BOOSTING THE METROPOLIS:
THE TOURISM INDUSTRY & THE RENEWAL OF POST-9/11 NEW YORK CITY

by

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ABSTRACT OF THE DISSERTATION

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Focusing on post-9/11 New York City as a case study, the central hypothesis of this dissertation is that cities affected by a terrorist action utilize, at least temporarily, the actors of their respective tourism-related industries to reaffirm the emotional affiliation that their residents and business leaders have with their affected city, and to instill a sense of confidence that re-investing in the city is a wise economic and personal choice.

Building upon the growth machine thesis of Logan and Molotch (1987), and expanding upon the research of Greenberg (2008a) and Gladstone and Fainstein (2001), this dissertation confirms that at least in the case of post 9/11 New York, the tourism-led growth coalition was employed to boost the morale and sense of connectedness to New York for those already residing and conducting business in the city. During the height of the tourism-led growth coalition’s influence, the city’s real estate industry focused its energies on securing public funding for physical redevelopment and residential & office tenancy incentive programs that were less in the public eye than were the tourism-led growth coalition’s efforts. The city’s bid to secure the 2012 Olympic Games and its
efforts to extend the Midtown Central Business District to include the West Side rail yards area placed New York’s real estate interests back in the forefront of public discourse about growth.

While its hegemony in leading city growth may have been fleeting, the tourism-led coalition acted swiftly and purposefully to serve as a salve against a pervasive sense of fear and instability caused by the rapid succession of terrorist attacks on New York, first on the World Trade Center and then by Anthrax-tainted letters. Through its actions, the tourism-led growth coalition helped stem the potential tide of businesses and residents leaving New York for more safe and secure locales.
Acknowledgement and Dedication

For Marian and my parents.

This dissertation would have never come to fruition if it weren’t for the sharp insight, patience and consistent and bountiful support offered by my Committee Chairperson, Professor David Listokin. My committee members, Professors Susan S. Fainstein, Briavel Holcomb and Julia Sass Rubin each provided invaluable advice that framed the analyses presented herein. Finally, I would like to acknowledge and thank the many individuals whose interviews inspired and informed the research presented in the pages that follow, but more importantly, whose actions boosted our beloved metropolis.
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CHAPTER 1

INTRODUCTION: THE TOURISM INDUSTRY IS CHOSEN TO BOOST THE BATTERED CITY

INTRODUCTION

Former NYC & Company President & CEO Cristyne L. Nicholas, remarking on a press conference with former New York City Mayor Rudolph Giuliani in the days immediately after the terrorist attacks of September 11, 2001, stated:

“The Mayor had all of his press briefings at the [West Side] piers [which served as the post-9/11 command and control center for New York City]. The first time that he had a press briefing outside of the piers…we spoke of doing this announcement [regarding] the … three trade shows that were going to be coming to New York to help support [the city]. It was the American Society of Association Executives, their board meeting. It was the Magazine Publishers Association. It was the American Society of Travel Agents. Those were three meetings that were supposed to take place, very big meetings, in other cities, and they decided to regroup and reschedule their meetings to be in New York City as a show of support. So we did not want [the good news] to get lost in the daily briefing of the death counts and the tonnage of removal and power outages; just the things that became routine for the reporters [covering the disaster]. So the first time the mayor ever held a press conference outside of [the command and control center] was here at NYC & Company’s [offices]. I thought that sent a very strong message on which industry he viewed as being the best one to bring New York City out of this, to rebuild New York City [emphasis added]. He could have done a press conference any other place on any other topic. [Since this was] a business-related press conference, he could have gone to Wall Street. But he decided to do this here in our humble offices. I thought that meant a great deal not only to get the message out, because the reporters covered it. It was newsworthy [for] just the fact that he was outside of the command [and] control center, but it also told the travel and tourism industry that [it] is important, and I am going to honor you by coming here” (Nicholas 2004).

NYC & Company is New York City’s Convention & Visitors Bureau. It is a not-for-profit corporation, and is the official marketing and tourism organization for the City of New York, dedicated to maximizing the travel and tourism industry. The organization is funded through dues levied on its members, which include all sectors of New York’s hospitality, cultural and entertainment industries, corporate sponsorships and by direct contributions from City Hall. Chapter 2 includes a discussion regarding the history and influence of NYC & Company.
Cities are increasingly dependent on tourism, both directly in terms of economic contribution, and indirectly through its synergistic relation with other industries (from the arts to real estate), for tourism-related amenities make cities more attractive to other businesses and their employees. Tourism is, however, highly vulnerable to terrorism, which makes tourist attractions and facilities especially compelling targets. There is now substantial experience with the aftermath of terrorism. Focusing on New York City as a case study, the central hypothesis of this dissertation is that municipalities directly or indirectly affected by a terrorist action empower the actors of their tourism industry in order to sustain the business climate of their respective city.

This dissertation will demonstrate that as a result of the 9/11 disaster, the hegemony of New York’s real estate-led growth coalition was at least temporarily superseded by the leaders of tourism-related industries, for the latter were best able to boost the flagging economy and psyche of those contributing to New York’s export industries. As late as spring 2001, even after the importance of tourism was well recognized as a vital economic sector, the tourism and hotel industry “did not carry much clout in City Hall” (Gladstone & Fainstein 2001, 37). Now, tourism-related marketing tools are the flagship means by which the post 9/11 City government promotes investment in New York. Speaking to this strategy, Mayor Michael Bloomberg in his 2003 State of the City address announced that he was creating a new post in city government: the Chief Marketing Officer. Noted Bloomberg, “We’re going to imaginatively, aggressively and relentlessly market our cultural attractions and all our competitive advantages” (Office of the Mayor 2003).
RESEARCH QUESTIONS

Building from the literature regarding a) the control and promotion of growth within cities; b) tourism in the urban economy; and c) the documentation of the effects of 9/11 on New York City, this dissertation adds to our understanding of the following broad research questions:

1) Who leads urban growth after a disaster and why?

2) What are the similarities and differences between the strategies employed by a tourism-led growth coalition and those organized by a traditional property-led growth coalition?

3) Are tourism-related leadership strategies effective in bringing about the resurgence of the post-disaster city, or do these strategies merely mimic otherwise-occurring market forces?

THEORETICAL FOUNDATIONS

In the wake of the terrorist attacks of 9/11, New York’s government and business leaders faced the daunting question of whether the city would be able to retain its leadership as a global capital. These fears were not merely alarmist – the area two blocks west of Wall Street was in ruins, transportation infrastructure was off-line, and the city was dealt the one-two punch of anthrax poisonings. New York City Comptroller William C. Thompson, Jr. reported that between September 2001 and July 2002 (ten months after the attack), over 83,000 jobs within New York City were lost (representing over two percent of total New York city jobs) (New York City Comptroller’s Office 2002, 9-10). No
industry was caught more off-guard than the tourism sector. According to Celyta Jackson, former Vice President of Tourism for NYC & Company, tourism leaders found themselves “operating without a playbook” (Jackson 2004). Nonetheless, in the months that followed, a coalition of city boosters, led in large part by the board and staff of NYC & Company, created and implemented a comprehensive public relations campaign whose goals were to restore faith in New York’s ability to rebound economically from the disaster, and encourage renewed investment in the city by corporate leaders and residents of the New York City region. This dissertation documents the strategies taken by this tourism/marketing-led growth coalition to rebuild not only the hospitality- and entertainment-related industries, but also the faith of the corporate business community in the value of maintaining, if not expanding, their New York address.

This study examines New York’s tourism industry response to the 9/11 attacks in the context of what was implemented in other cities that have experienced disasters. The events of September 11, 2001, were certainly not the first instance whereby the tourism industry found itself in disarray due to a disaster that threatened the safety of visitors. In the period 1985-86, for example TWA flight 847 was hijacked, the cruise ship Achille Lauro was seized, violence erupted in the airports of Rome and Vienna, Basque separatist groups bombed tourist hotels in Spain, and a nightclub frequented by tourists in West Germany was bombed (Conant, et.al. 1988, 16; Enders & Walter 1992, 531). In 1992, Los Angeles tourism was profoundly impacted by the South Central riots (Economic Research Associates 1995). Natural disasters that created long-term fear among visitor populations include the 1999 earthquake in central Taiwan (Huang & Min 2002, 145) and

Tragically, cities such as Madrid (Catto 2004) and London (Timmons 2005) have been subsequent targets of terrorists, and cities such as Hong Kong (World Health Organization 2003) and Toronto (Hamilton 2004) have been victims of the natural disaster created by the SARS epidemic.

**The Ascendancy of the Tourism Growth Coalition in Rebuilding New York**

Logan and Molotch (1987) define growth coalitions as those who are in the “business of manipulating place for its exchange values” (54). Growth coalitions are thus comprised of entities whose goal is to expand the growth of capital in their city in an organized, collective fashion. Growth coalitions thereby catalyze the economic structure of the city and manipulate the strategies of government to realize those capital formation goals. Logan and Molotch argue that the provocateurs of these coalitions are local business people, “particularly business people in property investing, development, and real estate finance” (62). Gladstone and Fainstein (2001) note that elected officials in New York have long relied on real estate development as the engine of growth (35). Politicians focus their activities on creating property-led growth opportunities for they depend on these interests for campaign contributions (Logan and Molotch, 67). The major empirical evidence that growth machine theorists offer for the disproportionate influence of the real estate industry on the growth trajectories of government is that of contributions to political campaigns (Fainstein 2001, 58; Logan and Molotch 1987, 67; Strom 2008, 46-47).
Real estate development fosters growth by creating the physical environments within which the basic industries that provide jobs can operate. In a Fordist manufacturing economy, real estate interests are key for providing land for freight transportation and distribution infrastructure, and for creating worker housing. In a post-Fordist service-based urban economy, real estate interests create the dense, centralized office space necessary for communication between businesses (Sassen 1996).

After a major disaster, whether man-made or natural, businesses reassess whether they should relocate their operations to a less risky city. Noted Internet business owner Chan Suh,

“People are more reluctant to make decisions, launch something, get something started. We know New York is a focal point [for terrorist attacks]. That’s not just hubris: we know New York is a symbol” (Eaton 2003).

The Federal Terrorist Risk Insurance Act of 2002 was a response to mitigate the risk associated with doing business and building in the post-9/11 city, and was deemed as “critical to economic growth [and] urban development” (Schwabish and Chang 2005). Unlike owners of buildings which cannot be moved to a less dangerous location, corporate heads of international enterprises do not have much of their capital embedded in a particular location\(^2\) – indeed this lack of capital “rootedness” on the part of service businesses is a cause attributed to their lack of participation in urban growth coalitions (Fainstein 2001, 57). Disasters create a crisis for real estate-led growth coalitions for they directly threaten the income stream generated by office and retail leases. Other than utilities and local media, there is really only one other for-profit industry whose fortune is

\(^2\) Indeed, New York City hosts the headquarters of 24 Fortune Global 500 companies, ranking 3rd
directly dependent on the assets of a particular city: the tourism industry. The tourism industry is defined as including the following sectors: hotels, air transport, transport services, eating & drinking places, motion pictures, retail, amusement & recreation and entertainment (DRI*WEFA, 2002, 1; Gladstone, 1998).

Though it would not be true that the real estate-led growth coalitions in New York were disassembled in the wake of 9/11, this study will add to the growth coalition literature by describing how a tourism industry-led coalition had clearly emerged in New York as a direct result of the catastrophe of 9/11. Like the real estate industry, the tourism-related industries utilize urban image building mechanisms such as marketing, promotion and stewardship of the streetscape to create the tableau upon which post-Fordist service businesses base their locational investment decisions (Holcomb 1994). Fainstein (2001) notes that promotion of Times Square as a tourist-based entertainment district “ended up making the area safe for the kinds of financial and service firms that … planners had sought” (136). The largest of these Times Square-based firms, Bertelsmann AG, Viacom, ABC, MTV, Reuters, Conde Nast (all media/news companies), and Skadden, Arps Slate Meagher & Flom and Morgan Stanley/Dean Witter (both major professional service companies), are the very business-types in which the New York City economy is based. The I Love New York marketing campaign launched over twenty-five years ago represents one of many municipal promotion efforts targeted to attracting tourists – a campaign whose related goal was to encourage investment within the post-industrial city by portraying it in a positive, upbeat light (Ward 1998a, 191-192).
While the real estate industry may have the financial and political resources available to wage such a promotional campaign, it does not inherently have emotional, empathetic capital at its disposal. The tourism industry, through its *raison d’etre* of “selling the city to potential consumers” (Holcomb 1999, 54), has the ability to leverage both public and private resources to encourage investment in the city after a disaster through a coordinated image campaign. For example, New York City Mayor Michael Bloomberg, describing a tourism-oriented television promotional effort produced by the National Football League, noted:

“It was our intention to show the world that New York City remains the 'Greatest City on Earth' and thanks to the National Football League and their Commissioner Paul Tagliabue we did just that. Now with this wonderful new advertising campaign, we will continue to showcase New York City as one of the premier tourist and business destinations in the world” (Office of the Mayor 2002a).

