



How to Make the City Work

An Interview with the Honorable
Michael R. Bloomberg, Mayor, New York City

EDITORS' NOTE *With a B.S. in engineering from Johns Hopkins University and an M.B.A. from Harvard, Michael Bloomberg began his career at Salomon Brothers, where he quickly advanced through the ranks, becoming a partner in 1972. When he was fired in the wake of a Salomon merger in 1981, Bloomberg used his severance pay to start his own financial-information company, Bloomberg L.P., which has since grown into a multinational media empire with 8,000 employees in more than 100 offices worldwide. Bloomberg was elected the 108th mayor of New York City in November 2001.*

When you took office, New York City was suffering severe economic problems, forcing you to make tough decisions in order to deal with the budget crises. How difficult has this been, and how have you been able to create understanding and awareness in the city about the need for those tough decisions?

At my inauguration, I remember looking out across the crowd that had gathered on the plaza at City Hall that freezing afternoon. In the distance, above everyone's heads, smoke was still rising from the World Trade Center site. And I think all of us there – and throughout the city – were asking ourselves the same questions: “Will we be able to come back?” “Can we recover?” “Will we be safe?” “Will we ever be the same?” Those were the questions hanging over our city's future, and I remember feeling deeply grateful and honored that New Yorkers trusted me to lead the way. I still am.

On a purely economic level, we inherited a severe fiscal crisis, the worst since the '70s. To close a record budget deficit, we had to cut city spending by more than \$3 billion, and we found ways to do more with less, which is why services have improved and the streets are

cleaner than they've been in 30 years. New York City's credit rating is higher than it has ever been – S&P gives us an A+ grade. Never again will New York repeat the mistakes of the '70s, and I will continue to make the tough decisions to



The Hon. Michael R. Bloomberg (right) with LEADERS President and Executive Editor David W. Schner

ensure that the city stays fiscally healthy.

We also had to ask homeowners to help bail the city out of the fiscal crisis. They came through for us when we needed it most and helped protect the city's great quality of life. When we began to recover, I pushed hard to pass the \$400 property-tax rebate for homeowners because they deserved to be first in line for tax relief.

I also called for the end to city sales tax on clothing under \$110, which ended recently. New Yorkers also have some of the best services in the country – the best public hospitals; the best police, fire, and sanitation departments; the best parks; and the best cultural institutions. All of that costs money. The challenge is to balance the things that help make this city great with the amount of money it costs to provide them.

You have achieved strong results in the area of public safety. What do

you attribute this success to, and do you feel the message about New York City's security is well understood worldwide?

We've driven down crime to a 40-year low, fire fatalities to an 85-year low, and traffic fatalities to a 90-year low. Today, New York is safer than it has been in modern memory, and it's the safest big city in America. When I came into office, no one thought that crime could be reduced any further. In fact, many people thought that it would go up. Instead, we've driven down crime another 20 percent city-wide. We've done it through innovative programs like Operation Impact, which floods high-crime areas with teams of veteran and rookie police officers. We've made fuller use of state-of-the-art crime-fighting technology. We've created special Gun Courts in Brooklyn, the Bronx, and Queens, which are taking illegal guns – and those who carry them – off the street. We're continuing to show

zero tolerance for graffiti and other quality-of-life crimes.

We're also the nation's leader in homeland security. We've battled with Washington to improve the formula for distributing funds. Homeland-security funding should be distributed on risk alone – not pork barrel politics! It's outrageous, dangerous, and incredibly irresponsible. We have succeeded in convincing Washington to significantly change the funding formula, but it still needs improvement. Even though Washington may not always give the city enough counterterrorism funding, we have used the resources of the world's best police department to secure our city. There are now roughly 1,000 NYPD officers fighting terrorism full time, and we are setting an example for the rest of the country in how cities can work to prevent attacks.

In terms of how others perceive New York, I think that people across the coun-

try and around the world are seeing how safe New York City is, and the evidence is in our tourism numbers. Nearly 40 million people – an all-time record – visited New York during 2004. That's an almost 5 percent increase over 2003. Perhaps most encouraging, the number of international visitors to New York is on the rise for the first time since 9/11. About 5.3 million such visitors came to New York in 2004 – roughly a 10 percent jump from 2003. More tourists mean more business for our hotels, restaurants, theaters, and shops – and that means more jobs. Tourism is one of our city's most important industries, and we've worked hard to strengthen it.

Education has been a key focus and priority for your administration. Are you happy with the progress you have made in addressing education challenges, and what are your plans for education in the coming years?

