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"Inspiring a Sense of Service and Idealism

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Guest Speakers

U.S. Secretary of Transportation: Elaine L. Chao
&
Netflix CEO: Reed Hastings

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EDWARD WIDMER [Director of John W. Kluge Center]: Secretary Chao, Mr. Hastings, Senator McConnell, members of Congress, Ms. Compton, distinguished guests, good evening. Specifically, aloha to students and faculty of the University of Hawaii watching via live-stream at the William Richardson School of Law at the University of Hawaii at Manoa, and the Imiloa Astronomy Center at the University of Hawaii at Hilo. Also a special greeting to Peace Corps volunteers at viewing parties in Belize, Guatemala, Jamaica, Tonga, and Fiji, and to other volunteers around the world. I'm Ed Widmer, director of the Kluge Center. On behalf of the Library of Congress, it's my pleasure to welcome you this evening as we continue a wonderful five-year collaboration with the Daniel K. Inouye Institute to commemorate the life, legacy, and values of the late Senator Daniel Inouye. Before we begin, please take a moment to silence your cell phones. Also, please note this event is being live-streamed and recorded for the library's website. And if you have a question this evening, you are giving the library permission to use your question for future broadcast, as in, forever. So please ask your question clearly and please ask only one question. And for those of you who are tweeting this event, we are using the hashtag Inouye and hashtag Kluge. Senator Daniel K. Inouye was an Olympian figure here in Washington and in his home state of Hawaii. Born in Honolulu, on September 7th, 1924 to Japanese-American parents, he graduated from high school less than six months after Pearl Harbor. After the ban was lifted on Japanese-Americans serving their country, he enlisted in the Army and served in the famous 442nd Regiment of the U.S. Army, a unit of Japanese-American soldiers who fought with extraordinary gallantry in Italy, France, and Germany. On October 21st, 1945, in the War's final weeks in Europe, he was severely wounded in battle, after taking out two German machine gun nests and lost his right arm. He returned home with a Distinguished Service Cross, Bronze Star Medal, two Purple Hearts, and 12 other medals and citations. He received extensive medical treatment and his commitment to bipartisanship may have stemmed from the lifelong friendship he formed with another wounded veteran in the same hospital—the future Senator Bob Dole of Kansas. After coming home, he graduated from the University of Hawaii, then law school, and became Hawaii's first representative in 1959 when Hawaii became a State. Three years later, he was elected Senator, part of a freshman class inspired by the young President John F. Kennedy including his brother Edward Kennedy Birchby and George McGovern. He served for nearly half a century in the Senate, leaving a rich legacy that includes

the National Museum of the Native American, just down the street, and prominent service on the Senate Watergate Committee, the Senate Iran-Contra Committee, and the Senate Appropriations Committee—which he chaired from 2009 to 2012. He was awarded the Congressional Medal of Honor on June 1st, 2000, for his military service, a day I was proud to be in the audience at the White House. After his death on December 17th, 2012, he was posthumously awarded the Presidential Medal of Freedom, becoming the first Senator to receive both the Medal of Freedom and the Medal of Honor. Tonight, the John W. Kluge Center at the Library of Congress and the Daniel K. Inouye Institute present the third in a five-year Distinguished Lecture Series to commemorate Daniel Inouye’s commitment to bipartisanship, moral courage, public service, and civic engagement. We also celebrate tonight another great American who believed in courage and civic engagement, President John F. Kennedy born 100 years ago this month. This year’s lecture was planned in collaboration with the Kennedy Center and the Peace Corps to focus on values held dear by both President Kennedy and Senator Inouye. It was also designed to honor the special role of Hawaii in the development of the Peace Corps. As the panels outside indicate, more than 7,500 volunteers were trained in Hawaii between 1962 and 1972. This evening, our speakers will consider the topic of “Inspiring a Sense of Service and Idealism.” They will highlight the evolution of the Peace Corps which was established by President Kennedy on March 1st, 1961, and discuss how its ideals remain relevant today, five decades later. The event is made possible by a generous donation from the Daniel K. Inouye Institute. We are most privileged to have with us this evening, the Senator’s widow, the driving force behind his legacy, Mrs. Irene Inouye. I ask you please to join me in recognizing her. [APPLAUSE] Thank you. I’d now like to introduce our distinguished panelists, as you will hear, the Peace Corps played a significant role in both of their lives. Reid Hastings grew up locally, his father was an attorney for the Department of Health, Education, & Welfare under President Nixon. One of his early memories, according to an interview he gave in The New York Times, is getting a tour of Camp David from the then-Attorney General Elliot Richardson and noticing that Camp David had golden toilet seats. There were no such amenities in the Peace Corps, where he served from 1983 to 1985 after attending Boden College. He taught math in a high school in northwest Swaziland where there was no electricity at all. But it could be said that Netflix began there. He took his GRE exam in Swaziland, he was then admitted to Stanford’s program in Computer Science. He enjoyed a very successful business career. He created and sold a software company, always

