA RECALL**

**ITS FIRST 20 YEARS**



**WRITTEN BY JOE MATHEWS**

# DEDICATION

In memory of Bonnie Reiss, Julie Soderlund, George Gorton, Allan Zaremborg, and many other Californians who shared the recall ride.

## TABLE OF CONTENTS

<b>INTRODUCTION</b>	<b>03</b>
<b>THE DECISION</b>	<b>05</b>
<b>NO LOOKING BACK</b>	<b>45</b>



### **AUTHOR**

#### **JOE MATHEWS**

Joe Mathews is author of the 2006 book, *The People's Machine: Arnold Schwarzenegger and the Rise of Blockbuster Democracy*. He also serves as California columnist and democracy editor of Zócalo Public Square. With the Swiss-Swedish journalist Bruno Kaufmann, whom he met in the Governor Schwarzenegger's office in 2006, he leads the Global Forum on Modern Direct Democracy, the world's leading network of practitioners and experts on participatory democracy.



# ANYTHING IS POSSIBLE. EVEN THE IMPOSSIBLE.

---

That is the paradox of our times, and our politics.

In California, in the U.S., and in democratic societies around the globe, we the people talk often about how hard it is to get anything done. We talk about all the limits and constraints. We express frustration with political gridlock. We say that all politicians are hopeless partisans, and must appeal to their base. We recite the wisdom that democratic governance is about slow, incremental change. We offer nostalgia for the New Deal and the post-war era when big things happened fast. We rue how hard it is to get our disengaged citizenry to pay attention to politics and government.

But if that is true, what explains the recall—and all that has happened since?

How do we explain a political earthquake that shook not just California, but made news in every country on earth?

How can we explain a historic event—the sudden replacement, by vote of the second most powerful elected official in the United States, the most powerful country on earth?

How can we account for the one-of-a-kind governor—a movie star muscleman immigrant—who had never been elected to high office before, and hasn't been elected since?

How can we wrap our heads around a governorship of so much ambition that it seemed to cram 25 years of plans and dreams into just 7 years?

How can we begin to understand its ongoing impact?

By throwing away our conventional wisdom, and looking squarely at the recall again.

If we do, we might see that we are wrong about politics, about government, and about ourselves.

The recall was a big thing that did get done. Attempts to stop it and limit it went nowhere. The recall cut through gridlock. It happened fast, lightning-fast, in just 60 days. And it got the public's hard-to-get attention. And news of it was followed, according to one poll, by 99 percent of Californians, and it drew news coverage in every country on earth.

And it surprised virtually everyone working in media and politics.

But now, a generation after the October 2003, the same pundits who once dismissed the prospects of the recall now dismiss its impact. They will tell you that the recall didn't fulfill its promises, that it didn't lead to a revolution, that it didn't take money out of politics, or push out the special interests and put the people back in

control of government.

But I'll tell you something about those pundits, because I was one of them. We've gotten old. And so, we're forgetting all that happened in the recall—and all the changes that the recall inspired in our state and in our country.

In retrospect, the recall looks like the first, and strongest, of the 21st century election earthquakes that have shaken the world.

Only Brexit comes close in impact.

The recall would also resemble, in some ways, the elections of Barack Obama and Donald Trump. Like Arnold Schwarzenegger's recall victory, the triumphs of those two presidents had seemed impossible. Like the recall victory, the elections of 2008 and 2016 brought politically inexperienced outsiders into office. Like the recall victory, the triumphs of Obama and Trump would unleash changes in our country and our world that almost no one had predicted.

For Americans, the recall was a preview of how our politics would change, and grow louder, more contested, more populist, more direct.

For Californians, the recall was something more: the beginning of a new era in governance.

Indeed, if we look back with clearer eyes—if we recall the recall better—we are likely to be surprised at how much that very special election has changed us, and is still changing our governance and our democracy.

California governance is a matter of global import now. Our governorship has become a second American presidency, and the state a second American republic. California governors are seen as counters to whomever holds the White House; they even have foreign policies. As a result, our state government is ever more powerful, issuing policies that are copied in other states and other countries.

Having invested that much power in our leaders, we Californians expect direct action now.

Direct action was what the recall, and the winner of the recall election, both embodied. And after our 20 years, we hunger, even more than before, for direct action.

The recall is an event in our past. But its history tells us where we are now, and offers glimpses of our future.

Reading the below text, you might conclude that the recall isn't over. Because the story still has the power to change us.

And because—when it comes to matters of change and California and Arnold Schwarzenegger—anything might be possible, even you-know-what.



# THE DECISION

---

Arnold Schwarzenegger left early for the taping of “The Tonight Show” on Wednesday afternoon, August 6. It was a case of traffic, not nerves. Outwardly, he seemed at ease. At the studio, he was greeted by three consultants who had been handling press questions.

One consultant, George Gorton, had a copy of a statement from Schwarzenegger announcing he would not run in the October 7 election to recall Governor Gray Davis. Instead, he would endorse former Los Angeles Mayor Richard Riordan.

The document is fine, Schwarzenegger told his aides. But don’t give it to the press until after the show.

Minutes before he was to go on stage, he still had not decided whether he was running for governor.





The entire world expected to Arnold Schwarzenegger not to run, because that's what his team of political strategists was telling people. And because everyone knows that political strategists are the experts and thus run the biggest campaigns. It's considered impossible for a novice candidate to run his own campaign, make his own decisions, and keep his political advisors in the dark.

But this was Schwarzenegger, for whom the impossible could be possible. His whole life—poor kid from small Austrian town who became a champion bodybuilder, movie actor, Kennedy in-law and one of the most famous living beings on earth—had convinced him that anything is possible.

---

Former Los Angeles Mayor Richard Riordan and Schwarzenegger lived a little more than one mile apart in Brentwood. It was a supreme irony that of all the potential beneficiaries of the people's revolt that Sacramento anti-tax activist Ted Costa had launched with his recall petition back in January, these two rich men stood to gain the most.

Neither Riordan nor Schwarzenegger had given the improbable recall significant assistance in its improbable path to qualifying for the ballot. They were mainstream figures who read the mainstream press, including my then-employer, the Los Angeles Times, which kept reporting that it would never qualify.

And yes, Ted Costa, who worked out of a former roller derby rink in suburban Sacramento, had told a Bakersfield political consultant, "This

would be perfect for Arnold" as he launched the petition campaign. But Costa and Schwarzenegger had never met.

### **"This would be perfect for Arnold."**

Instead, it was largely unknown men and women, mostly outsiders on the political right-wing, who had gotten the measure qualified. Among their names were Sal Russo, Howard Kaloogian, Mark Abernathy, David Gilliard, Ray Haynes, Roger Hedgecock, Tom Bader, and Phil Paule. They had gotten a quiet, unseen push from a powerful Democratic interest group, the California Teachers Association, which had battled Davis so often that it had polled on the question of recalling the governor—and then leaked the poll's broad support for a recall to a Republican strategist.

The recall activists on the right had overcome huge obstacles. When Democrats tied up all the signature gathering firms, hiring them for other initiative petitions so they could not circulate the recall petition, the activists dug up a down-and-out petition circulator in Missouri and brought him out to Orange County to build a statewide signature operation. They convinced a San Diego-area Congressman named Darrell Issa to provide millions from his personal fortune to make the signature gathering possible. And they persevered in the face of the scorn of the media, the skepticism of their fellow Republicans, the persistent attacks of the incumbent governor.

All the skepticism and the scorn were justified. The guys behind the recall hadn't won much in

politics. And while the tool of the recall had been a part of politics for nearly a century, and had been used frequently at the local level, no statewide elected official had ever been recalled in California. In fact, just one governor in the history of the United States—Lynn Frazier of North Dakota—had been removed from office in this way, and that was back in 1921.

But Californians were unusually angry and frustrated at governmental dysfunction. The state budget was constantly in crisis. An energy crisis had produced rolling blackouts, and then sky-electricity bills. Governor Davis had won re-election in 2002 despite these problems, but very narrowly and only because of the weakness of the Republican opponent.

The recall qualified, over the Fourth of July weekend. Just as Schwarzenegger's new film, *Terminator 3*, was opening in movie theaters.

---

In July 2003, a newspaper poll showed Riordan to be the first choice of voters to replace Davis, with 21 percent of the vote. Schwarzenegger was second, with 15 percent. If both ran, they could harm each other. If they joined forces, they would control a center bloc large enough to triumph in a multicandidate race.

Beginning July 23, the day after Schwarzenegger returned from a tour for *Terminator 3*, the star and the former LA mayor met or talked every day. The deadline for candidates to declare themselves for the October 7 election was Saturday, August 9.

Schwarzenegger told political associates he wanted to back Riordan. But in their conversations Riordan was wavering, saying he needed more time to put a team together.





## THE DECISION

In the midst of this, Schwarzenegger booked himself on “The Tonight Show” for August 6. — Acting for the first but not the last time as his own campaign manager, he did not consult with his political advisors on the decision. Since Schwarzenegger had given every indication that he wasn’t running, the advisors thought that the show offered a great venue to talk up the recall and Riordan.

The advisors had not known Schwarzenegger for long, but they had known him long enough to understand that he was always full of mystery when it came to big decisions. For more than a month, he had been sounding out his worldwide network of friends and business associates. He even took the temperature of his lifelong Austrian friends. Peter Urdl, his elementary school classmate and the mayor of his hometown of Thal, said he warned Schwarzenegger that “in politics you cannot pick your roles. If you do it, you’re going to see what kind of bullshit you have to deal with.”

In Schwarzenegger’s mind, the question was not merely whether to run for office or not. This may have been the ultimate Schwarzenegger bake-off: he appraised the future of his movie career, his investments, and his charitable enterprises. Through this methodical yet flexible style, he found he had no shortage of options.

New Line wanted him for a comedy, *Big Sir*, about a man traveling cross-country with his future stepchildren. There continued to be talk of sequels, *True Lies 2* or *King Conan*. And he was still in the midst of transforming his national Inner City Games charity into a provider of after-school programs. As always, he had an abundance of business opportunities.

There was another factor to consider. It seemed inevitable that allegations of womanizing that had appeared in the tabloids and entertainment press in 2001 would resurface. Polling conducted both for Schwarzenegger and for Democrats showed the political impact of new disclosures on this front would be negligible. People assumed stars behaved badly. But that wouldn’t make living through the reports any more pleasant.

On that front, Schwarzenegger suddenly had an opportunity. In November 2002, Joe Weider, the bodybuilding promoter who had brought Schwarzenegger to America, had sold his empire of fitness and bodybuilding magazines and nutritional supplement brands. The buyer was American Media Inc., publisher of the *National Enquirer* and other supermarket tabloids.

Part of the value of the bodybuilding magazines

was Weider’s close relationship with Schwarzenegger. The star still had a column, *Ask Arnold*, published in *Muscle & Fitness*, and American Media CEO David Pecker sought a meeting with Schwarzenegger to make sure that association would continue.

The second week of July, as it became clear the recall would qualify for the ballot, Pecker met Schwarzenegger at Oak Productions in Santa Monica and proposed that the star become executive editor of two muscle magazines: *Muscle & Fitness* and *Flex*. Schwarzenegger did not commit immediately to Pecker’s proposal. It was another option in the giant bake-off.

Both Pecker and Schwarzenegger later told interviewers that there was no discussion of how the tabloids might cover a gubernatorial campaign, if there was one. But it was obvious

that making a deal with Schwarzenegger might be better if the tabloids went easy on the star. Which is what the tabloids would do.

Schwarzenegger’s political advisors knew nothing of the American Media talks. Schwarzenegger not only kept Gorton and the other consultants at a distance, he also sought political advice from experts outside his employ. He invited the GOP pollster Frank Luntz to brief him on the results of focus groups he had done for the pro-recall organization, *Rescue California*.

One afternoon, Schwarzenegger invited Pete Wilson to his home. Wilson believed Schwarzenegger had decided to back Riordan, and was surprised to learn a candidacy was still possible. The two men, joined by Maria Shriver, talked for nearly three hours.

“I’m not concerned about you winning; I’m concerned about you making a decision without knowing what you’re getting into,” Wilson said he told Schwarzenegger. “Do you want this job badly enough to work at it as hard as you’re going to have to work in order to do it right? Arnold, it is going to mean from early morning till late at night, day after day, month after month. It will change your life, your family’s life.”

And what do you want to do with it? “You don’t want to wear the office like a boutonniere,” Wilson said. The former governor said he did not want to hear an answer right away. He just wanted Schwarzenegger to think about such questions.





## THE DECISION

---

A governor can do many things, Wilson said. Much of his power is to stop bad things. Sometimes, a governor can convince a legislature to act, but that would be extremely difficult in this era. In 2001, lawmakers of both parties had drawn their own districts to protect both Democratic and Republican incumbents, virtually eliminating competitive legislative elections in the state. Legislators had little incentive to challenge the status quo. To make changes in California, Schwarzenegger would have to use ballot initiatives. That would mean a lot of campaigns.

Wilson mentioned a conversation he had with Richard Nixon 40 years earlier about a variety of career options Wilson then faced, including whether to run for a state assembly seat. Nixon's advice had been direct: You better do it because if you don't, you'll always question yourself about it.

Schwarzenegger thanked Wilson, and the former governor went home. His wife, Gayle, greeted him. How did it go?

"I don't know," Wilson said. "I'm afraid I talked him out of it."

On Friday, August 1, Schwarzenegger called friends and supporters with the final word. He was out. Paul Folino, an Orange County tech executive, got the call on his cell phone. "I want you to know I'd like to do it, but I just can't find a way there," Schwarzenegger said. "It's too much for my family."

But there was a back-and-forth quality to these conversations. Jim Lorimer, his friend and

business partner in the Arnold Expo, a massive fitness and sports convention in Ohio, advised Schwarzenegger not to run; California was not governable, Lorimer argued. But later that day Lorimer faxed his friend a memo with ten reasons why he should go for it anyway.

Lorimer concluded his memo with verse by the nineteenth-century poet John Greenleaf Whittier's poem about an unconsummated love between a judge and a maid.

*For all sad words of tongue or pen,  
The saddest are these: "It might have been!"*

On Sunday afternoon, August 3, the Schwarzenegger family drove out to a beach house that Riordan owned in Malibu. The star seemed resigned to his decision. But Riordan's heart was still not in the race. Raising money in such a short time would be hard, he said.

"I said, 'Dick, you've got to make up your mind, because if you don't make up your mind and miss the [candidate filing] deadline [of August 9], then we are both screwed and the Republican party is screwed,'" recalled Schwarzenegger. "So, he said again, 'OK, I run.' But then we're walking out of the beach house, and he said to me again, 'I tell you one thing, though, you should run, Arnold.'"

**I tell you one thing,  
though, you should  
run, Arnold.'**





## THE DECISION

---

The conversation reopened the door for Schwarzenegger. He felt a need for a departure, a new challenge. He had everything he wanted. He could smoke a cigar, sit in his Jacuzzi, put his kids to bed, and make more movies. It all felt a bit too comfortable.

By this time, the only debate that still mattered was taking place inside Schwarzenegger's house in Brentwood. Schwarzenegger said that when he first told his wife weeks earlier, as they sat in the Jacuzzi, that he was interested in running, she started to shake. She would later say she worried about the effect on their lives, their careers, their family. But Schwarzenegger had two crucial allies urging him to run: his wife's parents.

Eunice Kennedy Shriver had been her son-in-law's biggest booster. "He's gonna run. Let him go," Eunice Shriver told her daughter. Sargent Shriver loved the idea. "You're making me very happy," Sargent Shriver wrote in a July 11 letter to Schwarzenegger. "I can't think of any person today that I would rather have in office. If I were a resident of California, I hope you realize that I'd be voting Republican for the first time ever!"

