

**3 Takeaways Podcast Transcript**  
**Lynn Thoman**  
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**Ep. 144: New Jersey Governor Phil Murphy Reveals Why It's Useful To Sometimes Get Your Teeth Kicked In**

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INTRO male voice: Welcome to the 3 Takeaways podcast, which features short, memorable conversations with the world's best thinkers, business leaders, writers, politicians, scientists, and other newsmakers. Each episode ends with the three key takeaways that person has learned over their lives and their careers. And now, your host and board member of schools at Harvard, Princeton, and Columbia, Lynn Thoman.

**Lynn Thoman:** Hi, everyone. It's Lynn Thoman. Welcome to another [3 Takeaways](#) episode. Today I'm excited to be with Phil Murphy, Governor of New Jersey. His background is really unusual. He worked at Goldman Sachs for over 20 years, rising to become president of Goldman Sachs Asia and co-head of Goldman Sachs Investment Management. Then he became the National Finance Chair of the Democratic National Committee, then Ambassador to Germany before being elected Governor of New Jersey. Governor Murphy is one of America's most popular Governors, and he's the first New Jersey Democratic Governor in 44 years to be re-elected. I'm excited to find out what the job of governor is like, what a great governor can accomplish, and how we can get our politicians to be more responsible and accountable for their long-term impact. Welcome Phil, and thank you so much for our conversation today.

**Phil Murphy:** Thank you for having me, Lynn. Great to be with you.

**LT:** Great to be with you too. Phil, can we start with some personal questions if you don't mind?

**PM:** Absolutely.

**LT:** You've been in four very different jobs. What was your upbringing like?

**PM:** We were middle class on a good day. I was born in Boston, grew up outside of Boston. Neither of my parents went beyond high school. My dad didn't even get a high school degree. I'm the youngest of four, but a family that was deeply religious deeply focused on public service. That was mostly my dad and my mom who was very focused on the four of us getting a college education, which we all achieved. A great family, but didn't have a whole lot of nickels to rub together.

**LT:** What has enabled you to be successful in such four very different jobs?

**PM:** It's partly probably upbringing and the stuff that was instilled in me by my parents around our kitchen table. I think there's also, Lynn, a reality. No matter how different a job may appear, some things... A friend of mine used to have an expression, there's nothing new under the sun. I'm not sure I'd say that about four disparate jobs, but there is some commonality to any position you take, particularly a leadership position. And then I think secondly. You've got to have an openness, and

for whatever reason I have this, to start over again. You work on Wall Street, you start at the bottom and you get the heck kicked out of here and you work your way up. And then I did that again in the Democratic Party as you mentioned, fundraising. And again, as a diplomat and now as a Governor. But I guess it's a combination of that. Commonality on the one hand and a willingness to start at the bottom and learn from scratch.

**LT:** That takes a humility that many people that have been very successful aren't able to do.

**PM:** Yeah, it does I will say that. I'm not trying to pat myself on the back, but you've got to be willing to embarrass yourself. Make mistakes. Maybe sometimes get the door slammed in your face or if not, your teeth kicked in. But if you could get over that and you will learn... I say to our team all the time, I'm now finishing up my fifth year as Governor. There's no question when you do something five times, never mind six, seven, or eight, it's got much more of a rhythm and familiarity than when you do it the first time. And that goes for any job, I think.

**LT:** Why did you run for Governor?

**PM:** We came back from Germany where you rightfully pointed out I was the US Ambassador. And we came back to a state which didn't feel right. And so my wife and I spent a lot of time studying, were we right? It felt like it was an economy that not only didn't grow but was hugely unequal, inequitable. So big gaps in addition to the fact that it was stale. And secondly, we asked ourselves. I think this is a good exercise for anybody who's got the visual here. This is what is wrong and what needs to be done to fix something. This is who I am. Let's look in the mirror and be cold-blooded about what I can do or what I can't do. And the question is, how well do those two realities sync up? Do they fit? In New Jersey, it turns out it was a turnaround story. It was broken and it needed to be fixed. That's something historically I've done a lot of over the years, whether it's businesses I ran on Wall Street, whether it's going to the Democratic National Committee when it wasn't popular, whether it was taking over by storm Berlin as a diplomatic matter, taking that away from the Russians where it had been broke before. And that's what we've been doing for five years in New Jersey. It turns out this analysis was right. And we're still a work in progress as we sit here today, but it was right.

**LT:** What is your day like? How do you spend your time?

**PM:** So we're the fourth smallest state in the nation geographically. And we are far and away the most densely populated state. So I say that because I move around the state almost every day. That's the most typical part. I'm in offices. I've got an office in Trenton, the capital, and in Newark where I am now. Which is New Jersey's largest city. But each day will either be entirely on the road or I'll staple things onto my time in either office. Get up, usually having breakfast with my wife, do some exercise at some point, get on the road and try to have dinners when we can with any of our four kids who may be passing through and spending time with each of them.

