

To Claim the Seas and the Skies: Austin Tobin and the Port of New York Authority

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The first months of 1961 were more eventful than usual for Austin J. Tobin, executive director of the Port of New York Authority. In January he set forth a detailed proposal that would expand Port Authority operations into the rail transit field; in March he urged that his agency construct a seventy-two-story world trade center near the Brooklyn Bridge; in May he submitted a report on the need for a great new airport in northern New Jersey; in June he was found guilty of criminal contempt of Congress and sentenced to thirty days in jail.

If these months were unusual, however, they differed only in degree from other months and years of Tobin's adult life—stretching back to the early days of World War II, when he assumed command of the nation's largest port authority, and still further back, to his battles in the 1930s to preserve tax-exempt bonds from the onslaughts of Franklin Roosevelt and Henry Morgenthau.

During all of these years and many more, Austin Tobin had been a member of the career staff at the Port Authority. He joined the agency in 1927, when Calvin Coolidge was in the White House and the Port Authority had no bridges or tunnels or, indeed, any operating facilities at all. As a member of the law department, Tobin worked on real estate acquisitions needed as the Authority went forward with plans to construct a freight terminal, several bridges, and the Lincoln Tunnel. Fifteen years later, in 1942, he was chosen as executive director, and his days and nights thereafter were occupied almost entirely with the programs and the needs of the Port agency. He was, from this perspective, an exemplar of the career civil service tradition.

However, if that tradition implies neutral competence in the service of goals and policies decided elsewhere (by elected leaders and by the

electorate), then perhaps he was not the ideal civil servant. For Austin Tobin enjoyed the exercise of power too much, looked forward too eagerly to the challenge of battling vigorous opponents, and had too clear a vision of how his agency could shape the future of the New York metropolis to sit in careerist harness, awaiting orders. He was, in brief, too entrepreneurial to be neutral.

Between 1942 and the summer of 1961, when he faced the judge's bench, Tobin led the Port of New York Authority into new fields of endeavor—wresting three major airports from Fiorello LaGuardia, Robert Moses, and the city fathers of Newark; adding marine terminals in his home community of Brooklyn and at Hoboken, Newark, and Elizabeth on the New Jersey shore; and constructing two of the biggest truck terminals in the world and an immense bus terminal. In support of these goals and other values he believed were important, Tobin and his aides also established new training and affirmative-action programs, reorganized the Port Authority staff so that the concept of responsibility centers (and profit centers) could be applied in program leadership and evaluation, and created a new type of revenue bond which would increase the Authority's flexibility in reaching out for new program areas. Moreover, his interests were not limited to the New York region; throughout his career, Tobin took on wider challenges—orchestrating the national battle against Treasury Secretary Henry Morgenthau's 1938 plan to eliminate tax exemption on municipal bonds, organizing the airport operators in the 1940s to resist the airlines' pressures for municipal subsidies, and working with other port authorities in order to strengthen maritime commerce in his own country and to improve port facilities in developing nations.

Although Austin Tobin appeared in these ways to reach beyond the tradition of "neutral" career official, it would be incorrect to view Tobin and his Port Authority simply as freewheeling entrepreneurs, indifferent to the shackles of legislative control and the sentiments of the general public, going their own way much as did the railroad barons of the nineteenth century. No major program initiatives could be undertaken by the Port Authority without legislative support; indeed, the legislatures of two states, New Jersey and New York, had to vote their approval. And the influence of the two governors was potentially overwhelming: they could block any new program by failing to sign legislative bills; moreover, every month they received the minutes of actions taken by the Port Authority's commissioners, and each governor held the power to veto any and all items in those monthly minutes. There were other reins of accountability too, as we shall see below.

Mindful of the central lines of gubernatorial and legislative control, we might conclude that Tobin's initiatives were closely reviewed and

guided—that despite evidence of great entrepreneurial activity, he actually did operate within the appropriate range for an energetic yet "neutrally competent" career government official. This is essentially the view expressed by Tobin himself. As he explained to a group of elected officials in 1960, the legislatures of New Jersey and New York State "carefully delineated the functions the Authority was to perform and the manner in which it was to perform them." On another occasion, reviewing the web of legislative and gubernatorial controls, he called attention particularly to the governor's power to veto all policy actions of the agency's leaders:

Very few authorities are so completely subject to review by the elected representatives of the people. This is a complete answer to the alleged autonomy of the Port Authority, and yet it is cavalierly dismissed by critics simply because the Governors have rarely had occasion to exercise the veto.¹

Within the domain of the Port Authority, too, Tobin operated under substantial constraints, for Authority policies were formally determined not by the executive director but by the board of commissioners—twelve individuals appointed by the governors, six from each state—who relied upon Tobin and his staff for "day-to-day management of the organization."²

None of these factual characterizations is erroneous, but the reality is more interesting and more complex. For years on end, the legislatures of both states and the two governors carefully delineated functions and policies for the Port Authority—but they did so, with few exceptions, in response to the Authority's own carefully developed proposals. During the 1940s and 1950s Tobin and his staff devised impressive plans for improving transportation and terminal facilities in the New York region and took them to business leaders, local officials, and the press for discussion and quite often for applause. The Port Authority's own commissioners were also informed, at an early stage; a few made suggestions which modified the proposals in modest ways, and many of them used their own enthusiasm and persuasive energy to convince their colleagues in the business world to support these plans. Governors and other key officials in Trenton and Albany were consulted too.

And then these plans, crafted with imagination and skill, honed and modified in negotiations with influential leaders and groups, were laid upon the legislative desks—with a promise that the Port Authority would cover all costs. For the traffic across Austin Tobin's bridges and through his tunnels, later joined by the revenue from airports and marine terminals, generated enough income that the Port of New York Authority could pay out of its own pocket for every new project its

officials proposed. Perhaps it was not surprising, then, that through these years state officials were generally willing to approve the Port Authority's plans, which arrived with wide public and press support, would not cost a penny in state taxes, and might, if approved and carried out, reflect credit on governors and legislators too. Even if some of these officials might prefer that these funds be employed in other ways—for other transportation programs or even for hospitals or education—those choices were not presented and essentially were not available. And so the projects favored by Tobin and his aides went forward. Not all of them, but many, large and small.³

By 1960, however, Tobin's entrepreneurial reach seemed to have exceeded his grasp, as plans for a massive new jetport tumbled out of the sky and a congressional committee attacked the integrity of the agency's works and the independence of its style. In 1960 and 1961, Tobin was involved in sharp conflict over the Port Authority's activities in several program areas—in rail transit, air transport, and its proposal to build a world trade center. Then, in the summer of 1961, a federal judge meted out a jail term to Tobin because he refused to permit the House Judiciary committee to examine all his agency's internal records; this was, perhaps, the nadir of a very difficult two-year period.

But Austin Tobin did not go to prison; the sentence handed down by the district court in *United States v. Tobin* was overturned on appeal the next year. Instead he held the executive reins for ten more years, as the Port Authority moved the world trade center plan across to the west side of Manhattan and sent it skyward 110 stories above the Hudson River, constructed a transportation center in Jersey City, took over and rehabilitated the decrepit Hudson and Manhattan Railroad, expanded the nation's largest containerport at Elizabeth/Port Newark, introduced bus-only lanes on the approaches to the Lincoln Tunnel, and devised plans to enlarge the bus terminal by 50 percent. To his disappointment, however, Tobin never was able to construct that vast new airport, which would have extended across more than ten thousand acres in the Great Swamp area of North Jersey.

Then in 1971, as the Port Authority passed its fiftieth birthday and Tobin began his forty-fifth year with the agency, the tension and the division in the region and within the Port Authority itself began to take their toll. The two governors—Nelson Rockefeller in New York and William Cahill of New Jersey—were pressing Tobin to throw his agency into rail transit projects that he thought were dubious and risky; and the unanimous support that he had enjoyed from his commissioners for a quarter-century was replaced by dissension and sometimes by carping criticism in board meetings. As fall slipped into winter, the joy and challenge that had kept this career official bent to the executive wheel

for nearly thirty years slowly slipped away. The job was "not fun anymore," he confided to a close friend; and in December 1971, Austin Tobin resigned.

And when he did, the *New York Times* and other observers of the passing scene acclaimed his entrepreneurial skills. Headlines called him "Master Builder," the "Quiet Giant," and "Mr. Port Authority," and the *Times* praised the "sweeping nature of his achievements."⁴ To some he was a "man of mystery" whose leadership entailed "stubborn, firm personal control" over the agency, while others emphasized "the breadth of his vision and the courage to stand by his convictions."⁵

This chapter, drawn from a longer study of Tobin and the Port Authority, first outlines the origins and early activities of the Authority and then traces the evolution of the man from his Brooklyn origins in the early years of the twentieth century to the heights of his powers at mid-century and then to his resignation and death in the 1970s. Here we see his early break with institutions that nurtured Tobin and his family—the Catholic Church and Democratic clubhouse politics; his energy and his optimism, and his interest in expanding his range of activities and influence; his extraordinary dedication to the Port Authority ("The Port Authority was his life," colleagues and family agreed); his capacity to attract and develop a staff of high quality; and his great charismatic ability within the agency. "It wasn't just charm," a long-time associate explained. "Austin was able to inspire an almost fanatical desire at all levels to do what they thought he wanted done. Churchill and FDR perhaps had this quality; so did Tobin, within the organization."⁶

In examining Tobin's values and behavior, we will explore the strategies that he and his associates used to identify new missions for the agency, to gather support and neutralize opposition, and to maintain high levels of technical skill and motivation within the Authority. In the course of this exploration, I note some disagreement with Robert Caro's discussion in *The Power Broker* of the influence of Robert Moses and the relationships between Moses and Tobin's Port Authority.⁷

Finally, I comment briefly on the activities, successes, and failures of the Port Authority during these years in terms of the question, What difference, if any, did the efforts of Austin Tobin and his colleagues make? In view of the many political and economic forces that impinge upon an organization, can the efforts of particular leaders modify the organization's goals and behavior in significant ways? Or, as Herbert Kaufman and others have suggested, do the values and strategies of individual leaders have little influence on their organization's direction?⁸

Years of Preparation

Creating a Regional Fabric

Keen instruments, strung to a vast precision
Bind town to town and dream to ticking dream

—Hart Crane, *The Bridge*

When Hart Crane began his epic poem on the Brooklyn Bridge, in the 1920s, the New York area had just taken its third major step in four decades to challenge localism in outlook and politics under the banner of regionalism. Historically, the cities and towns clustered about Manhattan had been deeply divided, torn into parts first by wide rivers and bays and then by the state line separating the densely populated New York communities and their eastern suburbs from New Jersey's wary and often jealous clusters of smaller towns—Hoboken, Jersey City, Bayonne, Newark, and dozens more. The first of the three major steps to join what God and early politics had put asunder was the Brooklyn Bridge. Completed in 1883, it leaped over the wide East River and brought the growing population centers of Brooklyn and Long Island into easy congress with Manhattan's thriving employment districts.

The second step was a matter of political rather than engineering design. In the 1890s a campaign to combine the independent city of Brooklyn, then the fourth largest in the nation, with old New York City (Manhattan and some portions of The Bronx) was carried forward in earnest. And though many Brooklynites opposed the merger and some Manhattan politicians were uncertain too, the state legislature finally adopted a new charter in 1897 which consolidated Brooklyn, Manhattan, The Bronx, and rural Queens and Staten Island into a "Greater" New York on the first day of January 1898.

The third step, also political but more tentative in the joining of regional forces, was the creation of the Port of New York Authority. In the early twentieth century, commercial activity in the bi-state New York region expanded rapidly, and each state sought to increase its share. For some political and business leaders in northern Jersey, economic growth and vitality seemed much more likely if marine and rail traffic could be attracted from Manhattan and Brooklyn to their own shores, and both public criticism and legal action were directed toward that end. New York interests challenged the New Jersey effort and sought to maintain the competitive position of the eastern side of the harbor. But some of its spokesmen also emphasized the need for cooperative bi-state action to reduce acute congestion in the harbor and at major terminal points, and to enhance the economic vitality of the entire

region in meeting challenges from other East Coast ports.⁹

The intellectual leader in developing the case for bi-state cooperation was Julius Henry Cohen, an imaginative lawyer who was familiar with the Port of London Authority (created in 1908) and who urged that a bi-state port authority be created to undertake the necessary regional effort. This proposal, first put forward in 1918, generated extensive opposition, particularly from local politicians in New York City and Jersey City, who feared a loss of local sovereignty and who were unhappy that a new agency might be created that would not be easily controlled for patronage and partisan purposes. As a result of the opponents' efforts, the strong regulatory and planning powers envisioned by commissions studying the bi-state issue were omitted from the final proposal. However, with wide support from business and civic groups on both sides of the Hudson River, bills creating the Port of New York Authority as the joint agency of the two states to ensure "faithful cooperation in the future planning and development of the port of New York" were passed in Trenton and Albany early in 1921, and the compact was then approved by Congress.

On 30 April 1921, the Port Authority came into being with Julius Henry Cohen as counsel and a governing board of commissioners, half appointed by the governor of each state for six-year overlapping terms. The agency at once embarked on the specific tasks its founders had envisioned—to develop a plan that would reduce the congestion and cost involved in handling rail and waterborne freight on both sides of the harbor; and to negotiate with the railroads and other interests in order to achieve improved efficiency and vitality for the port and its region. It was an effort that would soon meet with failure, but in failing would open new possibilities for Cohen and his small band of regional entrepreneurs.