Governor George Pataki defined the post-9/11 state tourism campaign as sending “a message to America and the world that New York is open for business” (Office of the Governor 2001a). Real estate-led growth coalitions traditionally encourage urban renewal policies targeted to speculative development (Fainstein 1994, 3), and continued to do so in their major efforts to secure tax breaks for residential and commercial tenants choosing to sign leases in lower Manhattan buildings after 9/11 (Slattery 2007). These speculative efforts resurfaced, albeit without success, in the support of the development of a new stadium for the New York Jets as part of the city’s bid to lure the Olympics (Bagli 2004a). The tourism industry-led growth coalitions that emerged immediately after 9/11 encouraged development that engaged the leadership of affected cities’ basic industries, including producer services, entertainment and media. As with the case of real
estate-led coalitions, elected officials (especially mayors) take a very active role as boosters of tourism-led development.

This dissertation portrays the tourism- and real estate-led coalitions as distinct, self-identifying entities. As industries, however, there is much overlap. From real estate investment trusts financing hotel developments (Watkins 2011), to retail establishments and restaurants paying rent to commercial property owners, real estate interests are involved in the creation and operation of tourism-related enterprises. No better example of the integration of the real estate and tourism industries can be found than that of the E-Walk project in Times Square, consisting of a Westin-managed hotel, restaurants, movie theaters and a Yankee Clubhouse retail store. Tishman Realty developed the project, Tishman Construction Corporation of New York was the construction manager, and the Tishman Hotel Corporation owns the building (Wolff 1998). Government is deeply entwined in the real estate and hospitality industry nexus, with many projects (including the Times Square E-Walk center) directly assisted through public/private financing strategies (Tress 2003, 27; Fainstein & Stokes 1998, 151).

Regime theorists such as Clarence Stone (1993) would argue that the real estate and tourism industries, as well as elected officials, are all members of New York’s broader governing coalition, with each sharing a common pro-growth policy agenda. To control a complex city, government must incorporate its capacities with those of private sector actors, and private sector entities need to cooperate with one another and “mobilize” their

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3 The retail/restaurant/entertainment project was completed in 2000, and the hotel was completed in 2002 (Tishman Construction 2011).
individual resources (7). The “power to govern” rests in the ability to coordinate these actors to accomplish a “shared set of purposes” (8). Each member of the governing coalition has capacities and resources that they bring to the table (2). Following this theoretical framework, the resources brought to the post-9/11 New York governing coalition by the tourism industry were emotionally evocative and promotional in nature, while the resources brought by the real estate industry were the abilities to procure federal financial resources for rebuilding and re-populating downtown. Since, as Stone stated, policy “preferences are influenced by practicability: achievable goals are attractive and difficult-to-achieve goals are unattractive,” (25), the governing regime called upon the resources of the tourism industry to accomplish the short-term, relatively low-cost image rebuilding of the city, while the real estate industry focused on the longer-term bricks-and-mortar rebuilding efforts.

Looking at the redevelopment of post-9/11 New York through a regime theory lens, one would conclude that while those individuals sitting at the head of the growth coalition table may have shifted from being from the real estate industry to being from the tourism industry (and ultimately back again to being from the real estate industry), each of these industries were always seated at the table. However, the efforts of the tourism-led coalition in the months after the attacks were not aimed at advancing the physical development of tourism amenities as the strategy for improving the city’s economy…hotel developers were not called into City Hall to build more rooms; real estate leaders were not brought together with restaurateurs and Broadway producers to build new entertainment complexes in Times Square or South Street Seaport. Rather the
tourism coalition harnessed the resources and emotional capital of New Yorkers themselves so they would eat more restaurant meals, shop at their favorite boutiques, visit a museum, see a Broadway show or participate in a neighborhood festival as a means to sustain the city.

While hotel management executives like Jonathan Tisch of the Loews Corporation served as a leader of the post-9/11 tourism coalition, the coalition included and depended upon neighborhood chefs, fashion boutique owners, hotel concierge and Broadway theatrical talent for the execution of the tourism-led growth strategies. Given the wide and diverse business interests directly involved in implementing these strategies, and the broad collection of individuals and business categories that represented the “public face” of the tourism-led response, this dissertation will present these entities as a distinct coalition despite their clear overlap with those involved in the real estate development, leasing and management industries.
A BRIEF OVERVIEW OF IMAGE REBUILDING EFFORTS IN POST-9/11 NEW YORK CITY

This dissertation documents and analyzes New York City’s post-9/11 tourism programming, providing information that should be useful for practitioners engaged in the tourism industry. Efforts of the tourism-led growth coalition in the days immediately after the attack were aimed at:

1. assisting visitors from the rest of the nation and abroad who were stranded in New York;
2. aiding rescue and recovery personnel working at Ground Zero;
3. providing hospitality to family members of those missing at Ground Zero;
4. coordinating relief efforts;
5. securing space in New York City hotels for displaced downtown office workers;
6. aiding Mayor Giuliani in providing the “voice” of the City of New York to the media; and,
7. projecting the message to the public that New York was open for business by assuring the re-opening of Broadway theaters (Lorber 2004).

On September 12, 2001, at a private meeting organized by the Mayor’s office for senior city staff members and the most influential businesses leaders the New York, NYC & Company’s Cristyne Nicholas (2004) noted:

“one of the first things [Mayor Giuliani] asked was when [the curtains on] Broadway [were] going to go back up? ….So it was just through that meeting that we figured it all out when Broadway would [be] back, which would be the next night, even as difficult as it would be. Two nights [after 9/11], on the thirteenth.”

The tourism coalition provided the means that enabled Mayor Giuliani to present New York as resilient, and that aided New Yorkers in feeling steadfast about the future of their city. National advertising campaigns were commissioned by the City specifically to “help lift the spirits of New York residents” (BBDO 2003). Moreover, within this brief period of time, the Mayor, with the help of the tourism-led coalition, sewed the seeds of patriotic consumerism and squelched the notion that use of the industries represented by the tourism growth coalition was taboo during the period of mourning and pain that New Yorkers felt in the days, weeks and months following 9/11.
By October 2, 2001, less than three weeks after the tragedy, New York Governor George Pataki announced that $40 million would be dedicated to creating a New York tourism marketing campaign. By mid-October, new television ads with the well-known “I Love New York” theme aired throughout the New York region and the nation, culminating with ad narrators Mayor Giuliani and Governor Pataki stating “come see New York united in its finest hour, and you’ll say it too: ‘I love New York’” (Shalit 2001). NYC & Company then produced the award winning “New York Miracle” ads featuring Woody Allen, Yogi Berra, Henry Kissinger, Barbara Walters and others (Vagnoni 2001).

The traditional, real estate-led growth coalition certainly did not disappear during this period. “Within a week of the terrorists’ attacks, the Real Estate Board [of New York] and its allies in national real estate organizations were lobbying Congress for some form of federal terrorism insurance” (Real Estate Board of New York 2002). The coalition encouraged the rapid development of a plan for Lower Manhattan and enhanced security (New York City Partnership and Chamber of Commerce 2002b, 15-17), lobbying Congress for federal funding targeting improvements necessary for making downtown sustainable, including Liberty Bonds that paved the way for residential and commercial development downtown (Goldberg 2005, 116), and for transportation enhancements (Moss, 2005, 98-99). However, even under the best circumstances, tangible economic results of these development efforts would not be felt for a few years as real estate projects inherently take time.
Moreover, the discussions for the redevelopment of Ground Zero, whether in a) the private board rooms of the Port Authority of New York and New Jersey and the Lower Manhattan Development Corporation; or b) in the public forums attended by 5,000 New Yorkers as part of the “Listening to the City” proceedings organized by the Civic Alliance to Rebuild Downtown (Civic Alliance to Rebuild Downtown 2002); or c) in the meetings of 400 design, planning and community development professionals as part of the New York New Visions coalition (New York New Visions 2002), could not mitigate against a city suffering from emotional trauma, uncertain of its future as newspapers such as The New York Times printed stories imagining what would be the horrific results if a dirty bomb exploded in Times Square (Keller 2002) and printed frightening but true stories about anthrax invading the US Mail (Lipton 2001a).

This dissertation demonstrates that the tourism-led growth coalition was the vehicle called upon by both government and by the real estate community to, as Valerie Lewis of the Alliance for Downtown New York describes, “infuse the place with life” (Lewis 2007) and, as defined by the New York City Partnership, to “communicate that Manhattan is open for business” (New York City Partnership and Chamber of Commerce 2002b, 19). The arts, retail, restaurant, museum and hotel industries were the economic sectors best able to harness on short order the heartstrings, loyalties and pocketbooks of ordinary New Yorkers, business owners and potential visitors from throughout America and beyond. These initiatives, which will be detailed in later chapters, were put into

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4 While the official redevelopment process for the former World Trade Center site began in November 2001, it was not until February 2003 that the master plan for site was unveiled (Sagalyn 2005, 24).
place with great speed, and were aided by leading figures in the advertising business and by the growing personality cult of the spokesperson-in-chief of the city, Mayor Giuliani.

The coda of this story, however, is that the tourism-led coalition’s role as leader of the city’s growth coalition proved only temporary. Private sector and municipal interest in building a stadium to serve as a) the main facility for the New York City bid for the 2012 Olympics; b) home for the New York Jets football team; and c) catalyst for the redevelopment of the West Side Rail Yards in Manhattan became a highly-publicized and politically-charged flashpoint, creating rifts among tourism-coalition members and between elected officials concerned about how this new development would affect the viability of the Theater District, Madison Square Garden, and ultimately, of Lower Manhattan as the prime location for urban redevelopment. Nonetheless, however short-lived, the tourism-led coalition’s role in boosting the confidence of New York’s business leaders and residents cannot be overestimated considering the fact that less than three years after the 9/11 and Anthrax attacks, real estate development and “turf-ownership” squabbles were appearing in newspaper headlines instead of an alternative but certainly possible reality of headlines bemoaning widespread disinvestment from New York City in favor of less terrorism-prone locales.
REVIEW OF SUBSEQUENT CHAPTERS

Chapter 2 sets the scene for this dissertation by providing information about NYC & Company’s history, leadership and its relationship to City Hall. It will also include a discussion about the pre- and post-9/11 New York City economy in the context of New York’s identity as both a “global city” and a center of creative capital.

Chapter 3 places this dissertation in the context of existing literature, and demonstrates the means by which the research will build upon previous findings. The five sectors of literature are:

1) studies of who leads and controls growth and development within the city;
2) analyses of the role that the tourism industry plays within the urban economy;
3) works focusing on marketing the city to potential visitors and prospective businesses;
4) examinations of the effects 9/11 had on the New York City economy; and
5) works documenting how the tourism industry, both in New York and throughout the world, responded to the 9/11 attacks.

The research questions, research tools, and methodology guiding this dissertation are discussed in Chapter 4. Since the research approach for this dissertation employs mixed methods, including a case study and quantitative and media content analyses, best practices for each of these each of these research strategies will be reviewed and potential biases that may affect those conducting these means of research will be addressed. This discussion documents in depth how the present study fits within methodological framework developed by Stake (1995) and Yin (1989). Yin would describe this
dissertation as an “embedded” case study for it examines a variety of individual events that took place during the period when the tourism-related industries were the champions of growth, as well as events for which the tourism industry fell back to playing a supportive rather than lead role. Stake would characterize this dissertation as an “instrumental” case study for it was developed as a means to contribute to existing theories of urban growth, rather than just to document the actions of New York’s tourism industry as it responded to 9/11.

Chapter 5 will build upon the literature examined in Chapter 3 by presenting a case study of New York within the time period of September 12, 2001 to September 11, 2002, focusing, as discussed above, on how the tourism-related industries in New York were the chosen vehicle to rebound the city’s economy and image. The chapter concludes by documenting how the real estate-related industries retook the reins of growth as New York City linked the efforts to secure the 2012 Olympics with the redevelopment of the West Side rail yards in Manhattan.

In the context of updating the New York City-related employment data analyzed by Gladstone and Fainstein (2001), Chapter 6 provides a quantitative analysis of how jobs in the tourism industry were impacted by 9/11 compared to other sectors of the local economy. Data shall reveal that while a significant number of jobs were lost in the tourism industry as a result of 9/11 and the subsequent national and local economic retraction, the number of New York City jobs lost in other private sector industries during the months succeeding 9/11 was considerably greater than in New York’s tourism
industry. The chapter concludes with a media content analysis that provides explanation as to why the tourism-related industries became the public face of the unemployment crisis caused by the September 11 attacks.

Chapter 7 focuses on local and national policy implications, study limitations and potential future work on this subject. Although there has been a tremendous recovery in the tourism industry in New York, and the economy of the city rebounded more than could have been imagined on September 12, 2001, tourism officials must still be fully prepared to respond to incidents that threaten visitorship. The documentation of what was done with and without success in New York after 9/11 is critically important for a tourism industry that has become increasingly professionalized (Holcomb 1999, 54).

