

NEW YORK

Bloomberg's Impact

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

EDITORS' NOTE With a BS in engineering from Johns Hopkins University and an MBA 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 the money Salomon gave him when he left to start his own financial information company, Bloomberg L.P., which has since grown into a multinational media empire with 9,500 employees in more than 130 offices worldwide. Bloomberg was elected the 108th Mayor of New York in November 2001.



Michael R. Bloomberg

You recently presented your updated four-year financial plan for the city of New York. What is your main focus to ensure long-term growth and business stability for the city?

We have to invest in the infrastructure of this city. We have not been doing that at a national level, and I've criticized Congress for it. I started a coalition with Governor Rendell from Pennsylvania and Governor Schwarzenegger from California, and we're trying to get Congress to focus on building the kind of infrastructure we need for the country as a whole, not just for certain districts. Nobody asks what's in the best interests of the country. All the Congressmen have their own interests and believe they are elected not to consider the good of the country but to take care of their states and their congressional districts.

In the case of the city, we have infrastructure needs that nobody wants to address. That's because we have to pay for them now, but they're going to be delivered during our successors' terms. When I came into office, I said, "What could go wrong in this city that could be cataclysmic?" If one of the two water tunnels we have were to collapse, half the city would be uninhabitable. So I looked at our water tunnels, and in the past six years, we have dedicated more money in this area than did the previous five administrations combined.

A third water tunnel will give us redundancy and more capacity, and because of the way it's designed, it will let us turn off each of the two old ones, which nobody has looked at before. We're afraid to turn them off because we think we may



not be able to turn them back on. And there's a worry that without water in them, they will collapse. They're about 500 feet underground; it takes a long time to dig down there and fix a water tunnel. The third tunnel will give us the flexibility we need. We have finished the boring on the third tunnel, and we're now lining it with cement. It will be delivered after I'm out of office. Nobody wants to do that kind of project because you have to take money out of the voters' pockets, and you end up investing in something that somebody else is going to be unveiling.

You've been very focused on public safety, and the results speak for themselves. Do you think people now understand how safe the city is?

In terms of overall crime, on a list of 250 cities ranked by crime rates per 100,000, we are 15th from the bottom. Tourism in this city is up; it's down everywhere else. We had representatives from around 30 Caribbean countries here for dinner recently, and every one of those representatives asked me, "What should we do to enhance our competitive position on tourism?" I said, "Just get rid of crime." Other places in the country pay lip service to trying to bring it down. They all talk about COMPSTAT [a crime-mapping tool]. But you need somebody to use the data; collecting the data is a waste of time and money if it just sits there. Then you have to move your resources to where they are needed. Unfortunately, in this country, we generally assign police officers to where the political power is, which is wealthy white neighborhoods – that's not where the crime is. But God forbid you don't send a police officer to where your supporters live.

Much has been made about the impact you've had on education. Why is this issue so important to you?

It's the number one problem facing this country. Improved crime fighting will bring the murder rate down, improved crime fighting will bring down premature deaths, but improved education will make democracy work. It will help the economy, and it will do a lot of other wonderful things.

Does the public education system need a strong public/private partnership to support it? What role can the private sector play?

The private sector can be helpful, but the budget for our school system is \$20 billion a year. So we could soak up all the world's philanthropy and not even notice it. Private money is useful for things you can't justify spending public money on. Fundamentally, the public is going to pay for and run public education. Vouchers will never fly in New York City because of the politics, and they're not the panacea that everybody thinks they are anyway. Charter schools are not a total panacea either, although they do provide competition for the public schools, which vouchers don't necessarily provide. I've always thought vouchers would be used by the wealthy and the middle class, because they'll know how to get them.

You've tried to work with other mayors around the country to develop the Mayors Against Illegal Guns coalition. Have they come on board with this project?

We've made some progress in Washington, but the National Rifle Association has blocked the most meaningful legislation. We brought the murder rate in New York City down from 2,200 a year to fewer than 500 a year. You couldn't get yourself murdered in this city if you tried. Eighty-five percent of our murder victims have criminal records – most of the murder is drug dealers killing drug dealers. We've even reduced domestic violence murder by 50 percent, and nobody thought you could ever go near that because it happens in the home.

But when you compare our crime rate to that of any city in Western Europe, it doesn't look so great. In Western Europe, they don't have guns, and their gun crime is so infrequent you can't measure it. Here, there are more guns than people. Virginia Tech was a total tragedy: 32 people killed. But 34 people are killed every single day by illegal handguns in the United States, and it doesn't make the papers. Every

Mayor Bloomberg welcomes public school students back to school for the 2008-2009 year

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day, kids get their parents' guns and kill themselves or other kids, and it doesn't make the papers. Forty-four people every day commit suicide with handguns, and it doesn't make the papers. When you add that up, it's 80 people a day, and nobody cares, because the NRA is a single-issue advocacy group, and single-issue advocacy groups have a power that's disproportionate to their membership.

Has the redevelopment of lower Manhattan progressed as you had expected?