A Son of Brooklyn

Politics and the harbor were part of the heritage of the Tobin family, growing up near the Brooklyn Bridge, close to Prospect Park in Brooklyn.¹⁰ Austin's grandfather, who had emigrated from Ireland, had worked on and near the Brooklyn waterfront while the great bridge was under construction. Killed in a dock accident at the age of thirty, he left a son, Clarence, and one sister. To help support his family, young Clarence became a messenger boy, but he soon caught the eye of a leader of the Brooklyn Democratic organization, who urged him to "go to school; become a stenographer." And so he did; and through his political connections Clarence gained appointment, beginning in 1901, as stenographer to local officials. In 1907 he was appointed to the staff of the

state trial court, where he served for forty-two years, until his retirement in 1949.

Meanwhile, in 1902 Clarence married Katherine Moran, and they had four sons. Austin Joseph was the first. Born on 25 May 1903, Austin received an education that was in a formal sense thoroughly Catholic but also—when mixed with Tobin's personal chemistry—thoroughly emancipating. Austin attended parochial school and graduated from St. John's Catholic preparatory school in 1921. His next four years were spent at Holy Cross College, in Worcester, Massachusetts, from which he graduated near the top of his class in 1925. Later that year he began the study of law at Fordham.

Holy Cross was, a college classmate of Tobin's recalls, a "very rigid Catholic school." Austin liked parties, and he was not averse to a little drinking and gambling, so he sometimes broke college rules, and he accumulated a large number of demerits in his four years at school. But his challenge to authority was more intellectual than social. Tobin loved reading, and he was a highly rational being ("as his Jesuit teachers had taught him to be," one friend commented). And he was stubborn; once Austin had thoroughly explored a question and reached a clear position, he was unyielding. When he discovered that some of his class assignments were excerpts and that he was forbidden by the Catholic *Index* to read other portions of great works, he argued with his teachers, and the arguments were sometimes heated. And when he pursued the assumptions of his religion with teachers and fellow students, and introspectively, he found that he could no longer make the needed leap of faith. Austin broke with the Church during his college years, and he was steadfast in refusing to take part in Catholic services during the next forty years.

Although he broke with the Church, Tobin's intellectual development showed clear marks of his Jesuit training. Not only was he highly rational but he loved classical literature and the rhythm of language, and these loves were encouraged by his teachers and his fellow students. At St. John's Prep he won awards for oratory, and high-school classmates still recall the subjects on which he spoke. At college he walked with friends on the campus hills, reciting Virgil and Horace and debating the great and small issues of the day. And he could write; this talent too was encouraged by Holy Cross, where Austin penned essays and poems for the literary magazine. Like Hart Crane, Tobin was touched by the romance of the harbor and the sometimes destructive intensity of the growing cities.¹¹

In these early years, great personal energy, commitment to a cause, and "a terrific desire to win" were perhaps Austin's most distinctive

qualities. During his first two years at Holy Cross, Tobin developed great loyalty to the institution and was a fervent supporter of the football team and other athletic endeavors. Later, as a senior, he agreed to take the lead in organizing a college dance; to ensure a large turnout, he buttonholed dozens of his classmates and persuaded them to attend. His yearbook entry captured some of the distinctive elements of Tobin's personality:

In these artificial days, there are only a few compelling people who become so sincerely bound up in every task to which they are assigned, that they positively fill the atmosphere with their determination. Austin is of that rare and valued type. No half-way measures for him; do it well, or don't do it at all—with a vengeance. In fact, we would be inclined to smile at his earnestness, if he had not a wealth of genuine talent to justify his actions.¹²

These sentences capture not only the Tobin of four years at Holy Cross but important elements of his next four decades as well.

After graduation in 1925, Austin returned to Brooklyn and married Geraldine T. Farley, a graduate of Adelphi College whom he had known since high school. And he enrolled at Fordham Law School, attending classes in the evening, while working as a clerk at a Manhattan law firm and casting about for what he should do next. Although Austin's father was active in Brooklyn politics, Austin had little taste for working in that field. He visited the local Democratic club with his father once or twice, but he felt uncomfortable in that society—of party members who kept their hats on and chewed cigars while they exchanged news about local political issues and devised strategies for the next campaign.

Although Tobin was reluctant to throw his energies into local party work, his view of government was strongly positive. Like his father, Austin held Woodrow Wilson in high regard, and in the tradition of Wilson and Theodore Roosevelt, he viewed government as an appropriate instrument to meet broad social goals.

One of the newest experiments in "positive government" was the bi-state Port of New York Authority. In the early 1920s the Port Authority had attempted without success to gain the railroads' support for a regional rail plan. Then it had turned to studies of vehicular bridges which might aid freight and passenger movement in the region, and by 1925 the Authority had approval from both states to construct three bridges between New Jersey and Staten Island, as well as a vast span across the Hudson River. Groundbreaking ceremonies for the first of these projects took place in September 1926 with much publicity, and the future of this fledgling bi-state enterprise looked promising. Moreover, its general counsel, Julius Henry Cohen, had a national reputation

for his innovative approach to important legal and substantive problems.¹³

Here was a natural place for an aspiring lawyer interested in the harbor and the region, especially for a young man eager for opportunities to use his considerable energy. In 1926 a friend of Tobin's was hired by the Port Authority as a real estate lawyer, and he soon urged his compatriot to apply too. Austin did, and on 14 February 1927, Tobin joined the Port Authority's small staff as a law clerk. A year later he had his law degree and was promoted to assistant attorney in Cohen's office.

As symbols of America at the end of the 1920s, one could do worse than Hart Crane and Austin Tobin. The first a poet of tortured contemplation, who lived in a time of cultural chaos and whose life was in emotional disarray, who sought meaning and order in a city of clanging machines and "lonely and herded men" and found that order in the massive stability and "choiring strings" of Brooklyn Bridge. Who found that respite only temporary and jumped into the sea and drowned in 1932, at the age of thirty-one.¹⁴ The second a man who saw in the uncertainties and disturbances of the new era not severed humanity but opportunity and who could, therefore, direct his considerable physical energies toward the challenge of finding new strategies for progress. Yet Tobin was, in these years, sensitive to the destruction that might accompany "progress," and he could write of the new age in mocking tones. Indeed, his romantic sensitivities resonated well with Crane's. But Austin Tobin would rather conquer the sea than be conquered by it.¹⁵

The Rise of a Real Estate Lawyer

If it wasn't nailed down, he would grab it.

—A colleague, reflecting on Tobin's activities in the law department

Although there is some risk of oversimplification, it would not be far wrong to say that in the 1930s the Port Authority and Austin Tobin were on divergent trajectories, the Authority slipping slowly downward, Tobin spreading his wings, moving up. For the Port Authority, the decade opened with great achievement and much promise. By 1931 the agency had completed three bridges between New Jersey and Staten Island, and the great George Washington Bridge, the longest suspension bridge in the world, now spanned the Hudson River. In 1930–32 the Authority also took control of the Holland Tunnel, with its lucrative toll revenues, built an inland freight terminal in Manhattan, and obtained legislative approval to construct a new vehicular tunnel under the Hudson River.

However, under the impact of the Depression, automotive traffic declined drastically, yielding barely enough revenue in the mid-1930s to pay debt service on outstanding bonds. A mood of caution soon permeated the board and the senior staff. Led by chairman Frank Ferguson, a conservative banker from Jersey City, the Authority sought no new duties and behaved as though its main goal was "to retire debt in all haste."¹⁶

In the Port Authority's law department, however, the atmosphere was not one of prudent investment and caution but one of lively challenge and legal inventiveness. The Authority was the first agency in the United States constructed as a semi-independent "authority," and its staff was continually confronted with complex problems of legal drafting. Also, many of its actions generated court suits by those who argued that the agency was exceeding its appropriate—but not yet clearly defined—powers.

In 1928 the agency identified a site in lower Manhattan for an inland freight terminal. Condemnation procedures were required to obtain portions of the site, and in 1930 Cohen turned that task over to Tobin, who was named to the new post of real estate attorney. When the Authority announced that it planned to erect an office building on top of the freight terminal in order to generate revenue on the terminal site, private interests sued, arguing that such a building would exceed the Authority's statutory powers and that any such facility should pay full real estate taxes. Tobin met with Cohen and suggested that "since this case is related to our real estate concerns, I assume you want me to take it." Cohen agreed. Tobin took the lead in preparing the brief, and Cohen then argued the case, which the Port Authority won in the lower court in 1934.¹⁷

While this case was in the courts, the Internal Revenue Service initiated a series of actions, arguing that salaries paid to employees of the Port Authority (and similar agencies) were subject to federal income taxes. Since Tobin was already involved in (real estate) tax litigation, he had no difficulty in again approaching Cohen with the suggestion that since this was "another tax case," he should take it on too. Again Cohen assented.

Now Tobin was extremely busy. He worked long days and evenings, and he worked on weekends. "He was always very wrapped up in his job," a family member commented. Often Sidney Goldstein, a member of Tobin's staff, would come home with him, and they would "talk through dinner and after dinner, for hours." But to Tobin the long hours were no burden. "I'm the luckiest guy in the world," he would tell his friends. "I love my work!"

To some who knew of his sharp break with the Church, a connection

seemed apparent. As one commented, "Austin adopted the Port Authority as a religion; it was his whole life." However, the Port Authority was not quite his whole life, though it was a substantial chunk. He enjoyed parties, he would take long walks with Geraldine and his two children, and he and Gerry went on several trips, which were planned with the same energy and completeness that marked his other efforts. In all these activities, Austin demonstrated not so much the impact of a break with the Church as the impact of lessons, learned at home and in school, on the value of hard work. And he demonstrated too the perspicacity of the anonymous writer who drafted his biographical sketch for the Holy Cross yearbook.

By 1935 Tobin was in charge of all tax litigation for the Port Authority and was anxious to shed the "backwater" image of a "real estate lawyer." Cohen accepted his argument that a change of title was appropriate, and Tobin was promoted to assistant general counsel. Meanwhile, because the issue of tax exemption for salaries affected many municipal and state agencies, Tobin and one of his aides, Daniel Goldberg, contacted attorneys general in several states, as well as other public authorities, and obtained supporting briefs; indeed, Tobin and Goldberg drafted the briefs submitted by New York State and by the American Association of Port Authorities.

The Port Authority and its allies won the initial court round but finally lost the salary cases in the U.S. Supreme Court.¹⁸ FDR and Treasury Secretary Morgenthau then took the next step, as expected: they challenged the tax-exempt status of bonds issued by state and local governments and their agencies. In 1938 Roosevelt's allies in Congress created a special Senate committee to consider legislation that would strip tax exemption from these securities; a detailed Department of Justice study supporting the Morgenthau position was provided to the committee; and hearings were scheduled for early 1939. FDR and his advisers were known to be strongly in favor of such legislation; they argued that tax exemption of income from these bonds gave undue benefits to investors, many of whom were wealthy individuals. A "short and simple statute," as Roosevelt put it, would end the problem.¹⁹

Tobin then went to Cohen and to General Manager John Ramsey with the suggestion that the Port Authority, building on the alliance developed in the salary fight, take the lead in opposing the proposal. That proposal, he argued, was particularly threatening to the Port Authority's ability to sell bonds and carry forward its program. He urged that the Authority use its own greater flexibility in allocating staff and funds in order to underwrite and direct the campaign.²⁰

Cohen, Ramsey, and the commissioners accepted Tobin's analysis, and Tobin and Goldberg then turned to the attorneys general of New

Jersey and New York State, who agreed to send telegrams, calling for a meeting on the tax-exemption issue, to their colleagues across the country. At that meeting, Tobin and Goldberg spoke, arguing that federal taxation of state and municipal bonds would increase financing costs by 25 percent or more and that this would require higher state and local taxes and might drive some cities into bankruptcy. The assembled officials agreed to join together in a Conference on State Defense in order to resist the "inevitable onslaught" from the federal government. Tobin was named secretary and was asked to develop a plan of action.

During the winter of 1938/39, Tobin and his aides, especially Goldberg and Mortimer Edelstein, devised a strategy and, with the endorsement of the titular leaders of the conference, carried it out. They traveled across the country, visiting state capitals and city finance offices, urging that letters and telegrams opposing the Treasury plan be sent to members of Congress. They located experts who were willing to testify against the proposal, and they helped prepare the needed testimony. They sent out frequent reports to their allies, discussing substantive issues and political developments. "It was Tobin's idea and a great tool—to keep all the people around the country informed and to unify their efforts," recalls one member of the team. Tobin was the editor, and "he made sure Cohen, Ramsey, and the commissioners saw copies," noted another person active in the campaign.

Tobin had tremendous energy, and his enthusiasm infected the staff in New York and their allies across the country. "We put in hundred-hour weeks," an associate recalls. "He worked as hard as anyone, and he gave us opportunities to try out our own ideas; and he gave credit when one of us made a useful contribution," another remarked. "Austin inspired great loyalty. We loved to work for him."²¹

Until this fight, Tobin had had almost no contact with people in the financial world. But now Tobin and his aides met with top bankers in New York and other leaders in finance; and they in turn got to know Austin Tobin and his remarkable organizing ability.

At the hearings of the Special Senate Committee in early 1939, Tobin orchestrated the opposition to the Treasury plan; and he and his associates helped prepare the testimony presented by state and local officials, investment bankers, scholars, and civic associations. Then they turned to the House Committee, which was scheduled to hold hearings that summer. They believed that the ten Republicans on the House Committee were opposed to the proposal, but there were fifteen Democrats who might be expected to support FDR. So they identified the congressional districts of these fifteen, divided them into two groups, and Tobin and Goldberg took off on their own campaign swings. With

them they carried information on the tax rate and debt of each city and town in each district; they met with the mayor and city council ("or the city manager, or whoever would talk with us"), and they explained the impact that Roosevelt's bill would have on the town's debt. And they got results: resolutions from towns across the country landed on the doorsteps of the Democratic committee members. By the fall of 1939 neither the House nor the Senate had much appetite for the proposal, and though the Special Senate Committee voted for the bill by a bare majority, the Conference on State Defense lobbying continued, and when the bill reached the Senate floor in 1940, it was defeated. This was a "bitter defeat for the administration," one participant recalls.

