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After a Rough Start, Spitzer Rethinks His Ways

By Nicholas Confessore

On a Tuesday morning early this month, Gov. Eliot Spitzer and his closest aides gathered at his country estate in Columbia County, N.Y., to review the administration's first year. Hours passed before someone asked the question on everyone's mind: Should Mr. Spitzer drop his plan to give driver's licenses to illegal immigrants?

On the outside, the answer was clear: the public overwhelmingly disliked the idea, Republicans were rallying against it and legal challenges were on the way.

But around the dining table, looking out over the rolling farmland, few wanted to back off. They had come to Albany to fight for their ideas, several said.

Mr. Spitzer, especially, did not want to budge. The governor, who swept into office quoting Theodore Roosevelt and promising bold action, believed he could convince people that he was right.

"At that moment I thought, 'This is a matter where we are right on the substance, and I don't want to sacrifice that,'" the governor said in an interview last week.

But in the end, Mr. Spitzer's determined push sent his poll numbers to their nadir, angered his allies, and even became a point of contention in the Democratic presidential campaign.

Coming after a summer of scandal and other stumbles, the long and ultimately futile battle over driver's licenses has left many people pondering the same simple question: Does Eliot Spitzer have the judgment to succeed as governor?

"I'm not naturally suited to this job, perhaps," Mr. Spitzer said in the interview. "But maybe, at this point in time, we need someone who is not naturally suited to it to get done the transformative things that the public wants done."

Reflecting on his first year, the governor said — not for the first time — that he knew he needed to temper his zeal with diplomacy. He even consulted recently with former President Bill Clinton, whose own first year in office was plagued by problems.

Mr. Spitzer also said the driver's license debate had overshadowed his real accomplishments, victories that he predicted would fundamentally change Albany in the years to come.

He led the Legislature in overhauling the state's much-criticized workers' compensation program; he negotiated a new formula for school aid; he persuaded lawmakers to revamp the budget process to make it more transparent and efficient.

"At the policy level, despite all the Sturm und Drang, things are happening in Albany," said Robert B. Ward, deputy director of the Rockefeller Institute of Government, a nonpartisan research group in Albany.

But others said the most striking change was how Mr. Spitzer — so popular a year ago that he rolled up the biggest victory margin of any New York candidate for governor, and so ascendant that some considered him a potential first Jewish president — came to face rumblings about whether he would last longer than one term.

"He's had the toughest first year since I've been following governors," said William Cunningham, a former aide to Mayor Michael R. Bloomberg who also worked for Governors Mario M. Cuomo and Hugh L. Carey.

In interviews with a dozen top aides and advisers to the governor, and with more than two dozen lawmakers, former elected officials, labor leaders and political experts, many seemed almost bewildered by how swiftly his fortunes have declined.

Nearly all of the advisers now concede that they deeply misjudged how the driver's license proposal would fare, though few believed that it would permanently hobble Mr. Spitzer and fewer still blamed the governor himself.

Those outside the executive chamber, however, mostly echoed Mr. Cunningham. Some of Mr. Spitzer's toughest critics questioned whether he could rehabilitate himself. More troubling than his blunders, they said, is a suspicion that he does not learn from them.

"With Spitzer, it seems like he's walked into buzz saws of his own devising," said Richard Norton Smith, a biographer of former Gov. Thomas E. Dewey who is now at work on a book about Nelson Rockefeller. "He spent capital, but it's hard to say how it leads to some payoff, unless he's been humbled and educated by his first year."

Lessons Learned

Mr. Spitzer said he had, in fact, been hitting the books. While he has previously delved into biographies of governors like Roosevelt, Charles Hughes and Al Smith, all of whom battled the Legislature to bring about change, he said he was now pondering the lessons of President Lyndon B. Johnson, who matched brute will to a subtle mastery of the legislative process.

"There's an art there that I would like to be more successful at," Mr. Spitzer said. "Life is a learning process, and a little more Lyndon Johnson would not hurt."

Mr. Spitzer has reached out in recent weeks to politicians better known than he is for their bedside manner. Several aides said he had begun relying more on his lieutenant governor, David A. Paterson, a well-liked former state senator, and he hired as an adviser the lobbyist Bruce N. Gyory, an easygoing Albany hand who is friendly with both Republicans and Democrats.