displaying a versatility and self-reliance prized by the Peace Corps. That background prepared him well for the day he received a late fee from a video store after renting the movie Apollo 13. He was in fact, six weeks late, and owed forty dollars. On the spot, he decided to create a new company for people who wanted to rent movies for longer than one day. Netflix was founded in 1997 as a DVD subscription service, ten years later in 2007, it started streaming content via the Internet. It now has over a hundred million members in over 190 countries, more than the population of Germany, France, or England. Reid is an active educational philanthropist, he's served on the California State Board of Education from 2000 to 2004, he's on the board of many educational organizations, including the California Charter Schools Association, DreamBox Learning the Kit Foundation, Pahara, and the Hispanic Foundation of Silicon Valley. He's also a board member of Facebook and was on the board of Microsoft from 2007 to 2012. Our other panelist, Secretary Elaine Chao, is the 18th U.S. Secretary of Transportation. At the age of 8, she immigrated from Taiwan to the United States, speaking no English. She graduated from high school in New York, Mount Holyoke, Harvard Business School, then began a remarkable public career that has always given inspiration to others. From 2001 to 2009, she was the 24th U.S. Secretary of Labor, the first Asian American woman to be appointed to the Cabinet in American history. Prior to that, she was the President and CEO of United Way of American, before that, the Deputy Secretary of Transportation. And she was the Director of the Peace Corps from 1991 to 1993, an eventful period in world history and especially for the countries in the former Soviet Union. She was nominated for that post by President George H. W. Bush, and during her tenure, she developed one of President Kennedy's original ideas for the Peace Corps—which is that it should operate in the Eastern European countries where development and expression were often stifled. Under her leadership, the Peace Corps expanded into Poland, Latvia, Lithuania, and Estonia. Our conversation tonight will be moderated by Ann Compton, former ABC News White House Correspondent. She joined ABC News in 1973. She's covered seven Presidents. On September 11th, 2001, she was the only broadcast reporter allowed to remain on Air Force One during the dramatic hours when President Bush was unable to return here to Washington. She's traveled around the globe through all 50 States with Presidents, Vice Presidents, and First Ladies. We're delighted she can be here with us tonight. After their conversation, we will allot some time for questions but first, we will begin the Q&A with some video-recorded questions from Peace Corps volunteers and University of Hawaii students. Then, we will have

microphones available and we will take a few questions from the live audience. Please join me in welcoming our distinguished panelists to the stage. [APPLAUSE]

001700 [PANELISTS WALK ON-STAGE]

COMPTON: Good evening. Aloha! During the questioning tonight, and the conversation between these two guests, we're looking for that thread that goes between public service and the idea that the rest of our collective experiences lead into that and can illuminate that. Elaine Chao, I've known you since we were both young girls covering the Reagan Administration. She actually brought her spouse tonight—Senate Majority Leader Mitch McConnell, here, they got married much after Elaine and I first met...thank you for coming. [APPLAUSE] Secretary Chao, you began as a banker...

CHAO: Yes.

COMPTON: And your first government job was a White House Fellow, how did you get from there and then into a Cabinet position and what was that thread that got you to head the Peace Corps?

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CHAO: The thread is curiosity. As you've heard, I'm an immigrant to this country, I didn't understand so much about America. So, when I was a banker, I thought uh, I was involved in a number of transactions...if it was with a private sector, it would just be four people—myself, the banker, the borrower, his, uh, and most of the time it was a he...his lawyer, my lawyer, and we'd be able to finish a deal in two hours. But whenever I did a government deal there would be reams of documents, thirty-five lawyers on their side, the government side, and it took like months to close the deal. So, I was kinda curious, why did this happen? Why the difference? And so, I heard about the White House fellowship program and I applied. But it was out of a sense of love for this country, curiosity about how our government functioned, and wanting to understand the larger society here in America.

COMPTON: And then you had been in a Deputy Cabinet position...how did the Peace Corps arise out of that? And I remember what happened in 1991, the year you took over the Peace Corps, because I remember missing Christmas with our four little children, it was the day the Soviet Union fell apart and President George Herbert Walker Bush, flew from Camp David to the White House on Christmas night to address the nation and congratulate Gorbachev for having the courage to break up the Soviet Union. You now have a Peace Corps. There were no Peace Corps representatives on the ground in those countries, were there?

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CHAO: Yes, you know, President George H.W. Bush was actually quite prescient, and he had a very good feel for world affairs. So, in the summer of 1991, he already had a feeling that the collapse, I think, because we've never talked about it in this sense and I'll explain, but he had...he must've had a sense that the former Soviet Union was going to collapse and that the peoples in the former Soviet Union will need help from a people-to-people kind of exchange, but they'll require different skill sets. They will require a more sophisticated kind of assistance and so, I was in California in June of 1991, and he mentioned his interest in placing me at Peace Corps, and he said, the peoples of the former, uh Soviet Union, if this ever came about, would want, would need assistance in adjusting to a more industrialized and uh, to join the community, the international community, if anything like that were to happen. And I have to give my husband some uh, credit, he wasn't my husband then, I was just going out with him, [LAUGHTER] but he was cute, he still is, uh, so I discussed it with him and uh, he was very encouraging of my entering the Peace Corps as a director.

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COMPTON: Reed Hastings, so you graduate from Bowdoin, you're gonna go into the Marine Corps, how did that turn into the Peace Corps and then into an entrepreneurial, legendary entrepreneurial, career?

HASTINGS: I wanted to do some form of service and the Marine Corps has that program where you can do summers at Quantico and then, when you graduate you get commissioned as a second lieutenant, so I did the...junior year, I guess summer...it was hard. I realized that uh, you know

HASTINGS: the system is very well organized and very impressive, but you know, as a junior person, it's following orders a lot and I realized that might not be my sweet spot and...so uh, I was able to petition out of that and then join the Peace Corps where you're sent to many distant places and you really have to make it up as you go along and it really develops your leadership muscle in that way.

COMPTON: Did you get to pick where you were going?

002243

HASTINGS: No, um, I got assigned Swaziland, this is all pre-Internet, and so, you know, you go to your local library and you look up in your encyclopedia, I'd never heard of the place, but um, like, you know, many of the places in the world that Peace Corps volunteers are sent, um, you know, it's a very optimistic people, and I was a high school math teacher and just had a fantastic experience.

COMPTON: Well, let me switch to this...um, review...um, you live in California, Silicon Valley, many of the students watching in Hawaii from two locations, the Washington beltway seems like a strange creature and probably not, at times, a very appealing one, do you think from your point of view, can you explain how you view Washington and whether a public service career, at this moment, probably doesn't look that appetizing to some young people?