But Morgenthau and Treasury were only temporarily subdued; having lost in Congress, they soon turned to the courts. In March 1941 the Internal Revenue Service targeted several individuals who held tax-exempt bonds issued by public authorities and began proceedings to collect income taxes on the bond interest; one of the individuals was Alexander Shamburg, a long-time commissioner of the Port of New York Authority. So Tobin and his colleagues went back to work, devoting much of 1941 to preparing the briefs and organizing the effort to counter the IRS position in the courts.

This was an exciting time in the law department, especially in Austin Tobin's division. Julius Henry Cohen, nearly seventy, suffered from health problems and was not very active, but he gave plenty of leeway to his colleagues. Tobin and his aides were fully engaged in these years, handling real estate issues arising from the Manhattan freight terminal and the Lincoln Tunnel project while battling the Roosevelt administration on the tax issue. The main problem facing Tobin and his associates was that they were joined to a large organization that seemed to be going nowhere.²²

The "Unanimous Choice" of a Divided Board

By early 1942 the Port Authority had been operating under tight financial constraints for ten years, and with World War II now under way, gasoline rationing would soon be in force. Traffic would probably decline again, and more Authority staff members might have to be laid off. John Ramsey, the agency's top staff member, was reluctant to "tackle a whole new round of problems"; he was eligible to retire, and he decided it was time to leave.

But who should replace him? One group of commissioners, led by chairman Frank Ferguson, favored Billings Wilson, then assistant general manager, who could be counted on to exert strong managerial control, reducing expenses while maintaining the bridges and tunnels in good repair. Overall policy would be set by banker Ferguson and his

colleagues, with excess revenues being used to pay off the bonds.

To another group of commissioners, Ramsey's departure offered an opportunity to break free from the cautious approach of the previous decade. What was needed was an executive team that would look ahead a few years to the economic opportunities facing the New York region once the war was over, and that could identify projects the Port Authority might undertake to aid the region's economic growth and devise strategies to gain public support for the Authority's plans. This faction was led by Howard Cullman and Joseph Byrne. Cullman, whose family was wealthy, had decided on public service rather than a business career, had worked closely with Al Smith when Smith was governor of New York State, and had welcomed appointment to the Port Authority board in 1927 as a way to help keep the New York region a vital commercial center. Cullman was energetic and a risk-taker, and he found the cautious approach of Ferguson and his allies uncongenial.²³ Byrne, a New Jersey commissioner since 1934, had served as a city commissioner in Newark, and he was alert to the possible benefits that a reinvigorated Port Authority might bring to his own city's commercial vitality. As Tobin had taken on the legal issues confronting the Port Authority, Cullman and Byrne had gotten to know him, and they liked the young man's style, his enthusiasm and his capacity to develop a dedicated and able staff, and his ability to devise and carry out complex strategies in the political arena.

The lines of battle were sharply drawn during meetings in the early spring. It was, as a staff member reflected later, "a fight for the soul of the Port Authority." At one point, when Tobin emerged as the choice of a majority of the board, Ferguson threw his own hat into the ring, offering to resign his bank presidency and take on the full-time executive job at the Authority. But the majority held firm for Tobin, and Ferguson retreated to his bank, nursing his wounds and waiting for the time—soon to come—when he might use the power of the chairman's post, which he retained, to shackle this upstart or force him out.

On 4 June 1942 the Port Authority announced that Austin Tobin had been chosen as Ramsey's successor, the title now being executive director of the agency. The announcement was hardly a ringing endorsement of the Cullman-Byrne position, however, for it emphasized the need for "retrenchment" and "managerial caution" in the "troubled days ahead." So the entrepreneurs conceded the initial public relations victory to the conservative cause. In return, the conservative members agreed to announce that Tobin was the "unanimous choice" of the board. Moreover, the board approved one other step of importance: the Bureau of Commerce was set free from Billings Wilson's tight operating control and established as an independent Department of Port Development,

reporting directly to Tobin; and the Authority's best economic analyst and planner, Walter Hedden, was appointed to head the new department.

While the import of these changes seemed lost on a sleepy metropolitan press, which wrote not a word of the conflict in philosophies or the battle that had preceded the change in regime, their meaning was clear to shrewd members of the Authority staff. As David McKay, a senior official at the agency, commented to a colleague on hearing the news, "Now we're going to see things zing!"

Years of Expansion

Austin Tobin was thirty-nine when he assumed the top staff position at the Port Authority. He had already served a long apprenticeship—fifteen years—at the agency. In some ways it was a specialized apprenticeship, focused on legal challenges. Yet there were broadening aspects, of a kind somewhat unusual for a civil servant, for much of Tobin's energy during the previous four years had been devoted to organizing constituencies nationally in support of a controversial policy position and then directing his allies' efforts in order to provide sustained political pressure on elected officials in Washington.

In the next fifteen years, Tobin applied what he had learned during the apprenticeship, and he learned still more—on the substantive issues of economic planning and project development, on the relationships of ethical principles to political power (as he fought chairman Ferguson and then Robert Moses), on the managerial principles needed to lead not the dozen associates who had been under his command in the law department but several thousand in the Port Authority as a whole.

During these years, 1942–57, the Port Authority expanded from a bridge-and-tunnel outfit to embrace a wide range of new goals and projects, including a vast and innovative marine facility at Newark/Elizabeth, three major airports, a large bus terminal in midtown Manhattan, and a pair of extensive truck terminals. Moreover, working with state highway officials and with Robert Moses—in an alliance that ended years of conflict—the Authority's leaders developed a plan to construct new bridges across the Narrows in New York Bay and across the western end of Long Island Sound, add a second deck to the George Washington Bridge, and build a network of circumferential highways in the larger region.

The primary task of this section is to describe Tobin's approach in identifying new goals for his agency and his strategies, successes, and failures in this first decade and a half as chief executive officer of the Port Authority.

Reviving the Entrepreneurial Spirit

Until he was chosen to be executive director in the spring of 1942, Tobin had been absorbed in matters of law and politics. He had devoted little attention to the transportation and economic-development problems facing the New York region or to the possible role of the Port Authority in meeting those challenges. During the summer and fall of 1942, Tobin spent long hours reading about these issues and opportunities, and he gathered around him staff members who could help him devise strategies to meet the region's needs. Walter Hedden, the agency's top planner, was especially crucial; now promoted to head the new Department of Port Development, Hedden worked closely with Tobin in developing plans for the postwar era.

By June 1943, Tobin and Hedden had completed a confidential study of regional problems and identified a number of activities the Port Authority might undertake to help maintain the region's position as "the gateway for world commerce." Included on the list were several projects that had been proposed by Hedden and others in earlier staff reports: truck terminals, produce centers, and a Manhattan bus terminal. Tobin and Hedden also suggested other and larger tasks: the Port Authority might take over the dilapidated piers in New York City and along the New Jersey waterfront, reconstruct them, and operate a series of marine terminals; and perhaps it should take on a central role in the development of air transport in the bi-state region.²⁴

Tobin then went to the board to obtain funds for detailed studies in each project area. Chairman Ferguson and his allies objected to financing any new initiatives in this era of reduced revenues; and only after a month's delay did the board majority agree to go forward with the surveys. It was clear to Tobin that his hopes for revitalizing the agency could be realized only if the dominant sentiment on the board shifted from a concern with protecting current income to a lively interest in finding new challenges and using the Authority's influence to shape economic growth in the bi-state region. Tobin and his aides used several strategies to encourage this change.

Throughout the rest of 1943 and 1944, Tobin and his staff held a series of meetings with business and civic groups, and they met with federal officials as well, in order to identify postwar needs in the marine and air terminal fields. Their activities were followed in the press and endorsed by leaders of New York's business community. Meanwhile, in frequent meetings with the board and in his "Weekly Reports," sent to all board members and the senior staff, Tobin reminded the commissioners—perhaps *educated* is a better word—as to the importance of

thinking optimistically and aggressively about the future role of the port and its Port Authority.²⁵ By the end of 1944, Ferguson could count on only two or three commissioners to support his conservative banker's orientation.

Then, at the close of 1944, one of Ferguson's supporters on the board died, and the term of another expired, and their successors turned away from the chairman. At the February 1945 board meeting the commissioners replaced Ferguson with Howard Cullman as chairman and named Joseph Byrne as vice chairman. Both were enthusiastic advocates of vigorous Port Authority efforts to reach out in new directions, and both were strong supporters of Austin Tobin. At last the board was essentially unified behind Tobin's leadership and ready to support an aggressive Port Authority role in grappling with the region's problems. It was a state of harmony that would last for more than two decades, until the battles of Tobin's final years.

Airports and Marine Terminals: Strategies for Action

Even before the board had ousted Ferguson from the chairmanship, Tobin and his aides had begun the analytical and public relations efforts that would bring within their orbit the region's major airports and a large chunk of its marine facilities as well. These strategies, begun in 1943 and extended into the 1950s, were pursued with the following guidelines as central.

1. *The "self-supporting" criterion.* The Port Authority would undertake construction projects, rehabilitation programs, and other activities only if the new facilities would, in the long run, generate sufficient revenue to meet their total costs. Having no direct access to tax revenues and very limited access to federal and state grants, the Authority's leaders were unwilling to commit their funds and energies to any project that seemed likely to become a permanent drain on the agency's revenues. Therefore, careful studies of consumer demand and other market factors and of construction methods and costs were essential. The possibility of federal aid or other outside funding that could reduce the total to be funded through the Authority's bridge-and-tunnel revenues should also be actively explored.

2. *The need for "regional balance."* The creation of the Port Authority in 1921 had been possible because business and political leaders had tentatively agreed to replace conflict with cooperation in seeking economic growth for the New York region. But suspicion between officials of the two states had not been abolished by waving the Port Authority wand. Tobin and his associates realized that proposals to aid commercial vitality in New York must be balanced with projects to

assist the cities of New Jersey, whose elected officials were always ready to denounce the agency for charging Newark and Jersey City citizens fifty cents a car to journey to Manhattan.

3. *The passive stance of the Port Authority.* The agency's leaders believed that its political and public relations position would be weakened if they took the initiative by announcing a range of programs that the agency was ready to undertake, for that initiative would encourage the fears of those who viewed the Port Authority as a sort of octopus, reaching out to claim new domains and to squeeze the life from municipal government. Therefore, Tobin and his aides preferred to have suggestions for Authority action emanate from others—from business associations, civic and planning groups, mayors and governors—permitting the Authority to respond to such requests. If a project involved action to take over an existing municipal activity, it was especially crucial that the initiative come from other groups in the region. The Port Authority would then gather the best experts, study the proposal, and report the experts' conclusions. Deciding whether any action should then be taken to require the Port agency to go forward with a project would be the responsibility of the elected officials at the two state capitals.

4. *The need to deflect political pressure for reducing bridge-and-tunnel tolls.* Before the war, there had been recurrent demands that the Port Authority reduce the fifty-cent charge on its bridges and tunnels.²⁶ With the probable increase in postwar traffic, the Authority's toll revenue would rise, and pressure to drop the fifty-cent rate might become intolerable. However, such action would siphon off the surplus funds needed if the agency was to venture into new fields. Therefore, it was important to develop a portfolio of major projects and to ensure that influential business and civic groups were willing to press for action to carry out such plans. Then any campaign for toll reduction could be challenged, and perhaps defeated, because of the trade-offs involved: if the tolls were reduced, less money would be available to carry out projects that were "urgently needed" to enhance the economic vitality of the region.

These four guidelines represented a complex mix of real constraints and public relations strategies. They tended to be ingrained in all Authority staff members whose activities in the 1930s involved both analytical studies and political negotiations; thus the previous experience of Tobin and some of his assistants was invaluable. But many of the Authority's projects in the postwar world would require learning how to operate in new terrain—where technological uncertainty was greater and where a tradition of municipal control made Port Authority initiatives more difficult politically.

Using the confidential 1943 report as a basic inventory of possible Port Authority initiatives, Tobin marshaled and deployed the agency's resources for action. A complex array of analytical studies, behind-the-scenes negotiations, and public battles then followed, as the Port Authority moved to build two large truck terminals and (over the opposition of Robert Moses) the Manhattan bus terminal; to take over the marine terminals at Newark and Hoboken (with a solid try for New York City's piers, but that effort failed); and to wrest the most glamorous transportation projects of the postwar era—the airports—from Newark's political legions, from New York City's mayors, and from Moses's own competing agency. The effort to extend the Port Authority's reach in these several directions occupied the first ten years of Tobin's thirty-year reign in office, and those years are particularly interesting in terms of the concept of entrepreneurial leadership. To illustrate these entrepreneurial patterns, I focus below on the Tobin initiatives that involved the most complex strategies—those that brought the Newark and New York City airports and Newark's seaport into the Port Authority's fond embrace.

During the fall and winter of 1943–44, Tobin and Hedden created a small staff to analyze the prospects for air transport growth in the postwar era, the costs of developing major airport facilities across the bi-state region, and the income that could be expected from airline leases and terminal concessions to offset these costs. They also met with federal officials to urge that federal aid be provided for airport development. Similar studies and negotiations were carried out by Tobin's staff in the seaport area. By early 1945 it seemed clear that if given the opportunity, the Authority could modernize and operate major airports and selected marine terminals in the New York region on a break-even basis.

A second element of Tobin's approach was to ensure that the Port Authority attracted favorable press attention as it studied ways to improve air and marine facilities. Here Tobin turned to Lee K. Jaffe, who was hired in 1944 to help reverse the agency's negative press image. Tobin and Jaffe "hit it off immediately," as a close observer recalled, and she was soon included in policy meetings with Tobin, Hedden, and the agency's airport planner, James Buckley. Building on a decade of experience as a reporter and government press officer in Washington and New York, Jaffe established close working relationships with editorial writers and reporters on all the region's daily newspapers, kept them constantly informed of new studies and human-interest stories in the Port Authority's domain, and suggested ways of making a story newsworthy.²⁷ By late 1944 and 1945, stories and editorials on the Authority's activities in air and marine transport were appearing with

increasing frequency, providing the groundwork for editorial and public support for the Authority to take a central role in postwar air and seaport operations.