Basically, yes. There are some phenomenally complex things going on with that project: The design is complex, as there are many levels; the site is complex, because we have to deal with victims' families; the state is involved; the federal government is involved; there's a whole bunch of agencies involved; there's a city involved; there's a private development corporation involved; and there's a bunch of insurance companies involved too. It's very hard, and it's going to take a lot of time and a lot of work. What I care about is that the work is happening.

The press and the public are demanding that we do it right, and they're also demanding instantaneous results. I'm sorry, we can't do that. Some things just take time. We also have a democratic process. You can't have a democratic process without consulting people. You can't have a democratic process without giving people access to the courts. You can't have a democratic process without legislators holding hearings and negotiating. So given all of those things, and I always get in trouble for saying it, we're doing reasonably well.

You're a results-driven person, and you work very quickly, but some things are out of your control. Is that tough, particularly with this project?

No. Everybody thought that I wouldn't have the patience for this, and I don't have a lot of patience, but that's part of the process. You can look back and say, "It has been six and a half years; we could have done so much more." Maybe, but you would have had to have had the benefit of hindsight, which nobody has. We all work very hard every day, and I don't know that anybody could have put together a better group of people. The secret of our administration is that we pick the best

people. Some of the people I've picked as commissioners used to work for my opponent, against me, and they were shocked when they got picked for the job. They were the best, so why would I not pick them?

I have never liked anybody who didn't have a temper. There were some who criticized John McCain for his. While I've never seen him have a temper, I hope he does have one. Because if you don't feel passionately about something, you're not my kind of person, and we shouldn't have you as our leader. I hope the same will be said of Obama – that he's got lots of passion and drive. That's what you want to have.

Some say U.S. competitiveness and innovation is being lost and moving to London and Asia. Do you worry about that?

There's another side to this. Most of the people who say this have never been overseas; they don't have any idea what they're talking about. It may be right in terms of what's happening to us, but what's the other guy doing? It's easy to criticize and imagine that the other guy is not doing any of the bad things. It's a good story, but it's not realistic. We should focus on our own practices and make them better, whether it's competency, laws, or tax policy. The other guy isn't doing any better; as a matter of fact, the other guy is probably doing worse.

Wall Street says business is moving to London because that's where all the IPOs have been. It doesn't mean our competitiveness is any worse – it's just that that business is in London. In addition, some business may go to London, but which firms in London are doing that business? American firms. So is that bad? The profits are coming back here, and, fundamentally, it's American capital that's being increased. American firms have come apart in this latest crisis with the subprime mortgages, but European banks with American subprime mortgages have had a bigger problem than U.S. banks.

Many of the issues dominating this year's election campaigns have come up year after year. Why does that happen?

It's because the public does not hold elected officials accountable. We all blame the newspapers, but newspapers are the most democratic things in the world. Monica Lewinsky is on the cover until she doesn't sell the paper or the magazine, and then they dump Monica Lewinsky. People shouldn't complain about the fact that

newspapers print only bad stories; most publishers will tell you that good news doesn't sell. We all want to read about somebody else's misery; we all want to read about victims. Plus, we all want to read about simple things that don't require us to think a lot. So the newspapers just reflect that – we get the news we want.

Before I came into office, I ran a campaign in which we promised this and we promised that. Then I ran a reelection campaign and promised this and promised that. We actually have a score card of every single thing I ever promised in any speech in either of the two campaigns, and we update it periodically and keep track of which items we said we'd do and we've done; which items we said we'd do and we're working on; and which items we said we'd do and they're great ideas, but we just can't afford them or haven't gotten to them yet, but we hope to do them before we die. Then there's a group of things that are either stupid ideas or became impossible, or it turns out that they weren't needed or there was another solution found either by us or by somebody else. The press barely publishes any of this.

Many in the business community and in other walks of life would like you to be Mayor for life. What do you think of that idea?

I do think term limits make a lot of sense for legislators because only a very small percentage of people in any district votes, and they tend to vote along party lines. The press doesn't give them much information, so they don't have the ability or the interest to look at what the legislators really stand for, which is why democracy doesn't work as smoothly as we'd like. In the executive branch, there's enough public scrutiny and exposure that you could argue term limits restrict the public's options but don't improve democracy. It is what it is.

There's an argument that if you're in any job for a long period of time, you learn what can't be done – and you get tired. A new person brings in a fresh perspective. Who will my successor be? Well, that's up to the public. But I will try to ensure a good successor, because I do think that's an executive's job.

I did spend \$7 million of my own money to try to get nonpartisan elections. The *New York Times* didn't support it, and it went down. Without nonpartisan elections, any place you have one party dominating, you will have people who work their way up through the machine to be the candidate, and they'll win. Those people will never have done anything on the business side, because you can't work your way up through the party if you're in the business world. So they won't have that experience. Of course, not all politicians who work their way up are bad when they get there. Ed Koch [Mayor of New York from 1978 to 1989] came up through the machine; he was a very good mayor. So you can be a good executive without that business experience. Generally, I would argue that you're a lot better if you have had that business experience, as it helps you make good foreign policy decisions. Something like 60 percent of our Congress don't have passports, and what's really scary is that they're proud of it. They'll brag that they don't leave America, and it's the only superpower left in this world. That's scary. ●