


Monday, August 8, 2011

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## Remembering Hugh Carey, the Man Who Saved New York's Transit System

by Noah Kazis on August 8, 2011

Hugh Carey, governor of New York from 1975 to 1982, [died yesterday](#) at the age of 92. Even in an office held by the likes of Al Smith, Franklin Roosevelt, Nelson Rockefeller and Mario Cuomo, Carey was a giant; Mayor Ed Koch, who served at the same time as Carey, [called him](#) the greatest governor of the modern era.

The 56th and current governor of New York, Andrew Cuomo, holds Carey in particularly high regard. Seeing Carey's stewardship of the state through the fiscal crisis of the 1970s as a model, Cuomo [sent copies](#) of the recently-published biography of Carey, *The Man Who Saved New York*, to labor leaders across the state last December.

As New York honors the former governor today, the state would do well to look back on a piece of Carey's legacy that he considered one of his proudest: his successful partnership with Richard Ravitch, whom he appointed to run the MTA, to save New York City's transit system.

In January of 1982, just after announcing that he would not seek reelection, Carey [told the New York Times](#) that the voters would have judged his accomplishments worthy of a third term had he wanted one. As evidence, Carey pointed to his transit policies.

"Who would believe," Carey said, "that a state that couldn't get to market, a city that couldn't get to market, where we couldn't even get \$750 million to keep the city afloat and alive in 1975, in one night's work, in one program alone, could launch the program for the capital improvement of the subways of \$8 billion in 1981. You don't get there by accident."

Indeed, the city's safe, clean and widely-used transit system was the result of a purposeful, hard-fought effort by Carey and his administration to re-invest in the subways, buses and trains after decades of neglect.

In 1979, after the worst of New York City's fiscal crisis had passed but while the city and state still endured a period of harsh austerity, Carey [proposed a state bond issue](#) that provided nearly \$800 million for transit. "Investments in public transportation were never better advised," said Carey at the time. Unlike the bonds being proposed for the MTA today, these were not backed by transit riders' fares but by state tax revenue.

In March of 1981, Carey [put forward another plan](#) to fund mass transit. In addition to fare-backed bonds, he called for a minimum annual appropriation from the state and exemptions from various state regulations for the transit authority. A panel he put together and supported [called for increasing](#) the sales tax in the MTA service area and using a statewide tax on oil companies to further fund transit. When the state legislature, acting without the governor, passed a variant on his panel's plan that Carey deemed would not sufficiently fund the MTA, he [vetoed it](#). The legislature "failed to resolve the critical financial problems of mass transit," Carey wrote at the time.

Carey voiced support for transit not only in the halls of Albany but in the press as well. "We all agree that our metropolitan transit system is in crisis," Carey [wrote to the New York Times](#) in June, 1981. "The problems are visible in service deterioration, increasing costs, rising fear of crime by the ridership and intolerable delays. Even with these difficult problems, the M.T.A. is both a necessary and a valuable system that perhaps has been taken for granted too long."

By 1982, the MTA was in [trouble again](#). The package of state taxes that had been put together the previous year was coming up short while the Reagan administration slashed federal support for transit.

Carey put forward a plan to rework the tax package to bridge the gap. The legislature rejected it. But by the end of the year, a Carey-supported bill that installed a new tax on corporate profits downstate [was passed](#).

Over a two-year period Carey and the legislature had put together a set of dedicated funding streams that by 2006 were providing [nearly \\$1.7 billion](#) a year for downstate transit. These are [the same funds](#) from which Albany has [stolen \\$260 million](#) over the last two years.

Seymour Lachman and Robert Polner, the authors of *The Man Who Saved New York*, also deemed Carey's support for transit one of the great successes of his administration. "It became a huge economic development program," they wrote, "since the subways are crucial to the city's economic vitality."

Carey's support for transit, however, wasn't continued by his successors in office. When Carey left office, the state contributed \$1.5 billion to the MTA's five-year capital plan. [Mario Cuomo cut that all the way to zero by 1992](#). George Pataki used the dedicated taxes set up by Carey, meant to be new revenues, to pay for a prior state commitment to match local contributions to the MTA. Because of Pataki's fiscal sleight of hand, between \$161 and \$186 million that Carey's legislation had set aside for transit disappeared each year.

Hugh Carey proved that even during an age of budget cuts, New York State cannot afford to stop investing in its transit system. Thirty years later, the man who sits at his desk and mails out copies of his biography [has yet to show](#) he'll apply the lessons that Carey imparted.



Governor Hugh Carey speaking at a 1975 press conference. To his left are Ed Koch and Richard Ravitch, who would later rebuild the transit system as head of the MTA. Photo: New York State Archives [via Wagner College](#).



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