In addition to a careful economic analysis and a skillful public relations program, Tobin's strategy involved a crucial third element—developing close relationships with experts engaged in surveys of airport and seaport issues and broader development needs in the New York region. By 1944–45, Hedden and his aides were working with the Regional Plan Association and with the U.S. Department of Commerce and other federal agencies to develop a plan for airports in the region. Most important, with the assistance of Joseph Byrne, his board's vice chairman and a prominent citizen of Newark, Tobin had made contact with planner Harland Bartholomew, who had been engaged in 1943 by Newark's business leaders to study that aging city's development needs. Early in their studies, Bartholomew and his associates concluded that expansion of Newark's airport and revitalization of its decaying marine terminal were crucial steps in aiding the city's postwar economy but that the city government lacked the managerial talent and the political capacity to convert these two havens of patronage into engines of economic growth. Confidential meetings between these planners and Authority staff members led to an informal understanding: that the Port Authority stood ready to study a possible takeover of the Newark airport and seaport if Bartholomew took the lead in recommending Port Authority operation as desirable.

And so he did. In October 1945 the Bartholomew report was made public, and its conclusions were spread prominently across page 1 of the region's newspapers: in view of the Port Authority's large staff with "long experience in all forms of transportation" and its tradition of using "good business practices," the Authority should be asked to lease and operate Newark's airport and marine terminal. In addition, Bartholomew set forth an argument that would frame the airport issue in a way consistent with Tobin's long-range goals: seaport and marine terminal development throughout the New York region should be part of an "integrated" system, and the "greatest usefulness" of Newark and other air and sea terminals would only be attained when they were all combined in a coordinated regional system.

"Our Statutory Duty": The Reluctant Dragon Stretches Her Wings

The Newark planning board, composed of civic and business leaders in the city, soon endorsed the Bartholomew proposal and urged the Port Authority to meet with Newark's elected officials to explore the possible takeover of the airport and marine facilities. Tobin moved cautiously, however, for he knew that interstate rivalry was ingrained in the hearts

and minds of some Newark officials.²⁸ Only in response to an official city request, Tobin said, could the Port Authority properly allocate the staff time and funds needed for a definitive survey. The city fathers then reluctantly asked for a study, and the Port agency quickly agreed to go forward with one.

Now the Port Authority could turn to larger game—New York City's two airports and those who guarded their gates, New York's mayor and its other major-domo, Robert Moses.²⁹ During Fiorello LaGuardia's twelve years as mayor, he had fought successfully to displace Newark as the region's primary air traffic center, and in 1944 and 1945 he had pressed for large city appropriations to improve LaGuardia Airport and to develop Idlewild, later renamed Kennedy Airport, as the Northeast's largest air terminal. In January 1946, however, the Little Flower was succeeded by William O'Dwyer. The new mayor preferred to husband New York's capital funds for schools, streets, and other urgent needs, and he endorsed an alternative suggested by Moses—creation of a new city airport authority to develop and run the two air terminals.

In order to counter the Moses-O'Dwyer plan, the issue would have to be redefined for the business and political leaders of the region. Prompted by the Port Authority, the major daily newspapers began to carry stories that framed the issue of air transport in a larger perspective—as a long-term investment program, requiring millions of dollars before the air terminals could be self-supporting; as a complex package of engineering and administrative challenges, which could best be carried out by an organization with a highly qualified technical staff and a proven track record; and as a regional problem, best resolved through coordinated planning and action, not through narrow competitive actions by individual cities. The Port Authority's commissioners took the lead in preaching the regional gospel, and their speeches against the "barriers of provincialism" were picked up and amplified by friendly reporters and editors.³⁰

These energetic efforts did not halt Robert Moses, who, with O'Dwyer's support in hand, strode to Albany to urge that state legislation creating his city airport authority be enacted forthwith. By early April 1946 both houses of the legislature had voted for his bill, Governor Dewey had signed it, and three commissioners selected by Moses and the mayor had been sworn in and stood poised to take control of LaGuardia and Idlewild airports.

To block the Moses strategy, Tobin would now need to devise alliances with several crucial groups—the airline executives; the investment banking community, whose members would have to purchase the new authority's bonds before the Moses enterprise could sign contracts

and move ahead with expansion plans; and influential business and political leaders, whose support for Port Authority action might permit the bi-state agency to gain control of the two New York fields before the City Authority could develop its own plans.

The airlines were readily brought into the Port Authority camp. Their leaders were already wary of the City Authority, for they knew that agency could turn LaGuardia and Idlewild into first-rank postwar airports only if it could tap a large pool of funds. O'Dwyer had already made it clear that local tax revenues could not be counted upon; and the other readily available source—so Moses had argued publicly—was sharply increased fees levied by the City Authority on the airlines themselves. In contrast, the Port Authority could draw on growing bridge and tunnel revenues to build the airfields and terminals the major airlines would need as traffic increased. The airline executives supported the Port Authority cause through informal contacts with business and government leaders and by commenting publicly on that agency's abilities and vision. Invited to view the Port Authority's developing plans at Newark, for example, airline officials expressed "great surprise and gratification" at the Port Authority's ideas for that airport.³¹

Members of the investment community also had their doubts about the City Airport Authority's ability to repay any bonds it attempted to float. In the spring of 1946, Moses urged the City Authority's commissioners to issue \$60 million in bonds to finance development of Idlewild Airport, but financial experts friendly to the Port Authority informally contacted O'Dwyer to warn him that sale of these bonds would be difficult or impossible and that the City Authority solution to the airport problem probably would not work.

Meanwhile, Tobin and Hedden pressed ahead toward completion of the Newark studies. Stories linking the Port Authority plans to "25,000 new jobs" in the Newark area soon reached the press, and on 30 July Tobin announced a \$55 million program for Newark Airport which would "provide one of the greatest airports in the world."³² In New York, sentiment began to turn away from the Moses-O'Dwyer City Authority, and among the city's business leaders, pressure for O'Dwyer to ask the Port Authority to study New York's airport needs intensified.

Moses denounced the idea, but he was soon outmaneuvered. Cullman and Tobin had already begun holding informal meetings with Harry F. Guggenheim, who chaired the City Authority, and in late July he resigned, urging the mayor to "get the airports out of politics" and turn them over to the Port Authority. Then a leading investment banker who had worked closely with Tobin on the tax-exempt-bond fight called O'Dwyer and paved the way for the mayor to confer with Tobin and Cullman on the airport issue. On 2 August 1946, O'Dwyer abandoned

the Moses plan and asked the Port Authority to study the takeover of New York's airports in order to "relieve the city of a tremendous burden of future airport financing."³³

Tobin and his aides quickly responded, and in December the Port Authority announced a \$191 million proposal to rehabilitate and expand New York's two airports. Moses's creation, still alive though headless, said it could do the job for less than half that total. For the financial analysts and editorial writers in the region, the choice was easy: the Port Authority had outlined a far more ambitious program, which seemed more likely to meet the needs (or at least the hopes) of the city's business community; and the Port Authority had great financial resources and staff expertise, especially compared with those of the untried, unfunded City Authority. Moreover, the Port Authority's extensive efforts to persuade the region's opinion leaders to think in regional rather than narrower terms now paid dividends, as commentators noted that airports were "a regional business" and therefore desirable meat for the Port agency's bi-state jaws.³⁴

Moses then abandoned his City Airport Authority, but he did not abandon all hope. In early March he persuaded O'Dwyer that the city government should keep the airports and run them with a "bare-bones" investment strategy. Again, the Port Authority legions swung into action: Tobin and Jaffe explained the options in meetings with the editorial writers and commentators, who then attacked O'Dwyer for relying on a "makeshift, patch-and-ragtag program" and urged that the Port Authority do the job.³⁵ A close friend of Tobin's in the banking community met with O'Dwyer to emphasize the dangers of adding the airport burden to existing city debt obligations. And Tobin agreed to modify the original Port Authority proposal, providing the city with three-quarters of any net profits at the airports (rather than the fifty-fifty split proposed initially). On 17 April 1947 the Port Authority and the city agreed that the bi-state agency would develop the city's airports under a fifty-year lease.

In Newark, meanwhile, the Port Authority's July 1946 plan had met with enthusiastic support among local business leaders and New Jersey editorial writers, but the proposal was vigorously attacked by Newark's elected officials. Several months of negotiations with city officials led nowhere, and in early 1947 Tobin and his allies began to tighten the noose around the necks of the reluctant Newark leaders. Tobin and his New Jersey commissioners met with Alfred Driscoll, who had been elected governor of the state in November 1946, and in January Driscoll announced his support for Port Authority operation of the airport and marine terminal. Working in harmony, the *Newark News* and Port Authority leaders then urged Newark's city fathers to act, warning

them that the Port Authority's large plans for Idlewild and LaGuardia airports would soon outstrip other air terminals, which would then be little more than "whistle stops on a suburban line."³⁶

Still the city's elected officials hesitated, and early in the fall Tobin and the New Jersey board members again asked Governor Driscoll to lend a helping hand. Driscoll then reminded the Newark commissioners that they would need his support for state programs to help Newark and other older cities; and in four days of intensive discussions with local leaders, he pressed them to accept the Port Authority offer.

At last the combined forces of local, regional, and state pressures overcame the attractions of municipal independence and patronage, and the city fathers succumbed. On 22 October 1947, Newark and the bi-state agency signed an agreement leasing the city's airport and marine facilities to the Port Authority for fifty years. Now air transport service in New York and New Jersey could be planned and developed on a "truly regional basis," Tobin commented to his board. Moreover, Tobin noted, in adding Port Newark, the Authority had also taken an important step toward "unification of pier and waterfront activities" across the region.³⁷

Larger Dreams, Imperial Years

Even before agreements were achieved on these air and sea projects, Tobin and Hedden had marshaled their energies for action in other fields identified in their 1943 report. It was clear by 1945-46 that the Port Authority would have growing financial resources to support such initiatives, and Tobin's restless energy impelled him to press forward in several directions at once—lest an opportunity be delayed, or missed.

One central factor in any plans to extend the Authority's domain would be the attitude of the board of commissioners. During the spring of 1947, Tobin reflected on the change in the board's perspective since the Ferguson years and took the occasion to compliment his commissioners—and to prepare them for new battles ahead. Since early 1945, he noted, they had been unanimous in rejecting a "static role as a collection agency" for the Port Authority and in accepting "the dynamic challenge" of reaching out for new projects. "The bridges and tunnels are to be looked to not as an end in themselves," Tobin wrote, "but rather as the credit basis of a vital and expanding program . . . throughout the greatest metropolitan area in the world."³⁸

Another crucial factor would be the entrepreneurial skills gathered in and about the executive office. Earlier, Tobin's work on the bond fight had provided him with a valuable opportunity to develop his talents for selecting and using staff members, gathering and organizing information, and orchestrating action to achieve important goals. The airport

and seaport battles refined and added to these skills. The main dimensions of Tobin's entrepreneurial perspective were now established, and in the next ten years Tobin and his aides would employ these strategies with great skill and considerable success.

Basic to Tobin's approach was the identification of long-range goals, and here the confidential 1943 Tobin-Hedden report provided a valuable quiver, filled with attractive arrows that could be sent winging as the political climate permitted. However, it was essential that someone from outside the Port Authority agree to send the arrows aloft: civic organizations, newspaper columnists, business leaders, or government officials must take the lead in urging the Authority to reach out for new tasks. And those arrows should be lofted in a balanced way, to land on both shores of the Hudson, so the Authority would not be vulnerable to charges of favoritism to one state. A bi-state strategy also had the valuable attribute, as the airport controversy illustrated, of providing additional leverage for Authority action; neither state would want to lag behind while millions of dollars flowed from the Authority's coffers into development across the River.

The requirement that Port Authority projects be self-supporting was an important element in Tobin's negotiations with city officials on the airport issue, and it continued to be a valued protection, helping to fend off demands during the coming decade that the Authority take on deficit operations in the rail or other fields or that it lower its bridge-and-tunnel tolls. The guideline of financial self-support also served as a strong motivating force within the Authority's own staff, encouraging Tobin and his aides to search continuously for ways to add revenues and control costs at the airports and at other facilities so that in time they could pay their own way.

As detailed studies and behind-the-scenes negotiations went forward, Tobin sought expert guidance in each new area, using consultants in economic analysis, airport management, and other fields and adding specialists to the Authority's permanent staff as well. Moreover, he and Jaffe and Hedden, and their aides, maintained active contact with business leaders, editors, the Regional Plan Association, and others in order to enlist their support and keep them informed—about new projects, about intransigent local officials who might adopt a broader view if counseled privately or subjected to the glare of publicity, and about the economic and other benefits that would flow from proposed improvements. Active liaison was maintained at the state capitals too, with Tobin, Assistant General Counsel Rosaleen Skehan, and two or three other aides in continuing contact with the two governors and their top staff members.