Schwarzenegger had put his wife in a difficult position. If he didn't run, much of the world would think she had blocked him. Schwarzenegger said that he would not run without her blessing. "I don't want to do this if you and the kids don't feel it's OK," Schwarzenegger recalled saying. The two went back and forth until the final day. Schwarzenegger went to bed on the night of August 5, believing he would tell Jay Leno the next day that he was not making the race.

Schwarzenegger and Shriver, on the morning of



Aug. 6, went over the decision one more time. "She knew I was going to say I'm not going to run," Schwarzenegger recalled. "She said to me that morning, 'Look, I just want you to know, if this really means a lot to you, you should do it.'"

Shriver picked up a page full of talking points for an announcement that he had withdrawn from the race. "This is me," she said, according to her husband. She pointed to the list of reasons to run for governor. "This is you. You can't be me, she added, and I totally support you in being you."

He had his wife's permission. But Schwarzenegger was still not certain.

Don Sipple, the political media consultant who had worked on Schwarzenegger's Proposition 49 campaign for after-school programs, answered his phone at 11 a.m. Wednesday. It was Schwarzenegger's executive assistant, Kris Lannin Liang. If you have thoughts about what he should say if he decides to go for it, fax them to the house, Liang instructed. And don't tell anyone.

Sipple took out a June 28 memo he had sent Schwarzenegger to outline messages for a candidacy, and reworked it. He looked back at the polling. He wrote that the people are "working hard, paying taxes, raising our families" while politicians were "fiddling, fumbling, and failing." He sent the fax along

with his cell phone number. No one called back.

Schwarzenegger sorted through Sipple's fax and others as he got dressed. He received dozens of phone messages, but he didn't return them. "Everyone wanted to call whoever they were obligated to in the journalistic world and be the guy who breaks the news. I was not going to fall for any of that," said Schwarzenegger. "And I didn't know myself. I didn't want anyone to know. And to do that, you can't tell anyone the final decision. Not Maria, either."

Through lunch and the early afternoon, Schwarzenegger still couldn't decide. "I tried to play it out and I couldn't," he said. So, with less than two hours before the taping, he resolved to let the moment seize him. "Finally, I said to myself, 'Well, something will come out on 'The Tonight Show.' Just let it come out naturally when you're on the show. It will be judgment time.'"

---

'THE TONIGHT SHOW' appeared on NBC at 11:30 at night, but the show was taped shortly after 4 p.m. in Burbank. Schwarzenegger arrived at the complex in a navy suit and white dress shirt, with no tie. In the green room, Leno and Schwarzenegger improvised a series of jokes about the star deciding not to run. "It would have been funny if Arianna and I had debated," Schwarzenegger said of the Greek-born Arianna Huffington. "No one would have understood anything we were saying."

Leno left to do his monologue. In the green room, Gorton confessed his disappointment in the decision not to run. Schwarzenegger gave no indication he had changed his mind. "Inside, I





## THE DECISION

---

was thinking, ‘Beats me,’” he said.

On stage, Leno went right to the decision: “Let me ask you about this now. I know it’s been weeks and people going back and forth, and it’s taken you a while and you said you would come here tonight and tell us your decision. So, what is your decision?”

“Well, Jay, after thinking about this for a long time, my decision is . . .”

The loud bleep of a censor obscured the answer. It was a planned prank. The crowd laughed. Leno tried again.

“We’ve joked about this and thank you. It’s been in my monologue. It’s been a slow work week. It’s been good for like a thousand jokes. But seriously, what are you going to do? You said you were going to come here tonight and tell us. What are you going to do?”

“My decision obviously is a very difficult decision to make. It was the most difficult decision to make in my entire life except the one in 1978 when I decided to get a bikini wax.”

During the laughter, Schwarzenegger breathed deeply. In that moment, he knew his decision was final. What flashed through his mind were the doubts he had heard expressed by so many people about whether he was capable of being a governor and about whether California was governable at all. The impossibility of fixing the state’s problems was what truly appealed; he was the guy who turned his boat towards the torpedo.

“Whenever people said it can’t be done, that

was actually the thing that motivated me most,” he would recall in describe his thinking.

Wouldn’t it be fun to prove them wrong? Schwarzenegger faced Leno.

“No, but I’ve decided that California is in a very disastrous situation right now,” he began, adding language from the Sipple memo: “The people are doing their job. The people are working hard. The people are paying their taxes, the people are raising the families, but the politicians are not doing their job. The politicians are fiddling and fumbling and failing!”

“And the man that is failing the people more than anyone is Gray Davis. He’s failing them terribly and this is why he needs to be recalled and this is why I am going to run for governor of the state. . .”

**“He’s failing them terribly and this is why he needs to be recalled and this is why I am going to run for governor of the state. . .”**

The roar of the studio audience swallowed the rest of the sentence. Leno did a double-take. This bit had not been rehearsed.

“What changed your mind?” Leno asked. “Did



## THE DECISION

you change your mind?” Schwarzenegger described his family debate. He spoke as a certain victor—“then there will be the move to Sacramento.” But mostly he embraced the democratic message of the recall.

“That message is not just a message for California. That is a message that is from California all the way to the East Coast, for Republicans and Democrats alike to say to them: ‘Do your job for the people and do it well or otherwise you are hasta la vista, baby!’”

**“Do your job for the people and do it well or otherwise you are hasta la vista, baby!”**

Leno tried to set up him up for the Arianna Huffington joke, but he wouldn't bite. “She is a very bright woman,” Schwarzenegger said.

A reporter asked George Gorton what would happen next. “I haven't a clue,” he said. “I have to go make a plan.” He couldn't make an outgoing call on his cell phone. Too many calls were coming in. He jumped in his car, still holding the press release announcing Schwarzenegger would not run for governor, and drove to the star's home in Brentwood.

The top Republican in the state senate, Jim Brulte, congratulated Schwarzenegger by saying: “I see you've mastered the first rule of politics.” What is that?

“Never tell your staff anything.”

This was a lesson that Schwarzenegger may have learned too well. Yes, he was in charge, but of what? There was no campaign infrastructure because he hadn't given anyone a heads-up there was going to be a campaign.

The first night, consultants and friends gathered at Schwarzenegger's home. Many ideas were floated, some of them silly (one consultant wanted to change the way the candidate said “California”). Few decisions were made. Schwarzenegger, wearing shorts, hung out at the pool and smoked cigars and listened much more than he talked. A campaign meeting, which took place the next day at the restaurant Schatzi's on Main, wasn't much better.

The Schwarzenegger campaign had no phone banks, no computers, no cell phones, no Blackberrys, and no campaign Web site. In the

12 hours after the announcement Wednesday afternoon, the star's entertainment Web site, Schwarzenegger.com, had 70 million hits. It crashed.

In a normal election cycle, such start-up difficulties would not have mattered. There would be months before a primary election to get everything up and running. But the recall election was scheduled for October 7, just 60 days away. A campaign had started for which there had been no prep. There were no position papers on issues. There was no “vulnerability study,” political speak for the research that politicians routinely run on themselves to figure out how they might be attacked.

By Friday morning, the chaos caused by Schwarzenegger's announcement caught up with him. The consultants booked the star on all

three network morning shows, which began broadcasting at 7 a.m. eastern time—4 a.m. on the West Coast. Schwarzenegger had to rise at 3 a.m. after less than four hours sleep. For nearly any other candidate for governor at any other time and place, being able to appear on three TV networks in a single morning would be a huge coup. For Schwarzenegger, it was a strategic mistake. He could attract international attention anytime he wanted. There was no reason for him to lose sleep in order to appear on television.

Schwarzenegger did his first interview just after 4 a.m. Pacific time on NBC's “The Today Show.” After Schwarzenegger answered two questions about how he had made his decision, host Matt Lauer pressed him on exactly how he would bring back the California economy. That led to a nonsensical exchange between the two men and, eventually, an abrupt end to the interview:

“Are you going to make your tax returns for the past several years available to the press?” Lauer asked.

Schwarzenegger fiddled with his ear piece. “Say again?”

“Are you going to make your tax returns for the past several years available to the press?”  
“I didn't hear you.”

“Apparently we are losing audio with Arnold Schwarzenegger in Los Angeles,” Lauer said, sarcastically. NBC said it could find no technical problem with its audio equipment.

Bonnie Reiss, the former entertainment lawyer







who had run Schwarzenegger's Inner City Games Foundation, spent Thursday and Friday canvassing the consultants and trying to put a stop to the chaos. She sat in front of the fireplace at Schatzi's and asked aides: What do we do to fix this?

One answer: a bigger team was needed. Schwarzenegger had to avoid specific issues while a campaign was built. After the TV appearances on Friday, Shriver joined a meeting of the campaign consultants, along with Reiss and the star's investment manager, Paul Wachter. Shriver, Reiss, and Wachter all knew how to play bad cop to Schwarzenegger's kindergarten cop. The presence of all three was a sign that changes were coming.

Shriver began by saying that she had met leaders all over the world, and that her husband could hold his own with any of them. She listed

fifteen adjectives that described him, among them "courageous" and "intellectual." The campaign needed to convey that sense of Schwarzenegger, and the best way to do that was to let her husband be himself.

Shriver did not raise her voice. Her preferred method was to fire questions rapidly, creating a Socratic shooting range that staffers would call the "full Maria." Her target in this meeting was the consultants, specifically George Gorton. What is your plan? Where is the staff? What is your message? What was the point of these TV appearances? What direction is the campaign going in?

Gorton responded by explaining his approach to politics. He said he couldn't answer many of Shriver's questions without up-to-date polls and focus groups. The campaign should wait until it had new research before putting together the

plan. He hadn't had any polls in the field because Schwarzenegger's candidacy had been a surprise.

Shriver pushed back, saying she didn't believe in polls and asking why there wasn't a clearly defined slogan for the campaign. She suggested that Schwarzenegger would want to be known as "The People's Governor." Gorton replied that he would have to poll on that—an answer that may have proved to be the last straw.

## **She suggested that Schwarzenegger would want to be known as "The People's Governor."**

---

Bob White had taken Friday off. When he turned his cell phone back on late in the afternoon, he was deluged with messages from the Schwarzenegger camp, one of the last from Shriver, who urged him to return her call first. White had run Pete Wilson's campaigns but thought he had gotten out of the business for good. He was an institution in Sacramento, where he made his living offering strategic advice to companies but did not, at least according to California's hard-to-understand laws, lobby the government. Newspapers would point out that for someone running against special interests, Schwarzenegger's hiring White as campaign manager did not fit the script. But

by late Friday night, Schwarzenegger had convinced White to take over.

During a meeting that first Saturday morning at Oak Productions, Governor Wilson walked in unexpectedly, carrying a list of suggestions for policies Schwarzenegger might adopt. White quickly realized the freewheeling campaign needed order and routine. He called Pat Clarey, a deputy chief of staff to Wilson, who was now an executive of HealthNet Inc. She, in turn, reached Marty Wilson, another old Wilson hand (no relation to the former governor) as he drank a martini on a train from San Francisco to Sacramento.

By Saturday night, Clarey, Marty Wilson, and White were meeting in Brentwood with the Schwarzeneggers. When Shriver asked questions about strategy, Wilson explained that he and Clarey were operations people. Clarey would run the campaign day to day. Wilson would coordinate the fundraising, coalition building, and the campaign budget. Clarey and Wilson would retain some version of those roles—Clarey as the inside chief, Wilson as the operational captain of the team of outside consultants—well into Schwarzenegger's governorship.

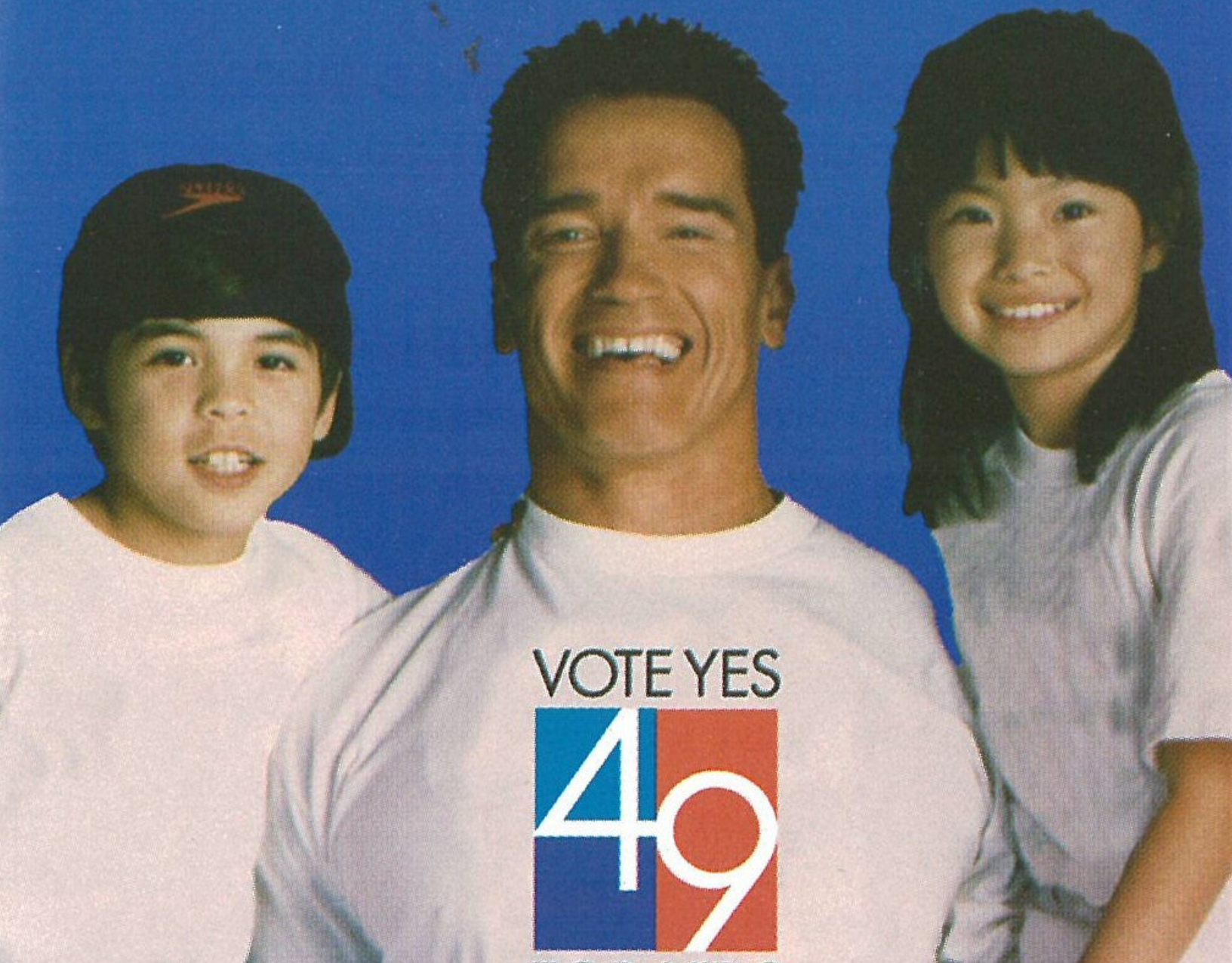
Clarey and Wilson oversaw the process of turning offices in Schwarzenegger's Santa Monica building into a headquarters. Clarey assembled a campaign staff, calling the employers of some recruits to request two-month leaves. White instituted staff meetings at 8 a.m. and 6 p.m.