Still, for all of Mr. Spitzer's growing pains, many of his advisers remained convinced that his stubbornness was what people outside of Albany like most about him. Some aides likened him to Ronald

Reagan and Rudolph W. Giuliani: no-nonsense politicians who spoke bluntly and overturned entrenched political orders.

"I think people really did, and do, respect that he fights for what he believes in, that he's tough," said Richard Baum, Mr. Spitzer's top aide since his days as attorney general. "I still think that works for him."

More than most politicians, Mr. Spitzer is a believer in the power of argument to clarify political debates and to move public opinion. He often reminds people that when he was attorney general, business executives and financial pundits complained that his swagger and threats would rattle the markets and hurt investors. But eventually, his advisers said, those fears went unrealized, and public acclaim followed.

It was a formative experience that has shaped Mr. Spitzer's strategy as governor. And by the time he won election last year, conventional wisdom held that his passion and drive were just what Albany needed.

But some now question whether the attorney general's office was an adequate proving ground for the Executive Mansion, and whether Mr. Spitzer's political skills developed fully. Mr. Spitzer, they point out, never faced a significant election fight after he first won office in 1998.

"Attorney generals generally don't get dislodged," Mr. Cunningham said. "You become almost untouchable. It skews the way you view things."

Early Impressions

Some people who met with him in his earliest days as governor said that Mr. Spitzer was still carrying himself then like the sheriff of Wall Street.

One official involved in the redevelopment of Lower Manhattan recalled a meeting in late January to break an impasse over the demolition of the Deutsche Bank building at ground zero. Insurance and construction executives were gathered at Gracie Mansion when the mayor and the governor walked in. Mr. Spitzer thanked the executives for coming and then delivered a trademark ultimatum. "I just want to say you're here to work it out," the official recalled the governor as saying. "Not working it out is not acceptable to anyone. It's not acceptable to me. It's not acceptable to the mayor. So work it out."

As the official put it, “It was like, ‘Or I’m going to bring down the full weight and power of the state government upon you.’”

When he arrived in Albany, Mr. Spitzer faced not bureaucrats or anxious chief executives, but other politicians, with their own agendas and constituencies. Some veteran lawmakers found him and his staff to be arrogant. He issued significant policy decisions without consulting allies, and he often seemed impatient with the ceremonial aspects of politics that can have huge meaning for lawmakers.

In May, for example, the governor signed Jonathan’s Law, a bill tightening parental notification requirements for state agencies and institutions after the death of Jonathan Carey, an autistic teenager, while in state care. But his staff apparently did not invite the assemblyman who represented the boy’s family, an omission that rankled Democrats.

More significantly, Mr. Spitzer was also slow to recognize that the Legislature was far less vulnerable than his past adversaries.

Almost immediately after winning election, Mr. Spitzer picked a fight that he and his aides believed would demonstrate his seriousness about changing Albany. When Assembly Democrats chose one of their own for the state comptroller’s post — breaking an agreement with Mr. Spitzer to select from among candidates recommended by a screening panel — the governor traveled to the districts of two relatively unknown Democratic lawmakers to single them out for their votes.

Legislative Confrontations

The governor’s aides saw the confrontation as fortifying, but Democratic lawmakers were incredulous. It poisoned the waters, they said, between the governor and his natural allies.

“The wounds have not healed from that,” said Assemblyman Keith L. T. Wright, a Harlem Democrat.

Mr. Spitzer said he had tried to adapt to dealing with the Legislature. Still, he said: “If you’re trying to change a culture, there’s going to be opposition. The balance becomes, how do you work with the people you have to work with to get the change.”

Yet Mr. Spitzer has sought not only a cultural change in Albany, but also a change in the political

balance of power, which created other complications.

Even as he sought legislative common ground with Senate Republicans, he talked of his desire to put Democrats in control of the chamber. Breaking the nonaggression pact that had ruled Albany for decades, under which governors of both parties accepted Republican control of the Senate and Democratic control of the Assembly, Mr. Spitzer lured a Senate Republican into his cabinet, then campaigned successfully for a Democrat to replace him in a special election.

That victory cheered Mr. Spitzer’s party and seemed a demonstration of his strength. But it also put Republicans on notice that their majority was in peril, leaving them little incentive to work with him.

Dozens of his nominees to state posts were bottled up. Deals that seemed tantalizingly within reach, such as campaign finance reform, evaporated in acrimony.