Building staff strength and external alliances as he went forward,

Tobin could often gain consent for new Port Authority initiatives without conflict. But when opposition arose and critics tried to block the path of progress, Tobin was ready to fight. Indeed, he loved a good fight, and there were many during these postwar years; and he loved to win, and in the late 1940s and 1950s he usually did.³⁹

The story of Port Authority proposals, projects, and battles during these years is rich and complex. In this essay, a brief summary of major initiatives, successes, and failures must suffice.⁴⁰

Marine terminals almost everywhere. Even before the agreement leasing Newark's marine facilities to the Port Authority was signed, Tobin and his aides were in touch with New York City's mayor in order to explore the possibility of adding New York's two hundred docks and piers to the Port Authority ledger. In October 1947, Mayor O'Dwyer formally asked the bi-state agency to study the problems of pier modernization, and a few months later, Tobin submitted a proposal for rehabilitating and operating the vast city waterfront, at a cost of \$114 million. Under considerable pressure from the longshoremen's union and from those who viewed the waterfront as a priceless city resource that should not be yielded to "outsiders," the city's Board of Estimate rejected the proposal in the fall of 1948. At O'Dwyer's urging, Tobin and his aides tried again, outlining a \$91 million plan in April 1949; but that proposal too was turned down by the board, which opted instead for a more modest program, to be carried out by city agencies—which would use funds to be squeezed from the city's hard-pressed capital budget.

Meanwhile, officials from Hoboken, a small New Jersey community directly across the Hudson from Manhattan, had asked the Port Authority whether it could take on the job of revitalizing that city's decaying piers. While negotiations with Newark dragged on in the summer of 1947, Tobin set his staff to developing a program for its sister community, and in September he laid before the Hoboken commissioners a \$17 million proposal entailing rehabilitation of three piers and construction of a large, new double-deck pier that would be the "finest marine terminal on the Atlantic Coast." Seeking higher payments from the Port Authority in exchange for turning over its waterfront area, Hoboken's elected officials rejected the offer in 1948 and again in 1949. The Port Authority enlisted Hoboken's business leaders and Governor Driscoll to help press Hoboken to agree, and when their combined efforts failed, Driscoll threatened to bypass city officials and to have the Hoboken waterfront rehabilitated by the Port Authority under a direct agreement with the state. The much beleaguered city fathers finally acquiesced, signing an agreement with the Port Authority in September 1952. The city would receive seventy-five thousand dollars a year for

four years and 75 percent of net revenues during a fifty-year lease. The first two new piers were completed at the end of 1956, several years ahead of schedule, and by 1957 tonnage at the Hoboken-Port Authority piers had nearly tripled compared with the 1953 total.

While construction was under way at Hoboken, Tobin and his chief marine-terminal aide, Lyle King, concluded that cargo through the Port of New York might be further expanded if additional facilities could be developed. Looking again for a foothold on the New York side of the harbor, they circumvented the city's reluctance to turn its own piers over to the bi-state agency by purchasing two miles of Brooklyn's waterfront from a private dock company. Then, in mid-1955, the Port Authority announced an \$85 million "self-supporting harbor redevelopment program" which would replace two dozen aged piers along this area just south of the Brooklyn Bridge. A few months later, in December, New Jersey's governor (now Robert Meyner) shared the spotlight with Port Authority officials as he convened a press conference to announce that the Authority would construct a vast new marine facility in Elizabeth, just south of Port Newark, turning an "unused marshland into one of the most important port areas in the world." The plans were based on a Port Authority study "which had been requested by Governor Meyner."⁴¹ Thus was born the Elizabeth project which in a few years would become the largest containerport in the United States.

A success and two failures—large terminals for buses and trucks. In the cautious years before the war, the Port Authority had explored the possibility of constructing a bus terminal in Manhattan, to serve all the interstate buses entering the city from the west and thus reduce the heavy traffic congestion caused by street-level bus stations and waiting passengers across mid-Manhattan. In 1945 Tobin revived the project, outlining plans for a multistory bus terminal at Eighth Avenue and 40th Street. The plan crossed the desk of city construction coordinator and city planning board member Robert Moses, who was at the same time fighting to keep the city's airports out of the Port Authority's clutches. In 1946 Moses blocked the city approvals needed before Tobin could go forward; and once again the Port Authority appealed to its friends in the news media and business community. By the fall of 1947, Moses had lost the fight, and demolition of the old buildings on the bus terminal site had begun. During the next three years, Moses continued a relentless effort to overturn the city ruling endorsing the Port Authority project, but he fought without avail.⁴² On 15 December 1950 the largest bus terminal in the world was opened for business, and hundreds of buses a day were thereafter kept off Manhattan's streets.

The Port Authority's initiatives in the trucking field proceeded more quickly but less successfully. Before the war, initial studies had been

carried out to evaluate the potential impact of two large truck terminals—one in Newark, the other in Manhattan—in reducing traffic congestion and the cost of freight handling in the New York region. These terminals were included in the 1943 Tobin-Hedden report, and in 1945 the Port Authority board and the two cities quickly approved them, with construction beginning in 1947. The Manhattan terminal was opened in 1949, but labor and scheduling problems abounded. Meanwhile, the Newark truck terminal was "completed and ready for use" in July 1950, which is another way of saying that it remained vacant and unused from July 1950 onward because of opposition from the local teamsters' union. Unfortunately, these two immense buildings were planned and built without close study of the willingness of truck companies and teamsters to use a joint terminal and engage in "more efficient" loading practices. The vacant Newark terminal was leased to the U.S. military during the years 1951–55, while the New York terminal limped along, generating traffic and income far below what had been anticipated. Since the mid-1950s both terminals have been leased to private truck operators.

The flexible use of money and staff. In another era or another public agency, the red ink generated by the truck terminals, and by the air terminals and other projects before they became self-supporting, might have crippled the organization. But behind these projects, and the other possibilities that Tobin and Hedden and their associates sketched out in their heads and on paper, stood an immense and growing stream of revenues. Fueled mainly by automobile, bus, and truck traffic across the George Washington Bridge and through the Lincoln and Holland tunnels, the Authority's revenues responded to the growing rush of postwar travel. In 1941, the last peacetime year, 30 million vehicles had crossed Port Authority facilities, and after the wartime doldrums that number had been duplicated in 1945. But the 1946 figure was 41,200,000, an all-time high, and in 1947 another record was set: 44,500,000 vehicles. That year operating revenues broke all records, with a total of \$28.6 million. And since operating expenses absorbed \$8 million, and interest and related payments took \$7 million, more than \$13 million remained—from 1947 revenues alone—to provide backing for existing bonds and for new bond issues and support of new Authority initiatives. Operating revenues and net earnings continued to rise steadily, with revenues reaching \$42 million in 1950 and \$54 million in 1954, in a steady climb that extended throughout the 1950s and beyond.

As the Port Authority began to enter new fields in the 1940s, construction was financed out of bond issues tied to particular projects, with Air Terminal Bonds and Marine Terminal Bonds linked in a complex way to bondholder guarantees which ultimately relied on the big money-

makers, the Holland, Lincoln, and George Washington crossings. Investors sometimes needed detailed explanations before they would put their money into new issues of such specialized bonds. As Tobin and his aides looked forward in 1950/51 to new projects and plans, it seemed likely that more than \$500 million in new bonds would be needed during the next ten years, perhaps extending into fields not covered by existing securities. In order to increase the Authority's flexibility and speed in raising money, Tobin's chief legal researcher, Daniel Goldberg, proposed in 1952 that the Port Authority create a new financial device, to be called Consolidated Bonds, which could be issued for any new project or other purpose. Tobin agreed, the plan was quickly accepted by the board, and the bi-state agency now had easier access to the bond market for any new projects approved by the commissioners.

By 1950/51 it was also clear to Tobin and several of his top associates that a major change was needed in the internal organization of the agency. Traditionally, planning and development of new facilities had been undertaken by specialists—for air, marine, bus, and truck terminals, as well as other areas—located in the port-development department. However, actual operations at these facilities (aircraft landing, police protection, field maintenance, and so on) were controlled by the operations department, which had its own director. This system of divided responsibility had worked reasonably well in bridges and tunnels, but in new and expanding facilities, especially at the airports and marine terminals, conflict between the operations department and other specialists frequently occurred. When costs exceeded agreed-upon limits, it was especially difficult for Tobin and his financial control unit to fix responsibility.

In 1951, Tobin's chief management aide, Matthias Lukens, explored ways of overcoming the weaknesses in the traditional system, and an outside consultant was called in to study the problem. After much internal debate, the management structure at the Port Authority was fundamentally altered: four major operating departments were created (aviation, marine terminals, tunnels and bridges, and terminals), and the director of each department was given responsibility for planning, development, operations, and cost containment within his unit. This 1952 reorganization was one of the earliest uses of the concept of "responsibility centers" in government, and it provided Tobin and his aides with an effective route to identifying managerial strengths and weaknesses, and financial problems, as each department head attempted to shape his programs to achieve the long-term goal of financial self-sufficiency.⁴³

Friends who become enemies—Tobin and the airlines. As it turned out, the conflicts leading to Port Authority responsibility for the New

York region's major air terminals were only the first of several battles that would occupy Tobin and his aides in this new field. During the initial Port Authority studies in 1946–47, Tobin had been assured by his staff and outside experts that LaGuardia and Idlewild airports could in time become self-supporting operations, under the leases the airlines had signed with Mayor LaGuardia. Tobin's assurance that those contracts need not be renegotiated was welcome news to the airline presidents, who knew that Robert Moses wanted to tear up the leases and squeeze more money out of their metallic hides. As a result, the airlines actively supported Tobin's campaign against the Moses stratagems and aided Tobin in the Newark battle as well.

By early 1948, Tobin realized he had received bad advice. The New York air terminals could not become self-supporting unless the LaGuardia leases were sharply revised to produce more revenue. The airlines objected to any changes, and a long battle ensued, punctuated by Governor Dewey's active intervention to achieve a tentative agreement in 1949; final negotiations were not completed until 1953. Meanwhile, indignant at the intransigence of Juan Trippe, Eddie Rickenbacker, and the other airline executives, Tobin launched a campaign built on his experience in the bond fight of the 1930s: he and his air transport aide, James Buckley, made contact with municipal-airport operators throughout the United States, urging them to develop common negotiating strategies in pressing the airlines for higher landing fees and to exchange information on other ways to meet airport costs. Under Tobin's leadership, a national Airport Operators Council was established in 1948; and collaborative action was taken in the next several years that brought higher fees from the unhappy airlines and increased revenues from restaurants and stores, turning many of the local airports—which had operated in the red, requiring subsidies from local taxpayers—into profitable municipal enterprises.

Antagonists who become friends—Robert Moses and regional highway planning. The image conveyed by Caro's volume is a Moses nearly invincible in the 1940s and 1950s; the reality is somewhat different. He wanted control of those glamorous enterprises of the postwar world, the air transport centers, and he lost out to the Port Authority. He wanted to block Tobin and his associates from creating a massive bus terminal too, and again he was defeated. There was, however, an area of potential cooperation—the planning and construction of arterial highways across the region, including, perhaps, new additions to the magnificent string of bridges across the Hudson and other major waterways. As traffic continued to expand in the early 1950s, congestion built up on the roadways and crossings on both sides of the Hudson. Neither the Port Authority, whose bridges and tunnels were restricted to in-

terstate waterways, nor Moses, whose agencies had to operate entirely within New York State, could readily encroach on the other's jurisdiction as highway expansion went forward. But they might cooperate and enhance the opportunities available to both.

A joint program did evolve. But how? In Caro's interpretation, it was Moses who saw the possibility of a circumferential scheme that would permit him to build the great Narrows Bridge, the Throgs Neck Bridge, and new arterial highways across the region; who laid the plan before a surprised Austin Tobin and his commissioners; and who got their agreement to go forward with a joint program that would also include a second deck on the George Washington Bridge and highways extending into New Jersey.⁴⁴

Based on evidence available at the Port Authority, in Moses's files, and through interviews, an alternative story seems closer to the mark. By 1953, traffic congestion at the Lincoln and Holland tunnels and the George Washington Bridge had become severe, especially during rush hours, and business leaders and others urged the bi-state agency to construct additional tunnels or bridges across the Hudson. A second tube at the Lincoln Tunnel had been opened in the late 1940s, and a third tube would be completed in 1957; it seemed likely to the Authority that any additional crossings into the Manhattan business district would be useful only in rush hours and would not generate enough traffic to pay for construction and operation. Moreover, when Roger Gilman, who replaced Hedden as the agency's chief planner in 1953, and his staff analyzed the traffic patterns of automobile travelers, it became clear that many of them wanted to travel between New Jersey and points outside Manhattan—into Westchester County to the north, or east to Brooklyn and Long Island.

In 1953 Gilman and his aides sketched out a set of highway routes that would respond to these growing circumferential patterns and discussed them with Tobin. Rough engineering and financial projections were obtained from other staff departments, Tobin agreed that the general plan made sense and obtained board approval, and in late 1953 Tobin visited his old enemy at his office on Randall's Island and outlined a plan for a joint study. ("I left the door open behind me when I went in," Tobin later recalled, "in case I had to make a fast exit.") But Tobin was welcomed with something close to open arms, for his proposal offered the possibility that Moses could at last construct the jewel of the region's arterial system—a great bridge, the longest single span in the world, across the Narrows between Staten Island and Brooklyn. Moses's own agency, the Triborough Bridge and Tunnel Authority, did not yet have the funds available to finance such a project; but if detailed planning bore out initial studies, the Port Authority might, Tobin suggested,

be able to advance the funds to Moses so that the Narrows Bridge could be started very soon.

A year-long joint study was soon agreed to, and in January 1955 the Port Authority and Moses announced that they were prepared to construct bridges across the Narrows and at Throgs Neck, to add a second deck to the George Washington Bridge, and with state and federal funds to go forward with a range of related highway projects, at a total cost of \$600 million. (The Throgs Neck Bridge would be in "Moses territory"—joining Queens and the Bronx—but the Authority staff, not Moses, conceived the idea for that new link in the regional highway system.) With operating revenues still rising—to more than \$68 million in 1955—the Port Authority prepared to press ahead with the arterial program. During the next several years the three major bridge projects were carried forward to completion.