HASTINGS: I think it looks appetizing to many people and whether it's Washington or Sacramento for us in California, um, you know, some people choose a life, like the Secretary, that's dedicated to public service decade after decade and I think that's very powerful because you develop a lot of skills and connections and you can be more effective. Other people, like myself, dabble in it, so two years in the Peace Corps, then I'm in the private sector, then I volunteered on the State Board of Education in California, so I spent a lot of time in Sacramento...

COMPTON: You became Chairman...

002414

HASTINGS: That's right. And, but you're basically supporting the professionals, like the Secretary, that are dedicated in their lives, and so, as long as you realize different people make different choices and that's okay and you work together, I think there's a lot of different opportunities to either do, I'll call it, small-tier occasional service like I've done and mostly focus on the private sector, or long-term in many different roles like the Secretary.

CHAO: I totally agree with that, and I think it's really important, actually, to have these different paths into public service...at federal, state, local levels, I think our nation benefits when people have a diversity of experience in the private sector, in the volunteer sector, and they come into the public sector, all of that is helpful.

COMPTON: And from the point of view of the students who are watching tonight from Hawaii, should they worry about being put off if they see Washington looking chaotic right now?

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CHAO: Democracy is chaotic. Democracy is messy. So, it's really funny...I teach English to some immigrants from Asia, and they keep on asking me, they keep on saying—who's in charge? And I tell them, there's nobody in charge. But then they said, you and I know each other now, well enough, you can really tell me, who's in charge in America? So, the dynamic aspects of our society and the balance of power between the different branches at the federal level...I mean, you know, making laws is like making sausage, it is messy, democracy is messy. We have such a cacophonous nation of people, people talk about partisanship, gridlock, our country is made up of...our Congress is made up representatives, Senators and Congressmen, who represent where they're from, and they're giving voice to their people, the people that they represent...

COMPTON: And who sent them there...

CHAO: Who sent them there...and so, we have such a diverse country, so of course our national discourse and our dialogue is going to be kinda chaotic and messy as well, but that's democracy.

COMPTON: So let me ask both of you...how do you express that to the people, the young Peace Corps volunteers are out there dealing with...Reed, do you have stories about...when you were again...about ways in which peoples' lives were changed because you were there...and Secretary Chao, for you as well, ways in which you have know, during your tenure, lives were changed in places overseas?

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HASTINGS: Yeah, absolutely, you know, the Peace Corps and many things similar to it are great experiences to just grow a sense of the world. It's inevitable that if you grow up in the U.S. and don't get a chance to travel, as most of us don't, that you know, you have one view of the world, and once you've lived outside the U.S. for awhile and you just see how broad it is and the wonderful nature of people around the world, it's a very powerful experience. And so, I just felt very connected to everyone and again, you know, times may look chaotic today, but you know, they're not really that chaotic compared to World War II or the Civil War or the 13 years before we had a Constitution, you know, the first 13 years of the Republic, so you know, you have to have some perspective and you might also look at it and say, in difficult times is when service is most needed and most valuable. So, I certainly would encourage any young person to be involved and not think about the last 20 years as you know, a turn-off for politics.

COMPTON: And were there times with some of the students and they, uh, the residents that you dealt with, that you felt you were able to make the connection that uh, to help them better understand America? The 1980s were a different time, but not that different.

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HASTINGS: Um, yeah, but I think you really do it as a Peace Corps volunteer by example, um, it's not giving lectures on the separation of powers or something, it's living your life in a rural area and being a decent person, and for them, it breaks down the theory of what America is to make it very real and personal. And so, the Peace Corps has always been about a very personal touch as, and with the Secretary's leadership around the world, I'm sure you got to visit many...I got one little slice of Swaziland and you...

CHAO: ...I did, I did...

HASTINGS:...you probably have a much broader view of it.

002906

CHAO: Well you, Reed was so, is so inspiring when he said what he said about the chaos, I mean, think about Civil War? 13 years before...I didn't think about that, but that's really true. So, when you ask about what's really, uh, what differences I've seen, you know, when I was director of the Peace Corps and I went to visit all these Peace Corps volunteers and when I would speak with Peace Corps volunteers, and they're some who are watching now, they tell me, and I feel it in myself, that I've changed because I went to visit them. And there's some volunteers here from Tonga, I went to Tonga, and I was single at the time and they gave me the wedding dress, you know, the-the-it's a straw mat that you wrap around yourself and it was a wedding, the wedding dress. And I'm sure the volunteers in Tonga understand this...and which were the other areas? America Samoa, did I hear? Uh, I was there...you know, the hospitality of the local people is just overwhelming. Every single place I went, the tremendous outpouring of warmth toward Americans is just so, so impressive and inspiring.

COMPTON: And that personal one-on-one with residents, may have a softening effect if politically a country is not as warm with the United States relationship. Did you ever have any instances where you worried or thought of bringing Americans home from a country?

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CHAO: We did. As a Peace Corps director, the first responsibility is to ensure the safety and security of the volunteers. So we did indeed, did withdraw from uh, I believe it was Pakistan at the time, we had a little problem there. But when I was Peace Corps Director, one of the first things we did, which I was very proud of, was to have an emergency plan. It was kind of sad that we had to do this, but because Peace Corps volunteers are spread so far, it took about three days or even more to gather them together. And so, the world was changing.

COMPTON: Were you able to airlift them out?

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CHAO: Oh my gosh, yes...so, we actually had instituted a plan which enabled us, the Peace, the local Peace Corps office, to communicate with Peace Corps volunteers faster so that they can be congregated in one place for immediate evacuation, if necessary.

COMPTON: One question we heard from students who, uh, said in their questions and from some in the Peace Corps as well, asking how...whether the Peace Corps volunteers representing the United States around the world, are representative enough of the diversity of the United States, of women, minorities, was that an issue at all for you?

CHAO: Absolutely.

COMPTON: And, and...