The examination of how the tourism-related industries were catalyzed as a growth coalition adds to the literature of agency and leadership under stress in municipal governance. It also demonstrates that in certain disaster circumstances and in certain disaster locations, celebrating and marketing the aspects of the city that give it its unique cultural identity provides the necessary impetus for business to stay and expand. Finally, Greenberg’s (2003) study of branding efforts conducted by New York City boosters and “brand managers” posited that the “image” of the city they produced “recast New York as a global site for investment, play and consumption,” but “revealed little about the material reality behind the commodity which they promote (408, 413).” This dissertation builds upon Greenberg’s work, yet at the same time argues that the New York Miracle ad campaign dreams of Woody Allen skating at Rockefeller Center and Yogi Berra
conducting the New York Philharmonic were indeed what New Yorkers wanted to see and feel as they tried to confront the realities of a city so darkened by the horrors of September 11th.
CHAPTER 2
BACKGROUND AND SETTING THE SCENE

INTRODUCTION

This chapter describes New York City’s population and economy, provides an overview of the economic impacts of 9/11, and offers background history about the New York Convention & Visitors Bureau and its efforts to boost both tourism and pride in the city.

NEW YORK HISTORICAL BACKGROUND, POPULATION & EMPLOYMENT

The City of New York was founded by the Dutch as New Amsterdam in 1653, with control transferred to the English in 1664 (Bonomi 1995, 477). New York City is located in the southeastern section of New York State, in the northeast region of the United States. New York City consists of five boroughs: Manhattan (New York County), Brooklyn (Kings County), the Bronx (Bronx County), Queens (Queens County) and Staten Island (Richmond County). Table 2.1 provides a brief selection of historic events that shaped New York City and the development of Lower Manhattan, and Table 2.2 presents the population of the City of New York from 1790 to 2010.

Table 2.1
Selected important dates in the history of the City of New York.

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1626</td>
<td>Peter Minuit of the Dutch West India Company purchased Manhattan Island from its Native American population, and the Island became the “main settlement” of the New Netherland colony, and soon became known as New Amsterdam (Bird &amp; De Jong 1995, 351).</td>
</tr>
<tr>
<td>September 8, 1664</td>
<td>The Dutch formally surrender New Amsterdam to English Colonel Richard Nicholls, who was under orders of King Charles II of Great Britain. New Amsterdam was renamed New York City (loc. cit., 352).</td>
</tr>
<tr>
<td>July 1776</td>
<td>British forces under the direction of Sir William Howe and admiral Lord Richard Howe begin their occupation of New York City after American independence was declared (Countryman 1995, 34).</td>
</tr>
<tr>
<td>Date</td>
<td>Event</td>
</tr>
<tr>
<td>------------</td>
<td>----------------------------------------------------------------------</td>
</tr>
<tr>
<td>January 1785 to August 1790</td>
<td>Federal Hall in Lower Manhattan served as the home of the Continental Congress and first Capitol of the United States of America (Goler 1995a, 275-276).</td>
</tr>
<tr>
<td>April 30, 1789</td>
<td>George Washington was inaugurated as the first president of the United States at Federal Hall and resided at a home on Cherry Street, also in Lower Manhattan (Goler 1995b, 1242).</td>
</tr>
<tr>
<td>1790</td>
<td>The nation’s first census determined that New York ranked as having the largest population of any municipality in the U.S. (U.S. Bureau of the Census 1998a), a rank it continues to maintain to the present day. The population of New York in 1790 was 33,131 people. Philadelphia had a population of 28,522 and Boston had a population of 18,320 (U.S. Bureau of the Census 1998b).</td>
</tr>
<tr>
<td>1811</td>
<td>The gridiron street system of New York was established via The Commissioners’ Plan. The plan was finalized in 1821 (Augustyn and Cohen 1997, 102-106).</td>
</tr>
<tr>
<td>1817</td>
<td>New York Stock Exchange was chartered (Neal and Davis 2005, 302).</td>
</tr>
<tr>
<td>October 1825</td>
<td>Construction of the Erie Canal was completed, making New York City a major center of transportation and trade connecting the eastern seaboard of the US with the nation’s interior (Maurizi 2003, 7).</td>
</tr>
<tr>
<td>August 3, 1855</td>
<td>Castle Garden, built at the tip of Lower Manhattan as a military fortification defending New York harbor, was named as the nation’s “official immigrant processing center” (National Park Service 2011).” Until the closing of the facility in 1890, “over 8 million people entered the United States through Castle Garden, [representing] two out of every three immigrants to the United States in this period” (Ibid.).</td>
</tr>
<tr>
<td>May 20, 1883</td>
<td>The Brooklyn Bridge officially opened, linking the cities of Brooklyn and New York across the East River (McCullough 1972, 524-525).</td>
</tr>
<tr>
<td>1898</td>
<td>As a result of an 1894 public referendum, New York consolidated with its neighboring municipalities, forming a single city of greater New York, which encompassed the five boroughs of Brooklyn, The Bronx, Manhattan, Queens and Staten Island (Bergman and Pohl 1975, 39).</td>
</tr>
<tr>
<td>October 27, 1904</td>
<td>Subway service began operating in New York (Cudahy 1988, 5).</td>
</tr>
<tr>
<td>1913</td>
<td>The iconic Woolworth building on Broadway in Lower Manhattan was completed, reigning as the tallest building in the world until the completion of the Chrysler Building in midtown Manhattan in 1929 (Diamonstein 1988, 308).</td>
</tr>
<tr>
<td>1916</td>
<td>New York City established a zoning resolution that governs municipal land use (Foglesong 1986, 219-225).</td>
</tr>
<tr>
<td>1921</td>
<td>The Port of New York Authority (later known as the Port Authority of New York and New Jersey) was established to improve transportation access, particularly of freight, within the New York/New Jersey region (Doig 1993).</td>
</tr>
<tr>
<td>1933</td>
<td>Fiorello LaGuardia elected Mayor of New York, and appoints Robert Moses CEO and Chairman of the Triborough Bridge and Tunnel Authority (Flint 2009, 48).</td>
</tr>
<tr>
<td>1950</td>
<td>The Secretariat building of the United Nations is completed (Markoe 1995, 1214).</td>
</tr>
<tr>
<td>January 18, 1964</td>
<td>New York Governor Nelson Rockefeller unveils the design of the Twin Towers of the World Trade Center, which he declared will be the largest building in the world (Stengren 1964).</td>
</tr>
<tr>
<td>June 9, 1965</td>
<td>The Port of New York Authority began demolition of the buildings that will be replaced by the World Trade Center (Robbins 1965).</td>
</tr>
<tr>
<td>Oct. 30, 1975</td>
<td>In perhaps the defining moment of the New York City fiscal crisis, the New York Daily News publishes a front page headline stating “Ford to City: Drop Dead,” paraphrasing President Gerald Ford’s refusal to support a federal bailout of the city (Perez-Pena 2011).</td>
</tr>
<tr>
<td>1990</td>
<td>The largest annual number of homicides in New York City’s history is recorded, with 2,245 documented murders (Messner et. al. 2007, 386).</td>
</tr>
</tbody>
</table>
February 28, 1993  Five people are killed when a car bomb explodes in a parking garage within the World Trade Center complex (McFadden 1993).

December 31, 1999  Up to two million revelers usher in the millennium in Times Square (McFadden 2000).

September 11, 2001  The World Trade Center is attacked and destroyed (Schmemann 2001).

September 11, 2011  The National September 11 Memorial Plaza at the World Trade Center site is dedicated and opened (McFadden 2011).

December 20, 2011  New York City Mayor Michael Bloomberg announces that the city expects to be visited by 50.2 million people in 2011, representing an early satisfaction of a goal set by the Mayor for 2012 (McGeehan 2011).

Sources: Please see individual entry citations and bibliography.

Table 2.2
Population of the City of New York, 1790-2010
* The City of New York consolidated with neighboring municipalities in 1898.

<table>
<thead>
<tr>
<th>Year</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1790</td>
<td>33,131</td>
</tr>
<tr>
<td>1800</td>
<td>60,515</td>
</tr>
<tr>
<td>1810</td>
<td>96,373</td>
</tr>
<tr>
<td>1820</td>
<td>123,706</td>
</tr>
<tr>
<td>1830</td>
<td>202,589</td>
</tr>
<tr>
<td>1840</td>
<td>312,710</td>
</tr>
<tr>
<td>1850</td>
<td>515,547</td>
</tr>
<tr>
<td>1860</td>
<td>813,669</td>
</tr>
<tr>
<td>1870</td>
<td>942,292</td>
</tr>
<tr>
<td>1880</td>
<td>1,206,299</td>
</tr>
<tr>
<td>1890</td>
<td>1,515,301</td>
</tr>
<tr>
<td>1900</td>
<td>3,437,202</td>
</tr>
<tr>
<td>1910</td>
<td>4,766,883</td>
</tr>
<tr>
<td>1920</td>
<td>5,620,048</td>
</tr>
<tr>
<td>1930</td>
<td>6,930,446</td>
</tr>
<tr>
<td>1940</td>
<td>7,454,995</td>
</tr>
<tr>
<td>1950</td>
<td>7,891,957</td>
</tr>
<tr>
<td>1960</td>
<td>7,783,314</td>
</tr>
<tr>
<td>1970</td>
<td>7,894,798</td>
</tr>
<tr>
<td>1980</td>
<td>7,071,639</td>
</tr>
<tr>
<td>1990</td>
<td>7,322,564</td>
</tr>
<tr>
<td>2000</td>
<td>8,008,278</td>
</tr>
<tr>
<td>2010</td>
<td>8,175,133</td>
</tr>
</tbody>
</table>

Sources:
2000-2010- Population Division, NYC Department of City Planning (May 2011) from data provided by U.S. Census Bureau, 2010 and 2000 Census Public Law 94-171 Files.
The land area of New York City is 304.8 square miles, and is the 14th largest city in land area among US cities of populations greater than 100,000 people (Roberts 2008). New York has the largest population of any United States city, with a 2010 population of 8,175,133, people, an increase of 2.1 percent from the 2000 Census (8,008,278 people) (Population Division of the NYC Department of City Planning 2011)). Table 2.3 shows that population increased in all five boroughs of New York City between 2000 and 2010, and that while White nonhispanic individuals made up the largest population group by race and Hispanic origin (2.7 million people), the minority population represents the majority of New Yorkers (with 2.3 million Hispanic Origin; 1.9 million Black/African American nonhispanic; 1.0 million Asian nonhispanic, individuals, respectively).

Table 2.3: Total Population by Mutually Exclusive Race and Hispanic Origin
New York City and Boroughs, 2000 to 2010

<table>
<thead>
<tr>
<th>Total Population</th>
<th>2000</th>
<th>2010</th>
<th>Change 2000-2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
<td>Number</td>
</tr>
<tr>
<td>New York City</td>
<td>8,008,278</td>
<td>100.00</td>
<td>8,175,133</td>
</tr>
<tr>
<td>White nonhispanic</td>
<td>2,801,267</td>
<td>34.98</td>
<td>2,722,904</td>
</tr>
<tr>
<td>Black/African American nonhispanic</td>
<td>1,962,154</td>
<td>24.50</td>
<td>1,861,295</td>
</tr>
<tr>
<td>Asian or Pacific Islander nonhispanic</td>
<td>783,058</td>
<td>9.78</td>
<td>1,030,914</td>
</tr>
<tr>
<td>American Indian &amp; Alaska Native nonhispanic</td>
<td>17,321</td>
<td>0.22</td>
<td>17,427</td>
</tr>
<tr>
<td>Some Other Race nonhispanic</td>
<td>58,775</td>
<td>0.73</td>
<td>57,841</td>
</tr>
<tr>
<td>Two or More Races nonhispanic</td>
<td>225,149</td>
<td>2.81</td>
<td>148,676</td>
</tr>
<tr>
<td>Hispanic Origin</td>
<td>2,160,554</td>
<td>26.98</td>
<td>2,336,076</td>
</tr>
<tr>
<td>Bronx</td>
<td>1,332,650</td>
<td>16.64</td>
<td>1,385,108</td>
</tr>
<tr>
<td>Brooklyn</td>
<td>2,465,326</td>
<td>30.78</td>
<td>2,504,700</td>
</tr>
<tr>
<td>Manhattan</td>
<td>1,537,195</td>
<td>19.20</td>
<td>1,585,873</td>
</tr>
<tr>
<td>Queens</td>
<td>2,229,379</td>
<td>27.84</td>
<td>2,230,722</td>
</tr>
<tr>
<td>Staten Island</td>
<td>443,728</td>
<td>0.60</td>
<td>468,730</td>
</tr>
</tbody>
</table>

Source: Population Division, NYC Department of City Planning (May 2011) from data provided by U.S. Census Bureau, 2010 and 2000 Census Public Law 94-171 Files
In 2001, the year of the 9/11 attacks, on average there were 3,561,914 people employed in the five boroughs of New York City. As shown in Table 2.4, the City’s largest employer overall in 2001 was government services (546,053 jobs), and the majority of these government employees worked for the City of New York (442,264 jobs). The three largest private sector employers in 2001 were in the Health Care & Social Assistance (486,318 jobs), Finance & Insurance (356,838 jobs) and Professional and Technical Services (299,923 jobs) sectors. While the Finance & Insurance sector represented just over ten percent of all jobs in New York City, the sector generated nearly thirty percent of all employee wages. In 2001, the average annual wage of an employee in the Finance & Insurance sector was $181,513, while the average private sector wage was $63,665.
## Table 2.4
Quarterly Census of Employment and Wages (QCEW)
NAICS Based Industry Employment and Wages
New York City Region, 2001

