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## NEW YORK CITY, 1990

By 1990 New York City, together with London and Tokyo, was ranked as one of three leading global cities. It was now the Big Apple (a 1920s jazz term revived in the 1970s), a vastly different city than in 1873. Its population of 7.3 million was eight times greater than in 1873. While immigrants still played a large role, they represented a lower percentage (about 30 percent) and their countries of origin were Hispanic and Asian. African Americans and Latinos constituted half of the city's residents. New York City was almost fifteen times larger, having grown from 22 to 321 square miles. Manhattan, formerly all of New York, now constituted only seven percent of the total land area of the city, and housed only about twenty percent of the population. Indeed, after reaching a peak of 2.3 million in 1910, Manhattan steadily lost population. At 1.5 million its 1990 population was only about fifty percent greater than it was in 1873, even though the entire island was now inhabited.

In 1990 New York City's employment was concentrated in Manhattan, with 63 percent of all jobs located below 59th Street. The economy was almost 1,000 times greater than in the 1870s and depended primarily on the financial sector. Banking, the stock markets and associated legal, advertising and support services have grown substantially. The New York Stock Exchange holdings currently represent 83 percent of the capitalization of all publicly held entities in the United States. In all, the finance, insurance and real estate sectors support 15 percent of the city's employment and 27 percent of its wages.

As in all older American cities, employment in manufacturing had dropped drastically, although the primary industries of the past (apparel, printing and publishing, and metal fabrication) still survive and supply about half of the city's dwindling industrial jobs. The composition of the manufacturing labor force reflects a greater rate of decline in low-skilled production jobs than in the higher-skilled auxiliary jobs (corporate headquarters, warehousing, research and development). Employment in New York's textile and apparel industries represents 36 percent of the nation's total and in printing and publishing, it is 15 percent, demonstrating dominance despite an overall decline.

New York City's 2.9 million dwelling units are connected by an infrastructure that includes mass transit, vehicular expressways, and water and sewerage systems. Two additional aqueducts, several reservoirs, a multi-mile distribution system and 14 pollution control plants have the capacity to bring in, distribute and ultimately sanitize 1.5 billion gallons of water daily. Since 1873, the city has built 722 miles of subway lines, 16 high-speed roadways, more than a dozen major bridges and four tunnels, as well as two airports—La Guardia and Kennedy—which together with Newark Airport handle 74 million passengers annually.

New York City's municipal government today is far more complex in terms of numbers of employees and functions. Housing issues, for example, which in 1873 were overseen by a small building and tenement house department operating under weak laws, are now handled by at least five agencies ranging from the housing authority that manages more than 100,000 public housing units, to the Housing Finance Corporation that raises capital from the private market to subsidize housing. The municipal government still has the same basic executive and legislative components, but over the years 15 major charter changes have modified management and financing functions. Starting in the 1920s, the empowering of the public authority, a quasi-autonomous governmental unit having limited jurisdiction but fiscal independence, produced a series of agencies culminating in the expansive Metropolitan Transportation Authority (MTA) created in 1967 to handle all land-based mass transit activities. By the 1990s the MTA serviced 1.7 billion customers annually. A similar arrangement is found in the Port Authority of New York and New Jersey, authorized in 1921, which controls air and shipping facilities.

## THE CRITICAL CHOICES

Comparing New York in 1870 and 1990, especially the dramatic changes in population and geographic size, the persistence of economic resilience and the self-correcting improvements in municipal management, begs the question: How has this occurred? The short answer is: Not by chance. Some changes have their roots in the city's location. For example, the availability of sufficient land within the region allowed for the replacement of obsolete port facilities with modern ones. Favorable geology permitted the construction of 700 million of square feet of commercial space in Manhattan's trademark skyscrapers. Ample land provided room for the outward expansion of residential, industrial and commercial districts in a metropolitan area that extends the city's influence well beyond its 321 square miles.

But these conditions have only reinforced, not caused, the city's differentiation from other American cities. Millions have made independent decisions in the public and private sectors ranging from the choice of a 20-year old immigrant to leave his country to try his luck in New York, to the decision of corporate leader to invest in a new headquarters in Manhattan. More important has been the presence of leaders of vision, daring, entrepreneurial energy, and creativity. While a single person does not have the ability to control the fate of a city, a talented leader or group of leaders can articulate a direction and galvanize support for a particular choice that will bring measurable benefits. The development of New York has been affected by eight critical choices, choices that have followed a definite pattern.