**LT:** How do you see partisanship?

**PM:** That's a tough one. You've got to have a balanced approach. You've got to really be cold-blooded. Again, look in that mirror about the principles that you hold the dearest. Why am I a Democrat? What does that mean? What do we stand for? What do we need to do to express that? But at the same time... And I think the best leaders out there. But I'm a work in progress I will admit

to you, but the best leaders out there are able to do what I just said and at the same time have a thirst for a common ground. I actually kind of live that right now. I am Chair of both the Democratic Governors Association which is highly partisan, and the National Governors Association with a Republican vice chair, outstanding Utah Governor, Spencer Cox, which is completely bipartisan. And I think that maybe embodies the balance as I live it. It's not either or. You can be, and/both. It takes a lot of care and feeding, but you can be and/both and we strive for that every day.

**LT:** How much of an incentive is there for leaders in government, be they governors, mayors, or members of Congress to focus on long-term impact? And how can we make leaders more focused on the long-term?

**PM:** A friend of mine who sadly has passed away had a consulting firm called Copper Beech Strategies. And I asked him I said, Rob, why Copper Beech? He said that's a tree that does not mature until at least it's a hundred years old. Meaning by definition, it's long after we're dead and buried. The question is, what are you doing now to create that flourishing future? And I think it's really tricky in politics because everybody is on the clock. You know as a Governor of New Jersey, you're on the clock every four years although I'm term-limited. So I'm beginning year six shortly, and there's only going to be eight of them. It's a challenge. I think on the margin, I'm a term-limit believer. So that's one ingredient. I also think it's another... I've used the word balance several times already, Lynn, and I think this is a balance. What is the immediacy? What's the here and now versus what won't get done until we're long gone? We've got... In New York City, they've got the High Line, that's 1.2 miles. We're going to have in New Jersey a 9 mile Greenway connecting eight communities. That won't be up and running till long after I'm gone.

**PM:** The two new rail tunnels under the Hudson River we're working on feverishly now. They probably won't be operational for 8 or 10 years. There are lots of examples like that. And by the way, they are at the immediate points of urgency. And I think you've got to get that balance right and it's not easy.

**LT:** Can you tell us about your mental health initiative? I know that's been an important area of focus for you.

**PM:** Yeah. When you become the National Governor's chair, you get an initiative that you raise money around, and then you sort of use your year as chair to build a playbook aimed at whatever that initiative is. And mine is strengthening mental health among our youth. And God knows, it doesn't matter where you are in the political spectrum, everybody is living this. We're living it in New Jersey for sure. We're living it in our family. We're living it through learning loss and all the other stresses. So we're literally going around the country convening experts, having roundtables, particularly those with lived experience. So this is as far from abstract. Even though there are academics and experts, we have people at the table who are living this. And the objective is by next July when we wrap things up in Atlantic City, New Jersey, that we have a playbook that we can hand to Governors. They could put on the shelf and choose whatever elements of that playbook to execute in their state. It's hugely, hugely important. It's not just for our youth, but most importantly, it is our youth.

**LT:** How can states improve education and the teaching of skills to students?

**PM:** Well, listen, we are blessed to be one of annually the top couple of public education states in

America, and we don't take that for granted. So first of all you've got to spend money. You've got to fund public education to the fullest extent. And that includes increasingly in our state, the path toward universal pre-kindergarten. It means addressing the teacher shortage. When you have a number one public education system in America, it begins with, number one educators, and we've got them. But we just don't have enough of them, particularly coming out of the pandemic. So we're very focused on that. And your point on skills finally, it's not just that you get a good education. How well matched up are you when you come out of that system with the opportunities that are in the economy before you? So I'll give you an example.

**PM:** In New Jersey, we are innovation heavy - bio-pharma, life sciences, tech, telecom, fintech, digital film, television, offshore wind, green economy, very much innovation based. So you want to make sure you're producing the next generation of workers that match up with that kind of an economy. So we put a lot of emphasis on technical skills. We have a whole council for green jobs in our economy. We are a big organized labor state, so we not only do it on our own and with our education system, but we work with labor. So there's lots of different ways to get at that. You can't take any of what I just said for granted. You've got to be vigilant on all of it.

**LT:** What do you see as your biggest challenges?

**PM:** I'd say two. Parsing through the aftermath and recovery in all respects from the pandemic. We were clobbered. Over 35,000 losses of life, small businesses shuttered, people laid off. It hit America, but it certainly hit New Jersey. We are largely if not overwhelmingly, through that, particularly if you're vaccinated and boosted. Our unemployment rates down in the neighborhood hits all-time low, but we still have stresses that continue. Small businesses still struggle. Affordability is an issue, a big issue at the kitchen table. Mental health, as we just discussed. So getting through that sort of aftermath. And then secondly, the reason why we got elected in the first place, that turnaround story which is real is still a work in progress. First, we got upgraded by the credit agencies 3 times this year. That hadn't happened in decades. We want to see more of that. So I'd say continuing the journey that we've been on since day one turning this state around.

**LT:** The highest tax states in the US, including New York and California, have seen pressure from the move of wealthy people to lower tax states. Is there a move of people out of New Jersey and what can you do about it?