CHAO:...I don't want to hog this because Reed is so interesting, but yes, absolutely, I think Peace Corp has a hard time recruiting. I don't know now, but 20 years ago when I was there, we had difficulty recruiting among communities, people from communities of color. I'm Asian-American, my responsibility is to my family. I wanted to make sure that I was financially responsible and the thought of taking two years off and not getting paid, except for a very small stipend, was just not an option, for a lot of people in different communities, and so, I don't think we should be surprised, that's just kind of like the differences in the culture diversity that we have, but we also have to do a more affirmative job, a better job of making um, known, what, you know, what it's like to be a Peace Corps volunteer.

COMPTON: Reed, what, in your experience, especially when you come out, you were both, you were in the private sector now, are there good arguments for young people to get involved who might not be traditional Peace Corps candidates?

003320 [MIC RUSTLING THROUGHOUT]

REED: Yeah, I mean, I think it's a great experience for someone who is pretty independent minded and one of the great things the U.S. government does is delay any student loan repayments during that time you're a Peace Corps volunteer.

COMPTON: Now, explain that...I didn't realize that...

REED: Yeah, so, many [MIC RUSTLING STOPS] of our students have built-up debt during, to afford college, and then if you go into the Peace Corps that is deferred for that time period...and then, the Peace Corps is doing a better job of re-entry and skills development and things. So, it's a remarkable program because it's now, you know, about 50 years, and if you think of most programs created, I don't know, in the last 20 or 30 years, they get pretty partisan, they get associated with a political party and the Peace Corps has really been a very bipartisan effort, um, that has wide support, and you know, that's quite unique, really, in the last 100 years.

003413

COMPTON: Let me broaden from that to a bigger aspect here, both of you have worked, you have worked and you are currently in the private sector. What are the lessons that you, from the private sector learn that are skills that you could take, that your Peace Corps volunteers, during your tenure, could use, and that skills that you took or think now that you took with you...let me start with you, Mr. Hastings, what, uh, the private sector skills that really can be employed when you're overseas in a position representing the United States like that?

HASTINGS: Well, I would say embracing failure because when you're 22 and 23 and you're on your own in a remote part of the world, you do a lot of stupid stuff and you know, some of it works out, you know, and uh, but some...I look at the misadventures like this beekeeping project I started for local entrepreneurs, it didn't work out, but this other one, which was water tanks at a local high school did, so you just gotta be willing, you gotta be relatively fearless and just try things and I think that mindset of being, you know, okay with some failure and being willing to try is tremendously helpful in the private sector.

003527

CHAO: You know, as a former Secretary of Labor, workforce...

COMPTON: ...for 8, for 8 years, right?

CHAO:...yes...

COMPTON:...all 8 years...

CHAO:...all 8 years, um, the workforce of the future is uh, very, is very interesting to me and very important to the country. I think what's really important now as we go into the future, is that workers of the future have to be knowledge workers and um, Reed is in the area of technology. Technology is changing so much, the way we live and work and travel, because now I'm in transportation, but, what's really important is the road to work that was so valued in the past, is no longer valuable. What's most valuable is creativity, ingenuity, and the ability to think. So the Peace Corps volunteer experience is actually very helpful. It doesn't really matter if you want to...you know, some people may say, I've never worked in the private sector before, how can this help? Every employer is looking for workers who have the ability to be curious, to learn, to adjust, be flexible, and to be creative and resourceful, and these are skills that, if one can gain, are very helpful in any kind of job in all three sectors: public, private, and also the non-profit.

COMPTON: And that, of course, the purpose of this program is to encourage young people to consider public service, those are the kind of skills, the creativity, the thinking, the being able to write, the being able to imagine, which would be incredible important for a public service job as well.

003715

HASTINGS: That's absolutely right, I mean, just, uh, pushing yourself to do things that are challenging, you know, whether it's uh, banking, and uh, whether it's Peace Corps, you know, I

think people learn the most when they're in challenging situations and that's what stimulates the most learning, back to the Secretary's observation, it's continuous learning in our society today.

COMPTON: We had a question about public partner, private...uh, private public partnerships, in a time when government funds are limited, Americans want...some Americans want government to have a smaller role, at least want the public, uh, the private sector to pick up some of that...where are those public-private partnerships important for this government right now, for the country right now, and for the next generation of leaders coming along?

003810

CHAO: Um, well, in terms of the...this is a very timely question, because this administration has as one of its top priorities, the infrastructure, the deteriorating infrastructure of our country, and how we need to rebuild, refurbish, rehabilitate, repair existing infrastructure. We do not have enough money as a country to be able to address all of the needs of the infrastructure through government funding alone. And we would not want to fund direct government funding on all these different projects because it would have a deleterious impact on our deficit and also potentially dislocate the private sector markets as well. There is plenty...there's a lot of private sector monies, resources, that are available, and currently, there are states and other places, municipalities, that prohibit the private sector from investing in public infrastructure. So, there must be a way in which we can not discriminate against a private sector and allow them to participate in the rebuilding of our infrastructure.

003923

COMPTON: An example...a toll road, a bridge, what are some examples?

CHAO: So when you have public-private partnerships, it's an effort by...so for example, in the infrastructure project, the federal funding will probably be about 200 billion and we will leverage that...because a lot of times, just like seed capital, if you can get some government monies, the government monies is kind of like a good-housekeeping seal...

COMPTON:...seal of approval...

CHAO:...and it will attract and entice other resources to come in. So if, of the 200 billion, there will be an opportunity to attract private sector funding through innovative ways in which you can incentivize the private sector to come in...so for example, in—just today, I just came from Atlanta, Georgia, to preside...to participate in the opening of I-25, it is a major artery in Atlanta, Georgia, the bridge on this I-25, on March 30th, erupted in a huge fire that resulted in the collapse of this section of the bridge. This is a major artery in Atlanta and it messed up traffic, but through uh, it's not a public-private partnership, but through incentivizing the private sector, this project came in under-budget, ahead of schedule, and basically in 7 weeks, it was able to rebuild this section of the bridge and now Georgians are able to be on the move again.