The Dynamics of "Administrative Competence"

In summarizing these plans and projects, it is easy to lose sight of the crucial role played by the Port Authority's career staff.⁴⁵ Certainly the availability of large amounts of funds was essential to Tobin's ability to add new projects; and the support of Cullman, Byrne, and the other commissioners was crucial too. But equally important were the dozens of staff members whose skills in planning, engineering, traffic analysis, law, public relations, and other fields gave the Authority a strong reputation in all its fields of operation and also permitted Tobin to obtain careful studies of new projects. (Not always faultless studies, as the truck terminal and airline-lease cases illustrate, but generally better studies than could be obtained by other government agencies or many private firms.) The Port Authority staff had numbered 1,030 when Tobin assumed the helm in 1942, it had grown to 1,500 in 1946, and in the late 1940s the number of positions had surged to more than 2,000 as the Authority began to meet the engineering and operating tasks at three airports and the Newark seaport. More important than the numbers and their quality (which was judged strong by outside observers) was their energy, dedication, and morale. And those characteristics appeared to be connected closely with Tobin's style of leadership.

He worked extremely hard—night and day, it seemed—and he reached out and tried to understand the complexities of finance, engineering, planning, and operation that confronted his staff; and usually he could stay on top of the details as well as the broad issues. Tobin called upon his associates to work as hard as he did, and he was impatient with staff delays in completing assignments; but he applauded their efforts and successes, and he told the commissioners and the press of their work. He learned the names of traffic officers, secretaries, and

other staff members at positions high and low throughout the organization, and he spoke with them—not just *to* them—as he visited offices, bridge crossings, and construction sites.

In 1944, Tobin and the commissioners had established Port Authority service emblems, to be worn by employees who had been with the Authority for five years or longer; a medal of honor, to be awarded to employees who had carried out meritorious acts at personal risk; and a distinguished service medal, “to recognize exceptional service of employees on the job.” The commissioners awarded these medals at large staff gatherings, and Tobin often spoke too. There he would avoid the somewhat stiff set speech that was becoming his hallmark in public ceremonies. He spoke informally and personally of the medal winners, of the importance of the staff, and of his aspirations for the Port Authority and the New York region, and those who listened could hear the energy and enthusiasm that had made him a leading orator in high school three decades before. And his voice and hopes were infectious. “Morale was very high,” recalls one of Tobin’s close associates in these years. “People at the Port Authority were not only very respectful of Austin Tobin; they loved him dearly.”

Those outside the Authority who worked with Tobin’s staff members on planning, legislative, or engineering tasks also came to recognize the attitude that seemed to pervade the Authority, and their perceptions helped to clear the way for Tobin and his aides as they sought cooperation and support within the region and in Albany and Trenton. As a top aide to Governor Dewey recalled, “I did not have much direct involvement with Austin Tobin then. But I worked closely with a few staff members and I talked occasionally with others. I could see that they had tremendous esprit, and that Tobin was the spirit that moved them. He was deeply revered.” “So I became biased toward the Port Authority,” he remembers. “With that kind of leadership and dedication their great powers didn’t worry me. Their independence seemed to me better than permitting political control and political inroads.”

Years of Travail

In February 1957, Austin Tobin completed thirty years of service at the Port Authority, and a few months later, in July, he celebrated fifteen years at the agency’s helm. Like many of the years that had gone before, 1957 was a time of great accomplishment and wide-ranging activity. At Port Newark two new terminals were completed and an additional \$6 million facility was under construction. Next door, the Authority began plans for the new seaport in Elizabeth, and across the bay the Brooklyn marine-terminal program was getting under way. In 1957 the

Manhattan bus terminal set new passenger records, aided by the third tube of the Lincoln Tunnel, which opened on 25 May, Tobin’s fifty-fourth birthday. Seven miles north, Port Authority staff members completed detailed plans to double the capacity of the George Washington Bridge by constructing a \$183 million lower deck, and they won city approval to build a new bus station at the Manhattan terminus of the Bridge. Major expansion projects also went forward at all three commercial airports, as air traffic continued to increase dramatically: in 1949, 4 million passengers had used the Port Authority’s terminals, and that total had risen year by year until in 1957 more than 13 million travelers passed through the airport gates.

The Port Authority’s many activities brought acclaim to the agency and its leaders from business associations, editorial writers, and elected officials across the region. New York City’s Mayor Wagner, once wary of the Authority’s eagerness to take control of city-owned terminals, spoke at dedication ceremonies for the new arrival building at Idlewild (later renamed Kennedy) and congratulated the agency for its “superlative airport.” New Jersey’s Governor Robert Meyner, who had attacked the Port Authority during his campaign for office in 1953, now praised the agency’s wide-ranging efforts: “It has transformed destructive competition into constructive cooperation, completely free of provincial influence.”⁴⁶ At a special ceremony in July 1957 the board of commissioners announced the creation of the Howard S. Cullman Distinguished Service Medal and awarded it to Austin Tobin, in recognition of “his human spirit, his wisdom, his great courage, his tireless efforts and his rugged integrity, and for the conspicuous inspiration and leadership he has brought to the staff of the Port Authority.”⁴⁷

However, if the Ghost of Christmas Future had appeared to the leader of this marvelously successful bi-state agency at the end of 1957, he might have spoken of other and gloomier things:

In the next few years, Austin Tobin, you will see air traffic in the New York region expand rapidly, and you and your colleagues will become convinced that a massive new jetport is needed for the safety and economic well-being of the region’s citizens. You will fight long and hard for that airport, but it will never be constructed.

You and your aides will also make plans for a world trade complex on the east side of Manhattan, and after an exhausting battle, the center will finally rise, the largest collection of office buildings in the world, on the west side. But before that effort is finished, you will have resigned, and you will refuse to attend the dedication ceremonies for the World Trade Center.

Moreover, as hard as you have ever fought *for* anything, you

will fight *against* Port Authority involvement in one major field—rail transit. There you will lose, and you will finally embrace, even with modest enthusiasm, the iron maiden you have long shunned.

In the course of these battles, the editorial boards of the region's newspapers, formerly your friends, will turn away from you, your close ties with elected leaders at Albany and Trenton will be sorely tested and nearly broken, and the winds of low politics and vindictiveness will blow from Washington, leading to your indictment for contempt of Congress, to your vigorous defense of your agency's independence, and to antagonisms that will return to block your efforts and stifle your creative leadership years later.

None of those conflicts and results were predicted by the Authority's leaders or close observers in the golden days of 1957. Yet within two years all of these battles had been set in motion, and during the next decade and more all of these predictions would come to pass.

To describe and analyze the leadership strategies, successes, and failures of these years is a complex task, much of which must be reserved for another place.⁴⁸ In the following pages, the major developments of Tobin's final years in office (1957–72) are briefly summarized in relation to the themes set forth in chapter 1.

New Initiatives

During the late 1950s and early 1960s, Tobin pursued most of the same entrepreneurial strategies that had characterized his work since the 1930s. He and his aides continued to identify new missions for the Port Authority; they maintained a skilled and dedicated staff to analyze new possibilities and to carry out complex tasks; and they reached out to build support for their old and new programs from governors and other elected officials, as well as from business leaders and other constituencies in the region. In 1957–58, for example, aviation department director John Wiley and his staff concluded that burgeoning air travel would soon overwhelm the capacity of the New York region's existing airports, and a task force was created and charged with exploring possible solutions. By early 1959 the best solution in terms of passenger convenience and safety had been identified and endorsed by Tobin and the commissioners: a gigantic new airport should be constructed in the sparsely settled Great Swamp area of northern New Jersey. Discussions were then held with Governor Meyner, who agreed with the plan, and Tobin and his aides turned to the problem of obtaining support from the region's business leaders and major newspapers, in order to neutralize the opposition that could be expected from local residents in the Great Swamp area.

Meanwhile, in 1958–59, Port Authority planners learned that David Rockefeller and other business leaders in lower Manhattan were interested in finding ways to revitalize the downtown area; and in a series of meetings representatives from the two groups concluded that a "world trade center," an idea that some Authority officials had long favored, would help meet both the revitalization problem and an important Port Authority aim—enhancing the efficiency and competitive strength of the New York region in international trade. Consistent with the Authority's traditional strategy, it was agreed that the agency would conduct a detailed study of such a project if the business leaders (through their Downtown–Lower Manhattan Association) would first recommend such a study. The association did so in a report released in January 1960; and the Port Authority immediately began consultation with elected officials and a detailed analysis of a possible trade mart at the proposed site—on the East Side, below the Brooklyn Bridge. A year later, in March 1961, the Authority announced that a trade center, to be built at a cost of \$355 million, would be financially self-supporting and that it was ready to build and operate the center if state officials passed authorizing legislation.

During 1960 and 1961, opposition to both projects arose, but that was hardly surprising. Tobin and his associates were used to battling critics of new programs and expanding Authority jurisdiction, and sometimes they even welcomed opposition, as a way of clarifying for the region and its publics the importance of sustained efforts to maintain the vitality of commerce in the New York metropolis. What was surprising in the early 1960s, perhaps, was that Tobin and his aides failed to comprehend the range and depth of resistance to their plans and that—as they took steps to "neutralize the opposition"—they misplayed some of their hands.

In previous decades, major Port Authority projects had been compatible with widely held public values—for example, that better airports and more highway facilities were needed to reduce congestion and improve efficiency for commerce and individual travel; or that large investments in marine terminals were desirable not only because of the direct jobs created but also because of their impact in aiding the regional economy more broadly. The pockets of opposition that arose could be viewed as narrowly self-interested and parochial, and they usually were defined in those terms by the region's newspapers and civic leaders.⁴⁹ The Port Authority's projects, in contrast, would garner support from those who took a "broader" view of the region—prominent business and civic leaders, the *New York Times* and other major newspapers, most state legislative leaders, and, most important, the two governors.

Now, in the early 1960s, some of the opposition was different. Many

of those who objected to a ten thousand-acre jetport in the Great Swamp area were local residents, and no doubt they were as parochial as the residents in the path of the Lincoln Tunnel expansion. But some of them were wealthy and unusually influential politically; prominent among the jetport opponents was Congressman Peter Frelinghuysen, whose estate would be graced with a jetport runway. And they were soon joined by others, who were part of the new wave of environmentalism and objected to driving wildflowers and wildlife out of the swamp. Moreover, the Port Authority was more exposed as it began the battle of the Great Swamp than it generally was, because it had not followed its traditional rule. Rather than letting civic leaders or elected officials take the initiative, the Authority itself had cast the first stone, beginning the public debate by proclaiming that a gigantic new airport was needed and that it should be built in the Great Swamp.⁵⁰

Frelinghuysen and his fellow North Jersey congressmen also opened another, broader line of attack, urging Congressman Emanuel Celler of Brooklyn, the powerful chairman of the House Judiciary Committee, to undertake a general investigation of the Port Authority. Celler, who had previously sought assistance for his law-firm clients from the Authority and had been rebuffed, responded with alacrity. In the spring of 1960 he launched an inquiry into the Authority's policies and integrity and demanded that Tobin open all the agency's files to his investigators. When Tobin protested that the Port Authority was a state agency, whose internal files should not be subject to a general federal probe, and (with the support of the governors of both states) refused Celler's demands, Celler asked the House to cite Tobin for contempt. Tobin was indicted in August 1960, and in June 1961 a federal judge found him guilty of criminal contempt of Congress.⁵¹

Although that verdict was overturned on appeal in 1962,⁵² vindicating Tobin in his refusal to let Celler roam through the Port Authority's files, the effort to grapple with the House investigation absorbed a vast amount of Tobin's time and energy—and the sustained attention of some of his best staff people—in 1960, 1961, and 1962. As a result, less attention and creative energy were available in the executive offices to monitor and assess the impact of new values beginning to sweep across the American scene—the environmental movement; the increasing resistance to highway expansion and its traumatic impact on local communities; and the effort to develop “community control” as a central political value in suburban towns and larger cities.⁵³

But the Celler probe also had other, more direct effects. Celler's investigators identified and publicized several cases in which Tobin and his aides appeared to have used bank-deposit accounts and insurance contracts in order to curry favor with state legislators, and they exposed

one staff member who had obtained payoffs in awarding Authority contracts. So the Port Authority's nonpolitical image was challenged in an effective if limited way. Moreover, the Celler hearings conveyed—to some members of his committee and to others in the hearing room and in the New York region—the impression that the Port Authority was efficient, immensely knowledgeable on issues of law and project development, and arrogant.

The Problems of Arrogance and Large Projects

Arrogance was always—is always—a danger for the Port Authority. The Authority could offer more in salary to the best college graduates than could New York City or the best state agencies in the East and the West, and it “got things done”; and so for those interested in public service in the United States, the Port Authority had long been a premier employer. In planning and carrying out large projects, this large and able staff had long seemed to some observers too insulated, too unwilling to respond to the concerns of those who questioned its programs and policies. And now Austin Tobin, unyielding and combative, had stood before the Judiciary Committee and said he had no regrets and would reconsider nothing that he and his loyal staff had done.

In that forum, ultimately, he won, pursuing the righteous cause through the courts. But in these years of the early 1960s, Tobin's stubbornness, and the Port Authority's desire to make “no little plans,” reinforced the theme of arrogance. The jetport issue was one major source of concern, not only as a specific project but also for what it seemed to say about the Authority generally. Despite widespread local opposition throughout 1960, and despite a 20–1 vote in the New Jersey State Senate that year against the Great Swamp site, the agency's officials continued to defend that location as the only one that was acceptable; and its next detailed report, in May 1961, reaffirmed that position and concluded that all other possible sites in the New York region (sixteen were studied) were unacceptable. Frelinghuysen and his fellow residents then sought to block the Authority permanently by appealing for federal action; their political strength was underscored as federal officials declared the Great Swamp a national wildlife refuge in 1964 and a national landmark in May 1966. Still the Port Authority stood firm, issuing another report in December 1966 which stated again its view that the Great Swamp was the best, indeed the only, place for a gigantic jetport. To residents of North Jersey and other observers, the entire episode suggested that Tobin and his aides were strikingly insensitive to local concerns and legislative opinion.