White made the campaign more businesslike and happier. But he never gained control, in part because Schwarzenegger was in control,



# VOTE YES PROP 49

## Keep Kids In School And Out Of Trouble



### THE DECISION

and encouraged internal competition. He liked to have advisors competing to give him the best ideas. Schwarzenegger's style might sometimes sow confusion, but it meant that when decisions got made, he was the one who made them.

In shielding his campaign's start-up difficulties from the public, Schwarzenegger had 134 unwitting allies—the other declared candidates for governor. To qualify for the ballot in the recall election, all one needed was \$3,500 and the signatures of sixty-five registered voters. With the recall receiving news coverage worldwide, running for governor had become a marketing opportunity. At the polls, one's name on the ballot might be seen by 10 million people.

But this candidate circus only deflected so much. Schwarzenegger was deluged by questions about his plans and policy intentions from a planet's worth of media, politicians, and interest groups. He didn't have answers to all those questions, so he spent much of his time in public talking about the after-school programs he'd built and the ballot initiative he'd passed the previous year to guarantee after-school funding in California.

Prop 49, as the initiative was known, might have been his only credential in California governance, but it was a considerable one. The previous November, as Davis was barely crawling to re-election, Schwarzenegger had run a model campaign for a ballot initiative on a serious policy issue.

That issue was after-school programs, a subject he knew intimately. Over the past decade, he'd

be meticulously built up a network of after-school programs in cities around the country. But Schwarzenegger, in organizing Prop 49, had relied on more than his own work. He'd consulted widely with experts and interests to fashion a carefully drawn measure—there were more than 20 drafts—to fund after-school programs in California at a higher level than in any other state in the U.S. With no powerful interest group championing after-school programs, he'd built a broad and bipartisan coalition that included traditional enemies, like teachers' unions and taxpayer groups.

The campaign gave him a victory—with 56 percent of the vote—and his bumper sticker slogan for his political career: "Join Arnold."



Now, in the early days of his surprise gubernatorial campaign, after-school programs were all that Schwarzenegger was prepared to talk about. In his first week on the trail, the candidate even flew to the East Coast for two days to attend a long-scheduled event at his After-School All-Stars charity. Before hitting New York, he stopped in Hyannisport and huddled with his Democratic in-laws. Robert F. Kennedy, Jr., agreed to help with the environmental platform. In Harlem, 33 camera crews trailed him. He took no questions. New York media left unimpressed.



## THE DECISION

---

“He couldn’t last one round with Hugh Carey!” columnist Jimmy Breslin bellowed, referencing an ex-New York governor.

Money was a much larger concern than an agitated press corps. Schwarzenegger’s New York trip included a lunch at the Four Seasons with prominent Republican political donors. No money changed hands, and the Schwarzenegger campaign at first denied that the lunch had taken place. Schwarzenegger would fund much of the campaign’s cost himself. But it was not in Schwarzenegger’s best interests to turn down funds. By accepting donations, he would guarantee that less money would be available to his rivals.

Schwarzenegger did, however, want to avoid taking money from people or groups who might negotiate with him as governor. A fundraising policy approved by the candidate on August 21 laid out rules. As governor, Schwarzenegger would not use his appointees to solicit campaign funds. He pledged not to take money from political action committees, trade associations that represented only one industry, public employee unions, or “individuals, companies, or corporations that are engaged in gambling or tobacco.”

That notably excluded money from the state’s Indian tribes, which had a monopoly on casino gambling in the state. That decision to stay away from tribal money did not get much attention at the time, but it would become an essential strategy late in the campaign.

---

Schwarzenegger’s statement at “The Tonight Show” studio that he needed no money

deterred some donors. The candidate also was reluctant to make phone calls to potential donors. He disliked asking for money and hated the sense that he might owe someone as a result. Marty Wilson had to delay the campaign’s first payroll for five days.

To make fund-raising easier for Schwarzenegger, Wilson conducted conference calls, with Schwarzenegger on one line and Wilson on another. Schwarzenegger would talk about the campaign and his goals for the state. Then Wilson would ask for money. Wilson tried to be in a different room during the calls so he wouldn’t have to see the candidate’s pained face.

Much of the money given to Schwarzenegger’s campaign went to the purchase of TV time. Sipple filmed the first TV ad on Friday, August 15, nine days after Schwarzenegger joined the race. The set was Schwarzenegger’s old compound of homes in Pacific Palisades. The opening scene showed the candidate walking outside and then talking in an office.

“I am running for governor to lead a movement for change and give California back its future,” he said, as the camera pushed in tight until his face filled the whole screen and his eyes stared directly at the viewer. “I want to be The People’s Governor. I will work honestly, without fear or favor, to do what is right for all Californians.”

With the media starved for any new footage of Schwarzenegger, the advertisement was shown on TV news and entertainment programs more often than it appeared in purchased 60-second spots. It was one of many advantages that his

celebrity provided.

Another was his ability to attract high-profile campaign advisors. On August 13, he announced the billionaire Warren Buffett as cochair of his campaign’s economic team. The choice of Buffett, a Democrat, drew rebukes from Republicans. Two days later, the rebukes became screams when, in an interview with the Wall Street Journal, Buffett criticized Proposition 13, the 1978 tax-cutting initiative, led by the late anti-tax activist Howard Jarvis.

Even worse, Buffett also had criticized the Howard Jarvis Taxpayers Association, which had been preparing to endorse Schwarzenegger, but quickly backed away. “It was a disaster,” Gorton recalled. “We needed that anchor on the right. I thought the campaign was in danger of coming apart then.” Gorton and the former Howard Jarvis Taxpayers Association president Joel Fox

spent two weeks trying to win back the Howard Jarvis endorsement. Schwarzenegger finally clinched the “re-endorsement” after meeting with Jarvis’s widow, Estelle.

But Schwarzenegger was stagnant in the polls. One newspaper poll showed Lt. Gov Cruz Bustamante, who had jumped into the race against the advice of Davis and other Democratic allies, with a lead of 25 percent to Schwarzenegger’s 22 percent.

The campaign’s own first poll painted an only slightly brighter picture. In that survey, the recall looked strong. Fifty-eight percent of Californians would vote to remove Davis. And the poll showed Schwarzenegger to be personally popular, with 62 percent of Californians having a favorable opinion. But Schwarzenegger had only 28 percent of the vote in this internal survey, the same as Bustamante.





## THE DECISION

---

who had jumped into the race against the advice of Davis and other Democratic allies, with a lead of 25 percent to Schwarzenegger's 22 percent.

The campaign's own first poll painted an only slightly brighter picture. In that survey, the recall looked strong. Fifty-eight percent of Californians would vote to remove Davis. And the poll showed Schwarzenegger to be personally popular, with 62 percent of Californians having a favorable opinion. But Schwarzenegger had only 28 percent of the vote in this internal survey, the same as Bustamante. The star's challenge was clear: many of the people who liked him didn't plan to vote for him.

Seventy-two percent of voters who believed Schwarzenegger would make a bad governor cited his lack of experience as a reason for not supporting him. But the poll also showed the way Schwarzenegger could change those impressions. Once people learned about Prop 49, it became an invaluable political credential. For those who liked Schwarzenegger, the most common reason was his "record of supporting kids."

---

Just days after entering the race, Schwarzenegger reached former U.S. Secretary of State and Secretary of the Treasury George Shultz at his office at the Hoover Institution on the Stanford campus. Shultz started the conversation by giving the candidate thirty seconds to explain why he should back him. Schwarzenegger said he wouldn't spend more money than the state had. It was the right answer for Shultz.

Two days after Schwarzenegger's conversation

with Shultz, the candidate called his colleague John Cogan, a budget advisor to President George W. Bush and other conservatives, and invited him to his home in Brentwood. Joined by Pete Wilson's former finance director Russ Gould, Cogan and the candidate met on Saturday, August 16. As they drank lemonade, Cogan and Gould lectured on the state of the budget. Schwarzenegger asked questions.

The session went so well that Schwarzenegger asked Joe Rodota, the campaign policy director, to put together similar study hours on other issues. These classes would be called Oak Institute by some aides, Schwarzenegger University by others.

They would do more than inform the candidate. They would contribute to the reshaping of the policy direction of the state.

Schwarzenegger's only instruction to Rodota about Schwarzenegger University was that he wanted the best briefers in the world. He did not care whether his instructors were Democrats or Republicans, or even whether his instructors intended to vote for him.

The candidate resisted both external and internal pressure to cut these briefings short so he could attend to other campaign needs. For most of August, Schwarzenegger faced daily criticism from reporters, including me, for failing to describe his platform or answer questions from journalists. The campaign's communications staff pressed internally for more public events. And finance staffers wanted more fund-raisers scheduled. Schwarzenegger argued that he needed to know the issues first. Schwarzenegger University would remain in session for another two weeks.

Schwarzenegger University included a course in the "Powers of the Governor," laid out initially in a nine-page memo that had been produced by Rodota.

"The office of the governor of California is second only to the presidency of the United States in scope and authority," the memo began. The only two elected officials in the United States with greater authority to make appointments were the president and the mayor of Chicago, the memo emphasized. Schwarzenegger learned from the memo how to veto a bill, how to submit government reorganization plans, how to call a special session of a legislature, and how to call a special election. These last two powers would prove to be Schwarzenegger favorites.

Most of the Schwarzenegger University briefings were oral. The university's lone student kept the tone light and personal. In an early briefing on gun control, Schwarzenegger was asked if he owned any guns. "As a matter of fact, I own a tank," he said—he had found the tank he drove in the Austrian military and shipped it to Ohio, where it sat in a military museum.

After Schwarzenegger seemed bored by his first briefings on education, Rodota convinced Bill Lucia, a dynamic Californian who worked at the U.S. Department of Education, to do an additional education session. Lucia, instructed to be as energetic as possible, jumped out of his chair. Schwarzenegger tried, in vain, to hire him.

Harvard professor George Borjas, an expert in the economics of labor, flew out from the East Coast to lead "a very academic presentation" on

immigration. "He didn't need my help," said Borjas. "From his own experience and the experience of his friends, he knew more about the subject than any politician I ever met."

Aides often found the sessions long and grueling. But Schwarzenegger University's only enrolled student "loved every second of it," he would recall. "I knew the entertainment world. I knew the business world, but I had never really spent that much time, with quality people like hospitals directors, prison wardens, the advocates for Mexican American rights—all the people who thought about California and poured out their concerns and ideas... I really got an education."

Nevertheless, the candidate kept his Schwarzenegger University studies secret. Expecting to be governor, Schwarzenegger wanted detailed plans. But as a candidate, Schwarzenegger and his strategists believed the public wanted to vote for an outsider who could sweep Sacramento clean, not a man with a five-point plan.

Schwarzenegger offered one brief, but crucial, early glimpse behind his policy curtain. On August 20, he convened a meeting of his "economic recovery team" at an airport hotel in Los Angeles. Working with Rodota and his investment advisor Paul Wachter, Schwarzenegger had recruited two dozen people, including Oracle president Ray Lane and David Murdock, the billionaire owner of Dole Food Co.

Photographers and reporters were allowed to view only Schwarzenegger's welcome to the team. Once journalists had left, Warren Buffett took over the early discussion. He said



## THE DECISION

California had lost so much credibility with the markets that the state, the fifth-largest economy in the world, was having trouble selling its bonds. California would have to pay off \$14 billion in short-term debt in June 2004, and had no plan to avoid default. Without a plan, the state might require a federal bailout by the following summer.

The group then reviewed the approach to the deficit that Cogan had first outlined for Schwarzenegger. The only person to challenge this strategy of borrowing and slowing spending growth was UCLA economist Ed Leamer, who had met privately with the candidate in one of the Schwarzenegger University sessions a few days earlier. Leamer believed that the economy could turn soft again and foil the strategy. The only way out of the budget trouble was a temporary tax increase, he said.

Leamer was heavily criticized by former U.S. Treasury Secretary George Shultz in the meeting, but he would prove prophetic. After the Great Recession, first Schwarzenegger and then his successor, Gov. Jerry Brown, would be forced to back temporary tax increases to stabilize California's volatile budget.

Outside the meeting, more than 160 members of the international media waited in a hotel ballroom for the first official press conference of the Schwarzenegger campaign.

The candidate started with a brief statement about California's budget troubles. He promised a 60-day, line-by-line audit of the budget, but claimed he had no specific plan for the budget.

Schwarzenegger opened it up to questions.



Would he ever consider raising taxes? Asked one reporter.

The candidate had planned his own response. He said, as quickly and quietly as he could, that an earthquake, natural disaster, terrorist attack, or some unforeseen circumstance could require a tax increase. Then, having left the door carefully ajar, he delivered a sound bite that would be irresistible to TV directors and would make him sound like an implacable foe of tax increases.

"The people of California have been punished enough. From the time they get up in the morning and flush the toilet, they're taxed. Then they go and get a coffee, they're taxed. They get

into their car. They're taxed. They go to the gas station. They're taxed."

The rhythm built from there. "They go to lunch. They're taxed. This goes on all day long. Tax tax tax tax tax." "Even when they go to bed, you can go to bed in fear that you may get taxed while you're sleeping. There's a sleeping tax."

**"They go to lunch.  
They're taxed. This  
goes on all day long.  
Tax tax tax tax tax."**

A reporter asked whether Buffett's comments that California property taxes were out of whack "made sense."

Schwarzenegger smiled. "First of all, I told Warren if he mentions Prop 13, he has to do five hundred sit-ups."

Even reporters laughed. With one quip, the candidate had distanced himself from his famous advisor. But he had done it without insulting Buffett. Schwarzenegger, with a touch of humor, could put even a billionaire in his place. The clip would be replayed so often that California voters in surveys came to associate Prop 13 more closely with Schwarzenegger than any other politician. With one joke, Schwarzenegger had turned a liability into a strength.

A survey from a Republican who considered a recall campaign, Bill Simon Jr., found the power of Schwarzenegger's personality. The poll presented voters with a nameless candidate who shared Schwarzenegger's qualifications and policy views. The poll "showed us that there was no way they would vote for somebody that held all of these positions that Arnold held," said Wayne Johnson, Simon's strategist. But when the pollsters said these were Schwarzenegger's positions, those surveyed said they would vote for him anyway.

Two days after his press conference with Buffett and Shultz, Schwarzenegger campaigned in public in California for the first time. The day's schedule called for him to have lunch with businessmen on the open-air patio of a restaurant on Main Street in Huntington Beach,





## THE DECISION

a city in Orange County. From there, he would stop in various shops on a two-block walk to the pier.

He would never get that far. By 11 a.m., thousands of people descended on Huntington Beach, seeking a glimpse of the candidate. Police closed down streets to control the size of the mob. It was too late. Old men in electric wheelchairs, surfers, parents with babies, women in bikini tops, and young men in black "Terminator for Governor" T-shirts all pressed as close as they could to Schwarzenegger.

The candidate was jostled after he walked out of a surf shop on Main Street. A reporter assigned to follow him was knocked to the ground. I was among those reporters who was pushed and shoved. When Schwarzenegger waded into a group of media people to give a brief statement, he had to use a bullhorn to be heard. Rob Stutzman, one of the campaign's communications directors, was reduced to using his body to prevent the crowd from surrounding the candidate's SUV.

"Please stand back," Stutzman begged. "Don't get run over."

As soon as Schwarzenegger was gone, Stutzman and other aides held an emergency meeting on the sidewalk. Many of these advance men and communications experts had spent their careers trying to build crowds for politicians. Schwarzenegger posed a new problem. How could the rabid crowds be managed so no one got hurt?