004108

COMPTON: Um, Silicon Valley anxious to help on public-private partnerships? And of course, your involvement in education in the state of California is legendary...

HASTINGS: You know, some of the most exciting stuff in um, the private partnerships is things like the private rocket-ship efforts which you never would've thought ten years ago that several different private companies would be developing rockets and doing amazing things at amazing efficiency, and then, we have self-driving cars, and you know, over the next five or ten years, that's going to be a tremendous revolution in how we all get around and people's relationship with cars...so, all these difference sectors are...in the uh, education side, people are doing web-based learning and augment what's happening in a classroom to provide more individualized instruction, and so we're seeing the role of technology in multiple different sectors where, maybe a long time ago, was mostly from the government.

004210

COMPTON: I want to ask both of you, before we go to questions from the audience, a little bit about leadership, because there are students in Hawaii tonight and there are students in the audience here and those who will be able to see this online, and they're always looking for some kind of key of what makes great leadership, and I wonder if I could ask each of you, starting with you, Secretary Chao, to talk about...with risk of over-simplifying things, leadership, there are

leadership qualities that apply both to government and to the private sector that these students probably ought to focus on.

004249

CHAO: Well, I would turn the question a little bit differently, I would say that leadership can be learned. When I was younger, I always thought, you know, leaders were born.

Leaders...leadership can be learned. I think it's really important for young people to practice being a leader. And they can do so in a very low risk way by volunteering with a, you know, with an agency or with a cause that they feel very strongly about, and they can learn communication skills, and they can learn all about leadership skills as well. Having said that, I think a great quality for leaders to have is a sense of integrity...that they have to be true to themselves, that they are true to the, those that they serve, and that there is a pureness of heart.

004334

COMPTON: That's a challenge, though, sometimes when your own personal integrity is up against a brick wall of something that seems to be testing that...hold true to it?

CHAO: I hope not...I hope not...there are very few times when most of us are put in that situation, I'm very glad to say, but when that situation does come, I think it's really important to know who you are, what you stand for, your own values, and be strong enough to stand up for them.

HASTINGS: Again, maybe a little too influenced by Frank Underwood because she knows House of Cards is coming back in three weeks...[LAUGHTER] just to see the fictional dark underside...

COMPTON: House of Cards...oh, you may have started Netflix and online streaming and all that, those red envelopes that used to come in, but he's also the godfather of President Francis Underwood on House of Cards. [LAUGHTER]

004433

HASTINGS: No, don't lay that on my feet...uh, I would say back to your question on leadership, it's about being the best person that you can be. You could think of it as there's two types of people in the world, there's the people who pick up the trash when they see it lying on the floor and there's the people who walk by. And if you want to be a leader, you have to be the first type of person.

COMPTON: That's a great answer...one more quick question before we start with those that have come in. The idea of success in life is obviously everything students want to aspire, all of us want to aspire to...but can you learn from setbacks?

CHAO: Absolutely.

COMPTON: And uh, Secretary...

CHAO: Those are the best learning experiences...agree with Reed?

HASTINGS: Those are the hardest...

CHAO: They're the hardest but you learn the most, don't you agree?

HASTINGS: I do.

CHAO: As you said before that you have to be ready to fail and I think um, the hardest periods in your life are the times that you will experience the greatest personal growth, and so I think for those...uh...everyone...for those who are thinking about this, all of us encounter difficulties in life, and we have to have the strength to be able to prevail and have confidence in ourselves, but also know that this is a time when we are really being tested and being made, our character and who we are.

COMPTON: It's hard though.

004600

CHAO: It's very hard. And of course, if I didn't have to do it, I wouldn't do it, but those times, don't you think? Those times when you have the most difficulties, that's when I've learned the most.

COMPTON: Reed Hastings, I think probably 90%, 95 of the people never heard of Quickster, but your company had, what some people call a death spiral, and look at you now. Was that the learning, a key learning experience for you?

004626

HASTINGS: Yeah, that was a major experience...uh, about 6 years ago, and Netflix was splitting the DVD and streaming businesses apart, and uh, we made a big mistake, and the customers went from loving us to hating us pretty quickly, and it took many years to earn back the trust, and out of that, we really learned a lot about listening to the customers, even if we saw something that was a long-term strategy, it's just going a little bit slower and bringing customers along with us. It's also what made me realize I could never do electoral politics because, you know, I just don't have the ear for it. I'm really built for business and I encourage people to really think about, you know, what they're good at. You know, for myself, I realize I'm good at business so I'm happy paying my taxes and volunteering some, and being very thankful for the public servants amongst us.

COMPTON: All of our mothers probably tell us when you make a mistake, apologize. Is that a good business strategy?

HASTINGS: Generally, yes. [LAUGHTER] But I would say, to be frank, the customer doesn't care that much. They want the thing fixed, you know, the apology is okay, but if you think the apology itself is going to make a big difference, that's, there's deeper issues.

004747

CHAO: I'm Asian-American. [LAUGHTER] I always apologize.

COMPTON: [LAUGHS] Ladies and gentleman...oops...let's take a few questions and I'm going to start with a Peace Corps volunteer in Tonga, Atkins Trout, has a question for Reed Hastings, let us please go to the question from Tonga, here is Atkins Trout.

004816 [VIDEO]

TROUT: [INDISTINCT] Hi, my name is Atkins Trout and I'm a Peace Corps volunteer here, in Tonga. I work in the education sector and my question today is for Reed Hastings. In the world where the gap between the rich and the poor is rapidly widening every day, what do you think are some of the ways that service work can be useful in helping privileged people in the developed world better understand their peers in the developing world? Thanks.