*The first choice was to enlarge the territory and to keep this area together despite periodic stresses.* The father of this concept was Andrew Haswell Green, a civic-minded lawyer whose career included several years on the Central Park Commission as president and comptroller, six years as the city Comptroller cleaning up after the Tweed Ring, and membership on the Board of Education. As early as 1868, Green put forward the concept of a greater New York uniting the contiguous municipalities now known as the five boroughs. He lobbied until the state legislature approved a consolidation measure in 1896. Without the expanded, largely vacant land area New York would never have been able to encompass a population that would peak at eight million and provide labor for the metropolis's growing and varied economy. Subsequent political leaders have thwarted periodic attempts by boroughs to secede.

*The second choice was to unite the disparate parts of the growing city by major and continuing investments in urban infrastructure.* The development of the city's transportation networks exemplifies this choice. The subway was born in the decision of bankers such as August Belmont to underwrite the first Manhattan line in 1904. In 1911 George McAneny, a public official, brokered an agreement among the private lines to create the so-called dual system, providing the city with 202 route-miles, the largest rapid transit system in the world, greater than those of London (157 miles), Chicago (71 miles) and Paris (59 miles). In the 1940s, Mayor Fiorello H. La Guardia rescued the bankrupt, privately-owned transit companies by merging them into one entity under public management. In 1967 Governor Nelson Rockefeller consolidated all metropolitan transportation into the Metropolitan Transportation Authority. The M.T.A. under the leadership of Richard Ravitch resuscitated the entire network through massive capital investments, ensuring its functioning well into the next century.

No discussion of transportation infrastructure is complete without mention of Robert Moses, who during his forty-year tenure in various public positions built much of the modern road system including 2 tunnels, 7 bridges, and 16 expressways. Without these projects, the

congested nineteenth-century city would have been unable to accommodate the development of the land within its boundaries.

*The third choice was to secure financial support for major infrastructure investment either through the creation of original funding and management organizations such as public authorities and special taxing districts, or through the aggressive pursuit—and even shaping—of federal and state government funding.* In 1933, Moses created the Triborough Bridge and Tunnel Authority in order to generate capital to pay for the bridge and later many of his other projects. Austin Tobin cleverly used the Port Authority of New York and New Jersey to build a modern, metropolitan passenger and cargo system including the region's three airports and container port. More recently Daniel Biederman parlayed the revenue of three midtown business improvement districts (Grand Central, Bryant Park, and 34 Street Partnerships) into a physical transformation of midtown Manhattan, improving security, sanitation and street design.

New Yorkers have also secured outside funding to finance the city's capital stock. For example, in 1936 La Guardia was spending $20 million per month in federal Works Progress Administration funds to build bridges, schools, health facilities, upgraded roads and other facilities. Moses snared $267 million in urban renewal monies for his projects at a time when the rest of the country received just half of this amount. He supported global-city institutions such as the United Nations, universities, hospitals, and performing arts facilities, in addition to building middle-class housing that competed favorably with the suburbs. Moses was successful in matching pieces of his vision to whatever funding opportunities materialized.

*The fourth choice was to improve employment, education, housing, health services and other enhancements to attract new citizens.* Nicholas Murray Butler, president of Columbia University, provided the impetus for the reform of the disastrous turn-of-the-century public education system, making New York schools the best of their kind in the country, at least until the 1960s. Private and parochial schools, started in the late-nineteenth century, are superlative today. Social workers such as Lawrence Veiller and Mary Simkhovitch, economist Edith Elmer Wood, lawyer Charles Abrams, and Senator Robert E. Wagner worked on many fronts to increase the supply of inexpensive housing, while real estate developers such as Samuel Lefrak and Daniel Brodsky provided moderate-priced and luxury apartments. Their actions have attracted and sustained a mixed-income residential population in all areas of the city.