**PM:** You need to give people a reason to be here and we think we do. Every state has a bumper sticker. Ours is the number one state in America to raise a family. That's who we are. So much of what we do, so much of our budget, so much of our energies are channeled toward that reality. Best schools, top health care, quality of life, public transit, walkable, livable communities, jobs that are here as opposed to somewhere else. And you've got to secondly make sure it's a good value for money proposition. I know New Jersey may not be the cheapest state in America, but I get a lot back for what I put in. The biggest challenge we have are the retired homeowners. So they're on a fixed income. They own a home. They pay property taxes. Their kids have probably graduated from our great public schools. Why do I say that? About 53% of our property tax bill on average is for public education. And they're looking for a reason to stay here. They want to stay here. And so we have massive property tax relief programs directed at lots of homeowners and renters, but especially at our seniors. And that's something that we emphasize mightily.

**LT:** What can Governors accomplish and what do you hope your legacy as Governor will be?

**PM:** Oh Lord, I'm not sure I've got a good answer on the legacy front. I hope it's, "He promised to turn this place around and he did." That's my fervent hope. What we can do, we can do a lot. I mean, we can do an enormous amount. I'm always struck by how direct and straight the line is between a bill I sign, a speech I make, an executive order I sign, and its impact on our residents. And I've had countless examples where folks have walked up to me and said, "You don't know how you've just changed my life." So governors could do an enormous amount. And in this crazy time in which we live in this great country, with now a patchwork quilt country where it really matters where you live and work, governors, I would argue have never mattered more.

**LT:** What would surprise people about the role of governor? What surprised you when you became governor?

**PM:** Yeah, that's a great question. I think that point I just made would be on the list, how immediate and straight the line is between an action I take and the impact on our residents. So that's certainly on the list. There's a lot of fun associated with this job. There's a lot of pain particularly during the pandemic. We eulogized several losses of life at all of our press conferences and talking to those families. But there's also... there's a lot of things that bring you joy. And I would say personally, for the most part, that we're like any other American family. We have our ups and downs, pluses and minuses. But it hasn't made us less normal. Both good and bad, we are living the normal American family reality that we were living before we got into this gig.

**LT:** Before I ask for the three takeaways that you'd like to leave the audience with today, is there anything else you'd like to mention? What should I have asked you, Phil, that I did not?

**PM:** I wanted to become a musical comedy actor coming out of college. And some would say that I have found my dreams and I am in that business today. I would reject that assertion. But I was a big musical comedy guy. And I'm glad I didn't go that route because I have a lot of buddies of mine who were in that line of business and it is tough as nails. And they were a lot more talented than I.

**LT:** Do you know what you will do after the end of this term? As you mentioned, you are term-limited.

**PM:** Yeah, I don't. I don't. I hope there's some element of public service because it's been so meaningful to me and my family. So I hope there's some aspect of that. But I'm not really focused on that. I've got my nose pressed against the Jersey glass right now.

**LT:** [laughter] Two more years, much to accomplish.

**PM:** There you go.

**LT:** What are the three takeaways you'd like to leave the audience with today?

**PM:** I think several things, Lynn, and they're not necessarily specific to being governor. One is, reiterate, look in the mirror folks. And be honest about yourself. What are you good at? What are you not good at? What do you like? What do you not like? In fact, I'd almost draw a quadrant and do that exercise. There was a book I read a long time ago. I think it's called What Color is Your Parachute or What Color is My Parachute. And there are exercises like that. But that's just a simple

one. And then just be comfortable with where you are on that sort of splay. And then ask yourself, am I living a life that's consistent with that array? Secondly, we alluded to this earlier. Don't be afraid to start again from scratch. Some people have careers that last when they're 21 years old till they retire at the age of 65. And maybe they do a different function within their career. But it's a more monolithic growing over time. And I have complete respect for that. That has not been my route. So if you choose to go my route and want to have sort of a variety of different career experiences, you have got to have the courage, the humility, I think you pointed out and that is a good word, the fortitude to start over, make mistakes, make a fool of yourself. That's the second thing.

**PM:** And I think thirdly, and this is certainly a plea as well from... As a dad, but also as governor and I could give you examples. I had to deal with WikiLeaks when I was ambassador. You just don't know what's around the corner. Some stuff is predictable. But 9/11 was a shock. In my case, I can give you two, the WikiLeaks experience, ground zero for which was in Berlin, and certainly COVID-19 as governor. And so my dad used to say, a man proposes and God disposes you. You can make all the plans you want. You can have all the expectations for what the future is going to look like. And for the most part, if you're smart and you're good and you've done your homework, you're probably going to be more right than wrong. But you'll almost never be completely right. There'll be something that will come up. And I would just say to folks, be prepared for that. Expect the unexpected and be prepared to jump in in a way that you never thought you would have to.

**LT:** Phil, this has been great. Thank you so much for taking the time for 3 Takeaways and thank you for your service in government.

**PM:** Thank you, Lynn. Great being with you. Take care.

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