<table>
<thead>
<tr>
<th>Industry Title</th>
<th>Average Employment</th>
<th>% of Total Employment</th>
<th>Total Wages</th>
<th>% of Total Wages</th>
<th>Average Wages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total, All Industries</td>
<td>3,561,914</td>
<td>100%</td>
<td>$217,436,653,790</td>
<td>100%</td>
<td>$61,045</td>
</tr>
<tr>
<td>Total, All Private</td>
<td>3,015,861</td>
<td>85%</td>
<td>$192,003,506,518</td>
<td>88%</td>
<td>$63,665</td>
</tr>
<tr>
<td>Agriculture, Forestry, Fishing Hunting</td>
<td>187</td>
<td>0.00%</td>
<td>$8,350,613</td>
<td>0.00%</td>
<td>$44,656</td>
</tr>
<tr>
<td>Mining</td>
<td>99</td>
<td>0.00%</td>
<td>$8,601,584</td>
<td>0.00%</td>
<td>$86,885</td>
</tr>
<tr>
<td>Utilities</td>
<td>14,707</td>
<td>0.41%</td>
<td>$1,091,986,857</td>
<td>0.50%</td>
<td>$74,249</td>
</tr>
<tr>
<td>Construction</td>
<td>117,799</td>
<td>3.31%</td>
<td>$6,251,273,582</td>
<td>3.00%</td>
<td>$55,359</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>154,428</td>
<td>4.34%</td>
<td>$5,893,346,186</td>
<td>2.71%</td>
<td>$38,162</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>146,684</td>
<td>4.12%</td>
<td>$8,776,076,922</td>
<td>4.04%</td>
<td>$59,830</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>267,402</td>
<td>7.51%</td>
<td>$7,699,929,958</td>
<td>3.54%</td>
<td>$28,795</td>
</tr>
<tr>
<td>Transportation and Warehousing</td>
<td>110,722</td>
<td>3.11%</td>
<td>$4,515,113,431</td>
<td>2.08%</td>
<td>$40,779</td>
</tr>
<tr>
<td>Information</td>
<td>185,244</td>
<td>5.20%</td>
<td>$14,571,203,126</td>
<td>6.70%</td>
<td>$78,660</td>
</tr>
<tr>
<td>Publishing Industries</td>
<td>59,539</td>
<td>1.67%</td>
<td>$5,318,904,104</td>
<td>2.45%</td>
<td>$89,335</td>
</tr>
<tr>
<td>Motion Picture Sound Recording Ind</td>
<td>37,110</td>
<td>1.04%</td>
<td>$2,680,776,062</td>
<td>1.23%</td>
<td>$72,239</td>
</tr>
<tr>
<td>Broadcasting (except Internet)</td>
<td>25,423</td>
<td>0.71%</td>
<td>$2,286,941,630</td>
<td>1.05%</td>
<td>$89,956</td>
</tr>
<tr>
<td>Internet Publishing and Broadcasting</td>
<td>3,374</td>
<td>0.09%</td>
<td>$276,613,275</td>
<td>0.13%</td>
<td>$81,984</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>36,311</td>
<td>1.02%</td>
<td>$2,581,859,331</td>
<td>1.19%</td>
<td>$71,104</td>
</tr>
<tr>
<td>ISPs, Search Portals, Data Processing</td>
<td>13,640</td>
<td>0.38%</td>
<td>$1,067,996,598</td>
<td>0.49%</td>
<td>$78,299</td>
</tr>
<tr>
<td>Other Information Services</td>
<td>9,846</td>
<td>0.28%</td>
<td>$358,112,126</td>
<td>0.16%</td>
<td>$36,371</td>
</tr>
<tr>
<td>Finance and Insurance</td>
<td>356,838</td>
<td>10.02%</td>
<td>$64,770,785,924</td>
<td>29.79%</td>
<td>$181,513</td>
</tr>
<tr>
<td>Credit Intermediation Related Activity</td>
<td>97,484</td>
<td>2.74%</td>
<td>$10,881,877,734</td>
<td>5.00%</td>
<td>$111,627</td>
</tr>
<tr>
<td>Securities and Commodity Contracts</td>
<td>191,281</td>
<td>5.37%</td>
<td>$47,396,299,346</td>
<td>21.80%</td>
<td>$247,784</td>
</tr>
<tr>
<td>Insurance Carriers Related Activities</td>
<td>57,987</td>
<td>1.63%</td>
<td>$5,693,343,848</td>
<td>2.62%</td>
<td>$98,183</td>
</tr>
<tr>
<td>Funds, Trusts Other Financial Vehicles</td>
<td>7,759</td>
<td>0.22%</td>
<td>$608,013,218</td>
<td>0.28%</td>
<td>$78,362</td>
</tr>
<tr>
<td>Real Estate and Rental and Leasing</td>
<td>114,751</td>
<td>3.22%</td>
<td>$5,339,434,684</td>
<td>2.46%</td>
<td>$46,531</td>
</tr>
<tr>
<td>Real Estate</td>
<td>101,519</td>
<td>2.85%</td>
<td>$4,621,032,536</td>
<td>2.13%</td>
<td>$45,519</td>
</tr>
<tr>
<td>Rental and Leasing Services</td>
<td>10,245</td>
<td>0.29%</td>
<td>$354,397,694</td>
<td>0.16%</td>
<td>$34,592</td>
</tr>
<tr>
<td>Lessor, Nonfinancial Intangible Assets</td>
<td>2,987</td>
<td>0.08%</td>
<td>$364,004,454</td>
<td>0.17%</td>
<td>$121,863</td>
</tr>
<tr>
<td>Professional and Technical Services</td>
<td>299,923</td>
<td>8.42%</td>
<td>$24,714,180,554</td>
<td>11.37%</td>
<td>$82,402</td>
</tr>
<tr>
<td>Management of Companies and Enterprises</td>
<td>51,006</td>
<td>1.43%</td>
<td>$7,534,398,416</td>
<td>3.47%</td>
<td>$147,716</td>
</tr>
<tr>
<td>Administrative and Waste Services</td>
<td>199,303</td>
<td>5.60%</td>
<td>$6,934,956,066</td>
<td>3.19%</td>
<td>$34,796</td>
</tr>
<tr>
<td>Educational Services</td>
<td>113,447</td>
<td>3.19%</td>
<td>$4,051,327,648</td>
<td>1.86%</td>
<td>$35,711</td>
</tr>
<tr>
<td>Health Care and Social Assistance</td>
<td>486,318</td>
<td>13.65%</td>
<td>$17,680,533,540</td>
<td>8.13%</td>
<td>$36,356</td>
</tr>
<tr>
<td>Arts, Entertainment, and Recreation</td>
<td>55,475</td>
<td>1.56%</td>
<td>$2,825,434,978</td>
<td>1.30%</td>
<td>$50,932</td>
</tr>
<tr>
<td>Performing Arts and Spectator Sports</td>
<td>30,676</td>
<td>0.86%</td>
<td>$2,163,130,967</td>
<td>0.99%</td>
<td>$70,515</td>
</tr>
<tr>
<td>Museums, Parks and Historical Sites</td>
<td>10,742</td>
<td>0.30%</td>
<td>$376,449,428</td>
<td>0.17%</td>
<td>$35,045</td>
</tr>
<tr>
<td>Amusement, Gambling Recreation Ind</td>
<td>14,057</td>
<td>0.39%</td>
<td>$285,854,583</td>
<td>0.13%</td>
<td>$20,335</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>195,306</td>
<td>5.48%</td>
<td>$4,586,417,488</td>
<td>2.11%</td>
<td>$23,483</td>
</tr>
<tr>
<td>Accommodation</td>
<td>38,761</td>
<td>1.09%</td>
<td>$1,545,622,004</td>
<td>0.71%</td>
<td>$39,876</td>
</tr>
<tr>
<td>Food Services and Drinking Places</td>
<td>156,545</td>
<td>4.39%</td>
<td>$3,040,795,484</td>
<td>1.40%</td>
<td>$19,424</td>
</tr>
<tr>
<td>Other Services</td>
<td>134,547</td>
<td>3.78%</td>
<td>$4,127,789,225</td>
<td>1.90%</td>
<td>$30,679</td>
</tr>
<tr>
<td>Total, All Government</td>
<td>546,053</td>
<td>15.33%</td>
<td>$25,433,147,272</td>
<td>11.70%</td>
<td>$46,576</td>
</tr>
<tr>
<td>Federal Government</td>
<td>61,386</td>
<td>1.72%</td>
<td>$3,116,232,079</td>
<td>1.43%</td>
<td>$50,765</td>
</tr>
<tr>
<td>State Government</td>
<td>42,403</td>
<td>1.19%</td>
<td>$2,099,391,134</td>
<td>0.97%</td>
<td>$49,510</td>
</tr>
<tr>
<td>Local Government</td>
<td>442,264</td>
<td>12.42%</td>
<td>$20,217,524,059</td>
<td>9.30%</td>
<td>$45,714</td>
</tr>
<tr>
<td>Unclassified</td>
<td>11,676</td>
<td>0.33%</td>
<td>$352,365,736</td>
<td>0.16%</td>
<td>$30,179</td>
</tr>
</tbody>
</table>

**Source:**
New York State Dept of Labor, ES202/ Quarterly Census of Employment and Wages Files
Table 2.5 demonstrates that in 2001, 63 percent of all private sector jobs in New York City were based in Manhattan (New York County), including 91 percent of all Finance and Insurance employment, 90 percent of all Professional and Technical Services employment, 85 percent of all Information sector employment, and 80 percent of all Arts, Entertainment & Recreation employment.

**Table 2.5: NAICS Based Industry Employment**  
Quarterly Census of Employment and Wages (QCEW)  
New York City Region compared to Manhattan Only, 2001

<table>
<thead>
<tr>
<th>Industry</th>
<th>Average Employment, All of New York City</th>
<th>Average Employment, Manhattan Only</th>
<th>% NYC Employment Based in Manhattan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total, All Industries</td>
<td>3,561,914</td>
<td>2,341,467</td>
<td>66%</td>
</tr>
<tr>
<td>Total, All Private</td>
<td>3,015,861</td>
<td>1,887,574</td>
<td>63%</td>
</tr>
<tr>
<td>Agriculture, Forestry, Fishing &amp; Hunting</td>
<td>187</td>
<td>105</td>
<td>56%</td>
</tr>
<tr>
<td>Mining</td>
<td>99</td>
<td>47</td>
<td>47%</td>
</tr>
<tr>
<td>Construction</td>
<td>117,799</td>
<td>34,875</td>
<td>30%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>154,428</td>
<td>60,656</td>
<td>39%</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>146,684</td>
<td>87,197</td>
<td>59%</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>267,402</td>
<td>127,601</td>
<td>48%</td>
</tr>
<tr>
<td>Transportation and Warehousing</td>
<td>110,722</td>
<td>27,224</td>
<td>25%</td>
</tr>
<tr>
<td>Information</td>
<td>185,244</td>
<td>157,632</td>
<td>85%</td>
</tr>
<tr>
<td>Finance and Insurance</td>
<td>356,838</td>
<td>325,910</td>
<td>91%</td>
</tr>
<tr>
<td>Real Estate and Rental and Leasing</td>
<td>114,751</td>
<td>74,590</td>
<td>65%</td>
</tr>
<tr>
<td>Professional and Technical Services</td>
<td>299,923</td>
<td>271,246</td>
<td>90%</td>
</tr>
<tr>
<td>Management of Companies and Enterprises</td>
<td>51,006</td>
<td>46,633</td>
<td>91%</td>
</tr>
<tr>
<td>Administrative and Waste Services</td>
<td>199,303</td>
<td>144,918</td>
<td>73%</td>
</tr>
<tr>
<td>Educational Services</td>
<td>113,447</td>
<td>70,341</td>
<td>62%</td>
</tr>
<tr>
<td>Health Care and Social Assistance</td>
<td>486,318</td>
<td>185,538</td>
<td>38%</td>
</tr>
<tr>
<td>Arts, Entertainment, and Recreation</td>
<td>55,475</td>
<td>44,510</td>
<td>80%</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>195,306</td>
<td>136,021</td>
<td>70%</td>
</tr>
<tr>
<td>Other Services</td>
<td>134,547</td>
<td>82,261</td>
<td>61%</td>
</tr>
<tr>
<td>Unclassified</td>
<td>11,676</td>
<td>4,715</td>
<td>40%</td>
</tr>
</tbody>
</table>

**Source:**  
New York State Dept of Labor, ES202/ Quarterly Census of Employment and Wages Files  
The New York City Office of Management and Budget (OMB), the mayoral agency responsible for recommending the city’s operating budget (which must be ratified into law by the City Council and Mayor), has established the NYC Economic Model (NYCEMOD) to forecast the city’s economy (NYC Office of Management and Budget, 2008, 9). For this model, OMB allocates employment in various sectors of the city’s economy as being either export oriented, defined by their ability to “generate external flows of funds into the city,” or local service oriented, meaning that the products generated by employees in these sectors are “consumed mostly by city residents” (loc. cit., 9). As can be seen in Table 2.6, the Leisure & Hospitality, as well as the Finance and Insurance sectors are export industries, while Construction serves the local population. These categories, however, are far from definitive. Many of the “leisure” activities that are consumed by those visiting the city are certainly used by New Yorkers, and New York City’s highly renowned hospitals serve patients from throughout the world even though “Health” is defined as a local serving industry.