Finally, after decades of failure, the school system is starting to show significant improvement. That didn't happen by accident. For the first time in a generation, someone is now responsible for the schools: the mayor. Before, everyone just pointed fingers, and no one could hold the school system accountable. That has changed. In the past two years, we've made huge progress: We've installed new management and accountability standards; established a strong citywide core curriculum; ended the destructive policy of social promotion in the 3rd, 5th, and 7th grades; reduced the bloated central bureaucracy and transferred money directly to classrooms; and made our schools safer. We've also streamlined the school construction process and added more than 35,000 seats to address overcrowding – and we plan to add a total of 100,000 by 2009.

This spring, the test scores for grades three to seven exceeded everyone's expectations – by far. The scores are at record highs, and students, parents, teachers, and principals all have reason to smile. They deserve the credit. We're just trying to give them the resources and support they need to succeed and meet basic standards. That's the whole purpose of ending social promotion. For too long, kids who fell behind were just passed on to the next grade to become someone else's problem. We can't let that happen. We need to find the kids who need help and help them. That's why we created the Summer Success Academy and optional Saturday classes. And the results have been so encouraging.

There is still a lot of work to do, but we are definitely moving in the right direction. The goal, of course, is to turn the New York City school system into a place where any parent would be proud to send their children.

How important has the working relationship with the private sector

and business leaders been to achieving many of your objectives, and are you happy with the way this relationship has evolved?

The working relationship between the public and private sector has been critical to the City's success and the recovery after 9/11. Many companies in New York have a great tradition of corporate citizenship, and we've fostered a strong partnership with them. For instance, we created a Leadership Academy to train school principals to be effective managers.



The most important thing we've been able to do is to begin turning around the school system.



Jack Welch and other private sector leaders have volunteered their time and expertise, and the whole thing has been funded through private contributions. And scores of smaller secondary schools, which give students a more supportive environment and individual attention, have been founded through a \$58 million grant from the Bill and Melinda Gates Foundation.

Are young people today entering public service, and is enough being done to continue to attract top talent to join government?

Young people are definitely getting involved, in more ways than ever. There are a lot of young people out there who really care about New York and have a desire to make a difference. Also, we're lucky in that we have a number of universities with top-flight graduate programs that are focused on urban affairs and government, and every year a number of their young graduates join our ranks. Some of them are now commissioners and deputy commissioners. Of course, government is not the only way for young people to get involved – there are so many nonprofit organizations and volunteer opportunities. We have someone who works in our office as the director of the Mayor's Volunteer

Center, and her job is to help connect New Yorkers to volunteer opportunities. She's a young woman herself – only 28, I believe – and she brings a tremendous enthusiasm to the job.

When you look back at your accomplishments to date, what are you most proud of?

This is one of the greatest jobs in the world. Every day, I have an opportunity to make a difference – to help kids get a better education, make the streets safer, create more affordable housing, improve our parks – you name it. I feel lucky that I've gotten the chance to do it, and I also feel a responsibility to do it as well as I possibly can. That's why people voted for me, and that's what they deserve.

But if I had to name one thing, I think that maybe the most important thing we've been able to do is to begin turning around the school system and infusing it with accountability and standards. It's similar to Rudy and crime. Before Rudy, no one believed that the city could do much about crime. He changed people's expectations about crime. We're beginning to do the same thing in the schools, while at the same time building on the previous administration's success fighting crime.

You have had great success both as a business leader and in government. Which do you enjoy most, and do you miss the private sector?

People from the private sector told me how hard it would be to get anything done with the public workforce. But I've been nothing but impressed with the quality of our municipal employees. They are extremely hard working, they care about the city, and many of them sacrifice a great deal to serve us.

People think that there's a huge difference between working in the public sector and working in the private sector. I like to put it this way: In the private sector, it's a dog-eat-dog world, and in the public sector it's the other way around. In both places, if you want to be successful, you have to work hard, listen, innovate, and keep your eye on the bottom line. The decisions you make may not always be popular, but leadership is not a short-term popularity contest. You have to take the long view and do what is in the long-term interests of the people you serve – whether citizens or shareholders.

How would some of the people closest to you describe your management style?

I think people would describe me as someone who selects the best possible managers and lets them do their jobs but who also makes sure that they're meeting the goals that we've set. I think they would also say that I listen and that I'm open-minded to new ideas. I'm not wedded to an ideology; if one idea doesn't work, try something different – and work twice as hard to make it happen. ●