HASTINGS: Well, in the worldwide basis, actually inequality has sharply declined over the last 30 years. We've got many, many fewer on a global basis in poverty than we've ever had, thanks to the benefits of trade and of all of the international work that everyone is doing, but to get to the question of how do you create more empathy and awareness, um, some of that is definitely through entertainment, some of our shows like Three Percent, coming out of Brazil, is an amazing show about elites and the meritocracy and is very insightful...another show, Orange is the New Black is set here in the U.S., but it's a sector of the population that very few people have exposure to, women in prison. Um, so often entertainment is really what opens people's hearts and gets them to connect in what we're doing.

COMPTON: Wonderful...uh, we have a question from the University of Hawaii for Secretary Chao...Victoria Cuba. [LONG PAUSE] We have that question coming...

004950 [VIDEO]

CUBA: My name is Victoria Cuba. I am a junior at the University of Hawaii at Manoa studying journalism and digital media. My question is for Secretary Chao. As the first Asian-American woman to be appointed to the President's Cabinet, and as a former director of the Peace Corps, what is the one inspirational thing you would like to share with other women of minority, looking to serve others?

005013

CHAO: Have confidence in yourself. Don't be afraid. Explore. I mean, when I was growing up, I knew so little about mainstream America. But I had wonderful parents, a wonderful family, and they imbued within me a tremendous gift, and as I mentioned earlier, that was the gift of curiosity. My parents, you know, sacrificed so much to bring us to America, and even though they could not envision what futures lie ahead of their six daughters, there were six of us, they were confident that this country will offer them opportunities that they cannot imagine but that they knew existed.

COMPTON: You were the eldest of six daughters, as I recall...

CHAO: Yes...

COMPTON: Does the eldest have a special responsibility or get special pressure?

005108

CHAO: Of course...as an Asian-American family, I'm the one in charge and I take care of everybody. I don't know whether all of my sisters would agree that I'm the one in-charge, but I do take care of everybody.

COMPTON: Aw...we'll do one more question from the University of Hawaii. Uh, this one is for Reed Hastings and the question comes from the student, Tyler Gentile.

005126 [VIDEO]

GENTILE: Aloha, my name is Tyler Gentile. I'm a senior at the University of Hawaii at Manoa studying communications. My question is for Mr. Hastings. How has your experience abroad in the Peace Corps attribute to your success as an entrepreneur?

005143

HASTINGS: I think the experience abroad has helped me tremendously in terms of empathy and connecting with people that you didn't grow up with...and fundamentally, in business and communications, it's trying to get out of your own skin and to understand how a message might be received as opposed to just what you're saying. And so, you get a lot of practice with that being a high school math teacher in rural Swaziland.

COMPTON: I would like to open up the floor now to questions from the audience here in Washington as well. I see a couple of hands going up, two or three over here, and we have a microphone coming down the...good evening, thank you for joining us and speak right up.

005230

SPEAKER 1: Yes, good evening, uh, I have a short question for Secretary Chao and for Mr. Hastings, uh, Secretary Chao, you mentioned public-private partnerships, would you be open to them in passenger rail as well? And to Mr. Hastings, do you see there being, I guess, some two or three skills that you took from being that math teacher in Swaziland, that you'd say you use every day in your current work?

CHAO: I'm so sorry, I didn't hear the question...would I be open to what?

SPEAKER 1: Uh, private-public partnerships in passenger rail, like long-distance passenger trains and the like?

CHAO: I think that will be very interesting to explore.

QUESTIONER 1: Great, thank you.

HASTINGS: And the skills, I think, you know, are really what you learn in teaching is classroom management, public speaking, some of those skills are some of the most useful.

COMPTON: Public speaking, get that students? Uh, I don't see a microphone on this...uh, yes, please go find a microphone over here and we'll get a microphone to the next question over here.

005337

QUESTIONER 2: Hi, hello, thank you Madam Secretary and Mr. Hastings for coming to speak. My question is about, if you think that there is a trend in public service towards, or for the privileged, and to give some context why I'm asking this question is, we see, you know, on Capitol Hill, many internships are...they don't offer a stipend, let alone like a metro-stipend, and even within the federal government, if you try to apply for an internship, many of those offer do not, do not offer any kind of assistance, or even a metro-stipend. And so, my question is, you know, Madam Secretary, you had mentioned that in the Peace Corps that there are barriers because some people cannot, you know, work for free, especially full-time hours, and so, what are your thoughts on this and how can we fix it, because obviously, from both of you speaking that public service is very important but there are economic barriers and it kind of sounds like we've given some people, you know, the vehicle and the key, but there's no actual gas in the car to, you know, do public service, so...

COMPTON: Practical question.

CHAO: I'm not so negative...I really think this country has incredible opportunities and what I encourage in young people and in parents, is to believe in the goodness of this country and to find...be resourceful...and find different ways to have different experiences. I think there are very few people, like myself, who came to this country with very, very little. But I was armed with the most wealthy of assets, and that is a sense of who I am and I was also fortified by the love of my family. Armed with those two tremendous treasures, that gave me the courage to go out and explore and do all sorts of things. So, I was on scholarship, uh, during my years in college. Then, as our family situation got better, I gave the scholarship back, and now my family establishes scholarships for others. So, I think the most important thing I would say is never give up, because there are so many philanthropic organizations in this country. I was head of United Way, I was director of the Peace Corps. When I was head of United Way, I never felt that I was begging anyone for money. I felt that I was giving them an opportunity to participate in the

ground floor on something bigger than themselves, more important than themselves. There are so many generous benefactors who want to help, so there are many ways and, you know, to connect those in need with those who want to give. And that's part of the function of the social sector, the volunteer sector, so I just really encourage people, number one: not be afraid. Because when I first came to America, if anything, if I can say something to the young Elaine Chao, would be, don't be afraid. There's so many people who want to be of help. So gird yourself, find what you love to do, and go out and help find others who can help make that happen.