The campaign responded by keeping the candidate's schedule a secret until mere

minutes before future events. Pat Clarey, who would become his first chief of staff, convinced Republican politicians around the country to loan aides for crowd control. Finally, Clarey arranged to rent hundreds of metal bicycle racks to serve as barriers between Schwarzenegger and the public.

Schwarzenegger also secretly recruited Mike Murphy, a strategist who had worked for GOP candidates in blue states, as the campaign's top strategist. Murphy said yes, for reasons that went beyond the immediate campaign. Murphy was a talented photographer and writer who wanted to make films, and he believed a high-profile California campaign would provide a platform to enter the entertainment business.

In the campaign, Murphy would have no specific title. Schwarzenegger assigned people areas of responsibility, not titles. Murphy would not do a bloodletting, but he brought in two young policy aides, as well as Florida Governor Jeb Bush's spokesman Todd Harris to join the communications operation. At first, Murphy was stunned by the free-flowing nature of Schwarzenegger's operation. But Schwarzenegger put him at ease.

Don't be intimidated, the star warned. "I like directors who tell me what's not working. Just look me right in the eye and tell me."

The last week of August, Murphy found a spot on the second floor of Schwarzenegger's Santa Monica office complex. He kicked the campaign's Internet team out of their large office at the end of a hall and built a war room there. A huge new calendar on the wall listed Schwarzenegger's public events, a theme for the



day, and a schedule of TV ads. To Murphy, setting up this infrastructure was Campaign 101. It was a measure of the chaos in the campaign that no one had done this before.

The Schwarzenegger University sessions had produced a much better-informed candidate, with details and surprising plans, but few Schwarzenegger policies had been committed to paper. Murphy assigned Trent Wisecup and Rob Gluck, the two aides he'd brought with him, to write up everything over the Labor Day weekend. When Murphy walked into the war room Tuesday morning to check on the exhausted aides, he bellowed, "I love the smell of policy in the morning!"

The exercise produced a white binder, the Join Arnold Policy Binder, that Schwarzenegger carried as he campaigned. By campaign's end, it had twenty-three pages on "Putting California's Fiscal House in Order," seven on "Fixing the Runaway Workers' Compensation System," twelve pages on "Meeting the Needs of California Students," and four on "The People's Reform Plan."

In most campaigns, these documents would be called position papers. But Schwarzenegger objected that he did not hold positions, he took actions. So the policy documents began, "As governor, I will. . . ." The candidate himself reviewed the new policy documents to check for active verbs.

At Schwarzenegger's insistence, his aides gave the policy binder an unusual appendix that recorded every promise he made. The list eventually ran to six single-spaced pages. Schwarzenegger took these promises seriously;

he would pursue virtually every idea in the policy binder he kept during those meetings.

To take one example. David Crane, a Democrat and friend of Schwarzenegger's since the 1970s, came down from San Francisco, where he was partner in a financial services firm, to lead sessions on energy and on workers compensation. Workers' compensation reform would be his first major legislative victory as governor. Schwarzenegger would follow that up with major advances in solar infrastructure.

---

Just before Labor Day, the campaign hired Republican pollster John McLaughlin to conduct a new "benchmark" poll. The poll asked voters their views not only of Schwarzenegger, but of other gubernatorial candidates, of Governor Davis, of the condition of the state, and of a dozen different issues.

McLaughlin had experience overseas working for, among others, the Likud Party's Benjamin Netanyahu in Israel. The multicandidate, multiparty races in those parliamentary democracies were more like the recall than most American campaigns, and they had taught McLaughlin a crucial lesson. When there were more than two candidates, the center was the last place you wanted to be. Such elections were won by building a devoted base on one side or the other.

Completed on September 7, McLaughlin's benchmark poll showed the recall would pass with 54 percent of the vote. But Schwarzenegger and Bustamante were in a dead heat to succeed Davis, with about 25 percent each. McLaughlin, who lived in New York,

caught a plane from Newark to Los Angeles to deliver these results in person to Murphy, Sipple, and the rest of the campaign team.

McLaughlin had pointed advice for the strategists. The recall was far more popular than any of the candidates to replace Davis. For Schwarzenegger to gain, he had to become the recall in voter's minds.

Who were the recall supporters? McLaughlin's benchmark survey showed they were against raising taxes. They were ferocious in their disdain for Davis's decision to triple the state's vehicle license fee. And they believed the state was controlled by interest groups.

These voters included Democrats and independents, but the balance was conservative Republicans. Schwarzenegger could build a base on the right without alienating other recall supporters by focusing his campaign on issues—taxes, workers' comp, the power of Indian gambling interests—on which recall supporters of all stripes agreed. An internal campaign memo, headlined "The Winning Candidate for Conservatives," outlined the strategy. "While AS will have broad appeal, he must nonetheless forge a base of support within the California GOP...If AS can give them the tax issue, it can go a long way toward seeing conservatives give great credence to the 'winability' factor."

To create this GOP base, Schwarzenegger needed to give his candidacy a more Republican feel. The candidate scheduled daily appearances on local talk radio shows hosted by conservatives—the more the better, Schwarzenegger told his team. The hosts seemed thrilled to have a chance to talk with

the star. There were as many questions about movies and bodybuilding as politics.

Even those who challenged Schwarzenegger's views still praised him, especially the Fox News Channel's Sean Hannity, who forced Schwarzenegger to recite his views on social issues on his nationally syndicated radio show.

**Hannity:** *Do you consider yourself, for example, prolife or prochoice?*

**Schwarzenegger:** *Pro-choice.*

**Hannity:** *Do you support partial-birth abortion?*

**Schwarzenegger:** *I do not support partial-birth abortion.*

**Hannity:** *Are you in favor of parental notification?*

**Schwarzenegger:** *I am, but in some cases where there is abuse in the family or problems in the family, then of course not.*

**Hannity:** *Do you support the Brady bill or the assault weapons ban or both?*

**Schwarzenegger:** *Yes, I do support that and also I would like to close the loophole on the gun shows.*

**Hannity:** *Do you support gay marriage?*

**Schwarzenegger:** *I do support domestic partnership.*

**Hannity:** *But not gay marriage?*

**Schwarzenegger:** *No, I think gay marriage is something that should be between a man and a woman.*

That last line was an all-time classic malapropism, but it didn't slow down Schwarzenegger. Before the show was over, he



## THE DECISION

had come out against school vouchers, for the decriminalization of marijuana for medicinal purposes, and against offshore oil drilling. Hannity agreed with almost none of this, but praised Schwarzenegger for his honesty. Hannity would host a town hall for the candidate later in the campaign.

Bob White and Maria Shriver had recruited Landon Parvin as campaign speechwriter. Schwarzenegger believed that being funny was important. And Parvin, a former aide to Reagan, had made his reputation by authoring a humor column for the Congressional newspaper Roll Call and for secretly writing many of the self-deprecating speeches given by presidents and politicians at Washington roasts. Parvin worked out of his house in Fredericksburg, Virginia. But he was ahead of schedule on a book and decided he needed to shake up his life. Parvin knew little about California politics and had not followed the recall closely.

When he wrote speeches for other politicians, Parvin would sit down with them and find out what they wanted to say. Schwarzenegger had neither the time nor the inclination to do that. He wanted his speeches to sound natural—the way he talked. So Parvin became a fly on the wall. He sat in on Schwarzenegger University sessions. He read transcripts of Schwarzenegger’s media interviews. He listened in on fundraising calls. He ate egg-white omelets for breakfast at the Firehouse restaurant, where the skinny speechwriter stood out among a clientele heavy in bodybuilders. On some nights, Parvin would go to Schwarzenegger’s home, listen to him talk to friends, and take verbatim notes to capture his vocabulary and cadence.

Eventually Parvin characterized Schwarzenegger as a variation on Reagan. The two had similar messages, but Schwarzenegger’s language was more staccato. Reagan had an air of reserve. Schwarzenegger craved a closer connection with the audience. And while most politicians tried self-effacement, Schwarzenegger preached the gospel of self-improvement.

Before starting a speech, Parvin received an outline from Murphy detailing the elements that had to be included—specific policy relevant to that speech. Once Parvin completed a draft, Murphy added one-liners that would make the newspapers and the TV broadcasts. Then Schwarzenegger read through the text with his dialogue coach and friend, Walter von Huene.

A former acting coach on *Happy Days* and a TV director, von Huene had gotten to know

Schwarzenegger while working with the child actors in the star’s 1996 Christmas comedy, *Jingle All the Way*. The two men had strong personal chemistry. Born in Germany, von Huene came to California in 1952 when he was just three years old; he learned German from his grandmother and parents. Von Huene worked with Schwarzenegger on *Batman & Robin*, *The Sixth Day*, and *Terminator 3*, going over Schwarzenegger’s lines one by one to improve the actor’s delivery.

**“I come to you today not as the Terminator or the guy who fought the Predator.”**



Von Huene would perform a similar service in Schwarzenegger’s political life. Which words should he emphasize? When should he pause? If some phrases written by Parvin and Murphy did not work, von Huene and Schwarzenegger sent the speech back.

“I come to you today not as the Terminator or the guy who fought the Predator,” Schwarzenegger began his speech at the campaign’s first rally. Truth be told, he came to the rally, in front of a movie theater in Fresno on August 28, as a politician having a rough afternoon. On his way to the speech, he had toured a local factory while reporters pestered him about an interview he’d given to a skin magazine, *Oui*, in 1977. In the interview, Schwarzenegger described engaging in group sex at Gold’s Gym and receiving blow jobs backstage at Mr. Olympia contests.

Schwarzenegger said at the factory in Fresno that he didn’t remember the interview. He later suggested he had made up the stories in 1977 to sell bodybuilding. “I said a lot of things that were not true,” Schwarzenegger recalled. “It was only to dramatize situations—to dramatize things in order to make people . . . say, ‘I am interested to watch this guy. This is an interesting personality.’”

In saying that he had lied at the time to sell himself and bodybuilding, Schwarzenegger was almost certainly telling the truth. The campaign began to trot out this line against any provocative quote that emerged from Schwarzenegger’s past. This was an unusual approach for a political candidate: He lied—so what? But it reflected a core Schwarzenegger



## THE DECISION

---

strategy for handling criticism—to avoid being defensive, to steer your boat towards the torpedo. In this case, it defused the issue.

When Schwarzenegger arrived at the rally and saw the crowd of more than two thousand, his worries seemed to vanish. Some people had been waiting since lunchtime for the 5 p.m. speech. The candidate was driven up to the stage in a dark SUV. He exited to a tape of the 1980s metal band Twisted Sister singing “We’re Not Gonna Take It.”

Twisted Sister had named the 1985 album on which “We’re Not Gonna Take It” appeared after an early Schwarzenegger film, *Stay Hungry*. A few conservative taxpayer advocates thought the song was a nod to Howard Jarvis’s old cry: “We’re mad as hell and we’re not going to take it anymore.” (That phrase itself had been made famous in the 1970s in the movie *Network*!)

The song matched perfectly the over-the-top feel of the recall campaign. California was hot and dry, its citizens angry and agitated. Schwarzenegger crowds wore light, loose-fitting clothes. The sixty-day race was about the length of a decent summer fling, the amount of time a huge hit movie stuck around in theaters.

Schwarzenegger talked for seven minutes. The crowd was so loud that, even speaking through a microphone, Schwarzenegger was difficult to hear. A dozen ROTC cadets chanted the candidate’s name. Schwarzenegger walked along the edge of the stage, signing Terminator action figures and old bodybuilding magazines.

The TV stations had cut away while Schwarzenegger shook hands and signed

autographs. So, Murphy figured out a simple, ingenious way to keep the cameras on the candidate even when he wasn’t speaking. “I want a box of T-shirts wrapped up tight like footballs,” he told Fred Beteta, who advanced campaign events.

When he saw news coverage of his first throw, Schwarzenegger said, “Give me more T-shirts.” For the price of a couple dozen T-shirts, Schwarzenegger could get hundreds of thousands of dollars-worth of air time.

---

As the campaign progressed, Schwarzenegger made his own news by seeking endorsements from groups that typically did not give them to Republicans, or anyone at all. Many of his aides thought this was a waste of time, but the candidate insisted. Swinging for the fences, Schwarzenegger struck out at first. He called prominent Democrats, but a “Democrats for Arnold” coalition never took off. Schwarzenegger appeared to have pulled off a coup with an endorsement from the state firefighters association (public employees rarely backed Republicans), but a rival firefighters group aligned with Governor Davis attempted to replace the leaders of the association.

Schwarzenegger turned next to the state’s business community. Local chambers of commerce were opposing the recall; the Los Angeles Area Chamber, chaired by Maria Shriver’s personal attorney, opposed the removal of Davis. The California Chamber of Commerce, the statewide group, had a policy of not issuing endorsements in state races. The chamber nevertheless had invited Schwarzenegger to speak.





## THE DECISION

Jeff Randle, the consultant who headed the campaign's political operation, saw the invitation and tried to use it to win an endorsement. "We'll come and speak," Randle told the chamber's Cassandra Pye when she called. "Just give me an endorsement."

Pye laughed at first, but she mentioned the request to the chamber's president Allan Zaremberg, who to her surprise did not dismiss it entirely. The chamber executive committee was reluctant at first. But that reticence vanished when Lieutenant Governor Cruz Bustamante announced his budget plan, which included tax increases on businesses to close the budget deficit.

Schwarzenegger made a point of leaving the campaign office by six o'clock each evening to go for a workout. But with Randle begging, the candidate stuck around for an early evening phone call with the chairman of the chamber's board, Raymond Holdsworth, a Los Angeles technology executive. Holdsworth said he would take the matter to his board at a meeting on Friday, September 5, at the Ritz Carlton Hotel in Dana Point in south Orange County.

The board meeting offered genuine suspense. Forty reporters had gathered in a hotel courtyard. Randle felt ill. If the chamber chose not to endorse, the journalists were sure to call it a defeat.

Schwarzenegger gave a brief speech about the high cost of doing business. He told the story of his ten-year-old son Patrick's business selling milk and cookies to construction crews remodeling homes in Brentwood. "I'm worried about him, because every day I'm prepared to



come home and find his workers' compensation is going to close him down," Schwarzenegger joked. He took a few questions and left to wait for the verdict in a hotel room.

Schwarzenegger did not receive unanimous support. And chamber members said the decision did not change their policy of avoiding endorsements in statewide races. But the recall was a historic event. The endorsement was front-page news in many of the state's papers.

As Schwarzenegger drove yet another Republican from the race, he began to look more like a candidate. He once favored leather jackets and short sleeves. By September he was sometimes wearing suits (48 regular), dress

shirts (17/35), and solid-color ties.

Schwarzenegger started holding his own town halls, called "Ask Arnolds," in each major media market. Ask Arnolds were not open to the general public. The campaign invited only members of supportive groups and local volunteers. The levels of the stage on which audience members sat were customized to the candidate's height so that Schwarzenegger was looking up at his questioners—a more attractive pose than looking down. At the San Diego Ask Arnold, the invited guests enlivened the event by quarreling with one another over how close they could sit to Schwarzenegger.

Ask Arnolds were often scheduled during the

day, followed by fundraisers at night. On an evening in September, Schwarzenegger had events at the home of venture capitalist John Hurley in San Francisco's Russian Hill, and at the Blackhawk Automotive Museum across the bay in Danville.

The campaign press office had arranged for a TV reporter to ask Schwarzenegger a quick question on his way out. The candidate exited a side door and walked straight to the reporter, whose cameraman had the tape rolling. As the reporter asked his first question, Schwarzenegger stopped him.

