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They Like MIKE

Bloomberg's $60 Million Folly Is a Political Triumph—The Balmiest Billionaire Trailed by 16 Points, But Rudy's Backing Moves Mike to Public Sector

BY TERRY GOLWAY AND GREG SARGENT

After a campaign-spending spree of epic proportions, businessman Michael Bloomberg appeared to be riding an 11th-hour surge in the polls to defeat Public Advocate Mark Green in one of the city's most remarkable Mayoral elections. At around midnight on Election Night, Nov. 6, Mr. Bloomberg had a slight edge, a few thousand votes ahead with about 80 percent of the vote counted.

If Mr. Bloomberg's lead stands, it will be a crushing defeat for Mr. Green, who had an air of inevitability around him as recently as three weeks ago. Having survived—barely—a surprisingly brutal Democratic primary and runoff, Mr. Green seemed assured of a smooth journey to City Hall, if only because Democrats like Mr. Green enjoy a huge edge in this overwhelmingly Democratic city. Plus, tradition has it that when a Republican manages to win City Hall—Fiorello LaGuardia, John Lindsay, Rudy Giuliani—they are succeeded by conventional Democrats born and bred in the city's political clubhouses.

Mr. Green cracked the mold when he won the primary, for, as he was happy to acknowledge, he is not a clubhouse Democrat. Mr. Bloomberg's victory—which may wind up costing more than Jon Corzine's $60 million campaign in New Jersey last year—shatters the mold. It's the first time in New York history that two Republican Mayors have been elected back-to-back.

The election took place seven weeks after terrorists attacked the World Trade Center, killing nearly 5,000 people, demolishing the famous towers and causing untold billions in economic damage. Even before the attack, city government was preparing for lean times, thanks to the downturn in the financial markets. Now, however, the task awaiting the next administration is even more daunting.

As the polls were closing and rumors of exit-poll results were seeping in, it was clear that Mr. Bloomberg's inroads into the Latino community were genuine. At Bloomberg headquarters in B.B. King's Times Square restaurant, disgruntled supporters of Bronx Borough President Fernando Ferrer sported big buttons reading "Democrats for Bloomberg." Between offerings of filet mignon, they spoke of their disenchantment with Mr. Green. Terry Bastone, a Democratic district leader from the Bronx, said that the city's Latino community had "sent a message" to Mr. Green. John Tarro, an attorney and longtime Democratic activist from the Bronx, echoed Ms. Bastone's sentiments, saying that "the Democratic Party has to understand that they can't take Latinos for granted."

The atmosphere in Green headquarters in the Sheraton Hotel in midtown was subdued, perhaps because of the cash bar, the cause of some grumbling among volunteers and politicians more familiar with handouts on Election Night. The candidate's brother, developer Steven Green, conceded that he was nervous. "He's worked for it," he said of his brother. "We'll all be upset if he's not elected." Several unhappy campers warned of recriminations if Mr. Green wound up losing.

Actually, those recriminations already

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THE TRANSOM
With New York a celebrity ghost town, it's the season of the B-list.
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were in the air, even when most Green supporters were still optimistic. Two Democrats who are making political war on each other, state Comptroller H. Carl McCall and former Housing Secretary Andrew Cuomo, offered divergent views on the bitter primary between Mr. Green and Bronx Borough President Fernando Ferrer. Mr. Cuomo and Mr. McCall, of course, already are engaged in their own potentially bitter primary for the party's gubernatorial nomination next year.

Mr. McCall, who supported Mr. Ferrer in the primary, seemed to dismiss the significance of the Green-Ferrer feud and its overtones of racial politics. "Everyone wants to focus on the racial issue," he said. "I think what happened in the end is that Bloomberg spent a lot of money."