COMPTON: Could you add to that, Reed?

005639

HASTINGS: I think that was a great answer.

COMPTON: If you don't have the resources, how do you go find them?

HASTINGS: I don't have anything to add to that one.

COMPTON: Ok. We have a microphone right here, I'll get to you shortly, uh, yes...can you stand? And uh, thank you...

QUESTIONER 3: Hi, thank you for this informative panel. My name is Contessa Bourbon from the New York Times. I'd like to ask the panelists, how do you make Peace Corps relevant in view of extremism? Has Peace Corps withdrawn from other countries that are involved in extremism?

005717

CHAO: I believe the acting Peace Corps director is here. I hope to see her, I have not seen her yet. But Peace Corps is in so many different countries. Oh, you should get up and answer the question. [APPLAUSE] Peace Corps is involved in so many different countries and I think in an international world in which we are in, Peace Corps volunteers who understand other cultures

who understand America, could be great bridges of understanding in an increasingly complicated international world.

COMPTON: Go...find her afterward...we have another microphone...uh, yes, right here please stand and...

QUESTIONER 4: Hi, uh, my name is Liz and I was inspired by my Peace Corps service in Morocco to start something called Corp Africa, which is Peace Corps for Africa...and they are so proud to be...they're inspired by Americans but they love their countries and I would be so honored to pass along your advice to that as they try to create a service, a cultured service, in their own countries.

005826

CHAO: Thank you.

HASTINGS: They're asking for advice...I think what you're doing is great and it's emblematic of what— one of the impacts of the Peace Corps is, which is changing the volunteers so that when they come back to the U.S., that they're a voice for all of these kinds of efforts, so um, it's great, thank you.

COMPTON: We have a microphone over here and then I promise that I'll get it down to you. Yes, thank you.

QUESTIONER 5: Hi, um, Secretary Chao, my name is Chen Chu, I'm very proud of you as an Asian-American to serve our country for so many years, um thank you for doing that. I brought my daughter, 13 years old, to get inspired. Um, I, myself, came to the country 22 years ago and I went to Third Three Leadership Program in Montgomery County, Maryland, and I found very few immigrant, first generation—that's how I call myself—to be in those leadership program and offer to do some level of public service and I still find myself, right now I dedicate myself to...I run a small business but try to encourage community to participate more in the social and political activity in the United States to be a 100% American. But I found myself very

challenging to change the mentality of people like me, to be fully participate, in the society, because they always say, hey, you know, maybe my language or maybe my culture, is not fully adapted to the country, so what is your suggestion to the first generation Americans like myself, to be able to fully participate in the American life? Thank you.

010013

CHAO: You know, I understand their plight very well, because when you're first generation, I'm first generation, you worry about survival. You just want to have financial security. So, for a lot of these first generation, their first priority is to be able to be financially secure and take care of their families. I am confident that as their financial situation gets better, they will become more and more integrated and take a larger role in mainstream America. I think as their children becomes better assimilated that they will take a larger and larger role. So, I compliment you for your efforts. I want you to kind of continue because I think it's important and I have faith and hope that uh, as people get more financially secure, they are turning out. But in the meantime, I ask them also to get involved in their local communities. So, for my parents, my mother didn't speak

English, they were very active in the Chinese American community and I thought that was important as well.

COMPTON: Thank you for that question, we have one over...hi.

010130

QUESTIONER 6: Hello, I have a question for Secretary Chao, you mentioned that when you headed the Peace Corps you wanted to bring the diversity of America into the Corps, such as recruiting people from different ethnicities, perhaps from different economic statuses as well, what about the diversity of age? Lillian Carter was, of course, was famous for uh, going to India when she was in her late 60s, how common is that? And of course, there's life-long learning but there's also life-long teaching...and many of our mature older people do have the time to uh, to volunteer for the Peace Corps.

HASTINGS: Looks like we've got a new volunteer.

CHAO: I think that's a great observation and I think uh, Peace Corps, and again, the acting Peace Corps director is here, Peace Corps has always had a certain percentage of more mature citizens, but I will point out that Peace Corps volunteers work in very, very difficult positions, and so, in some of these localities, at the health needs of someone who is more mature, becomes more important. And the remote areas that Peace Corps volunteers are assigned, and sometimes the lengthier access to health care facilities could be a factor in recruiting more of uh, more mature Americans.

COMPTON: I don't know what the current numbers are...I expect during your tenure...the number of retirees or...senior, senior Americans who have the time to devote to that was a small percentage probably?

010330

CHAO: It was about ten percent, usually.

HASTINGS: Can I ask the acting Peace Corps director?

KELLY: Please...I'm itching to relay some stats here ...good evening, my name is Sheila Kelly, I'm the acting director of the Peace Corps and a couple of points on the diversity, I just want to point out that we have made amazing strides in representing the face of America and 36% of our applicants are now...represent as ethnically diverse and what we call our "on-board strength" meaning the volunteers in the field, is about 28%, up from 14% since 2010, so we're making really great strides and we have good strategies, and it's working. In terms of age diversity, which we also recognize as a need, it's only about 7% of 50 plus, but we have a program for both um, called Peace Corps Response where our short-term targeted project based assignments that are sort of tailored to people with experience and generally those are older folks. So we are very open and welcoming to people who are 50 plus.

010438

COMPTON: Let me ask you two quick follow-ups, when you talk about a short-term targeted program, that might be very, very attractive to somebody who's just about to you know, to retire from work force but doesn't want to sit home. Are you talking about two or three weeks? Five or six months? Or does each project have a different character?

KELLY: So it depends on the project, and the country, and the need...but 3, 6, 9, 12 months. Actually, I do want to just point out that, I think our oldest serving volunteer just left Morocco and she's 85 years old. Pretty amazing. And I was a country director and my oldest volunteer was 80. So, and that, also sends a powerful message to our partners in the field that you're never too old or young to serve.