In its initial steps toward creating a world trade center, the Port agency had followed a more cautious course. The first public suggestion

that the agency undertake the project had come from business leaders, who had suggested a cluster of buildings of moderate size near the Brooklyn Bridge; and the Port Authority's initial proposal in 1961 sketched out a similar plan, centered on a seventy-two-story building and a thirty-story structure, at a total cost of \$355 million. As a result of negotiations with officials of both states (described below), the trade center site was then moved across Manhattan to a Hudson River location. Now Tobin and his trade-center planners struck off on their own, devising an entirely new plan which featured "twin towers of gleaming metal, soaring 110 stories" and displacing the Empire State Building as the world's tallest building.⁵⁴ When the new proposal was unveiled by the Port Authority in 1964, it was supported by both state governors, and the *New York Times* thought that "no project has ever been more promising for New York." As the cost of the project escalated to \$575 million in 1966, however, the *Times* joined other critics in wondering whether the project was so costly that it would divert the energies of the Authority from other important concerns such as mass transit. A year later the *Times* referred to the project as "enormously expensive and grandiose" and argued that it should be cut down to "realistic and efficient size"; otherwise a trade center would be only a monument "to the city's former glories as a port and to the Authority's audacious ability to get its own way."⁵⁵ Tobin and his aides resisted any change, however, and the World Trade Center went forward, its costs rising year by year until they exceeded \$1 billion.

By the late 1960s, then, Tobin and his associates had entered into several battles over a decade that had generated vigorous opposition and left a legacy of wariness and ill feeling in parts of the bi-state region. That ill feeling was directed not only toward particular projects but toward the Port Authority and its leaders more generally, for they seemed intent on building gigantic, expensive projects even when those in the way, and some neutral observers, doubted that projects of such size were needed; and they seemed insensitive to new values (regarding the environment and local community participation) that were gaining strength across the country. And while the critics may at times have been unfair in their allegations, perhaps they touched on a basic problem. Traditionally, Austin Tobin preferred to meet complex challenges by seeking large-scale, dramatic solutions, solutions that reached beyond the immediate problem and would meet the needs of the next decade and longer. In seeking to "make no little plans," Tobin had gathered around him planners and specialists in all fields who shared this general perspective, and together they had created the largest bus and truck terminals in the world, developed the busiest airport system in the world, and reached out with massive investments to expand the

region's highway system and to lead the "containership revolution." And with few exceptions, this approach was strikingly successful. By the early 1960s it was difficult for men and women reared on this rich diet to look skeptically at great new plans and to gather and understand evidence that sometimes signaled that smaller might be better, in political, in social, and even in economic terms.⁵⁶ As Machiavelli argued, "One who has prospered by following one kind of policy will not be persuaded to abandon it."⁵⁷

There was, however, another side of the ledger. In 1960 the Port Authority had reversed its longstanding reluctance to undertake commuter rail operations. At a dramatic legislative hearing in Trenton, Tobin had announced that his agency would be willing to purchase, rehabilitate, and operate the bankrupt bi-state Hudson and Manhattan Railroad, using the Authority's own revenues from other sources to meet all deficits. In order to protect Authority bondholders, the two states would have to agree to a firm limitation on future rail burdens that might be undertaken by the agency; even so, as the plan evolved in 1961-62, it seemed likely that in addition to meeting the H&M deficits, the Port Authority might be able to allocate several million dollars each year to help revitalize other rail facilities in the region. In the course of negotiations with New York officials, the H&M purchase was combined with the trade center project (which was shifted to a site directly over the Lower Manhattan terminal of the H&M), and both states approved the two projects in 1962. For their imaginative approach, Tobin and his agency were widely praised by commuter groups and others concerned about the commuter rail problems in North Jersey.⁵⁸

Final Conflicts

For a while, the good will garnered by the rail plan seemed to balance the pockets of opposition to the Port Authority in New Jersey and New York. Moreover, Tobin had managed to retain a staff of real ability and to maintain high morale during the difficult years of the Celler investigation and the Great Swamp foray. Quite possibly he and the Authority could have gone forward together to new initiatives and new accomplishments in the 1970s had it not been for two happenings.

The first was the growing cost of rehabilitating and operating the decrepit H&M. The annual burden on other Port Authority revenues increased rapidly, and by 1968 the deficit from that operation reached \$11 million, which essentially wiped out the funds that might have been available, according to early estimates, to meet other rail needs. Once again, commuter groups and suburban officials in northern New Jersey began to criticize the Authority for its "inaction."

The second event was the election of William Cahill as governor of

of the Lincoln Tunnel and associated highways or who wanted to close the major airports to large planes because of noise; of the Newark city fathers who were viewed as more concerned with patronage than economic growth when they tried to keep their seaport out of the Port Authority's clutches; and of the Greyhound officials, who resisted the Manhattan bus terminal. As illustrated earlier, the Port Authority's skilled staff often helped to shape these critical assessments.

50. See Port of New York Authority, *A New Major Airport for the New Jersey-New York Metropolitan Area* (New York, 14 December 1959); and newspaper articles in early December.

51. *United States v. Tobin*, 195 F. Supp. 588 (D.C. 1961).

52. *Tobin v. United States*, 306 F.2d 270 (D.C. Cir. 1962), cert. den., 371 U.S. 902 (1962).

53. See, for example, Jane Jacobs, *The Death and Life of Great American Cities* (New York: Random House, 1961).

54. The quotation is from the Port Authority's 1963 *Annual Report* (1964), 41.

55. The quotations are from editorials in the *New York Times*, 20 January 1964, 24 December 1966, and 12 April 1967.

56. This point is discussed with reference to the jetport in the author's paper, "In Treacherous Waters," 13-33.

57. Niccolo Machiavelli, *The Prince* (1513), trans. T. Bergin (New York: Appleton-Century-Crofts, 1947), chap. 25.

58. The H&M, which connected Newark, Jersey City, and Hoboken to several stations in Manhattan, was then renamed the Port Authority Trans-Hudson Corporation (PATH). For detailed discussion of these developments see Jameson W. Doig, *Metropolitan Transportation Politics and the New York Region* (New York: Columbia University Press, 1966), chap. 9.

59. On these years see Danielson and Doig, *New York*, 244-50, 343-44.

60. *U.S. Trust Company v. State of New Jersey*, 431 U.S. 1 (1977). The two governors had led a successful fight for state legislation overturning the 1962 statutory provision protecting Port Authority bondholders. The Supreme Court decision rejected that legislation as undermining bondholder security, in violation of the contract clause of the U.S. Constitution.

61. Kaufman, *Administrative Behavior of Federal Bureau Chiefs*, 135, 174.

62. As Peter F. Drucker commented, "Tobin's Port Authority still stands, and I don't mean as a legal construct but as a living institution—whereas none of the other great public servants of that period in New York City have left any institutional traces. Neither Bob Moses, nor LaGuardia. . . . [The difference is] Tobin's building people as well as bridges. Whereas Moses only built bridges and LaGuardia made headlines" (letter to the author, 12 November 1985). In 1972 the agency was retitled the Port Authority of New York and New Jersey.

63. On these general and specific advantages see Annmarie Walsh, *The Public's Business: The Politics and Practices of Government Corporations* (Cambridge: MIT Press, 1978); and Jameson W. Doig, "If I See a Murderous Fellow Sharpening a Knife Cleverly . . .": The Wilsonian Dichotomy and the Public Authority Tradition," *Public Administration Review* 43 (1983): 292-304.

64. Kaufman, *Administrative Behavior of Federal Bureau Chiefs*, 196-97.

65. Schumpeter, *Theory of Economic Development*, 93-94.

66. *Ibid.*, 78.

New Jersey in November 1969. A member of Congress from South Jersey, Cahill needed support in the more populous northern counties, and as he campaigned in Morris, Essex, and Bergen counties in the summer and fall of 1969, he found that crowds responded enthusiastically when he attacked the Port Authority—for its jetport plans (which Tobin had not yet abandoned), for its limited efforts to meet the commuter rail problem, and for its alleged insulation and arrogance.

Cahill's gubernatorial victory brought together several major strands of conflict that Tobin and his allies had faced during the previous ten years. Cahill entered office firmly opposed to a jetport anywhere in North Jersey; and he was equally certain that Tobin and his agency must throw their energies and their funds much more vigorously into the rail commutation field. Moreover, Cahill's views on the world trade center differed sharply from those of previous governors in either state. He was highly skeptical that vast sums should be allotted from the Authority's coffers to construct a complex of buildings in Manhattan, particularly when the North Jersey rail problem needed active attention and much money. And finally, William Cahill was not only a congressman from South Jersey; he had also been a member of the House Judiciary Committee, and in 1960 he had been a member of the subcommittee through which Emanuel Celler had investigated the Port Authority. One of the votes to cite Tobin for contempt of Congress had been cast by Cahill, and neither he nor Tobin could forget that division. So when Cahill took office in January 1970, two stubborn Irishmen, with a history of conflict both substantive and personal, squared off.

In his first months in office, Cahill pressed Tobin to undertake further rail studies and to find a way to devote more Authority funds to rehabilitating and extending the region's rail system; but Tobin, though agreeing to permit staff studies, refused to consider any plans for additional Port Authority rail operations, since, he argued, that would violate the agency's obligations to its bondholders. Then Tobin, meeting with the governor and his aides to review the Port Authority's other activities, mentioned that the agency was planning to add a hotel to its trade-center complex. Cahill was outraged at Tobin's readiness to throw more funds into a dubious "commercial" enterprise while resisting action to meet the commuter rail problem. Thereafter, Cahill barred Tobin from meetings on rail issues, though he called in Tobin's subordinates, and the governor also pressed the New Jersey members of the Port Authority board to urge their New York counterparts to help in reversing Tobin's policies in the rail field.

Meanwhile, New York's Governor Rockefeller appointed his chief transit aide, William Ronan, to the Port Authority board in 1967, and in 1970 Ronan joined some of the New Jersey commissioners in chal-

lenging Tobin's policies and plans during and between board meetings. By early 1971 the sense of mutual regard and unified support from the commissioners which Tobin had experienced since Ferguson's departure in 1945 had broken down. Tobin and his views still commanded a majority on the board, but there seemed to be continual, often carping, criticism. Moreover, he could no longer expect active support from the two governors for new programs and other innovations. By the fall of 1971 the job was more a burden than a range of new and stimulating challenges.

In December, Tobin telephoned his top aides and then announced publicly that he was leaving, immediately turning the reins of office over to his deputy and formally retiring in March 1972. So a career that had spanned more than four decades, with nearly thirty years in the top executive post, came to an abrupt end.

Following Austin Tobin's departure, the Port Authority would spend five years in divided and uncertain leadership, would be touched traumatically by charges of misuse of funds, and then would rise again—under new leadership but with many of Tobin's associates in key positions.⁵⁹ And Austin Tobin, now nearly sixty-nine years of age, would leave the Port Authority without much turning back and would join the International Executive Service Corps, where he spent portions of the next several years traveling to Israel and other lands, advising their governments on port development issues and port management strategies. He also had the satisfaction of seeing his position on the need to protect the Port Authority's bondholders from large transit deficits upheld by the United States Supreme Court in an opinion that essentially rejected the positions taken by Cahill and Rockefeller during the early 1970s.⁶⁰ In the mid-1970s he declined an invitation to attend the dedication ceremonies for the World Trade Center, but in 1977, ill from cancer, he went by taxi from his Manhattan apartment to the Trade Center, stepped out onto the plaza, and looked up admiringly at the twin towers, now completed, rising far above and symbolizing the aggressiveness and the dominance of the New York region in worldly matters, an attitude and a position for which Tobin had fought through thirty years of struggle. Now, perhaps, he could rest.

On 8 February 1978, Austin Tobin died in his Manhattan apartment, of cancer. In 1982 the plaza area, a summer place for noontime crowds and playful concerts, was named the Austin J. Tobin Plaza.

"The Unsheltered Battle"

Unlike some of the entrepreneurial leaders whose strategies, successes, and failures are analyzed in this volume, Austin Tobin is not a prom-

inent public figure. Compared with Robert McNamara, for example, or Hyman Rickover, he does not command national recognition. And in the New York region, he is far less known than Robert Moses or Fiorello LaGuardia.

In part, no doubt, this relative lack of visibility is the result of his being a contemporary of Moses, who even without Robert Caro's persuasive biography seems larger than life in shaping the physical development of the metropolis. And in part it is the result of Tobin's own style and strategy. Governors and Port Authority commissioners announced the new projects and gave the ceremonial speeches. And at the staff level, many others shared the spotlight, for Tobin gave creative scope and public credit to those who worked with him; and so he was able to attract and nourish a staff that could identify dramatic initiatives which would then shape the choices available to his commissioners, governors, and legislators, that would permit the Port Authority to enter the battle to shape regional priorities unusually well prepared, and that would usually permit it to emerge victorious—against local political leaders, against corporate opponents like the airlines, and against Robert Moses.

It may well be, as Herbert Kaufman has argued, that some public officials who hurl themselves "into the fray" and fight "to influence the course of events" have little impact, making their mark "in inches, not miles."⁶¹ But the story of Austin Tobin and the Port of New York Authority does not fit these generalizations. A few months after taking office in 1942, Tobin had begun to employ the range of entrepreneurial strategies set forth in chapter 1 of this volume and to redirect the agency; and within a few years, he had added large new programs to what had become a rather humdrum toll-collection agency. Moreover, he had taken steps to stamp out patronage and favoritism at the Port Authority and to attract men and women with the skills and energy needed to meet the challenges of the postwar era.