*The fifth choice was to provide regulatory devices and processes to ensure orderly land development.* In 1916, under the leadership of banker-politician George McAneny, the city passed the nation's first comprehensive zoning ordinance, outlining appropriate types of development and densities for the then largely undeveloped city. Four decades later, Mayor Robert E. Wagner, Jr. created 59 community districts (each having populations of 100,000 to 250,000). Districts included participatory review boards for major development projects (the delivery of municipal services was also improved since delivery areas were co-terminous with the community district boundaries). Third, the 1989 charter revision called for new procedures for the location of unwanted land uses and the creation of locally-generated plans to promote wider citizen participation.

*The sixth choice was to cultivate a spirit of architectural and site planning experimentation.* New York's builders, designers and their clients have responded to new urban needs. Starting in 1913 with Frank Woolworth's "cathedral of commerce," and continuing with Edgar Bronfman's paradigm-changing Seagram's Building, and American Telephone and Telegraph's postmodern headquarters, the skyscraper has been adapted as both an efficient office facility and a corporate symbol. Planners Clarence Stein, Henry Wright and Clarence Perry's use of the neighborhood unit at Sunnyside Gardens in the 1920s would later find larger expression in Parkchester, Coop City and Starrett City. Olympia and York's Battery Park City incorporates commercial, residential, recreational and educational uses in an unusually successful manner.

*The seventh choice was to tolerate strong and often eccentric public servants.* Mayors La Guardia, Koch and Giuliani are representative New York City politicians, that is, they are feisty, arrogant, rudely outspoken, temperamental and unbounded by convention. Despite these sometimes unattractive attributes, each has left important physical, economic and social marks on the city. But their most enduring effects have been to embody the spirit of a city that is combative, entrepreneurial and determined to overcome whatever obstacles come its way. New York mayors realized early that their role was as public relations agents as well as city managers. This attitude inspired a quality of civic confidence that was essential to the sustenance of global city status.

*The eighth choice was to create a complex and active network of non-government, non-profit organizations focused on civic improvements in a wide variety of areas.* New York has a long history of private participation in religious institutions, settlement-houses, municipal art leagues, consumer organizations, historic preservation societies, and environmental protection groups. Such special-interest groups form a rich infrastructure of advocates dedicated to bettering many aspects of urban life. In addition, families whose fortunes were made or consolidated in the city have supported museums, the arts, music, drama, health, and social services. The Rockefeller family is representative of this kind of patron. (Rockefeller leadership has given New York City the United Nations, Lincoln Center, Rockefeller University, the Metropolitan Opera, public art, hospitals—and the Christmas tree at Rockefeller Center.) Such leadership has formed the strong civil society that holds the city together.

## CONCLUSION

By far the most significant choice was the 1898 decision to create a consolidated New York City out of the surrounding territory, but it took the other seven choices to turn this large area into a global city. Other places such as Philadelphia, Chicago and Detroit used many of the same devices but did not attain global status. Their populations are much smaller. Their operations have neither the scale nor the reach of New York. Their economies are not as varied. Lastly, their largely domestic markets feature far less international participation.

The critical mass of New York's business sector is a critical advantage. The city is home to several giant corporations and many smaller, single-purpose firms whose influence and monetary resources allow for wide participation in global markets. In addition, the large number of small, immigrant-run businesses service the local population and link the city directly to their owners' respective homelands. This combination has allowed New York to reinvent itself again, as it has done in the past.

To maintain New York's pre-eminent position, today's leaders should take note of these factors as they assess current conditions and opportunities, and the need to adapt to future demands. They must address such weaknesses as the city's poor performance in public education as well as the deferred maintenance of its capital stock. They should protect such strengths as the multifaceted economy and a strong civic community.

While not all cities can or should aspire to be global cities, New York may serve as a model for other cities working to enhance their relative positions. They should examine the choices made by New York in the past, noting that in the end the presence of visionary leaders and strong public/private partnerships joined in a civic world including economic, social, physical and cultural elements are key ingredients. They should remember that in 1976 New York experienced a fiscal crisis so severe that many observers predicted the city's demise, especially when the federal government declined assistance. Yet the near catastrophe did not dampen New Yorkers' spirits. Even in the darkest days, pragmatic public and private sector leaders rolled up their collective sleeves and attacked the problems, one by one. Within ten years the municipal budget was balanced; a little more than two decades later there were surpluses. Defeatism is not in the city's vocabulary. That may be the most important lesson of all.