Mr. Cuomo, who was standing near his rival, said that the party had a lesson to learn in the aftermath of the charges and countercharges from the Green and Ferrer camps. "I think the Democratic Party came right up to the precipice and they learned an important lesson," he said. "We can fight within the Democratic Party, but when the primary is over, it's over. When we continue to fight, we only make the other party the winner." In 1977, Mr. Cuomo's father, Mario Cuomo, lost to Ed Koch in the Democratic primary and subsequent runoff. The elder Mr. Cuomo continued to campaign on the Liberal Party line in the general election.

The campaign was Mr. Green's to lose, and he lost because he was essentially fighting a two-front war. On one side there was Mr. Bloomberg, whose tidal wave of advertising flowed into every corner of the city's media market, from web sites to prime network ad time to Spanish language radio to scores, if not hundreds, of tiny niche publications around the city. On the other side were the forces arrayed around Bronx Borough President Fernando Ferrer, who was so bitter about losing a hard-fought Democratic Party runoff to Mr. Green that he looked the other way while his chief operative, Bronx Democratic boss Roberto Ramirez, made trouble for Mr. Green.

A top union official conceded that if Mr. Bloomberg won, Mr. Ramirez would be "set for life." Still, though, he promised that "the shit will hit the fan. We will try to behead Ramirez, but it will be difficult. The problem is that he controls a major bloc of voters who surprised everyone in the runoff, and they can't be ignored anymore."

[SUBHED] Last-Minute Barrage

In the final days of the race, Mr. Green found himself battered by a media campaign that was unprecedented in its scope, cost, range and effectiveness. Mr. Bloomberg unleashed a wave of targeted mailings, sent out 250,000 Mike-for-Mayor videotapes, produced slick, multi-page brochures promising new units of housing in Williamsburg, Brooklyn, and flooded tiny publications around the city with ads, often in other languages. But the most effective advertising campaign was on TV. His creative ad team, led by Bill Knapp and David Garth, took a tepid endorsement by Mayor Rudolph Giuliani and, with skillfull advertising and immense infusions of cash, amplified Mr. Giuliani's voice and made it as all-pervasive as that of God in *The Ten Commandments*. For the final ten days of the campaign, it was virtually impossible to turn on a television or radio without hearing Mr. Giuliani. At times the city seemed to be resonating with the soothing, paternalistic voice of our Mayor telling voters that he was "confident the city would be in good hands" with Mr. Bloomberg, whose voice, by contrast, was nowhere to be heard.



Welcome to city politics, kid: Mike Bloomberg asks a poll worker for directions at his polling place in Manhattan.

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Mr. Giuliani's endorsement was the decisive factor in this race because of one thing: the disaster of Sept. 11. Mr. Giuliani's performance in the wake of the tragedy converted him from a distracted lame-duck Mayor caught up in lurid personal travails into an international hero whose popularity among New Yorkers was at an all-time high. It also created a sense of unease among New Yorkers about the economy — a sense of worry that Mr. Bloomberg, who built a global media empire, skillfully exploited with spots touting his success in creating private sector jobs. Without the disaster, Mr. Giuliani's endorsement could have amounted to a net loss for Mr. Bloomberg, because it might have alienated more voters than it won. But because of Mr. Giuliani's stunning post-Sept. 11 performance, any ill-will towards Mr. Giuliani had all but evaporated, even in minority communities.

[SUBHED]Successful Ads

The ads with Mr. Giuliani were successful because they managed to create a sense of wistfulness about the Mayor's imminent departure, an emotion best dealt with, the ad suggested, by heeding his suggestion to vote for Mr. Bloomberg. Before the ad campaign was launched, Mr. Green enjoyed a 16 point lead over his rival. After the campaign went on the air, the gap closed with a suddenness that startled even Mr. Bloomberg's advisers.

In addition to fending off Mr. Bloomberg's advertising onslaught, Mr. Green found himself under assault from the left wing of his own party. After Mr. Green defeated Mr. Ferrer in the hard-fought runoff on Oct. 11, the Bronx Borough President's top supporters did little to conceal their bitterness towards Mr. Green. Dennis Rivera, the President of Local 1199, endorsed Mr. Green, but was noticeably unenthusiastic, and all but indicated that his formidable field operation would do little for Mr. Green. And the Rev. Al Sharpton suggested he might call on black voters to boycott the election to protest Mr. Green's tactics — a suggestion he wisely retracted when he realized it might mar his perennial efforts to remake himself as a national statesmanlike figure.