"You know what? I didn't like the look of the exit. I walked right to you. Boring. It should seem like I didn't know, like you just grabbed me on the way out," he said. Schwarzenegger went back inside the museum and exited the same side door, but this time he walked away from the camera. After a few steps, Schwarzenegger turned around and came over to take a few questions. The candidate, an actor directing himself in this raucous political story, had produced the picture he wanted.

**"You know what? I didn't like the look of the exit. I walked right to you. Boring."**

Schwarzenegger, with just a few weeks to go, had only one rival remaining on his right: Tom McClintock.





The campaign's polls suggested that McClintock was the only person standing between Schwarzenegger and the governorship.

McClintock had little money. He had spent twenty years in the legislature, but did not hold leadership posts. But he was eloquent and familiar to the conservative talk radio listeners who fueled the recall. With other Republicans out of the race, McClintock was running a strong third, with support in the double digits. He had many of the state's most conservative voters in his camp.

How to react to McClintock's challenge was a matter of constant debate in the Schwarzenegger campaign. Shriver and Reiss, both Democrats, had long argued for a centrist campaign that would transform California politics and the Republican party in the process. The other consultants disagreed. It might be

nice to change California politics. It would be nicer to win. The only sure way to do that was to pry conservative voters away from McClintock.

Jan van Lohuizen, a pollster who worked both for President Bush and California's largest teachers' union, produced a memo on September 12 arguing that Schwarzenegger badly needed McClintock's conservative voters. Van Lohuizen's surveys of Democrats suggested that no more than 20 percent of them would vote for Schwarzenegger. If Schwarzenegger didn't continue to court conservatives, the Republican vote would be split. The result: Governor Bustamante.

Publicly, Schwarzenegger was full of praise for McClintock. Privately, he signed off on a strategy designed to push the state senator out of the race. Schwarzenegger's conservative supporters asked McClintock backers to stop

donating to his campaign. This was a war of attrition. McClintock raised \$2.4 million in his campaign. Schwarzenegger would spend nearly ten times that.

In the battle for conservative votes, Schwarzenegger adopted much of McClintock's economic platform as his own. At his campaign's beginning, McClintock had identified five issues on which he, as governor, would draft ballot initiatives to allow voters to enact new laws directly. Schwarzenegger embraced all five issues—workers' compensation, protection of local government funds, making lawsuits more difficult to file, the contracting out of some state government services, and a constitutional amendment to give the governor more power to cut spending.

---

On Friday, September 12, Schwarzenegger received a memo from his consultants about the California Republican Party Convention, which would take place that weekend at the LAX Marriott hotel. The party's 1,400 delegates, the memo explained, were more conservative than party voters, and their conventions usually were of interest only to political junkies. This weekend, the memo concluded, you are going to change that.

The party was unlikely to officially endorse either candidate at the convention itself, but the weekend offered a chance to win the backing of Republican regulars and set the stage for the party's endorsement in the weeks ahead. In this contest, Tom McClintock had left Schwarzenegger a huge opening. Knowing that the convention delegates were his natural ideological allies, the conservative state senator

would give a speech, but not otherwise have much of a presence.

## “Shock and Awe”

Jeff Randle had a plan to fill the vacuum and push the party to endorse Schwarzenegger. The strategy was “shock and awe.” Fred Beteta, who oversaw campaign events, reserved the parking lot outside the convention hotel for an outdoor rally of more than 2,500 people. A high school marching band was brought in to play the campaign theme song, “We're Not Gonna Take It.” As the convention opened Saturday morning, September 13, the rally began. Delegates looking down from their hotel rooms could not miss it.

For Republicans—or anyone—watching on TV, the rally provided pictures of thousands of people at “the state Republican convention” screaming for Schwarzenegger. The fact that fewer in the crowd were delegates did not matter.

Landon Parvin, the campaign's speechwriter, had put together Schwarzenegger's convention address after a long evening on the star's patio, listening to him talk about his political development. Schwarzenegger had spoken with Parvin about Styria, the Hungarian refugees who escaped communism and arrived in Austria when he was nine, the Soviet tanks he'd seen on family trips to Mürzzuschlag in northern Styria (his home province), his embrace of America's opportunities, his after-school programs, and the bust of Reagan he had commissioned. After being introduced by Congresswoman Mary Bono, Sonny's widow, Schwarzenegger began his lunchtime speech.



## THE DECISION

### “Why am I a Republican? I am asked this thirty times a day. And that’s just from Maria!”

“Why am I a Republican?” he said. “I am asked this thirty times a day. And that’s just from Maria!” Schwarzenegger rattled off a list of reasons why he was not only a Republican, but a conservative one at that.

“I’m a conservative because I believe communism is evil and free enterprise is good. I’m a conservative because Milton Friedman is right and Karl Marx was wrong. I’m a conservative because I believe the government serves the people; the people don’t serve the government. I’m a conservative because I believe in balanced budgets, not budget deficits. I’m a conservative because I believe the money that people earn is their money, not the government’s money.”

Each line drew a huge roar. Not one offered a specific policy. But the language was a way of expressing sympathy with conservative ideals without making any pledges. His only promise was to take his bust of Reagan with him to Sacramento.

The real action of the convention came after Schwarzenegger’s speech on the upper floors of the hotel. He had reserved adjoining suites,

Rooms 1738 and 1740, as a base of operations from which he could lock down endorsements.

In this peculiar time and place, the fact that Schwarzenegger was not as conservative as conservatives would have liked gave him a special appeal to, of all people, conservatives.

Jon Coupal of the Howard Jarvis Taxpayers Association laid out the strange logic in an e-mail to Shawn Steel, a former state party chair who had worked with Costa to promote the recall: “Supporting Arnold is, in fact, the more principled thing to do. As movement conservatives, endorsing Tom would be easy. It’s what everybody expects us to do. BUT TAKING THE HEAT BY ENDORSING ARNOLD TO KEEP CRUZ OUT IS THE MORE RESPONSIBLE COURSE OF ACTION. In short, I am not about to sacrifice Prop 13 nor my children’s future lives in California on the altar of ideological purity.”

One of the Schwarzenegger team’s main points was that Schwarzenegger, unlike McClintock, could fight and win ballot initiative battles. With Democrats controlling huge majorities in the legislature, any other Republican governor would be hamstrung. “That was the conversation,” said San Francisco talk show host Melanie Morgan. “Arnold could overrule everyone else. He was going to govern by initiative.”

Schwarzenegger eventually went to Executive Suite 1, where more than fifty of the Republican chairmen from California’s fifty-eight counties were meeting. Schwarzenegger’s first two meetings had been warm-ups for this third and most important session. If the chairs went for Schwarzenegger, the infrastructure of the party would follow.





## THE DECISION

---

Before Schwarzenegger arrived, the state Republican chairman Duf Sundheim asked for a show of hands. How many of the chairs think Schwarzenegger should drop out and McClintock should be the candidate? Four hands went up. How many think McClintock should drop out and Arnold should be the candidate? More than forty agreed. Many had wanted to back Schwarzenegger, but were too afraid to admit it to their fellow conservatives. Sundheim had revealed the chairmen to each other.

An endorsement would follow. In a single weekend, Schwarzenegger, the Hollywood moderate and perceived novice, had outmaneuvered McClintock, a politician for twenty years.

---

Schwarzenegger had reserved the California State Railroad Museum in Sacramento for a September 18 press conference on political reform and government ethics. He had picked the venue as an homage to the long fight of the early 20th century Progressives against the Southern Pacific Railroad, the battle that had midwived direct democracy, including the recall, in California.

Schwarzenegger had received an education on the origins of California's direct democracy from Tom McEnery, the former mayor of San Jose, during the Schwarzenegger University sessions on political reform. As mayor, he had championed limits on the gifts local politicians could accept, fought against expansion of gambling, and chaired a statewide initiative to promote campaign finance reform. (It lost.) Schwarzenegger asked McEnery what the state could do to “be number one in political reform.”

Redistricting was McEnery's first answer.

The former mayor explained how the legislature's Democratic and Republican incumbents had conspired to create safe districts for each other. With no real political competition for seats, few moderates could win election. Common Cause, the national non-profit that tried to make politics cleaner, had a model plan for redistricting that would allow independent panels of citizens or judges to draw the lines. Schwarzenegger should consider it, though McEnery warned that both parties would oppose reform.

“Don't worry, Tom,” Schwarzenegger replied. “You and I and the people like it.”

Schwarzenegger's planned remarks for the railroad museum were circulated six times

inside the campaign. An early draft called for him to take on Sacramento lobbyists, a group so powerful that they were called—accurately—“The Third House” of state government. “I want to burn the Third House down,” Schwarzenegger was to have said. Some aides, particularly those with experience in government, argued that the Third House offered valuable institutional memory.

At the railroad museum, Schwarzenegger released his plan, ad-libbed a line about the Progressive Gov. Hiram Johnson (who had created the recall tool in 1911) being his hero, and pointed to the trains for the cameras. McEnery and former Secretary of State Bill Jones, a Republican, stood next to Schwarzenegger. Jones suggested that if the legislature balked, Schwarzenegger could turn some of the proposals into ballot initiatives.

Although Schwarzenegger drew the most positive newspaper coverage of the campaign with his reform proposals, legislative leaders dismissed the package bitterly. “We've got enough trouble with overcrowded prisons,” the Democratic leader of the state Senate, John Burton, said in reference to the idea of tougher campaign finance laws. “He's so fucking full of shit I can't believe it.”

---

By the next day, September 19, Schwarzenegger had a small lead in internal polls but still needed a final boost. The California Teachers Association tracking polls, done the week the reform package was announced, showed Bustamante and Schwarzenegger in a statistical tie. Most political campaigns in a similar bind would attack their opponents. But Schwarzenegger often boasted that he would run a positive campaign.

In truth, the Schwarzenegger campaign had launched a few surreptitious attacks, with Bustamante as the primary target. An opposition researcher affiliated with the campaign distributed information about the lieutenant governor's voting record, donors, property ownership, and membership in a left-wing Latino group. Republican attorneys made an issue of how Bustamante raised campaign money.

Bustamante's fundraising provided a major opening. A new state law had put a \$21,200 limit on donations to candidates, so Bustamante directed huge donations from public employee unions and Indian gambling tribes—including \$1.5 million from the Viejas Band of Kumeyaay Indians—into a political account that predated





the new legal limits. Bustamante, whose brother managed an Indian casino in the state, then transferred the money to his gubernatorial account and to a ballot measure committee he controlled. A judge eventually ordered Bustamante to stop using the old account. News of the controversy dominated coverage of the lieutenant governor's campaign, making it difficult for him to gain ground in polls.

Attacking McClintock would be a trickier project. The Schwarzenegger campaign convened two focus groups in the San Fernando Valley with McClintock voters. The findings of the focus groups were a pleasant surprise. McClintock voters liked Schwarzenegger, but did not understand why he was running. If ideology had been the problem, Schwarzenegger would have had few options. Perhaps Schwarzenegger simply needed to talk more about his reasons for wanting to be governor, and distinguish himself from McClintock in some way that wouldn't offend conservatives.

One issue offered an opportunity.

Four years earlier, California's Indian tribes had used direct democracy to gain a monopoly on casino gambling in the state, but their public image had suffered since. Many voters thought they had authorized small casinos. But the tribes erected huge casinos throughout inland California. Their estimated total take surpassed \$5 billion a year, more than Atlantic City's annual gambling revenues. Some tribes had used their profits to become political kingmakers, donating more than \$120 million to political campaigns.

Schwarzenegger had decided not to accept

campaign money from tribes or other gambling interests. He said this stance was based on principle, but it also had strategic value. In refusing to accept tribal donations, Schwarzenegger distinguished himself politically not only from Davis and Bustamante but also from McClintock.

Indian gambling offered a huge opportunity, if Schwarzenegger chose to take it. He could attack all his rivals with one single issue. And by associating McClintock with his Democratic rivals, he could subtly question McClintock's loyalty to the party. Doing all this, however, would break his promise to avoid negative campaigning.

No issue would be debated longer or harder by the candidate and his team. Some worried that the tribes could drop \$20 million in negative advertising against Schwarzenegger in a manner of days. But pollster Jan van Lohuizen found that if the tribes attacked Schwarzenegger, "that would be good, that was the proof we needed" that he would stand up to interest groups.

The campaign team debated even the smallest of Indian issues. Should Schwarzenegger talk to the tribes? The candidate placed calls to the leaders of two leading tribal organizations. Schwarzenegger talked briefly to one and left a message on the cell phone of another, Tribal Alliance of Sovereign Indian Nations Chairwoman Lynn "Nay" Valbuena. But when Valbuena called back, another debate ensued within the Schwarzenegger campaign and the candidate did not take the call.

Several Schwarzenegger allies offered their services as go-betweens with the Indians. Curt

Pringle, a former assembly speaker, was among those who reached out to the tribes to no avail. Gorton sought out Gene Raper, a consultant for the Agua Caliente Tribe in Palm Springs, to find out if the tribes planned an attack on Schwarzenegger. There was little hope for peace.

The constant debate on tribes troubled Schwarzenegger. As he learned more about the tribes and their political power, he grew more wary of his own advisors and consultants. Had the whole political world gotten in bed with the tribes?

For help in figuring out a policy, Schwarzenegger turned to friends: his own investment advisor Paul Wachter and after-school advisor Bonnie Reiss. Both had had huge roles in the campaign, with Wachter helping out on economic policy and watching the campaign budget (it had grown to more than twice what was first promised), while Reiss offered strategic advice and worked on education, environmental policy, and outreach to Hollywood.

In a previous job, Wachter had overseen investments in hotels and gambling. And Reiss stayed in close contact with Maria Shriver's brother Tim, who ran the Special Olympics and had spent years living in Connecticut. The Pequot Tribe, which had started the Foxwoods Casino in Connecticut a decade earlier, was a donor to the Special Olympics, and Tim Shriver relayed to Reiss that the Pequots shared 25 percent of their net win from slots with the state. That was far more than California tribes gave the state government. Reiss talked to the Pequot chairman and also to a Connecticut official. The campaign policy staff suggested

that with California tribal gaming expected to grow to \$6 billion in revenues, the state should get nearly \$1 billion from the tribes annually. Schwarzenegger set a goal of 25 percent, or about \$1.5 billion. Making that demand publicly would guarantee war with the tribes.

Less than three weeks before the election, Schwarzenegger ended the campaign debate and decided to roll the dice, and make an advertisement on the Indian gambling issue.

The ad began with a slot machine labeled California Indian Casinos. Schwarzenegger, wearing a tan sport coat and no tie, looked into the camera. "Their casinos make billions but pay no taxes and virtually nothing to the state. Other states require revenue from Indian gaming, but not us. It's time for them to pay their fair share." The ad pivoted to attack the competition. "All the other major candidates take their money and pander to them—I don't play that game," Schwarzenegger said.

If Schwarzenegger had any lingering doubts about running the ad, they disappeared the third week of September when the Morongo Band of Mission Indians, owners of a huge casino near Palm Springs, began airing ads in support of McClintock. "This is war," the legal counsel to the California Nations Indian Gaming Association said in a memo to tribal leaders. "We're going after Arnold Schwarzenegger." Before the recall was over, the tribes would spend more than \$10 million supporting Schwarzenegger's opponents to his left and to his right.

Schwarzenegger's ad debuted on Monday, September 22—fifteen days before the election.





It was devastating to his opponents and to the image of the Native American tribes in California. Garry South, the strategist for Governor Davis, marveled: "I have never seen any campaign fundraising issue penetrate as deeply down to the bottom of the electorate as this one did. People in focus groups began bringing it up of their own volition."