Table 2.6: Employment Sector, Export versus Local Serving
New York City

<table>
<thead>
<tr>
<th>Employment Sector</th>
<th>Export, Local or Mixed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance &amp; Insurance</td>
<td>Export</td>
</tr>
<tr>
<td>Real Estate</td>
<td>Local</td>
</tr>
<tr>
<td>Professional &amp; Business Services</td>
<td>Mixed</td>
</tr>
<tr>
<td>Leisure &amp; Hospitality</td>
<td>Export</td>
</tr>
<tr>
<td>Information</td>
<td>Export</td>
</tr>
<tr>
<td>Transportation &amp; Utilities</td>
<td>Local</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>Mixed</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>Mixed</td>
</tr>
<tr>
<td>Construction</td>
<td>Local</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>Export</td>
</tr>
<tr>
<td>Other Services</td>
<td>Local</td>
</tr>
<tr>
<td>Health</td>
<td>Local</td>
</tr>
<tr>
<td>Education</td>
<td>Local</td>
</tr>
<tr>
<td>Government</td>
<td>Local</td>
</tr>
</tbody>
</table>

Location Quotient (LQ) calculations are a means by which to determine the concentration of employment in a particular industry within a defined geographic area compared to a larger geographic area (such as a region or the nation as a whole). A high concentration of employment (leading to a LQ of greater than 1.00) within a given industry would indicate that the region has more than its “fair share” of that industry, and is therefore likely exporting the goods of that industry elsewhere (Miller, Gibson & Wright 1991, 65). A LQ of 1.00 indicates that the region employs what it needs in a particular industry, while an LQ of less than 1.00 indicates that the industry is underrepresented in the specific geographic area and likely imports the products generated by that industry.

Data shown in Table 2.7 demonstrates how significant the Finance and Insurance (LQ=3.34), Information (LQ=2.54), Professional & Technical Services (LQ=2.29) and Real Estate (LQ=2.12) are to the New York export economy compared to the nation as well as to the region. While employment in the Arts & Entertainment industry is concentrated in New York (with a 1.44 LQ), employment in other tourism-related industries such as Accommodation and Food Services (LQ=0.78) and Retail Trade (LQ=0.49) are less concentrated in New York than would have been expected given the prominence of the city as a gastronomic and shopping capital.
### Table 2.7: Location Quotients Calculated From Quarterly Census of Employment and Wages (QCEW)  
**NAICS Based Industry Employment, 2001**

<table>
<thead>
<tr>
<th>Industry Title</th>
<th>New York County (Manhattan) Compared to Base Area of U.S. Total</th>
<th>New York County (Manhattan) Compared to Base Area of New York-Northern NJ-Long Island, NY-NJ-PA MSA Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total, All Industries</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Agriculture, Forestry, Fishing</td>
<td>0.01</td>
<td>ND</td>
</tr>
<tr>
<td>Hunting</td>
<td>0.01</td>
<td>ND</td>
</tr>
<tr>
<td>Mining</td>
<td>ND</td>
<td>ND</td>
</tr>
<tr>
<td>Utilities</td>
<td>ND</td>
<td>ND</td>
</tr>
<tr>
<td>Construction</td>
<td>0.30</td>
<td>ND</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0.21</td>
<td>ND</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>0.88</td>
<td>ND</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>0.49</td>
<td>0.57</td>
</tr>
<tr>
<td>Transportation and Warehousing</td>
<td>ND</td>
<td>ND</td>
</tr>
<tr>
<td>Information</td>
<td>2.54</td>
<td>1.70</td>
</tr>
<tr>
<td>Educational Services</td>
<td>2.16</td>
<td>1.35</td>
</tr>
<tr>
<td>Health Care and Social Assistance</td>
<td>0.83</td>
<td>0.67</td>
</tr>
<tr>
<td>Arts, Entertainment, and Recreation</td>
<td>1.44</td>
<td>1.40</td>
</tr>
<tr>
<td>Finance and Insurance</td>
<td>3.34</td>
<td>1.99</td>
</tr>
<tr>
<td>Real Estate and Rental and Leasing</td>
<td>2.12</td>
<td>1.48</td>
</tr>
<tr>
<td>Professional and Technical Services</td>
<td>2.29</td>
<td>1.63</td>
</tr>
<tr>
<td>Management of Companies and Enterprises</td>
<td>1.57</td>
<td>ND</td>
</tr>
<tr>
<td>Administrative and Waste Services</td>
<td>1.08</td>
<td>ND</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>0.78</td>
<td>1.14</td>
</tr>
<tr>
<td>Other Services</td>
<td>1.13</td>
<td>1.05</td>
</tr>
<tr>
<td>Unclassified</td>
<td>1.07</td>
<td>0.40</td>
</tr>
</tbody>
</table>

ND=Not Disclosable

**Source:** US Bureau of Labor Statistics Location Quotient Calculator  
NEW YORK AS A “GLOBAL CITY”

New York City in 2001 personifies the classification of a “global city.” As Saskia Sassen demonstrated, the globalization of production and communication dispersed economic activities and at the same time concentrated the command and control functions of businesses in a relatively small group of cities, including New York, London and Tokyo (Sassen 2005, 32). Global cities such as New York host agglomeration economies whereby corporate headquarters management functions are supported by a network of “financial, legal, accounting and advertising firms” (loc. cit. 34). These command and control functions are performed by a sizable number of “highly paid workers who exert significant effects on the consumption patterns in the neighborhoods, city and region in which they work and live” (Dolfman, Wasser & Skelly 2006, 59). Much of the economic base of New York can therefore be attributed to either the highly compensated employees engaged in the export of global services, or the locally-based employees who provide services to sustain and entertain these export services workers (Ibid.). While some tourism-related sectors, such as transportation (see Table 2.6), are considered “local market”, the breadth and depth of the demand created by the employees in the export markets, from the wide variety of luxury retailers to the abundance of top rated restaurants, provides the exciting and unparalleled variety of experiences for visitors (Dolfman & Wasser 2004, 4).5 Likewise, while the arts are an export of New York City, they reflect the interests and talents of the local population.

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5 As shown in Table 2.6, leisure & hospitality is an export industry and retail is classified as an industry “mixed” between the local and export markets.
ECONOMIC CYCLES AND THE IMPACT OF 9/11 ON EMPLOYMENT

In the early 1990s, New York City, as well as the rest of the nation, experienced an economic decline, due significantly to the 1987 stock market crash. From 1990 to 1993, 221,775 New York City-based jobs (representing over 12 percent of the job base) were lost (Dolfman, Wasser & Skelly 2006, 65). In the late 1990s, New York City was enjoying an economic boom, and for virtually the first time, job growth in the City exceeded that of the nation (Bram 2003, 2). Thanks largely to significant growth in Wall Street earnings, New York City private sector salaries were growing on an annual pace of 9.6 percent, compared to 7 percent nationally (Ibid.). From the latter half of the 1990’s through the beginning of the new millennium, the glamorous lifestyle of New York was highlighted weekly on HBO’s Sex in the City and NBC’s Friends, the New York Yankees won four World Series titles in a row, and young people flocked to New York to start their careers, creating new bohemiases on the Lower East Side of Manhattan and Williamsburg in Brooklyn (Pareles 1997; Holmes 2000).

In January of 2001, hiring in New York City began again to decline, preceding the start of the nation’s economic decline by two months (Dolfman & Wasser 2004, 10). As to be expected, the attacks of 9/11 caused more jobs to be lost in New York City than what would have likely lost due to the recession alone, and the economic decline was sharper in New York City than in the rest of the nation (loc. cit., 4). Estimates of 9/11-generated job loss (independent of the national recession) in New York City reached its peak in February 2002 (Bram 2003, 4). Job losses were steepest in the city’s export industries, particularly Finance & Insurance; Professional, Technical & Scientific Occupations; and Information (Dolfman & Wasser 2004, 6-7) (detailed analysis of these job losses appear
in Chapter 6). Curiously, jobs and wages in the export industry of “Arts, Entertainment and Recreation” and the local industry of “Accommodation and Food Services” declined only modestly in the period 2000 to 2002 (one percent and four percent, respectfully) (Ibid.). The comparatively mild loss of jobs in these two sectors will, in later chapters, be attributed to the strength of the tourism-led growth coalition and the continued desire of those residing in the region and employed in the export industries in New York to enjoy the creative, cultural and culinary amenities of New York.

NEW YORK AS CREATIVE INDUSTRIES CENTER

The U.S. creative arts industries are clustered in New York and Los Angeles, with informational media such as periodical publishing (27,910 jobs), television broadcasting (15,021 jobs) and news syndicate employment (2,907 jobs) centered in New York, and motion picture and video production employment based in Los Angeles (113,173 jobs) (Dolfman, Holden & Fortier 2007, 26). New York’s 121,433 creative industry jobs represent over ten percent of the nation’s creative industry jobs (Ibid.). While New York’s business centers such as Wall Street (finance) and Madison Avenue (advertising) certainly create a distinct cultural identity for the city, “national and international views of American cultural patterns are often formed on the basis of individual impressions of New York or Los Angeles as places, through the presentation of those impressions in artistic, entertainment, and cultural venues” (Dolfman, Holden & Fortier 2007, 21).

Indeed, New York’s intense arts and media milieu enables the city to wield the command and control function of world cultural production. Concurrently, the sheer number of

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“discriminating” consumers of cultural products in cities like New York create a large enough market of “dedicated demanders” to facilitate their interaction with cultural producers (Molotch 2002). The local confluence of an abundance of highly engaged consumers and arts producers creates a critical mass of cultural product, enabling the location in which these products are developed to have a global identity which people throughout the world view as being of significant quality, and which they wish to purchase (Ibid.). For example, consumers throughout the globe want to purchase fashion created on Seventh Avenue for it is associated with New York; indeed fashion designer Donna Karan assured that her brand was recognizable as being from New York by naming it DKNY (Currid 2007, 461).

Whether highly skilled workers in the command and control functions choose where they will work because of a location’s rich cultural resources and quality of life, or whether they just choose the city in which they work because it is where they can find the most opportunities for employment (Shearmur 2009, 379), the creative economy has supported the continued agglomeration of horizontally integrated global service companies within New York City (Florida 2002; 219-220, 234). Vibrancy in global service economy enhances vitality in New York’s cultural scene, and the city’s exciting and well-branded entertainment and informational media establishment attracts investment and highly skilled labor from throughout the globe – “success breeds success” (Hospers 2003, 152).

As the following chapters will demonstrate, the choice to empower the tourism-related coalition to take the reins of growth in the months after 9/11, to support the “brand” of New York by quickly reopening Broadway and encouraging New York City residents to support the city by patronizing its restaurants, music clubs and museums, was a direct and
likely more successful approach to re-energizing and maintaining investment in a deeply damaged New York than monetary or regulatory support of the city’s information and financial services and real estate sectors.

**ESTABLISHING LEADERSHIP IN THE TOURISM INDUSTRY:**

**THE FORMATION & HISTORY OF THE NEW YORK CONVENTION AND VISITORS BUREAU, 1934-1993**

The New York Convention and Visitor’s Bureau (NYCVB) was organized on January 1, 1934 to increase New York City’s share of the nation’s convention business (Thompson 1936). The agency’s first executive director, Richard C. Burritt, in a description that still has resonance today, remarked that “when agents of the bureau sought to interest influential members of various organizations in New York as a convention city, objection was raised that the place was all right, but too aloof, disinterested. In a word, New York was cold. Notwithstanding, it plainly appeared that people were interested in New York. They wanted to visit the city, but they were a little afraid of it” (Ibid.). At its formation, the NYCVB was primarily funded by the Hotel Association of New York and its member hotels, and also received support from the Fifth Avenue Association and other street-based associations. In a 1935 article in *The New Yorker* introducing the organization, it was noted that “the Mayor’s office was enlisted, too; invitations [to national convention leaders] signed by him are sent out in such numbers that there’s a special secretarial force to handle them” (*The New Yorker* 1935, 12). As Mr. Burritt’s successors continue to do today, he bemoaned the lack of adequate convention space within the city and the high cost of hosting a convention in New York.
In 1938, the NYCVB merged with the Convention Bureau of the Merchants Association of New York, further cementing the ties between New York’s hotel industry and the greater business community of the city. Then New York City Mayor Fiorello LaGuardia was named the honorary chairman of the “newly amalgamated group”, firmly bringing city government into the tourism development fold (Unsigned article in The New York Times, 1938). Despite this partnership, all but two of the members of the executive committee were employed in the hotel industry (Zipser Jr. 1946). It is thus not surprising that by 1947, the NYCVB formally separated from the Commerce and Industry Association of New York (a pre-curser to the Partnership for New York City, the pre-eminent large business association of New York)(Columbia University Libraries Archival Collections) to remain focused on the hotel industry (Unsigned article in The New York Times, 1947a). Causes for the breakup included the concern that the governing board of the NYCVB was growing to include business interests beyond those of the hotel industry, and that the location of the Chamber in lower Manhattan became inconvenient, because much of the business-activity brought to New York via the NYCVB was generated by establishments situated in midtown Manhattan (Ibid.).