Mr. Ferrer's supporters essentially handed Mr. Bloomberg the general election campaign he needed. In a barrage of ads, flyers and mailings designed to depress turnout among black and Latino voters, Mr. Bloomberg made the case that Mr. Green was insensitive to minorities.

It was the final turn to one of the strangest campaigns in memory: a billionaire Republican who quietly resigned from four largely white country clubs before running for Mayor managed to undercut the minority support of Mr. Green, a former commissioner under David Dinkins who was arguably the leading critic of Mr. Giuliani on a range of issues important to black voters.

Mr. Bloomberg will now go about the task of assembling a team to help him come to grips with New York's public-sector machinery. Nothing he has done in the past will compare to the challenges that lay ahead.

If nothing else, however, Mr. Bloomberg seems to understand the magnitude of the task awaiting him. For example, on the blustery morning of Nov. 5, a dreadlocked man sidled up to the candidate as he wandered down Church Avenue in Flatbush, surrounded by more cameras and aides than voters. "I'd like to vote for you," said the man, "but I want to know, who will you be hiring in your administration?"

"I have promised," said Mr. Bloomberg, whose Boston accent, even after all this time, remains unrepentant, "to have an administration that looks like the city." Satisfied, nodding, the man slipped back into the throng.

This Clintonesque promise has won Mr. Bloomberg a lot of head nodding in neighborhoods like East Harlem, Flatbush and Williamsburg, where in the final days of the campaign he spent as much time as on Staten Island and in Bensonhurst. But it also raises the question: How does a businessman who has never held office before put together a mayoralty?

"There will be lots of surprises," said senior Bloomberg campaign advisor Maureen Connelly. "Perhaps not the individual, but where he would ask the individual to serve."

At his company, Bloomberg L.L.P., he has done things like have managers temporarily switch assignments. He has aggressively sought and nurtured talent, while jettisoning weak performers or rewarding loyalty above all. At the same time, the photographs in his autobiography, *Bloomberg by Bloomberg*—at least of his U.S. offices—show an array of white faces.

His campaign was somewhat more diverse. Former *Daily News* and Bloomberg News columnist Jonathan Capehart, who is black and gay, is a senior adviser. Verna Eggleston, a former Dinkins administration employee, is also African American. A veritable army of paid Latino advisors surfaced, particularly in the waning days of the campaign. Many are expected to be offered administration jobs.

Ms. Connelly, a successful public relations executive and former Koch press secretary, is expected to play a key role in the Bloomberg transition team.

Many Giuliani aides will no doubt be asked to stay on. Those being courted include police Commissioner Bernard Kerik, Administration for Children's Services chief Nicholas Scopetta and Deputy Mayor Joe Lhota, a key Giuliani political adviser.

Those who latched on during the campaign and likely will be offered administration roles include former Police Commissioner Ray Kelly and Citizens Budget Commission Chair Eugene Keilin (a former Dinkins advisor). But Mr. Bloomberg will also, like Mayor Giuliani, draw from his past, reaching out to as many of his employees and colleagues from business as he can.

"The problem is you've got a Mayor who doesn't know where the men's room is, so he may be far more a captive of the staff than previous Mayors because of his unfamiliarity," said Douglas Muzzio, a CUNY professor of public affairs. "But that's not his management or his personal style."

Mr. Muzzio predicted "conflict and conundrum. So he's going to make a lot of mistakes.