In the first two nights after the ad went on the air, Schwarzenegger soared in the campaign's tracking polls.

Schwarzenegger finally had McClintock in a box. "I think that as far as Tom McClintock is concerned, the question for him is: Does he represent the Republicans? Or does he represent Bustamante?" Schwarzenegger said in one town hall.

Schwarzenegger had decided to skip all the debates save one, scheduled for Wednesday, September 24, at the California State University campus in Sacramento. In doing so, he had set a trap for reporters and opponents alike. We media types criticized Schwarzenegger for missing earlier debates and suggested that the former bodybuilder was not ready to lead the state. By publicly dismissing Schwarzenegger, his critics lowered expectations, just as he wanted. Even a mediocre debate performance would look like a triumph.

Although Schwarzenegger had begun to tout the event as the "Super Bowl of debates," as a debater he needed to improve. He was a movie star, not a theater actor. On this stage, he would get only one take.

Three days before the debate, Schwarzenegger rented a production studio near the Santa

Monica airport where Ridley Scott shot movie scenes. Tables and chairs were arranged in the same V-shape that Schwarzenegger would encounter on the Sacramento stage. Walter von Huene, Schwarzenegger's acting and speech coach, played the moderator. Some of the preparation was videotaped so Schwarzenegger could study his own performance. After each practice of his closing statement, he would watch how he had done on tape and rehearse again. Schwarzenegger repeated this exercise a half-dozen times before he was satisfied.

The campaign arranged for stand-ins to play each of Schwarzenegger's four opponents. Rod Pacheco, a former Republican legislator then working as a prosecutor in Riverside, played Bustamante. Assemblyman John Campbell played McClintock. Rob Stutzman, one of the campaign spokesmen, was Green Party candidate Peter Camejo. Colleen McAndrews, a campaign lawyer, accepted the challenging role of commentator Arianna Huffington. Each of the stand-ins had met the person he or she played, and each received a briefing book with exact quotes from their candidate's speeches and a tape of an earlier debate that had not included Schwarzenegger.

Murphy asked them to do whatever they could to provoke the candidate.

John McLaughlin, one of the campaign pollsters, had called Murphy beforehand with a warning. He had been on a panel at the Conservative Political Action Conference with Huffington when she was a Republican. He knew how caustic she could be. Under no circumstances could Schwarzenegger look weak in his exchanges with Huffington. Treat her just like a

man, McLaughlin advised. If she attacks, hit back. Voters perceived Schwarzenegger as strong; he couldn't afford to look weak.

McAndrews, wearing a suit that looked just like the one Huffington wore in a picture on her campaign Web site, did her best to harangue Schwarzenegger about his finances, his Republicanism, his Hummer. She attempted a Greek accent when taunting him with the name of the president, "Arnold's friend Boooooosh." Murphy wanted more.

Ramp it up, Colleen. Be more obnoxious.

She tried. But no one could get a rise out of Schwarzenegger. The only time the stand-ins seemed to frustrate the candidate was when they ignored him.

In anticipation of attacks against his character, Schwarzenegger memorized several one-liners, a few of them suggested by the comedian Dennis Miller. To a personal attack from Huffington, Schwarzenegger would answer by mocking the deductions Huffington had claimed on her tax returns: "Ariana, your tax loophole is bug enough to drive my Hummer through it."

**"Arianna, your tax loophole is big enough to drive my Hummer through it."**

When rehearsals began on Monday morning, Schwarzenegger had a set of note cards, each



## THE DECISION

with a talking point, on the table in front of him. As he mastered each one, he removed that note card from the table. After five hours of work Monday and another four hours on Tuesday, the table was empty. Schwarzenegger's performance in the mock debate Tuesday was, by all accounts, powerful.

The Wednesday debate was scheduled for early evening. At the final rehearsal Wednesday morning, Schwarzenegger appeared tired and tight. The rehearsal ended, and Schwarzenegger's jet headed north out of Santa Monica, bound for Sacramento.

That same morning, the Wall Street Journal published a long article under Schwarzenegger's byline on its editorial page, a major coup for any candidate seeking conservative support. He wrote that the "endless litany of taxing schemes" offered by Davis and Bustamante reminded him of the androids he battled in his Terminator movies, "which I keep shooting dead but keep coming back to life."

The piece represented another missed opportunity for McClintock. Steve Moore, who headed the Club for Growth in Washington, had suggested that McClintock write a piece in the Journal. Moore even called the editorial page editor on McClintock's behalf. The editor was receptive, but McClintock never produced the piece.

After a week, Moore called Schwarzenegger instead. Two days later, Gorton returned the call.

Steve, Arnold loves this idea, Gorton said. When can you write it?



Moore took old interviews with Schwarzenegger and cut and pasted them together to create the article, which he sent back to Gorton. It took nearly a week to receive the okay. Schwarzenegger insisted on deleting personal swipes at Governor Davis. The "author" thought they were gratuitous.

The article produced several new endorsements for Schwarzenegger. Bill Simon, Jr., the 2002 Republican nominee for governor, would cite the piece in endorsing Schwarzenegger the very next day.

Schwarzenegger, like the other candidates, had received the debate questions in advance.

Because the format was so open, that proved less helpful than one might imagine. Candidates could interrupt each other as they pleased. As early as the second question—what should the new governor's priority be?—decorum began to break down. When Schwarzenegger said he would improve the business climate and reform the workers' compensation system, Bustamante replied that Davis had just pushed through legislation to do that very thing.

"What you guys just did was total pre-election bogus and you know that," Schwarzenegger retorted.

Huffington pounced. The business climate Schwarzenegger was discussing, she said, was

"the same kind of business climate that brought us Enron and Global Crossing and Adelphia. And it's cost millions of jobs and we're still paying the price. And one more thing, Arnold, you know you talk about . . ."

Schwarzenegger unveiled his first one-liner. "Your personal income tax has the biggest loophole. I can drive my Hummer through it. That's how big your loophole is."

Huffington knew the line was coming. Schwarzenegger had been so proud of it he leaked it beforehand to a reporter. Still, she seemed flummoxed. "You know very well that I pay \$115,000 in property taxes and payroll tax. And you know what? I'm a writer. In these two years, I was writing and researching a book and I wasn't making \$20 million violent movies. I'm sorry."

The exchanges with Bustamante were nearly as unpleasant. The lieutenant governor talked under Schwarzenegger, in a low monotone, as the star said the state should settle an ACLU lawsuit accusing California of neglecting poor schools.

Schwarzenegger: The ACLU has sued the Los Angeles Unified School District because they have no toilets there that are flushing, paint is peeling.

**"What you guys just did was total pre-election bogus and you know that."**



**Bustamante:** Yes, Arnold.

**Schwarzenegger:** If you call this equality in education, I think it is outrageous. You know what you guys do, you politicians . . .

**Bustamante:** Yes, Arnold, go ahead.

**Schwarzenegger:** You go into the classroom, you do the photo op. You do the photo op, and then you leave and we may never see you again . . .

**Bustamante:** You're one to talk about photo ops, Arnold.

In the process, Bustamante managed the self-defeating combination of sounding both tired and condescending.

McClintock decided he couldn't compete with Schwarzenegger in one-liners and stuck to meaty, straightforward answers. In instant polls, most viewers would say McClintock won the debate. But for long stretches, McClintock, Camejo, and Bustamante served mainly as witnesses to the Huffington-Schwarzenegger smackdown. So many barbs were traded that the moderator, a former legislator named Stan Statham, declared: "This is not Comedy Central."

A question about taxes led to still more personal insults. The consultants had wanted Schwarzenegger to stand up to Huffington, but he went too far. After Huffington raised her voice and was interrupted by Schwarzenegger yet again, this exchange followed:  
Huffington: Let me finish. Let me finish. Let me finish. You know, this is completely impolite, and we know this is how you treat women and we know that, but not right now.

Moderator: On that point, excuse me, excuse me, excuse me. Candidates, please let me take

control of this for a moment. I'm going to decide it is my privilege as moderator that that was a direct and personal attack on Mr. Schwarzenegger, so would you respond?

Schwarzenegger was out of one-liners. In less than ten minutes, he had run through everything he had rehearsed. The star made something up on the spot. "I would like to say that I just realized that I have a perfect part for you in *Terminator 4*. That's it."

In *Terminator 3*, Schwarzenegger had battled another machine in female form; in one scene, he slammed her head into a toilet. By the next morning, Arianna Huffington was claiming Schwarzenegger in effect had threatened to do the same thing to her. The star would explain he meant to compliment Huffington for her relentless nature. "In *Terminator* we always had powerful women," he said. Whatever his meaning, the one-liner would dominate TV coverage of the debate for days.

Schwarzenegger had not been at his best, but he had tripped up Huffington and Bustamante in the most fundamental of ways. The two Democrats had been so caught up in the exchanges with Schwarzenegger that they failed to point out Schwarzenegger's weakest point: he was not directly answering the policy questions posed by the moderator. Schwarzenegger had succeeded in turning a debate into an entertainment, which was the star's turf. As if to reinforce his domination of the evening, Schwarzenegger sent Dennis Miller out to conduct post-debate spin with reporters.

Even members of Schwarzenegger's own

campaign were slow to recognize his victory. At headquarters in Santa Monica, some aides despaired that their candidate had lost. The advisors who had seen the rehearsals knew that Schwarzenegger could perform better, but the candidate had far surpassed the public's low expectations. By the following week, the campaign's tracking polls had him approaching 40 percent support, with a fifteen-point lead over Bustamante. A week earlier, the difference had been within the margin of error.

To insulate himself from last-minute attacks, Schwarzenegger preemptively blamed Davis for any dirt thrown at him, and suggested the press was in league with the governor's operatives. Davis's long record of negative campaigning made him the perfect stooge. The Democratic attorney general Bill Lockyer had earlier warned Davis publicly against engaging in "puke politics" during the recall. Schwarzenegger's campaign adopted the puke politics warning as its own.

Democrats were peddling information on Schwarzenegger's financial dealings. Code Pink, a feminist and antiwar group whose members saw Schwarzenegger as a California stalking horse for President Bush, sent repeated emails to reporters demanding stories on Schwarzenegger's treatment of women and his use of steroids.

The people inside the Schwarzenegger campaign were attempting to track more than a dozen separate media investigations of the candidate. Among them: The Los Angeles Times had assigned a team of reporters to investigate allegations of sexual harassment by

Schwarzenegger. The team worked separately from the rest of the newsroom. Women, many of whom worked in Hollywood, had told stories for years of offensive come-ons and physical advances at gyms, on movie sets, and in public places.

In these waning days, the campaign cut down what little press access had been allowed. The one scrap of information the campaign would release was the itinerary for the closing four-day bus tour, running from Thursday, October 2, through Sunday, October 5—two days before the election. The buses would be named for movies. Running Man would carry the candidate. VIPs would ride on Total Recall. The four press buses? Predator 1, Predator 2, Predator 3, and Predator 4.

On Wednesday, October 1, as Schwarzenegger laid out his policy agenda in his "Day One" speech in Sacramento, his campaign received a call. The Los Angeles Times was asking for a comment on a story that would appear the next day. The story would detail allegations by six women who said Schwarzenegger had touched them without their consent in separate incidents between 1975 and 2000. Two of the six women were named in the account. Not one had filed a legal claim against Schwarzenegger. The campaign frantically tried to find people who could discredit the accounts. Sean Walsh, the campaign spokesman, issued a denial to the Times on behalf of the candidate, arguing, "We believe Democrats and others are using this to try to hurt Arnold Schwarzenegger's campaign."

Schwarzenegger spent Wednesday evening at home while aides worked through the night to draft a response that the candidate could



## THE DECISION

deliver at the kickoff of the bus tour the following morning in San Diego. The idea was to craft a statement that put the issue behind Schwarzenegger. At dawn Thursday, the campaign advisors held a conference call to finalize it.

### **“I know that the people of California can see through the trash politics”**

“I know that the people of California can see through the trash politics,” Schwarzenegger said after taking the stage at the San Diego Convention Center. This was the official kickoff of the bus tour. But for the five days between Thursday and the election, Schwarzenegger would be running two campaigns. One consisted of a series of huge public rallies along the bus route. The other was a fight against personal attacks that drew on the entire history of his life and seemed to come from everywhere.

“Let me tell you something, a lot of those, when you see those stories, it’s not true,” Schwarzenegger told the crowd. “But at the same time, I have to tell you that I always say that wherever there is smoke, there is fire.”

The idea of expressing sorrow for his past actions was part of the strategy, but the line —“where there is smoke, there is fire”—had not been on Murphy’s note card. A few members of the crowd gasped at those words. Some told reporters they had wanted to hear Schwarzenegger fire back at the Times. But Schwarzenegger, in this case knew better. He

was turning his boat into the path of the torpedo once again.

Instead, Schwarzenegger continued with his regrets. “And so, what I want to say to you is that, yes, I have behaved badly sometimes. Yes, it is true that I was on rowdy movie sets, and I have done things that were not right, which I thought then was playful, but now I recognize that I have offended people. And those people that I have offended, I want to say to them, I am deeply sorry about that and I apologize, because this is not what I tried to do. When I am governor, I want to prove to the women that I will be a champion for the women. And I hope that you will give me the chance to prove that. Now, let’s go from the dirty politics back to the future of California.”

It was a clever apology. The campaign had polling going all the way back to 2001, when he was preparing the Prop 49 campaign, that showed Californians would not be shocked by revelations from Schwarzenegger’s personal life. There was nothing to be lost, and perhaps political points to be scored, by acknowledging the behavior. Schwarzenegger’s admission was carefully phrased. He had not been specific about what he had done and reporters never managed to pin him down. And he had set up the campaign’s counterattack on anyone who might try to keep the subject alive.

In San Diego, Schwarzenegger boarded the bus to head north to a huge rally at the Orange County fairgrounds. Each hour brought new attacks. By the afternoon, ABC News and the New York Times were quoting a six-year-old book proposal in which George Butler, the director of the 1970s documentary Pumping

Iron, claimed Schwarzenegger, as a bodybuilder during the 1970s, had admired Hitler. The candidate’s friends counterattacked. The bodybuilding promoter Joe Weider, who is Jewish, declared: “He’s always made fun of Hitler. He didn’t admire Hitler at all.” In Austria, Schwarzenegger’s old friends called reporters and recounted the story of how a teenage Schwarzenegger chased the nascent neo-Nazis down the Herrengasse in Graz. By the next day, Butler would retract part of his book proposal, saying that Pumping Iron interview transcripts showed he had misquoted Schwarzenegger.

In the evening, the campaign invited a few reporters to the Century Plaza Hotel in Los Angeles. Schwarzenegger appeared along with his wife. The candidate offered another apology to women and a firm denial that he had ever admired Hitler in any way. His wife praised him for apologizing. They took a question from a

radio reporter and another from one of Schwarzenegger’s own aides who stood with the reporters. But Shriver and Schwarzenegger walked out of the room when I—the only Los Angeles Times reporter there—asked a question.

Butler’s retraction and Schwarzenegger’s denial muted the Hitler story. Schwarzenegger’s quick blanket admission blunted the impact of the Times’ pieces on women.