One of the new goals of the newly independent NYCVB was to focus its attention on attracting vacation travelers to New York. Noted then NYCVB Executive Vice President

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7 In 1946, the members of the NYCVB Executive Committee included Mayor William O’Dwyer, F.J. Andre, the president of Sheffield Farms Company (a New York dairy company), the president of the Hotel New Yorker, the general manager of the Hotel New Yorker, the general manager of the Hotel Roosevelt, the vice president of the Hotels Statler Company; the president of the Martinique and Concourse Plaza Hotels; the chairman of the Hotel Biltmore; the general manager of the Hotel Biltmore, the general manager of the New Weston Hotel; the president of the Waldorf=Astoria Hotel; and the President of the Commodore (Zipster Jr. 1946).

Royal Ryan, “recreational travel is not as closely measurable as is convention travel, but it is estimated to be five times as large. New York City this year will enjoy visits from 5,000,000 tourists or pleasure visitors” (Unsigned article in *The New York Times*, 1947b). The NYCVB reported in 1947 that it was working to attract vacation travel by workers who “have been granted vacations with pay under union contracts” (Ibid.).

The interests of the NYCVB and the Commerce and Industry Association realigned later that year, as the Association made a formal proposal to the Mayor to honor the fiftieth anniversary of the consolidation of the five boroughs of the City of the New York (taking place in 1948) by building a permanent exhibition hall (Unsigned article in *The New York Times* 1947c). Stating that “the largest conventions and expositions were going to Atlantic City, Cleveland, St. Louis, Kansas City, Philadelphia, Chicago, San Francisco, Buffalo and other cities ‘that have facilities far superior to those available in New York,’” William O. Riordan, president and chairman of the NYCVB enthusiastically endorsed the proposal. (Unsigned article in *The New York Times* 1947d). The Real Estate Board of New York also was among the groups backing the proposal, which would ultimately become realized in 1956 (Unsigned article in *The New York Times* 1956a) with the opening of the New York Coliseum at Columbus Circle (which was ultimately demolished in 2000 to be replaced by the mixed-use Time Warner Center (Dunlap 2000)). The Coliseum project would become a major Robert Moses-led slum-clearance and redevelopment program (Gray 1987), providing the first nexus (other than transportation and World’s Fair projects) between tourism-focused programming and real
estate development. The project also serves as an early example of how the tourism industry posed its needs in the context of how New York must compete with other cities, and presented to the public the city as a commodity that needed to be sold. Thus when in April, 1948, then-New York Governor Thomas E. Dewey signed a bill authorizing the construction of the new convention center, he proclaimed in booster-like fashion that the project would make New York “the pre-eminent convention city of the world” ( Unsigned article in The New York Times 1948a).

The year 1948 and the period immediately following the end of World War II were also significant for New York tourism because of tremendous changes in the transportation modes used by leisure travellers. Noted Royal Ryan of the NYCVB, the number of leisure visitors to New York in the summer of 1948 were expected to be twice as many as the year prior due to a variety of factors including the “addition of many thousands of automobiles to greatly augment the method of travel used by 75 percent of all families to and from vacation areas” and the “increase in [steamship and airline] carrier capacity for foreign travel with stop-overs in New York both ways” ( Unsigned article in The New York Times 1948b). In the same year that the new Convention Center was announced, the NYCVB opened its first “visitor information center,” acknowledging that while it focused in prior years almost exclusively on convention business, “recreational travel is believed to be five or six times greater than convention travel” ( Unsigned article in The New York Times 1948c). The Visitor Center was located within the offices of the

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9 Other groups endorsing the convention center project included The Lions Club of New York, the 34th Street Association, the Broadway Association, the West Side Association of Commerce, the Fifth Avenue Association, the Hotel Association of New York, the West Central Park Association, the Automobile Manufacturers Association, Kiwanis Club of New York and the Park Avenue Association ( Unsigned article in The New York Times 1947d).
NYCVB at 500 Park Avenue in midtown Manhattan. The launch of the Visitor Center also corresponded with the ascendancy of non-hotel related businesspeople to the leadership of the NYCVB. The new chairman of the NYCVB was Bernard F. Gimbel, who also served as the president of Gimbels Brothers, the major department store concern (see Figure 2.1). The committee of the NYCVB Board of Directors arranging the opening day ceremonies for the new Visitor Center included many of the leaders of the entertainment and media industries of New York, including Brig. Gen. John R Kilpatrick, president of Madison Square Garden; Maj. Gen. Julius Ochs Adler, vice president and general manager of The New York Times; F.M. Flynn, president and general manager of The Daily News; Niles Trammell, president of the National Broadcasting Company; Carl Whitmore, president of New York Telephone Company; and Victor Ziminsky, president of the Union News Company (Ibid.).

**Campaigning to Attract Tourists and New Businesses**

In winter 1948, city government was drawn back into the tourism promotion business by co-hosting a luncheon “marking the first time in recent years that city officials and business leaders have joined forces in an active promotional campaign to attract visitors and business to New York” (Conklin 1948). At the luncheon, city officials announced that they would be producing a visitors guide for distribution by the NYCVB, and discussed a promotion program that combined the recruitment of vacation travelers with the recruitment of new businesses. City officials stated that at the luncheon, “those with business ties will be asked to emphasize the desirability of New York as a business center. By ‘selling’ the city in other cities, states and foreign countries, it is believed that the city as a whole will benefit. The promotion program [will] emphasize New York’s pre-eminence as the world’s greatest
manufacturing city, the world’s largest retail shopping and wholesale buying
center, the buying power of the New York consumer market, its desirability for
conventions and vacations and its qualifications as a business location. The
conference will also discuss production of a motion picture showing the
advantages of the city” (Ibid.).

The start of formally employing the upbeat promotional capacity of the tourism industry
to communicate the business opportunities and economic vibrancy of New York can be
traced back to this 1948 meeting. The New York Times’ Editorial Board clearly
supported these promotional efforts, writing in an editorial that “with the finest product in
the world to sell, the New York Convention and Visitors Bureau…has done an excellent
job….The bureau’s work is a great aid to the city” (New York Times Editorial Board
1949).

In late 1949, the NYCVB stated that “playing host” was New York’s second largest
industry, exceeded only by the garment industry (Unsigned article in The New York
Times 1949). Described as having a staff of 20 “all of whom are skilled specialists on
New York,” the NYCVB had by this point fully shed its mantle as being an arm of the
hotel industry, and was characterized as having a board “consisting of 35 top business,
publishing, advertising and publicity executives” (Ibid.), which is very much how the
Board of NYC & Company would be described today. However the media leaders of
today’s NYC & Company board may cringe if they heard the “slogan” used by the
NYCVB in 1950 to promote the New York as a visitor location: “Biggest Vacation
Bargain in the World Where You Get More for Your Money” (Unsigned article in The
Figure 2.1: NYCVB president Bernard F. Gimbel and Executive Vice President Royal W. Ryan with Board member and NYC First Lady Mrs. Vincent R. Impellitteri. *The New York Times*, March 15, 1951.

In June 1952, the NYCVB began an effort to encourage contributions from business groups, such as the Broadway Association, that benefited from tourism but which had not
as of yet donated to the organization (Unsigned article in The New York Times 1952). These contributions were considered necessary to promote the city to potential summer vacation travelers (Ibid.). The New York Times’ Editorial Board publicly supported this policy in an editorial titled “Boosting New York,” stating: “We all have an interest in making New York City a better place to live in, do business in, and finally—because of tourist dollars—a better place to visit….Unfortunately the city suffers from underpromotion…..New York City needs more boosters, and needs to invest more money in boosting the city” (The New York Times Editorial Board, 1952). Within three years, a major business group came back to the fold of the NYCVB: the Real Estate Board of New York and the city’s real estate leaders (Untitled article in The New York Times 1955). On April 28, 1955, a summit was held between NYCVB president Bernard F. Gimbel and fifty real estate leaders including such illustrious industry names as William Zeckendorf Jr. and Norman Tishman to rally support for the Visitors Bureau (Ibid.). Recognizing that the real estate community joined with the hotel industry during the NYCVB’s founding in 1935, and then dropped out of the organization during World War II, there was renewed effort by tourism leaders to rally the real estate industry to support the Bureau.

New York Summer Festival

In 1954, the NYCVB re-inaugurated the New York Summer Festival (later titled “New York Is A Summer Festival”), which was originally produced by Mayor LaGuardia in the summers of 1935, 1936 and 1937 to “shake off depression doldrums [and featured] stadium concerts, free dramatic performances, public dances, art shows, visits to
museums and historic shrines” (Berger 1955). When the program was brought back to
life by the NYCVB in 1954, the “bureau and the city’s leading merchants… arranged
special events to attract the native as well as the visitor” (Unsigned article in The New
York Times 1955). This annual event, continuing well into the 1970s, was the first
programming effort of the NYCVB that focused not only on promotions geared for
visitors and prospective businesses, but which also tried to lift the spirits of local New
Yorkers.\footnote{Each year, the NYCVB organized a major press conference to unveil the plans of the Festival. Annual Festival highlights included a series of independently produced events, such as the Lewison Stadium Concerts with major classical and pops performers, Goldman Band concerts in the malls of Central and Prospect Park, and Shakespeare performances in Central Park. A “Summer Festival Queen” was crowned every year, chosen “through a diligent screening by a panel of entertainment personalities and other specialists in pulchritude and charm” (Gilbert 1963). The “Summer Festival Queen” (see Figure 2.2) traveled throughout the US, Canada, Mexico and Europe to promote the city as a summer tourist destination (Ibid.). The NYCVB was successful in placing the many summertime events that clearly had a significant local audience, such as the Lewison Stadium Concerts (Horsley 1973), under the rubric of a major tourism promotion.}
Figure 2.2: 1970 New York Is A Summer Festival Queen Rosemary Joyce touring Europe. (New York Convention & Visitors Bureau 1971, 6).
In 1956, Thomas W. MacLeod succeeded Bernard Gimbel as chairman of the NYCVB. Like Gimbel, MacLeod was a department store leader, serving as president and chairman of the board of Stern Brothers (Unsigned article in *The New York Times*, 1956b). Gimbel returned to the chairmanship in 1957 (Unsigned article in *The New York Times* 1957), and was succeeded by Joseph P. Binns in 1958 (Unsigned article in *The New York Times* 1959a). At the time of his election as chairman of the NYCVB, Binns served as the executive vice president of the Waldorf=Astoria Hotel and vice president of the Hilton Hotels Corporation (Ibid.), thereby returning control of the NYCVB to the hotel industry. Early in Binns’ leadership of the NYCVB, the group weighed in on a major development project much more associated with the New York City resident population than that of visitors: the construction of a new baseball stadium in Queens that would ultimately host the New York Mets. After being called on by William Shea, chairman of the Mayor’s Baseball Committee to support the stadium (noted Shea, “we need to have a two-team city, and I hope you help the public to know what it means to have them here”), the NYCVB made a resolution stating that “another major league team in the city will substantially increase the wholesome interest in sports and thus be of great assistance in our fight on juvenile delinquency” (Unsigned article in *The New York Times* 1959b). The NYCVB was thus already being used as a messenger to convince New Yorkers of the value of city economic development initiatives that go beyond that of tourism.

In 1961, Gustav S. Eyssell, the president of Rockefeller Center (a major landmark of New York containing a mix of uses for media, office and entertainment establishments) was elected as chairman of the NYCVB (Unsigned article in *The New York Times*
Eyssell’s first act in office was to call for businesses in the city to contribute an additional $100,000 to the NYCVB’s budget, thereby increasing the annual budget from $512,000 in 1960 to $612,000 (Ibid.). Eyssell’s call for increasing the budget of the city’s and the nation’s tourism development efforts had a tinge of Cold War-era competitiveness: “What was simply good business,” said Eyssell, “has now become national necessity,” with Americans spending twice as much abroad as foreign visitors spent in the U.S. “to make up for this imbalance, we need to bring back more tourists to America and get back some of those dollars” (Ibid.).