Tobin's efforts made a significant difference, but that difference would have been measured only in feet and yards if he had not had Walter Hedden, Roger Gilman, and their aides at work on regional planning; Daniel Goldberg, Rosaleen Skehan, and others engaged in complex legal and political strategies; Lyle King, James Buckley, Fred Glass, John Wiley, and other experts in marine and air transport; and Lee Jaffe with her careful orchestration of media events. And many more. It is to Austin Tobin's credit that people of this caliber and energy came to the Port Authority, found the atmosphere and the opportunities to their liking, and stayed; but it is they who deserve credit for suggesting and developing ideas—for creating containerports, for joining the trade center to the H&M rail project, and others—that crucially

shaped the Authority's activities, and for carrying out the technical studies and complex programs that were essential to the reality and the reputation of the Port Authority's success. It was almost entirely Austin Tobin's team from 1945 until 1971. But the team made a difference. As it did with David Lilienthal and James Webb and some of the other entrepreneurs who populate this volume.

Indeed, Tobin's influence must be measured in part by his legacy, not only of completed projects with their impact on the region's economy but of skilled staff members who remained beyond his tenure—and who in the 1970s and 1980s had central roles in shaping the Port Authority's further evolution.⁶²

In emphasizing the impact of Tobin and his associates, it would be wrong to neglect the importance of external forces. Exceptional leaders everywhere depend on opportunities provided by external factors, and they find themselves constrained by traditions, economic trends, and technological forces that they can affect only marginally. Thus Tobin's ability to marshal human and financial resources and to take vigorous action was shaped powerfully by other factors: the unusual flexibility given to leaders of any public agency that obtains most of its revenues from user fees rather than from taxes; the particular financial advantage that the Port of New York Authority gave to its leaders, especially as Tobin assumed the executive reins—a revenue flow based on vehicular tolls, which surged in the postwar world; and the tradition of high quality in staff and projects that the Port Authority had gained in its first two decades.⁶³ Even with these advantages, Tobin probably could not have wrested the airports and marine terminals from Newark, Hoboken, and New York if their city governments had not suffered from great weaknesses: a tradition of poor management and patronage at their seaports, and legal limitations on municipal debt which constrained their ability to float bonds for capital improvements. Had these factors been otherwise, the first decade of the Tobin era might have been highlighted only by a bus terminal and two misbegotten truck terminals, achievements to be measured in inches, or at best in feet.

In the final pages of his book on federal executives, Kaufman argued that leaders "should not overestimate" what they can achieve; people may perform better "if they recognize how little they can do" in the face of the complex reality of social and technical forces.⁶⁴ That view seems unappealing, for it would, if it were accepted by the Austin Tobins and David Lilienthals of the world, dampen their creative energies and turn them from active and influential public service to other endeavors, where they might hope to accomplish more. Even if such men and women do not always achieve their goals, we might want to encourage them to try—to be public leaders who, like Schumpeter's private entrepreneurs,

"delight in ventures" and are motivated by the "joy of creating, of getting things done."⁶⁵

That "delight in ventures" is not an attitude that most men and women can sustain for many years; as Schumpeter notes, it is "rare for anyone always to remain an entrepreneur throughout the decades of his active life."⁶⁶ During his forty-five years with the Port Authority, Austin Tobin did maintain that rare condition, the same high level of energy that he had expressed to his college classmates at his commencement address in 1925, when he urged them to join him in the plunge into "the unsheltered battle of the competitive world." It was a battle Tobin and his colleagues carried forward with optimism and enthusiasm from the halcyon days of the 1920s through the harsher years of the 1960s and early 1970s. It was a band that dealt not in obstacles that would block action but in possibilities that with energy and craft might be brought into being.

Notes

This chapter is drawn from a study of leadership strategies, innovation, and accountability at the Port of New York Authority during the years 1932-72, with financial support from the Lavanburg, Sloan, and Daniel and Florence Guggenheim foundations. Interviews referred to in this chapter were conducted by the author during the years 1980-86.

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1. Austin J. Tobin, address to the New Jersey freeholders, June 1960; statement at joint public hearing of the New York State Assembly Committee and the New Jersey Legislative Commission, 5 March 1971, 36.

2. Austin J. Tobin, "Management Structure and Operating Policies in Public Authorities—The Port of New York Authority," Occasional Paper, September 1963, 3.

3. To use an analogy suggested by one close observer of Port Authority activities

at the state capitals, the Port Authority chef appears before an assembled throng of hungry legislators, one of whom calls out, "What is on the menu today?"

"Excellent bluefish, sir!" responds chef Tobin.

"OK, but I think I'd like beef today," the legislator replies.

"Ah, but the bluefish is excellent, and it's free. And there isn't anything else on the menu today," the chef explains.

"We'll take bluefish!" the legislators cry in unison.

4. The headlines in the text are from, respectively, the *New York Times* 15 December 1971 (editorial); *Airport News*, 28 January 1972; and the *Newark Star-Ledger*, 19 December 1971. The quotation is from the editorial in the 15 December *New York Times*.

5. John Fletcher, "The Dream of the Quiet Giant," *Airport News*, 28 January 1972; *New York Daily News*, 14 December 1971 (editorial).

6. Interview 44, December 1983. *Charisma* is meant here in the way it is used by Max Weber and Peter Blau. As Blau notes, "Devotion to the leader and the conviction that his pronouncements embody the spirit and ideals of the movement are the source of the group's willing obedience to his commands" (*On the Nature of Organizations* [New York: Wiley, 1974], 43).

7. Robert Caro, *The Power Broker: Robert Moses and the Fall of New York* (New York: Random House, 1974).

8. See Herbert Kaufman, *The Administrative Behavior of Federal Bureau Chiefs* (Washington, D.C.: Brookings Institution, 1981), 135, 196-97.

9. The political and legal conflicts during these years are described in Erwin W. Bard, *The Port of New York Authority* (New York: Columbia University Press, 1942), chap. 1.

10. Information in this section comes mainly from interviews in 1983-86 with Austin Tobin's high-school and college friends and with family members.

11. See, for example, Tobin's essay "Lost—Between Camelot and New York," published in the college literary magazine, *Holy Cross Purple*, December 1922.

12. *Holy Cross* yearbook, 1925, 228.

13. In addition to devising the interstate compact strategy that led to the creation of the Port of New York Authority, Cohen had done pathbreaking work on the arbitration of commercial disputes.

14. Hart Crane's life is sketched in Waldo Frank's Introduction to *The Collected Poems of Hart Crane*, ed. W. Frank (New York: Liveright, 1933), vii-xxix. The first quotation in the text is from Frank's essay, p. x; the second is from the opening section of Crane's *The Bridge*.

15. These themes are seen in Tobin's salutatory address at the Holy Cross commencement in 1925 and in his several essays and poems in the college literary magazine during the years 1922-25.

16. Bard, *Port of New York Authority*, 266.

17. *Bush Terminal Co. v. City of New York and Port of New York Authority*, 152 N.Y. Misc. 144 (1934). The discussion of Tobin's attitudes and actions in the 1930s is based on interviews with those who worked closely with him in the law department during these years.

18. *Helvering v. Gerhardt*, 304 U.S. 405 (1938); *Graves v. N.Y. ex rel. O'Keefe*, 306 U.S. 466 (1939).

19. "President Seeks Tax Immunity End . . .," *New York Times*, 18 January 1939.

20. Because of budgetary restrictions set by legislative committees and central budget offices, it was difficult for state agencies and local officials to shift funds and

personnel in the middle of a budgetary year. The Port Authority could reallocate funds and shift duties readily, as long as the general manager and the board of commissioners approved.

21. Interviews 62 and 201. Compare the "special inspiration" with which Woodrow Wilson could infuse his personal relationships (John Milton Cooper, Jr., *The Warrior and the Priest: Woodrow Wilson and Theodore Roosevelt* [Cambridge: Harvard University Press, 1983], 94).

22. As Erwin Bard concluded in his definitive study of the Authority's first two decades, "Its policy has become totally receptive rather than aggressive." The agency sat passively, Bard concluded, "on dead center" (Bard, *Port of New York Authority*, 320, 327).

23. "Howard liked new things," an associate recalls, "and he loved to bring new things into being." See also the extended review of his activities in the obituary headed "Howard S. Cullman, 90, of Port Authority, Dies," *New York Times*, 30 June 1972.

24. The quotation and other information in this paragraph are taken from the confidential Tobin-Hedden report on the "port planning program," dated June 1943. I am indebted to Edward S. Olcott, who held Hedden's post in recent years, for locating the document.

25. In Tobin's "Weekly Reports," modeled after his reports in the 1930s on the tax-exempt-bond fight, he pointed out, for example, that the Port of London Authority was planning to develop a large airport; that members of his own staff were meeting with Newark officials to discuss important marine and airport needs in that city; and that the federal government was considering financial aid for airport planning and developments. The "Weekly Reports" provided a steady drumfire of news to the commissioners about postwar needs and opportunities.

26. These included the George Washington Bridge and the Lincoln and Holland tunnels between New Jersey and Manhattan, plus three bridges between New Jersey and Staten Island (Bayonne, Goethals, and Outerbridge).

27. "She always had the facts," recalled one of the region's best veteran reporters, "and if you needed more, she would get them and call you right back. . . . She was head and shoulders above anyone else in the public relations field."

28. Tobin had received a forceful reminder of Newark's concerns only a few months earlier, when the possibility of Port Authority operation of its airport and seaport had been suggested publicly by Vice Chairman Byrne. Newark commissioner John A. Brady had attacked the proposal as "municipal suicide," which would cause Newark's destiny as a great air and marine terminal center to "vanish into the stratosphere." He had also criticized the Authority's "powerful, arrogant administrative staff" for its tendency to treat Newark as a "service station for Manhattan" (see "Brady Attacks Port Proposal," *Newark News*, 30 April 1945).

29. The discussion below draws upon Herbert Kaufman's detailed case study "Gotham in the Air Age" (in *Public Administration and Policy Development*, ed. Harold Stein [New York: Harcourt, Brace, 1952], 143-97) and Port Authority documents. Caro's massive study of Moses includes only a few lines on this important Moses venture and defeat (see Caro, *The Power Broker*, 763, 766-67).

30. See, for example, "Regional Air Plan to Solve New York-Newark Issue?" *Christian Science Monitor*, 3 January 1946; "Area Airport Authorities Seen Needed in U.S.," *New York Herald Tribune*, 13 January 1946; and "City Airports and State Lines," *ibid.*, 13 May 1946.

31. See "Airlines Fear Moses Authority," *New York Post*, 6 February 1946; and "Air Lanes," *Newark News*, 18 March 1946.

32. See, for example, "25,000 in Port Jobs Predicted," *Newark News*, 27 July 1946; and "Newark Airport Projected to Rival Idlewild," *New York Herald Tribune*, 25 July 1946. Tobin announced at the same time an \$11 million plan for Port Newark (See Port of New York Authority, *Development of Newark Airport and Seaport* [New York, July 1946]).

33. See "Airport Proposal Derided by Moses," *New York Times*, 25 July 1946; "O'Dwyer Invites Port Authority to Run City Airports," *New York Herald Tribune*, 3 August 1946; and Kaufman, "Gotham in the Air Age," 171ff.

34. Leslie Gould, "Port Authority Offers Better Airport Deal," *New York Journal American*, 14 February 1947.

35. See, for example, Allan Keller, "City Air Leadership Periled," *New York World-Telegram*, 20 March 1947.

36. The comment is from a speech by Cullman, Port Authority chairman, quoted in "Time for Decision," an editorial in the *Newark News*, 19 May 1947. See also editorials in the *Newark News* on 23 January and 28 March 1947.

37. For a description of Driscoll's role, and Tobin's observations, see Tobin's "Weekly Report," 18 and 25 October 1947.

38. "Weekly Report," 18 April 1947.

39. So Tobin seems to fit Schumpeter's suggested personality profile for the entrepreneur, whose actions are shaped by "the impulse to fight . . . the will to conquer" and by the "joy of creating, of getting things done" and "the dream and the will to found a private kingdom" (Joseph Schumpeter, *The Theory of Economic Development* [Cambridge: Harvard University Press, 1934], 93-94).

40. These are discussed at greater length in Jameson W. Doig, "The Quiet Entrepreneur" (draft manuscript), 1986.

41. The quotations are from the Port Authority's 1955 *Annual Report* (New York, 1956), 2, 8.

42. Reflecting on Moses's antagonism to the Port Authority's projects, one civic leader commented in 1950, "He hates the Port Authority, because it does, and does well, all the things he would like to do himself—builds bridges, tunnels, bus terminals [and airports]" (confidential interview #7).

43. The development of responsibility centers at the Port Authority (and more generally) and the relationship of these centers to staff departments are discussed in Harvey Sherman, *It All Depends: A Pragmatic Approach to Organization* (University: University of Alabama Press, 1966), 31-34, 66-74, 114-15; and John R. Wiley, *Airport Administration* (Westport, Conn.: Eno Foundation, 1981), 105-9. Both men served for many years as top staff aides to Tobin.

44. See Caro, *The Power Broker*, chaps. 33ff.

45. This section is intended to illustrate our argument in chapter 1 regarding the "density of administrative competence" (James March's term) and its relationship to executive leadership.

46. The quotations from Wagner and Meyner are taken from their speeches at the arrival-building dedication, 5 December 1957, as reprinted in the Port Authority's 1957 *Annual Report* (1958), 4-5.

47. Quoted in part in *ibid.*, 52.

48. See Jameson W. Doig "In Treacherous Waters" (draft manuscript), 1986. A summary of events, with less attention to issues of leadership, is in Michael N. Danielson and Jameson W. Doig, *New York: The Politics of Urban Regional Development* (Berkeley and Los Angeles: University of California Press, 1982), 123-33, 222-26, 244-47, 316ff.

49. This was the fate, for instance, of local residents who objected to expansion