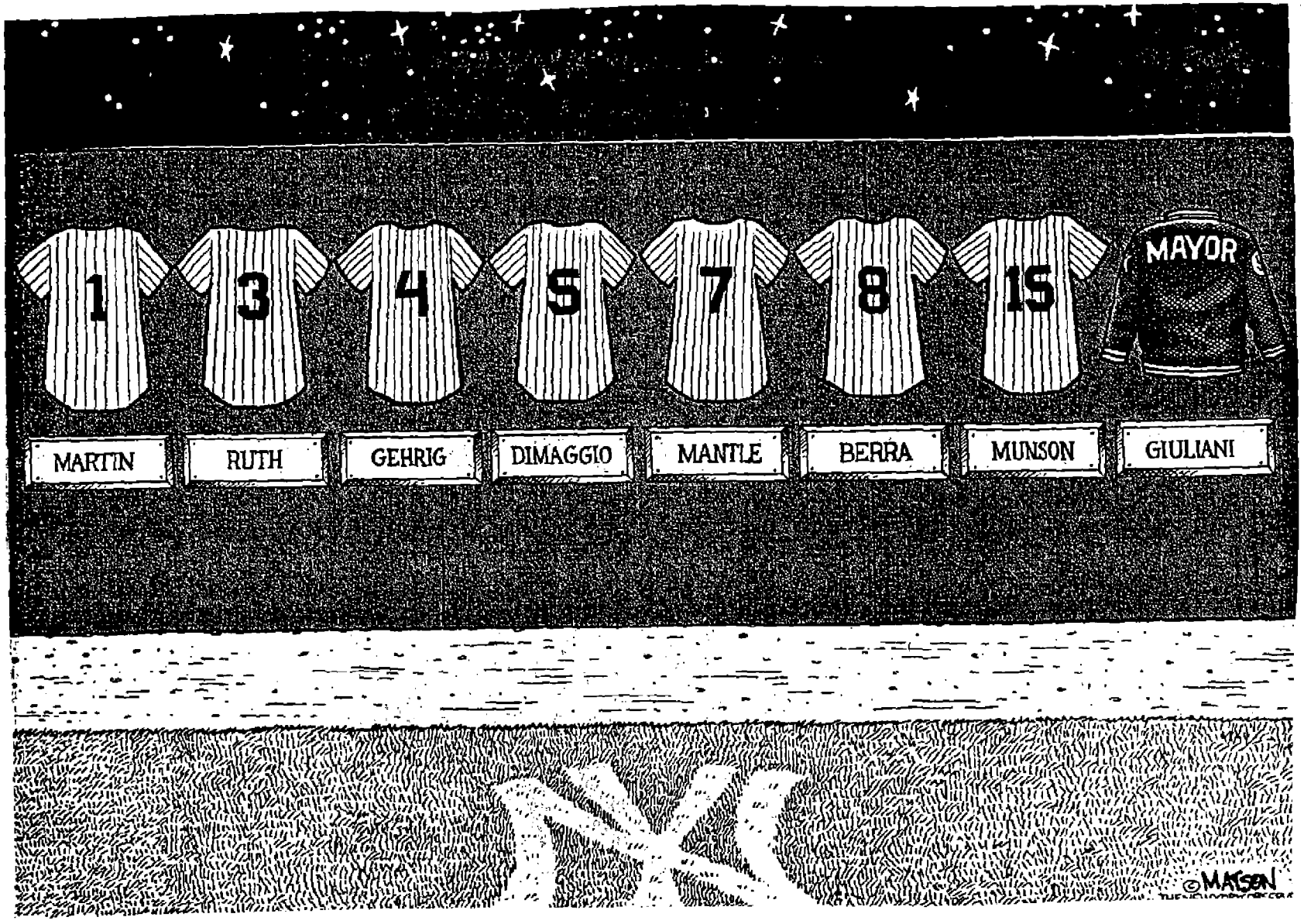
To paraphrase Truman on Eisenhower, 'he's going to give orders and they'll be ignored.' Maybe for the first time in his life."

Additional reporting by Petra Bartosiewicz, Josh Benson, Andrea Bernstein and Andrew Rice

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