1964 World’s Fair – The NYCVB Provides Logistical Support for the Tourism Community

For the 1964-65 Worlds Fair in Queens’ Flushing Meadows-Corona Park, the NYCVB expanded its role beyond that of boosting the tourism industry to serving as a logistics and business practices coordinator for the many hotels competing for World’s Fair visitors (Ennis 1963). Among the uniform rules that hotels participating in the NYCVB’s “World’s Fair Housing Bureau” were required to adhere to were to not charge rates beyond those that were published at the start of the Fair, pay commissions to recognized travel agents, and holding and honoring all reservations (Ibid.). The NYCVB’s new President, Harry M. Anholt (who concurrently served as the head of Realty Hotels, managers of New York’s Biltmore, Barclay, Park Lane and Roosevelt Hotels) (Unsigned article in The New York Times 1964), thus took the reins of what would seem to be the New York Hotel Association’s role to police the accommodation industry. Although the Bureau’s energies were consumed by its efforts to support the fair, the NYCVB did not
slack in the promotion of the annual Summer Festival in 1964, and indeed developed a new slogan: “New York Is a World’s Fair and a Summer Festival, Too” (Gilbert 1964). However, by the close of the summer season of 1964, it already became clear that the World’s Fair profits would not meet pre-Fair estimates of forty million visitors (26 million actually attended the Fair in 1964), and Fair leaders blamed this on an “abortive civil rights stall-in threatened for opening day, some sit-ins that followed, riots in the city, out-of-towners’ fears that hotel rooms were hard to get, and just plain bad weather” (Phalon 1964). Given that exhibitors urged that the admission fee for the Fair be reduced after 7:00 or 8:00 PM (Alden 1965), presumably as an attempt to market to New Yorkers who could visit the fair after their day at work, it seems likely that New Yorkers were choosing to take advantage of the other summertime entertainment provided by Summer Festival venues rather than the Fair.¹¹

In the spring of 1966, the year after the close of the World’s Fair, the NYCVB continued organizing its New York Summer Festival, and was optimistic that the positive

¹¹ Table 2.6, located at the conclusion of this chapter, documents the number of visitors to New York City between 1965 and 2010.
experience that out-of-town visitors had while attending the Fair would lead them to

return to the city the following year (Reamy 1966). Indeed, occupancy in New York City
hotels was 70.5 percent, which was slightly higher than in 1965 and only 1.5 percent
lower than in 1964, the year in which the Fair was launched (Adams 1967). The industry
remained both optimistic and bullish in 1967, when the NYCVB’s new president, Preston

Figure 2.3: Graphic for 15th Annual New York Summer Festival. The New York Times, June 2, 1968.
Robert Tisch\textsuperscript{12} of Loews Hotels, proclaimed that “the visitor industry will grow to be the largest and most important industry in New York City” (Ibid.), and called for the construction of a new convention hall to supplement the recently-opened New York Coliseum. The Summer Festival celebrated its 15\textsuperscript{th} Anniversary during the nationally tumultuous year of 1968 (see Figure 2.3) by announcing that the theme of the event would be “15 Great Free Things to Do in New York During Summer 1968” (Berg 1968), providing a menu of activities that diverted attention away from the protests associated with the war in Vietnam and the assassinations of Martin Luther King Jr. and Senator Robert F. Kennedy. In 1969, Tisch announced at the NYCVB’s annual meeting that “more people visit New York than any city in the world,” and New York City Mayor John Lindsay remarked that ‘tourism is of prime importance to us’ and urged business concerns to support the Convention and Visitors Bureau as a ‘terribly good investment’” (Adams 1969).

\textbf{Crime Muddling the Booster Message}

In 1970, members of the hotel industry began publicly expressing concern about their profitability, noting that while occupancy remained high (75.5 percent), their earnings were decreasing due to increasing labor and equipment costs (Hammer 1970). However, by 1972, the economic decline of New York, and the consequent increase in crime and business and residential relocations, perhaps became too much for the NYCVB image campaign to handle. At a NYCVB event for convention planners during Valentine’s Day weekend of 1972, Preston Robert Tisch introduced a series of skits titled “Selling New

\textsuperscript{12} Preston Robert Tisch is the father of post-9/11-era NYC & Company chairman Jonathan Tisch.
York”, including the clearly sarcastic “Nobody Gets Raped in Kansas City” (Montgomery 1972). Lyrics of this ditty included:

“No one ever gets strangled up in Boston,
Chicago doesn’t even need police;
It only happens in New York City,
All the rest of the world is love and peace.” (Ibid.).

When the annual Summer Festival was inaugurated in 1972, the message presented to the press was not of the usual hyperbole about this being the biggest and best festival ever, but rather that the City has been unjustly tarnished by poor media coverage. Tisch remarked that “the press and electronic media had exaggerated the difficulties and dangers of living in New York, and had played down the things that made it a nice place to visit” (Markham 1972). Even the Summer Festival Queen, 23-year old Bernadette Allen, had to get into the “fun city to crime city” fray, stating that while traveling on behalf of the Festival, “I told the reporters in Australia, ‘If New York was as bad as you say it is, I’d be afraid to go back there’” (Ibid.). Perhaps the lowest point in the series of ironic quips about promoting New York tourism during a period of heightened fear and fiscal crisis was at the launch of the NYCVB’s final Summer Festival in 1974. When Mayor Abraham Beame placed the honorary crown on Summer Festival Queen Patricia Mauceri, he joked “we ought to hock it and apply it to the city budget” (Unsigned article in The New York Times 1974a).

The Real Estate Community Grabs the Booster Gauntlet

Sociologist Miriam Greenberg (2008a) documented how in 1971, a group of NYCVB members organized a new civic association called the Association for a Better New York (ABNY) to combat what they perceived to be an “image crisis.” This new group was led
by real estate executive Lewis Rudin of Rudin Management, and included in its leadership circle Robert Marshall of Rockefeller Center and the Rockefeller Group real estate enterprise (a former executive of the firm served as president of the NYCVB) and Loews’ Preston Robert Tisch. Its Board of Directors in 1972 included 28 men, 21 of whom (75 percent) were from the real estate industry, one was from the Downtown Lower Manhattan Association, two were from the hotel industry, and one each from the advertising, finance, law and retail sectors.\(^\text{13}\) While the initial membership of the organization included 127 members representing all aspects of the business community (Reeves 1971a), it is clear that the real estate industry leaders were at the helm of this new organization. Covering the organization’s launch, the *New York Times*’ Editorial Board wrote that ABNY,

“just formed under the auspices of most of the city’s top real estate operators and building contractors, is the latest expression of near-desperation in the business community over advanced municipal decay…The group’s great driving force is self-interest as well as civic concern. Those who own office buildings and apartment complexes in the city, those who run them and construct them, have an understandable interest in making New York City a better place in which to do business and live” (*The New York Times* Editorial Board 1971).\(^\text{14}\)

The editorial further noted that “it is sufficient to suggest that businessmen interested in civic and economic improvement have hardly lacked a group to join. What distinguishes the newest group is that it seems more action-oriented..” (Ibid.). Preston Robert Tisch remarked that “we’re all tired of groups and committees, but we had to do something, and


\(^{14}\) The real estate leaders of ABNY were quite forthcoming in acknowledging that they had a personal economic motivation to address the decline of New York. In a roundtable interview *The Times*’ conducted for its article announcing the formation of ABNY, “Mr. Tishman said at one point: ‘We haven’t built an apartment house in New York for six years.’ And Mr. Rudin answered: ‘We haven’t built one in eight years’” (Reeves 1971a).
this is really a desperation move” (Reeves 1971a). NYCVB president Tisch, the city’s top booster, recognized that in an era of corporate exodus (the formation of the group was spurred by the announcement that General Telephone and Electronics Corporation was moving its headquarters from New York to Connecticut) (Ibid.), the most effective publicity campaign would demonstrate to business leaders that their peers were literally rolling up their sleeves and staying in New York. Before the formation of ABNY was officially announced, the real estate leaders of the Association had already accomplished the major feat of convincing the major city unions whose members were involved in keeping New York clean to support their own effort to use their building janitorial staff to clean city streets. A photograph appearing in *The Times* (see Figure 2.4) featuring Preston Robert Tisch, John J. DeLury of the sanitation union and Irving Schneider of Helmsley-Spear (one of the city’s largest real estate development and management companies) sweeping Vanderbilt Avenue in midtown showed to the business community that there was a key coterie of their peers continuing to invest in New York and that cooperation between labor and business interests for the good of the city was indeed possible (Reeves 1971b).
Greenberg (2008a) describes how each week between 1971-1972, ABNY purchased a major ad within *The New York Times*’ editorial pages that featured testimonials from leaders of corporations that have chosen to stay in New York (116). Some of the ads featured the line “If you are a top executive of a corporation with headquarters in New
York – and can’t answer ‘yes’ to all of these questions [ie. Have you seen the great new Avon Products headquarters building on 57th Street?], we’d like to take you to lunch” (117). This personal approach taken by the leaders of ABNY demonstrated how the real estate leaders chose to become the “face” of New York recovery; providing a direct visual, pro-quality of life counterpoint to the destructive images of graffiti covered subways and grime-covered streets. ABNY members used their muscle to convince local television stations to minimize the New York crime jokes on late night television, and, as noted by Robert Marshall of Rockefeller Center, “I can remember Lew [Rudin’s] often heated discussions with the heads of these broadcasting groups, many of whom he knew. And he would come down with a real wallop and say, ‘You just can’t do this to the city. We’ve got to find a way for them to get their humor from somewhere else. Or at least for someone to say something positive about the city’” (loc. cit. 121). To provide a tangible, media-friendly counterpoint to messages about unsafe streets, ABNY was able to deploy the office building security guards of member real estate companies to provide evening and night patrols of midtown sidewalks (Schumach 1973). When Rudin was asked at the news conference announcing the security guard plan if he could assign a value to the real estate of the area that will be patrolled, he replied “It’s worth enough for us to save it. Nobody in this century will ever reproduce New York. So why give up by default”” (Ibid.).
The “Big Apple”

In 1971, Charles Gillett, then the Executive Vice President of the NYCVB,\(^\text{15}\) turned a long-time slang moniker for New York, “The Big Apple,” into a branding catchphrase for the city (Barron 1995; Cohen 1995; Krebs 1975). The term has many reported origins, however Gillette stated that his inspiration was his recollection of jazz musicians using the phrase in the 1920s and 1930s as a way of stating that after playing in smaller venues, they have made the “big time” when playing in New York City: “There are many apples on the tree, but when you pick New York City, you pick the Big Apple” (Barron 1995).

To launch the campaign, Gillette produced and distributed small lapel stickers that quickly transformed the phrase “Big Apple” into a physical badge that was worn and distributed by public officials and celebrities as a means of showing support of, and affinity for New York.\(^\text{16}\) ABNY seized on the “fashion statement” of wearing a Big Apple as a public way asserting the business community’s faith in New York, and produced its own version of the Big Apple lapel sticker, thereby appropriating the symbol for Lew Rudin’s organization: “Mr. Rudin…has given away about 4,000 cloth Big Apple

\(^{15}\) Charles Gillett joined the NYCVB in 1964, and succeeded long-time NYCVB Executive Vice President Royal W. Ryan upon his retirement in 1965 (Unsigned article in The New York Times 1982; Barron 1995). The title of Executive Vice President (also briefly called “Executive Director”) was the highest professional title at the organization until the mid-1970s, when the position of President of the organization, which had been held by volunteers serving as the leader of the Bureau’s Board of Directors (the last volunteer holding this title was Preston Robert Tisch), was re-named the Chairman of the NYCVB. Gillett was thus elevated to the position of President of the Bureau, however his actual duties at the organization remained the same. Royal Ryan joined the NYCVB in 1945 after working in the sales and marketing departments of various hotels, while Gillette joined the Bureau at the same time, serving as Ryan’s “promotion manager” (Fortiner 1947). Marshall E. Murdaugh succeeded Gillette in 1988. Murdaugh previously served as the president of the Memphis CVB and formerly was the commissioner of the Virginia Division of Tourism (Unsigned article in The New York Times, 1988).

\(^{16}\) “Mayor Beame, Governor Carey and State Attorney General Louis J. Lefkowitz press the stickers on visitors to their offices, and Percy E. Sutton, the Manhattan Borough President, passed them out by the dozens on a recent tour of African countries. Tom Snyder, the new New Yorker…wears a Big Apple on his Channel 4 news show. Alan King, the comedian, Dave DeBusschere, the basketball figure; and Louis Rudin and Preston Robert Tisch, the real estate and hotel executives, all have joined the Big Apple corps of city boosters and pass out the little stickers” (Krebs 1975).
stickers, in the ¾ inch version that sell for 10 cents a sticker” (Krebs 1975). New York Telephone, a utility company clearly as dependent on the New York City economy as ABNY’s real estate-sector members, created their own version of the Big Apple too:

“Lee Oberst, a vice president of the New York Telephone Company, passes out Big Apples of his own design. Wanting to make it unmistakably clear that New York’s ranking among cities is absolutely the highest, he had a white numeral ‘1’ superimposed on his apple sticker” (Ibid).

Greenberg (2008a) suggested that ABNY used the Big Apple theme as part of an “old-fashioned marketing technique” of describing New York as having the biggest and best of everything (115). ABNY’s Big Apple campaign was targeted to New York residents and business owners. ABNY Executive Committee member Alton Marshall stated that

“we had to convince people that New York City is a hell of a town. And it’s a town you want to stay in….We have the greatest medical facilities in the world in New York City. Why shouldn’t your employees have that available to them…..We were going to convince, re-convince in some cases, the people” (115-116) [emphasis added].

The Summer Festival created by Mayor LaGuardia and perpetuated by the NYCVB was marketed as a tourism promotion that served the complimentary goal of lifting the spirit of New Yorkers. Likewise, the Big Apple Campaign originated with the city’s tourism industry in 1971, but was appropriated by the real estate community to serve as an iconic symbol by which to rally and demonstrate support for continued investment within New York.

**Fear City: Not a Good Name for a Tourist Destination**

Another telling example of ABNY’s battle to change the image of New York, and an instance in which ABNY’s coordination with the NYCVB was clearly evident was the
response to the “Welcome to Fear City” pamphlet produced by a number of municipal unions in 1975 (see Figure 2.5).

