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Bloomberg: Hands Tied on Job Cuts

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Billionaire mayor-elect Michael Bloomberg, facing a city in economic trouble, said yesterday he can do nothing about job cuts being carried out by Merrill Lynch & Co., a firm linked in key ways to his own business.

But the Republican, whose campaign stressed his job-creating skills, added during a Manhattan news conference: "I'm certainly going to encourage Merrill Lynch and everybody else to keep jobs in New York."

After meeting for the first time with state Senate Majority Leader Joseph Bruno, Bloomberg sidestepped the question of whether he'd push to reinstate the city's commuter tax, which Bruno and other legislative leaders have hinted won't happen.

"We talked about how we're going to work together," Bloomberg said, without specifics.

As he entered Moran's, a tony bistro near the smoking wreckage of the World Trade Center's south tower, Bruno (R-Brunswick) predicted, "Mike Bloomberg has a huge job ahead of him." He vowed the state would help and said it appreciates the importance of the business district.

But puzzling even his aides, Bruno repeatedly referred to the affected area as the "east end" while speaking with reporters before the hour-long lunch.

After Bruno and Bloomberg were seated at a back table, TV screens mounted throughout the dining area were suddenly switched from CNN to Bloomberg News, a symbol of the political neophyte's dual identity.

The public and private roles of Bloomberg rattled a bit last week when Merrill Lynch announced layoffs. Merrill Lynch is a 20 percent investor in Bloomberg LP, the multibillion-dollar private data corporation. Its role as a "passive investor" means Bloomberg has no sway over its jobs, a Merrill Lynch spokesman noted.

"I can't get involved with [Merrill Lynch CEO] Stan O'Neal, who's a good friend, in terms of how they run that business. But I think Merrill's committed to New York," Bloomberg said.

Merrill Lynch last week revealed there will be thousands of job reductions to make its operation more profitable. No numbers for early retirements or layoffs affecting the city were available.

In 1997, the Giuliani administration gave Merrill Lynch a $27.64 million-a-year tax-break package tied to maintaining 9,000 jobs and building an office tower at 222 Broadway.

"Despite the Sept. 11 events, we've maintained a significant presence in the city and every day we are moving more people back into their lower Manhattan offices," Joe Cohen, a Merrill Lynch spokesman, said last night.

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