The results of Thursday night’s tracking polls had good and bad news for Schwarzenegger. More than 90 percent of those surveyed said they had heard about the allegations in the Times story. Schwarzenegger’s supporters were sticking with him—his favorable ratings dropped only a point, from 59 to 58 percent—but the percent of people who did not like him jumped ten points to 40 percent. The recall vote was unaffected—55 percent supported removing Davis from office. The tracking suggested that







ARNOLD

LET'S BRING CALIFORNIA BACK

JOIN

www.joinarnold.com

ARNOLD

LET'S

CALIFORNIA BACK

ARNOLD

as  
for  
Arnold



the news might have hurt Schwarzenegger with younger women but, for reasons the poll did not explain, helped him with older women and voters in rural areas and San Diego.

The revelations, oddly, finished off McClintock's campaign. The state's conservative voters were furious at the media for what they saw as politically motivated attacks by liberal journalists on a Republican within days of the election. Some saw the Times attack as license to vote for Schwarzenegger. "It became a rally point for our audience," said Melanie Morgan, a San Francisco talk show host who had supported McClintock. "It made it acceptable for people to vote for Arnold Schwarzenegger."

Only a clever person could turn such personal bad news to his political advantage. From the day the story hit, Schwarzenegger and his supporters stoked the anger against the stories to achieve his political goal of attracting more conservative voters. At each rally on his bus tour, Schwarzenegger would be introduced by a conservative talk show host. In several cases, these hosts railed against Davis and the Times, treating the newspaper as another political opponent.

Media commentators friendly to Schwarzenegger took up the cause. Without offering any evidence, they alleged that the Times had been duped by Davis operatives and that the paper had manipulated the timing of the groping story to hurt Schwarzenegger. None of these allegations had any basis in fact, and Schwarzenegger himself admitted to the pattern of behavior in the story. But that didn't matter politically. The Friday night tracking polls showed Schwarzenegger had slipped slightly—

from 42 to 39 percent—but maintained a healthy lead.

The stories about women did not go away. After the Times' front-page story recounting tales from six women first appeared, several other women called the paper to recount past instances in which Schwarzenegger had either touched them or said inappropriate things. On Saturday, the paper ran a story with allegations from three more women. On Sunday, the Times reported allegations from four more women.

But Schwarzenegger and his allies managed to make one particular claim stick in the public consciousness: that Governor Davis was somehow behind the Times stories. There was no evidence of that, though the governor's political team certainly worked to fan the flames once the news was published. The Schwarzenegger campaign nevertheless blamed Davis. "I think they're part of the trying to derail my campaign," said Schwarzenegger to a question about the Times during his bus tour. "I think that it's part of the puke campaign that Davis launched now."

Privately, Schwarzenegger reacted to each new allegation almost philosophically. "Is this crazy or what?" he asked aides after the Times story. The campaign's most effective response to the stories was the bus tour itself. Schwarzenegger drew thousands to each rally. Campaign officials would answer questions about the latest allegation by referring to the size of the crowds. The implication was clear: Schwarzenegger had pulled off a blockbuster. Who cared what the movie critics were saying in the papers?

For the bus tour rally at the Orange County

fairgrounds, the candidate wanted to blow up a car to symbolize his intention to reverse the tripling of the vehicle license fee.

To pull it off, Pat Clarey, who ran campaign operations, found an explosives expert who had worked in Schwarzenegger movies. When aides decided that an exploding car might evoke thoughts of terrorism, Clarey made alternative arrangements.

"I was twenty-five years in show business," Schwarzenegger told the Orange County crowd. "In the movies when I played a character and I didn't like someone, you know what I did? I destroyed it. I'll show you exactly what we're going to do to the car tax." With that, a crane dropped a 3,600-pound weight on top of an Oldsmobile Cutlass. "Hasta la vista, car tax," he bellowed.

## "Hasta la vista, car tax"

The bus tour finished in Sacramento on Sunday, two days before the election. At the Capitol, Schwarzenegger gave a brief speech and then demanded a broom. "Please bring me the broom, please bring me the broom now. We are here to clean house! We are here to sweep out the bureaucracy. We are here to sweep out the special interests . . . They know I'm here to kick some serious butt!"

Dee Snider, lead singer of Twisted Sister, had flown to Sacramento to sing "We're Not Gonna Take It" live. For a few moments, Snider gave Schwarzenegger an electric guitar, and the candidate pretended to play.

Tracking poll numbers for a Saturday were notoriously unreliable, but the results that final weekend caused nervousness in the campaign. The vote on the recall dipped just below the required majority—to 49.8 percent—for the first time. By Sunday night, the news was better. The tracking showed the recall returning to majority support with 53 percent. Schwarzenegger was gaining voters again on the second question.

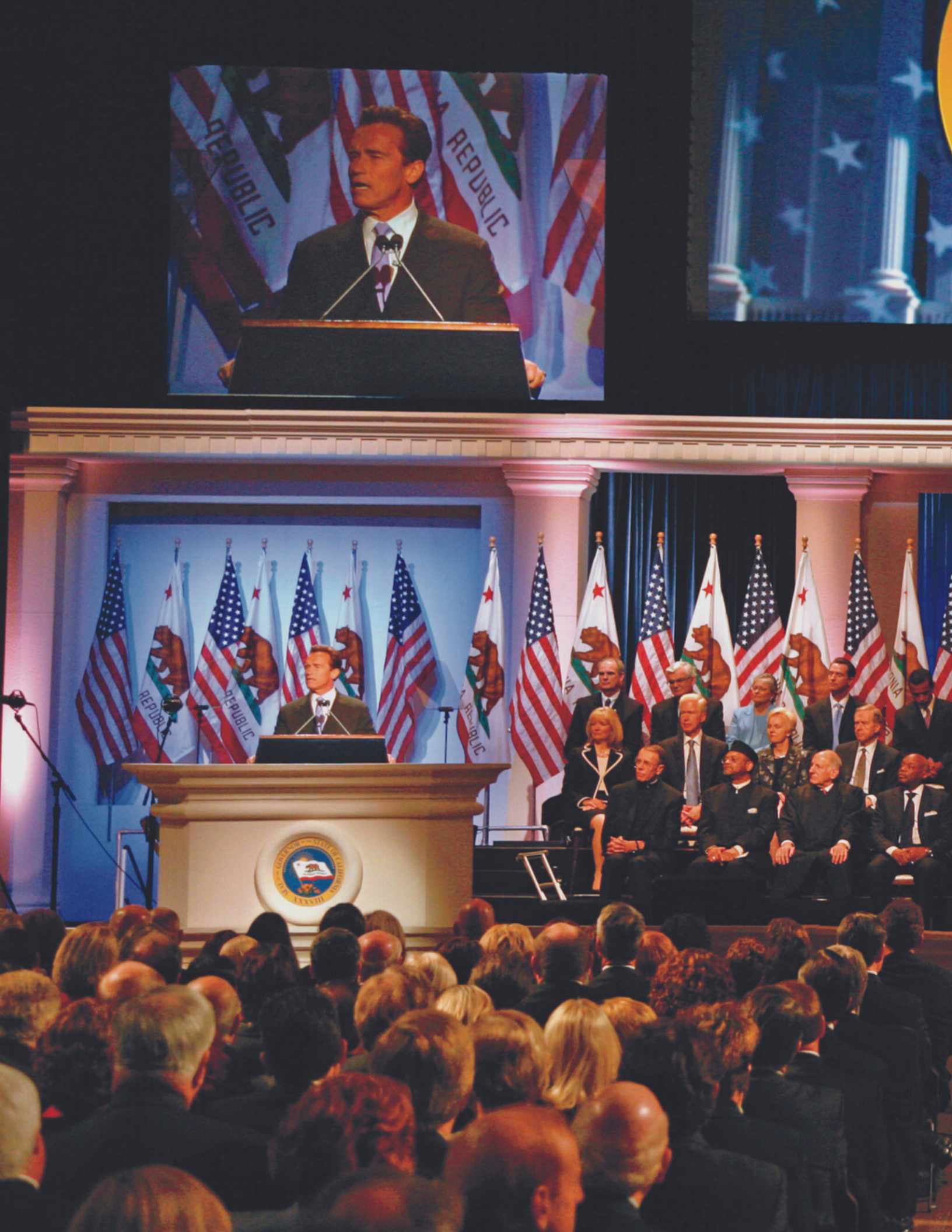
By 2:30 p.m. on election day, the campaign's consultants had exit poll data in hand. Schwarzenegger would win easily with nearly 50 percent of the vote. He had actually picked up votes in the final weekend of attacks.

Schwarzenegger held his election night party at the Century Plaza Hotel, where Ronald Reagan had celebrated his victories. The Shriver clan was supposed to wait off-stage as Schwarzenegger gave his victory speech, but the family rebelled when they were told that by campaign aide Garrett Ashley. The Shrivens assigned themselves a spot behind Schwarzenegger. "What have we done?" two Republican consultants asked themselves, as they looked at all the Democrats onstage. In the chaos, the actor Gary Busey somehow made his way onstage as well.

Jay Leno introduced the victor. In his own speech, Schwarzenegger thanked California voters for their trust. "I will do everything I can to live up to that trust. I will not fail you. I will not disappoint you and I will not let you down."

Much of the world misinterpreted the election as a purely personal victory. Voters liked





## THE DECISION

Schwarzenegger and most had enough confidence in him to risk voting for the recall. Achieving that kind of support, in just two months, was a historic political achievement for Schwarzenegger. But Californians were not yet sold on the star as a political leader. He had not even won a governor's race in any conventional sense. He had won a two-part ballot measure campaign.

The recall was the true winner of the night. A Los Angeles Times exit poll asked voters why they had come out to vote. Eighty-nine percent said the recall question was first and foremost in their mind. Less than 10 percent came to the polls primarily to vote for a specific candidate. People showed up for the movie, not the star.

**Schwarzenegger received 4,109,743 votes, or 48.6% of those cast.**

His campaign had spent \$22 million in sixty days, much of it from his own pocket. He had received 4,109,743 votes, or 48.6 percent of those cast. He had spent almost five dollars per vote. The recall, in contrast, had qualified for the ballot with less than \$2 million. It had drawn 2.2 million signatures and 4,976,274 votes, or 55.4 percent. The recall had no campaign dedicated to convincing Californians to vote "yes." Gray Davis, other Democrats, unions, and trial lawyers had spent tens of millions of dollars attempting to defeat it. Still

the recall had won.

Californians had intervened more directly than ever before in the governance of the state. One poll showed that 99 percent of the state's residents had followed news of the recall. There had never been a bigger, faster-paced campaign in the history of the country's largest state. The election made news in every country on earth.

Schwarzenegger took the oath of office on November 17, 2003, on the west steps of the capitol. A five-story tower had to be built to accommodate more than 200 members of the press from five continents. Vanessa Williams, his costar in the film *Eraser*, sang the national anthem.

**"I enter this office beholden to no one except you, my fellow citizens. I pledge my governorship to your interests, not to special interests," Schwarzenegger declared.**



# NO LOOKING BACK

As big an event as the recall had been, Schwarzenegger's governorship would be bigger, with too many twists and turns to describe here. He would be governor for seven years—he completed the last three years of the four-year term that Davis had won in 2002. In 2006, he won a full four-year all his own.

Over the seven years of the Schwarzenegger administration, the governor's pursuit of the people's interest was full of surprises and sudden shifts. There were grand proposals advanced and abandoned and then brought back and enacted. Initiatives were rushed to, and removed from, from the ballot. When Schwarzenegger's bolder and centrist proposals couldn't make it through a polarized and partisan legislature, he took his ideas directly to the same voters who had installed him by recall.





## NO LOOKING BACK

The governor sought to do so much and thought so big, that he quite naturally suffered many defeats. But the list of victories was long, indeed too long to list here. Among these: He reorganized departments, shifted water policy, achieved significant savings in social programs, put higher education on firmer footing, stood up the new Obamacare healthcare exchange, secured meaningful pension and retirement concessions from unions, and convinced voters to adopt California's biggest infrastructure package since Pat Brown.

Amidst all these policies and changes was one constant: Schwarzenegger stuck close to the spirit of the recall, and the policies he developed during it.

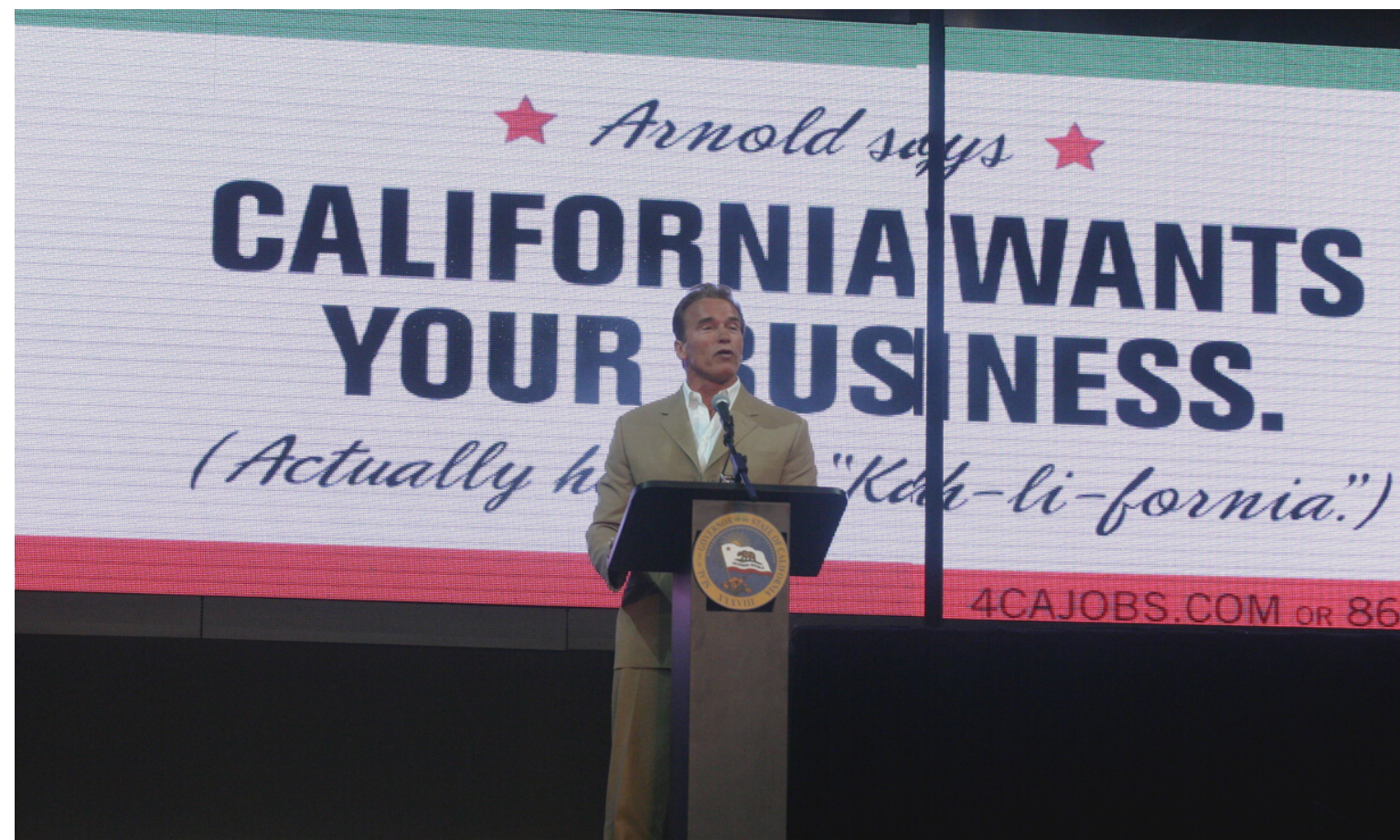
During the recall campaign, he had pledged to reverse Davis' increase in the vehicle license fee, the so-called car tax. He fulfilled that promise on his first day in office, by executive order. His budget strategy, combining a debt refinancing with a balanced budget amendment, hewed to his recall plans. His first big policy win came with a comprehensive reform of the state's broken workers' compensation system—a major campaign pledge that had been key to his winning business support. And before his first year was over, he had negotiated new gaming compacts with five Indian tribes—following the revenue-sharing model he'd made a campaign issue.