COMPTON: And may I ask you one other question which had come in from a Hawaii student asking, how can you...what can you say to minorities and uh, non-traditional volunteers to encourage them to go ahead and explore the possibility of a Peace Corps service?

010552

KELLY: So the first thing I would say is talk to a recruiter and we have recruiters around the United States, but the other thing I would say is, I think in the past, Peace Corps would often be sort of viewed as something you sort of did after college to get away and to have a great experience, but you were really putting your career on hold. I think Peace Corps now is a career accelerator. It always has been, but we've really sort of, in the 21st century, with the internet and all the different projects that volunteers are doing, there's incredible benefits in terms of leadership development, um, flexibility, adaptability, all the things that were mentioned, and then we have benefits, we have a scholarship program that return Peace Corps volunteers can apply to for graduate school after Peace Corps, it's called the Fellows Program. And then we also have a readjustment allowance that helps them get started when they re-enter the United States, so we have lots of benefits that would serve them.

COMPTON: Thank you very much....

KELLY: Sure.

[APPLAUSE]

COMPTON: I think we have time for one more question from the audience. Yes, you've been very patient waiting, thank you so much.

010700

QUESTIONER 8: No, thank you so much...Glen Blumhorst, president of National Peace Corps Association, and I served in the Peace Corps, Guatemala, in 1988 to 1991, uh, Secretary Chao, thank you for decades of public service and national service, and Reed, for your service in the Peace Corps and elsewhere, and you are very inspiring and this is certainly an evening of inspiration for service. Matter of fact, thanks to the great recruitment process that Peace Corps has now, over 20,000, sometimes close to 25,000 individuals are applying to serve in the Peace Corps, but with funding for only 7,000 volunteers at any given time, thousands of individuals, American citizens, young, global citizens, young citizens who would like to serve in the Peace Corps don't have that opportunity, what can we do about that? And the question is for either or both of you. How can we ensure that those Americans have the opportunity to serve?

010750

HASTINGS: Well, I think what's been amazing about the Peace Corps is it's varied to have the numbers approximately from 2500 to 5,000 down to four, I didn't know it was up to seven now and that it's been over 50 years, quite a stable program, so I'm not...you wouldn't want to grow it too quickly. I think you might see a whole number of side effects of that. And on balance, it's been an incredible bipartisan support in good and bad budget times, uh, the fundings been really reliable compared to many federal programs, and so, I think we should also just be positive about what we got in Peace Corps for the budget.

CHAO: Can I just go back to the question of...one of the...um, previous questioners asked...I think it's also important, again, speaking from an Asian-American perspective, you know, for us,

I think it's really important that we help our parents...and I say this to young people, their parents may not understand what Peace Corps is all about, so...for these young people who, at least in the Asian-American community, you kind of have to convince your parents that this is a good path forward. And so, I would encourage young people to kind of explain what Peace Corps is, as they make this decision, to those around them, so that they understand and will support that decision.

010911

COMPTON: As a moderator, I'm going to take the opportunity to not ask the last question, we have one more video-taped question from a Peace Corps volunteer, who is in Guatemala. And let me introduce now, Susanna Gonzalez.

[VIDEO]

GONZALEZ: Hello, my name is Susanna Gonzalez. I'm a Peace Corps volunteer in Guatemala working on youth development. My question is for both Secretary Chao and Mr. Hastings. How do we make opportunities to serve an organization such as the Peace Corps, more accessible to those who come from disadvantaged communities in the States?

010950

COMPTON: Well, we have touched on this, but let me give both of you a chance to sum up your thoughts. I love the fact that she's on a roof-top, with the horns, the dog's barking, the true Peace Corps experience.

011006

CHAO: ...people don't think about the transition from Peace Corps into the business sector, and so, I think you would have a lot of encouragement to offer...

HASTINGS: Yeah, in answering our volunteer's question...the Peace Corps in the last 10 or 15 years has made a big effort in terms of diversifying, you heard some of the numbers, and so, I really think we're on the right course. It's finding great role models, uh, where, you know, it's not just white men and white women talking about how great the Peace Corps was, because

people, you know, follow role models that they see. So, as we have more volunteers like Susanna, I think it's natural that it's spreading, and so it's a...I think it's a really big success.

011047

COMPTON: Last word?

CHAO: I think the life skills that Peace Corps volunteers learn is very helpful and very applicable to all aspects of life and in also any chosen occupational career. The qualities of flexibility, curiosity, and um, being resourceful. I mean, these Peace Corps volunteers are thrown into pretty interesting and unexpected circumstances and situations and they have to learn how to adjust and be problem solvers.

HASTINGS: Are we going to get you back as a second term Peace Corps director? You have such passion for it.

CHAO: I'll go back as a Peace Corps volunteer.

HASTINGS: A volunteer next, okay.

COMPTON: Thanks to the internet world, we live in a world where we all think we know much more about the world than we used to, but there's nothing like boots on the ground and living within another culture to, not only appreciate what they are going through, but what the United States has in terms of values, standards, business practices, and human-to-human contact that really makes it exceptional. Thank you so much, Secretary Chao, Reed Hastings of Netflix, and thank you all for joining us.

[APPLAUSE]

011213

WIDMER: Thank you all so much. What a wonderful panel, we're deeply grateful to Secretary Chao and Reed Hastings today, they came a long way to be here tonight and we're grateful to Ann Compton, also. We're always grateful to Mrs. Inouye and the Daniel K. Inouye Institute. We're so happy that we had the students in Hawaii on the two campuses and the many Peace Corps volunteers all around the world. We couldn't see all of you, but we felt your service and your idealism and your words, we're inspired by you. The Kluge Center and the Inouye Institute will be putting forth two more programs in this series over the next two years, please stay in touch with us via email or social media, um, consult our website and once again, thank you so much for coming out. Good night.

[END]