Republicans who were nervous about Mr. Spitzer’s threat were also eager to throw him on the defensive, and blunders by the governor and his aides made that task easier than it might have been. Some blame those mistakes on what they call a win-at-all-costs mentality that Mr. Spitzer has inculcated in his staff.

Last spring, two senior Spitzer aides asked the State Police to assemble travel records that would show that Joseph L. Bruno, the Senate majority leader, had used state aircraft to attend political fund-raisers. The move was redolent of his hardball tactics as attorney general, though Mr. Spitzer has denied direct involvement in the effort.

When it was discovered, Senate Republicans demanded an investigation by Attorney General Andre M. Cuomo, who concluded that the governor’s aides had acted improperly. Mr. Cuomo’s report led to additional investigations by prosecutors and ethics authorities. And Democrats sat on their hands.

“If it were a different governor, he might have had the troops rallying around him because he had the relationships,” said Assemblyman Joseph R. Lentol, a prominent Brooklyn Democrat.

Only then, it seemed, did Mr. Spitzer take pause. In August, he traveled to the Chautauqua Institution in western New York. In a lofty speech sprinkled with references to the theologian Reinhold

Niebuhr, Mr. Spitzer promised a new humility and acknowledged that his administration had “allowed our passion to get the best of us.”

New Battles

It was, apparently, a hard habit to break. Within weeks, his staff was secretly working with Senate Democrats to draft a letter to the Internal Revenue Service urging an investigation of whether Mr. Bruno owed income taxes on some of the state aircraft flights. In October, a copy of the letter leaked, a major embarrassment that cemented the administration’s reputation for political clumsiness.

But by then, Mr. Spitzer had already begun his next battle: Giving driver’s licenses to illegal immigrants. No fight would better capture Mr. Spitzer’s stubborn belief in his powers of argument, nor better illustrate their limits.

From the start, Mr. Spitzer and his aides viewed the license proposal as a serious but relatively minor one.

People would respond to the benefits, they believed, of allowing illegal immigrants to obtain car insurance, which would bring down rates for other drivers.

Yet when public and political sentiment turned against the idea, Mr. Spitzer reverted to type, digging in his heels and attacking even potential allies. When Mr. Bloomberg gently criticized the idea, Mr. Spitzer erupted, telling reporters that the mayor was “factually wrong, legally wrong, morally wrong, ethically wrong.”

In meetings with his staff, Mr. Spitzer rebuffed suggestions that he soft-pedal the issue or deploy surrogates to make his case.

“He knew the lay of the land on it; he just wasn’t willing to bend — it’s just not him,” Mr. Baum said. “He believed it was the right thing to do and that people would respect him for it.”

The best response was an argument on the merits, Mr. Spitzer told his staff, and he was the best person to make the argument. A few days later, in a speech at Fordham University, Mr. Spitzer stood

alone on a podium and lit into critics with a righteous anger. “The politics of fear and selfishness,” he said, “has replaced the politics of mutual responsibility.”

Instead of bringing Mr. Spitzer new respect, the speech produced fresh anger, not only from his usual critics, but also from a broad swath of the public, who resented Mr. Spitzer’s implication that his opponents were motivated largely by bigotry.

The administration had acted once again on the assumption that fighting harder would swing the political currents, and it was wrong.

“It’s like boxing, when they teach you to jab-jab-jab,” Mr. Paterson said. “And then someone hits them really hard, and they go right back to brawling. It’s a natural reaction.”

Within a few days of the Columbia County retreat, even lawmakers who had supported the original driver’s license plan concluded it was dead. In a conference call the following Saturday, most of Mr. Spitzer’s advisers expressed the same opinion. The furor over the licenses, they said, threatened to cripple his agenda.

Mr. Spitzer found himself almost alone in wanting to fight on — against his advice of his staff, most of the state’s elected officials, and public sentiment. Even now, Mr. Spitzer says, he believes that his idea was a good one.

The governor had run into an argument he could not win. By all accounts, it was a shattering experience for Mr. Spitzer. The question is whether it will be, as the governor himself might say, a transformative one.

“Straight talk is perhaps something that comes too naturally to me,” Mr. Spitzer said. “There are times that it’s a good, and there are times when I wish I hadn’t said some of the things that I’ve said. The reality is you need to talk straight — and the public respects that — without making it impossible to get deals done.”

Reporting was contributed by Steven Greenhouse, Danny Hakim, Raymond Hernandez, William Neuman and Sam Roberts.