Schwarzenegger was a total departure not just in background, but in spirit, from previous governors.

Californians and Americans have occasionally

elected outsiders, most notably Barack Obama and Donald Trump in this century. But Schwarzenegger was very different from these outsiders. Obama quickly became an insider, and an intensely polarizing and partisan figure. Trump, meanwhile, eschewed governance in favor of demagoguery and derangement. Trump made enemies of political opponents, pursued vengeance, shattered all records for political lies, and ultimately sought to overturn, unlawfully, the 2020 election he lost.

Schwarzenegger never abandoned his outsider's perspective, but he grounded his outsider status in bipartisanship, and a deep desire for conciliation and compromise with opponents. To a far greater degree than any American politician of the past two decades, he sought to govern as a non-partisan figure.



The embodiment of that approach was his rapid effort to make Gov. Gray Davis, the recall's target, an ally and friend. Davis himself began this friendship with an unusually substantive and early concession call on election night. "Congratulations, you won," Davis told him, before adding how much he had enjoyed Twins.

"Right away," Schwarzenegger would recall of that conversation, "you could see he's a gentleman. And I decided right on that call that I'm going to work with him. And he worked with me—answering my questions about why certain things were done, and why certain things weren't done, in the state" In his first year in office, Schwarzenegger kept on, or hired anew, several Davis aides. Throughout his term in office, he would collaborate with his recalled predecessor on certain reform measures.

Schwarzenegger's unwillingness to take partisan actions would trouble some of his own aides, as well as legislators of both parties, who were unaccustomed to operating in such an atmosphere. The new governor's bipartisan appointments were not window-dressing.

In a political era where judicial appointments are seen as spoils to be seized on by the winning party, Schwarzenegger evenly split his picks for judgeships between Democrats and Republicans. And he valued judicial experience, diversity, and credentials over political connections, despite some blowback from allies.

By the same token, Schwarzenegger also wasn't afraid to tangle with members of his own party who had supported him, including GOP legislative leaders and President George W. Bush. "I was able to fight two wars with my party," Schwarzenegger would recall later. One war was about politics, and the value of bipartisanship. The other was over policy, given Schwarzenegger's determination to pursue democratic political reforms and stronger environmental regulation that many Republicans opposed.

Schwarzenegger had a Republican chief of staff, Pat Clarey, and a Democratic one, Susan Kennedy, who had worked for Gray Davis. Indeed, many of the people who worked hardest for Schwarzenegger's agenda were people who had voted against the recall. He also traveled relentlessly, with an emphasis reaching out to people in smaller places outside major media markets—from Eureka to Calexico.

Schwarzenegger could travel far and fast because he had his own plane on the ready. He



## NO LOOKING BACK

paid the bill for that. Indeed, while most American politicians get richer in office, in part by exploiting their power and prominence, Schwarzenegger was the rare exception who lost money by being elected. Between the missed opportunities at films and business deals, and Schwarzenegger's willingness to spend millions of his own money on ballot initiatives that advanced his ideas, the governorship cost him—by my own conservative estimate—more than \$200 million.

It is hard to get Arnold Schwarzenegger to reflect for very long on any of this.

When I visited him at his Los Angeles home in September 2023, we sat in his cabana by the pool. I asked him questions to get him to talk about the deeper and longer-lasting meanings of the recall. But he answered the questions, but with little detail. He didn't show much interest in discussing the recall, or his governorship, or just about anything from his past.

"I think being governor was the greatest job that I've ever had. I feel absolutely thankful that this happened to me, but I find looking back boring," he said. "I have 100 photos albums, but I've never looked at them. I have no interest at seeing pictures of the past."

**"I think being governor was the greatest job that I've ever had."**

Why bother obsessing about the past, he explained when the future is so full of potential?

After all, he said, "Anything is possible."

There it was, right of the winning horse's mouth, the three words at the heart of the recall.

So when I ran out of questions about the past, the conversation turned to the future, and he came alive. He began to talk about the many different things he's still doing in governance, and all the things he'd like to do, or push the state, the country and the world to do.

He talked about he still shows up at fires to support personnel, like governors do. About how he springs into action during emergencies, like the pandemic, when he assembled and expedited the manufacture and distribution of masks. Behind the scenes, he advises all sorts of politicians (often nudging them to find ways to collaborate and take bigger actions) and advocates on behalf of policies he believes in. He also pushes environmental advocates to change the way they talk about climate change (by, for starters, not talking about climate change and talking about fighting pollution instead).

He went on long enough about his current policy work and his future plans that I jokingly asked if he knew he wasn't governor, anymore? He didn't laugh. Instead, he launched into the lack of vision among today's American politicians.

Where, he continued, are the major investments that the U.S. needs to build infrastructure to meet our future economic, transportation and

environmental needs? Where are the transformational projects he sees around the world—like the sustainable utopia called The Line now under development in Saudi Arabia, the high-speed rail of China, the new tunnel being built in Austria?

"I'm always concerned that we are 10 to 20 years behind the time here," he said.

Schwarzenegger noted that he Biden administration's infrastructure legislation had \$1.3 trillion for infrastructure, but with few shovel-ready projects. And given the needs, it's not enough, the former governor declared. If he were president, Schwarznegger said, there'd be \$1.3 trillion a year for infrastructure.

California should be leading in this, but it lacks leadership, he said.

"You have California, the number one state in the union... Wouldn't it be great if we could have the number one brains in the public sector. In the private sector, we have the most daring people in Silicon Valley and in Hollywood but in Sacramento, the bird brains have no courage, no big vision, no kind of idea of 'let's do something big.'"

Schwarzenegger then reconsidered and asked not to be quoted as saying "bird brains." It's not easy to be a politician, he said.

"After being governor, I look at things differently today than I did before. Now when things are complicated, I realize why their complicated. I realize how difficult it is to get things done."

But understanding the difficulty of governance isn't a reason to back off or give up, he said. To





## NO LOOKING BACK

the contrary, it's a reason to push for bigger changes. To never stop pushing. To keep jumping in.

To take direct action.

Schwarzenegger won't look back but the rest of us can. And when we look back at the last 20 years, we can see a remarkable amount of pushing, and direct action on policy issues that defined Schwarzenegger as a politician.

His leaving office hasn't stopped the direction action. In some ways, he's been able to do even more since he left Sacramento. The recall's policy tail is long, especially on three subjects.

The first is after-school programs. As a newspaper reporter, I had written skeptically about all Schwarzenegger's campaign talk about such programs, which I had suggested was a political diversion. The last two decades proved us skeptics wrong. The campaign talk was serious. He pursued the expansion of after-school programs—both in funding sources (he sought federal and private money), but also in the variety of the academics and other services that could be offered through them. In budget negotiations and at the ballot, he has fought off attempts to grab after-school money for other purposes.

Indeed, his advocacy of after-school programs didn't stop with the end of his governorship, or with the state of California. Late last year, he was lobbying the Biden administration to devote pandemic recovery funds to after-school programs, which can counter the school absenteeism that has risen since COVID.



Schwarzenegger's impact is such that U.S. Secretary of Education Miguel Cardona came to California to meet with him and look at other state programs. Cardona marveled that, because of Prop 49 and all that had built upon it over 20 years, California was now devoting more resources to after-school programs than the other 49 states put together. The secretary has been urging other states to follow the Prop 49 model.

Schwarzenegger has been at least as relentless on the environment. Back in 2003, Schwarzenegger University sessions, led by environmentalist Terry Tamminen, produced six major environmental and anti-pollution policies. Schwarzenegger, first through executive order and later through legislation, managed to

achieve all six. Among the highlights were major investments in solar and alternative energy, ambitious energy efficiency standards for buildings, landmark targets for reducing greenhouse gases, and a new standard to reduce the carbon intensity of fuel.

In his second term, and after his governorship, Schwarzenegger worked with other states, and some other countries, to spread and further develop anti-carbon pollution policies. Indeed, Schwarzenegger's environmental agenda is clearly a model for the climate policy pieces of the federal Inflation Reduction Act, passed in the summer of 2022.

Schwarzenegger also has launched a global think tank and a global conference that worked

on environmental issues. His efforts have an intensely pragmatic, nonpartisan spirit. Fran Pavley, a Democratic former state legislator with whom he developed many of these laws, became the environmental policy director of the Schwarzenegger Institute at USC.

Fittingly, it is in democracy itself that the recall has had the strongest impact. Schwarzenegger didn't just pursue reforms to elections and democracy while in office. He and his allies have never stopped seeking changes that put citizens in charge.

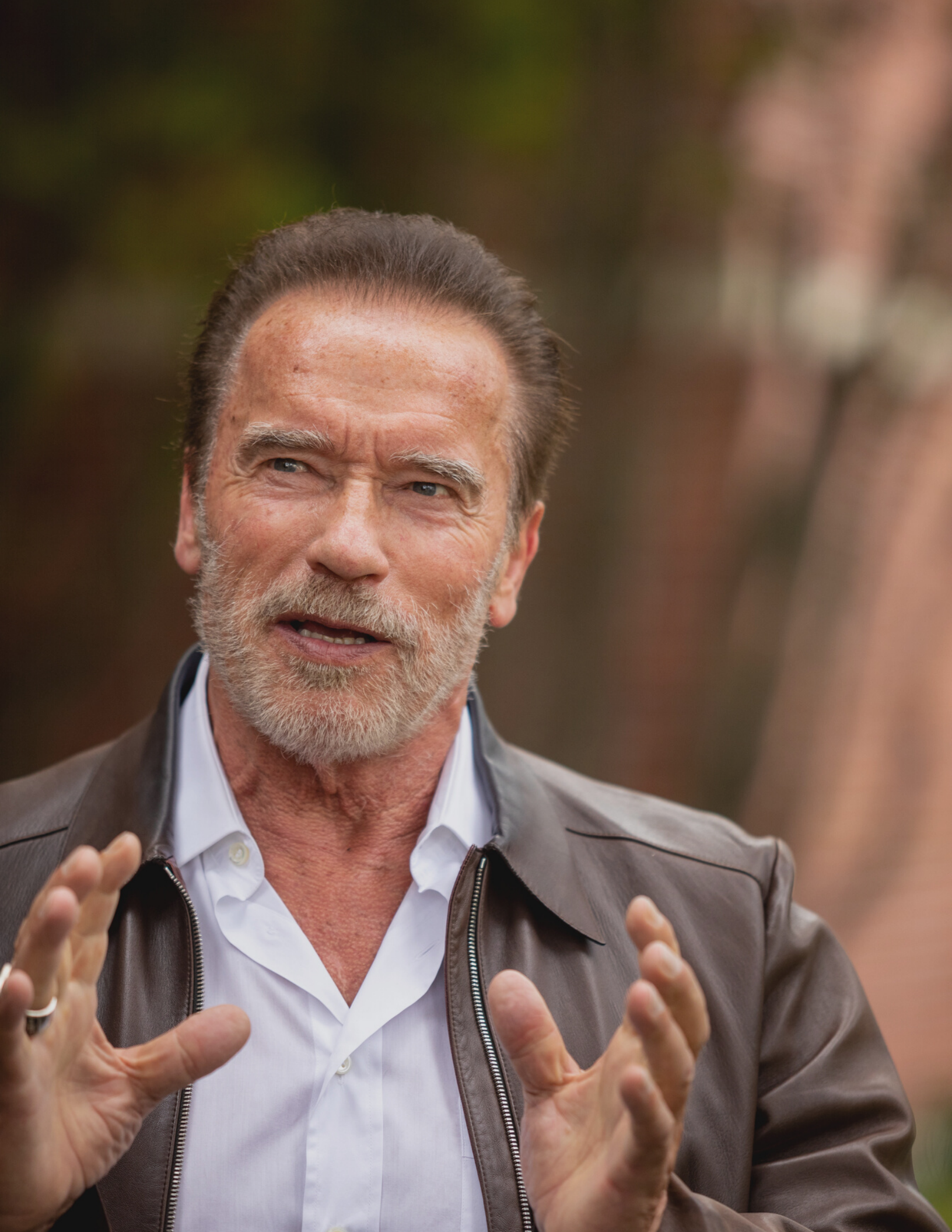
Schwarzenegger focused on political reform, in the recall and since, in defiance of advice from his own aides and allies. The conventional wisdom is that political reform is too hard—almost all proposals lose—and too risky politically, since changing the rules of the game alienates the most powerful politicians and interests.

But Schwarzenegger, reflecting the recall spirit of “anything is possible,” didn't much care.

So, he pursued two major reforms—the “top two” primary and redistricting reform—that had been defeated over and over again in California, with the legislature, the courts and even the voters having rejected them. But Schwarzenegger kept pushing for them because they transferred democratic power from politicians to people.

In 2010, his final year as governor, Schwarzenegger convinced voters to adopt a ballot measure to end partisan primaries and establish a two-stage, “top two” system of





## NO LOOKING BACK

---

elections. The ending of partisan primaries in a partisan age was a remarkable political achievement. His goal was to provide an opening for more non-traditional, non-partisan candidates to jump into politics.

But one big victory on democracy wasn't enough. He also led multiple efforts for an even more challenging reform: to end the so-called gerrymandering of legislative maps that is an ugly feature of the American system. In California and across the country, state lawmakers draw their own districts, to advantage themselves. This is a huge conflict of interest. As Schwarzenegger framed the problem, voters didn't pick their politicians. Instead, politicians picked their own voters.

Dozens of initiatives to take the power of redistricting away from politicians had failed. Schwarzenegger added to that list of failures; his first several proposals were stalled or defeated.

But he refused to give up. Eventually, he achieved two breakthrough victories on redistricting by backing ballot measures to strip state lawmakers of their power to draw their own districts, and those of members of Congress. Schwarzenegger's ballot initiatives had an inclusive approach. He gave the power to draw districts to a 14-member, bipartisan commission of citizens who could not have close ties to state government or political parties. The commission was charged with drawing districts with the goals of upholding voting rights and avoiding the splitting up of communities that is common in gerrymandering.

Even after this improbable victory in California,

Schwarzenegger didn't stop. Since leaving office, he has traveled the country advocating for the extension of political reforms, especially redistricting. And he's helped citizens score redistricting victories in other states, among them Colorado, Michigan, Missouri, Ohio and Utah.

Today, more than one-quarter of Americans live in states with independent commissions; one-third of all districts are drawn by such commissions. It's not hard to imagine citizens commissions being expanded to more states and local communities, as a way to counter attempts by the political parties to alter voting rules to enhance their own control, and exclude outsider candidates. In these ongoing campaigns, and Schwarzenegger's continuing work, the democratic spirit of the recall lives on. And that spirit could not be confined to California.

The recall may have taken place 20 years ago. But it isn't over. The story so far, shows us how real change, in democracy, comes in two different flavors.

First there is the change that comes with a great surprise, a sudden and unexpected event that shifts perceptions and context.

Second comes the relentless, painstaking, years-long work of addressing the most complicated problems.

The recall demonstrates the enduring wisdom of pursuing both kinds of change, relentlessly and simultaneously.

Especially if you believe that anything is possible.



USC Schwarzenegger  
Institute for State and Global Policy

University of Southern California 635 Downey Way VPD 201, Los Angeles, CA 90089