**Figure 2.5:** *Welcome to Fear City* pamphlet, Council for Public Safety, New York, 1975. Available at Wisconsin Library Services, Madison, Wisconsin.
On June 4, 1975, during the heart of New York’s fiscal crisis, Mayor Abraham Beame announced that the city would lay-off 50,000 city workers, including nearly 11,000 police officers and firefighters (Greenberg 2008, 133). In response, twenty-four city police and fire unions agreed to join forces to form the Committee for Public Safety (CPS), and to print one million copies of a four-page pamphlet titled “Welcome to Fear City – A Survival Guide for Visitors to the City of New York” (loc. cit. 134). The CPS’s choice to target the distribution of the pamphlet to tourists rather than to city residents (who clearly would be the population most severely impacted by the dramatic loss of approximately 15 percent of the city’s public safety officers) demonstrated how the city’s self image was viewed by the broad public as being dependent on how it was perceived by those from outside New York. The Fear City pamphlet included such admonitions as:

“Stay off the streets after 6 P.M. Even in midtown Manhattan, muggings and occasional murders are on the increase during the early evening hours….Do not walk. If you must leave your hotel after 6 P.M, summon a radio taxi….Avoid public transportation…You should never ride the subway for any reason whatsoever. By the time you read this, the number of public safety personnel available to protect residents and visitors may already have been still further reduced. Under those circumstances, the best advice we can give you is this: Until things change, stay away from New York City if you possibly can” (Fowler 1975a).

Circulation of the pamphlets began at the city’s John F. Kennedy Airport, but was quickly stopped due to a judicial injunction sought for by the Mayor’s office (Fowler 1975b). Lew Rudin and ABNY quickly stepped into the fray, and had a meeting with the

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17 In 1975, the City of New York averted bankruptcy, being saved by financing provided by the State of New York and subsequent oversight over spending and debt by the State-backed Financial Control Board. According to the Congressional Budget Office, the crisis was caused by such short-term factors as lack of investor confidence in the credit worthiness of the city; high unemployment and lack of income growth requiring the city to spend more on services and receive less in taxes and high inflation. Long-term factors contributing to the crisis included out-migration of the higher-income households, in-migration of lower income households, deindustrialization, and the city’s high level of public services (Congressional Budget Office 1975, pp. 664-670).
CPS leaders. The CPS claimed that ABNY was serving as an emissary for the Mayor and that Rudin had made assurances that his group would “speak out publicly against the layoffs” (Fowler 1975c). Rudin said that he made no such claim, but as documented by Greenberg (loc. cit., 138-139), soon after the meeting with Rudin (and despite the unions’ right to distribute the pamphlets being upheld by an appellate court), the “Fear City” campaign was abruptly called off.

Within three days of Rudin’s meeting with CPS, the NYCVB launched a major international campaign to counter the negative publicity about New York City generated by the “Fear City” pamphlet. Upon leaving to meet with travel agents and tour operators from Paris, London, Brussels and Frankfurt with NYCVB chairman Preston Robert Tisch, NYCVB president Charles Gillett stated “we expect to hear the worst, but we think we can answer the ‘Fear City’ publicity. We’ll cite the true comparative crime statistics showing that the city is far down on the list and not a place of danger for visitors” (Fowler 1975d). Publicity for the post-Fear City NYCVB trip in the press, with respected city boosters presenting a positive portrait of safety in New York, clearly served as a salve for New Yorkers concerned about how the Police and Fire Department layoffs would affect their own quality of life: if New York is safe for visitors from the major cities of Europe, it must be safe for its own residents. The message presented by the NYCVB clearly had some success, for on July 31, 1975, only a month after the “Fear City” pamphlet was released, the New York Times ran a story with the headline “Tourists Flocking to City Despite Its Fiscal Woes,” with representatives from Lincoln Center,
Rockefeller Center and the Loews Hotels (all NYCVB leaders) noting that business had improved from that of the prior year (Unsigned article in *The New York Times* 1975).

1976: Hosting the Bicentennial Celebration and the National Democratic Convention

The year 1976 was a critical year for New York tourism and image building, with the city hosting not only a flotilla of tall ships (Operation Sail) in honor of the nation’s Bicentennial, but also the Democratic National Convention. Noted Mayor Beame, “the image we project will be very important, because for the few days of the convention, not only the country but the world will focus on New York City” (Ferretti 1976). Also, however, 1976 marked the first year in which the city cut its support of the tourism industry, reducing the NYCVB appropriation from $500,000 to $300,000 (Sterne 1976a). Having to reduce its staff from 49 to 36 people and close its visitor information center on weekends and holidays, the ever-optimistic Gillett was quoted in *The New York Times* sounding quite frustrated with the city’s budget priorities, stating “Let’s be honest. After the ‘Fear City’ and ‘Stink City’ and ‘Default City’ labels put on this town last year, New York has become harder to sell. We should be spending more money, not less” (Ibid.).

Although it was far from unusual for the NYCVB to state that it was underfunded,18 NYCVB officials in the past took this as a cue to fundraise from new and existing private sector donors and constituents. In 1976, however, NYCVB Chairman (and ABNY Executive Board Member) Preston Robert Tisch stated that “he doubted that additional

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18 In an effort to raise an additional $150,000 from groups such as The Broadway Association to promote the city to vacation travelers in 1952, NYCVB Board Member and Madison Square Garden president John Reed Kilpatrick stated that “the bureau’s budget of $156,000 was comparable to the amount spent by Ponca City, Oklahoma to entice trade and was far below the amount appropriated by major cities in competing with New York for convention and tourist business” (Unsigned article in *The New York Times*, 1952)
funds could be raised from hotel, restaurant, theater and department store interests that were already supporting the work of the bureau. ‘There are too many other demands already being made on them,’ he said” (Ibid.).

New York ultimately enjoyed a banner year of tourism in 1976, with the highest hotel occupancy levels since 1969 (Sterne 1976b), and in late December 1976, Mayor Beame announced in a major speech outlining a five-year program to revitalize the city’s economy that he would restore the $200,000 in funding to the NYCVB that he trimmed away earlier that year (Sterne 1976c). However, 1976 marked the end of ABNY and real estate community’s role as the public face of tourism and revitalization in the city. This was due to a variety of reasons. First, Rudin and his ABNY team indeed were successful in creating a multi-year public campaign demonstrating how the private sector in New York was willing to literally roll up their sleeves and lessen city grime and crime. Second, despite the national coverage of arson in the South Bronx and the Son of Sam murders in 1977 (Mahler 2005), tourism in New York grew each year in the late 1970s (16,500,000 visitors in 1976; 16,750,000 visitors in 1977; 17,000,000 visitors in 1978 and 17,500,000 visitors in 1979). With statements like this from NYC taxi industry spokesperson Arthur Gore, “It’s beginning to look as though tourism is the biggest industry in town” (Schumach 1977), there was less of a need for real estate leaders to

19 NYC President Gillett, trying to offer an explanation for increased tourism in 1976, stated “We can’t single out one cause for the better year we are having. But we seem to be benefiting from the improvement of the economy, for the good season the Yankees have had, from the Bicentennial celebrations in July and from the good publicity we got from the Democratic National Convention” (Sterne 1976b). He also noted that the NYCVB’s Big Apple campaign “had taken firm root and is now blossoming” (Ibid.).
21 Sterba 1978a.
22 Schumacher 1979a.
speak about how attractive the city is for visitors. Third, the inauguration of Edward Koch as New York City’s 105th Mayor in January 1978 brought a brash, larger than life figure to City Hall. As described in a *Time* magazine profile, “like New York, Koch can be brave, hilarious, generous, protective, occasionally gracious and more rarely, touching. He can also be arrogant, spiteful, petty, wily and a bully” (Rosenblatt 1981). With Koch in office, there was no publicity “vacuum” for a face representing New York that needed to be filled by leaders of the real estate community (see Figure 2.6).

**Figure 2.6:** NYC Mayor Edward Koch on the cover of *Time*, June 15, 1981. Available at [http://www.time.com/time/magazine/0,9263,7601810615,00.html](http://www.time.com/time/magazine/0,9263,7601810615,00.html) [accessed June 5, 2011].
Fourth, and perhaps most importantly, two tourism campaigns, the Big Apple initiative, and later, New York State’s I Love NY tourism advertising, were viewed by their creators as having successfully changed the perception of New Yorkers about the viability of their city. As stated by New York Times columnist Murray Schumach (1977), “Boosterism is no longer an epithet to the city’s officials, civic leaders, union heads and neighborhood groups. The tourists have taught them that the city is ‘The Big Apple,’ maybe even ‘Fun City’ once again” [emphasis added]. As stated by the NYCVB’s Charles Gillett, “there is a growing pride in the city on the part of New Yorkers” (Ibid.). The NYCVB’s chairman, Preston Tisch, remarked that thanks to the “Big Apple” campaign created by the Bureau, “New Yorkers have a new image of themselves and their city” (Sterba 1978a).

I Love NY: Replacing the Red Apple with a Red Heart

Greenberg (2008a) describes the moment when Deputy Commissioner John Doyle of the New York State Department of Commerce had the “epiphany” that led to the creation of the I Love NY promotion campaign (193). When a company told him that they were leaving New York because their employees didn’t want to live there, he realized that “‘if tourists want to visit [New York City], you can get middle managers who want to live there.’” Shortly thereafter, on June 27, 1977, the State of New York launched “the most ambitious and extensive advertising program ever undertaken to make New York State a tourist mecca” (Dougherty 1977). While New York is still referred to as the Big

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23 In May, 1977, in an effort to woo the New York State legislature into approving a significant increase in tourism promotion spending, the NYS Department of Commerce released a study which it commissioned concluding that “building the tourist industry would be the fastest and cheapest way to create jobs, increase
Apple, and tourist trinket shops are filled with Big Apple-themed paraphernalia, the *I Love New York* campaign, and its iconic logo graphic created by Milton Glaser replaced the Big Apple as trademark for tourism in both the city and state (see Figure 2.7). As the Big Apple was developed by Gillett and Rudin, and by the NYCVB and ABNY as a symbol for New Yorkers themselves to wear to show their solidarity and support of the city, Glaser, as noted by Greenberg, saw the *I Love NY* campaign as a rallying cry to be voiced by New Yorkers themselves:

“I think originally the I Love NY campaign was fundamentally driven by tourism and the loss of revenue because people weren’t coming here. It was focused outwardly. But I think its most profound effect was inward, which is to say it reminded [New Yorkers themselves] of their own commitment to life in the city” (206-207).

**Figure 2.7:** *I Love NY* logo, New York State Dept. of Economic Development, 2010.

The launch of the *I Love NY* television campaign, funded by a $4.3 million dollar budget allocation by the State of New York,\(^\text{24}\) featured two ads, one focusing on outdoor recreation sites in Upstate New York and Long Island, and another focusing exclusively on Broadway shows. Both ads featured the specially commissioned *I Love NY* jingle by tax revenues and strengthen the economy of New York State” (Sterne 1977a). The study revealed that congestion and crowding was a greater deterrent to tourism than crime, and that New York lagged behind other states in the region in both tourism promotion spending and tourism-related growth (Ibid.).

\(^\text{24}\) Up from merely $400,000 (Greenberg 2008a, 210).
Steve Karmen (Dougherty 1977). To put the size of this $4.3 million campaign in perspective, the entire NYCVB operating budget for 1977 was only $1,250,000, with $500,000 allocated by City Hall and the balance generated by NYCVB member dues and contributions (Sterne 1977b). The New York City-focused ads presented the cast members of a series of highly identifiable Broadway shows singing the *I Love NY* theme song, and concluded with the narrator stating that there are *I Love NY* Broadway Show Tours packages available, which include hotel accommodation, and to call a toll free number for a booklet. While the campaign was supplemented by financial support from ABNY, and the NYCVB aided with the development of the theater packages (Greenberg 2008, 210), the NYCVB and ABNY were completely missing from the graphics associated with the television advertising campaign, while the Department of Commerce of New York State was visually identified within the spot (see Figure 2.8).

**Figure 2.8:** Image from the first NYC-focused *I Love NY* television ad (Sterba 1978b).
The Broadway-focused *I Love New York* ads were launched at a party at Tavern on the Green, and while the gathering drew “civic, political and business leaders,” the photograph taken of the launch by *The New York Times* featured Mayor Koch, New York State Governor Hugh Carey, and Broadway stars Yul Brenner, Frank Langella and Diana Ross. There was no mention of the NYCVB, ABNY or its leaders in the accompanying article, thus implying that these organizations were relegated to a supporting role in favor of the new star of the tourism show: the New York State Department of Commerce’s *I Love New York* campaign (Unsigned article in *The New York Times* 1978). In July 1978, John Doyle of the New York State Department of Commerce announced that the *I Love NY* campaign was so successful in the Northeast, that the campaign would run nationwide, and the League of New York Theaters and Producers noted that thanks to the campaign, 1978 was so far Broadway’s biggest year in history (Sterba 1978b). The article in the *New York Times* covering this major tourism-related announcement included no mention of, or comments from the NYCVB, ABNY or their respective leaders.

The record tourism year of 1978 (17,000,000 visitors) was topped by yet another record in 1979 (17,500,000 visitors) (Schumacher 1979a). NYCVB chairman Preston Tisch attributed the boom “partly to the joint efforts since 1975 of the state and city government, the business community and labor unions to improve the city’s image through campaigns such as the state’s ‘I Love NY’ and the bureau’s “The Big Apple.’” (Ibid.). But he also attributed it to the efforts of New York residents who restored “interesting neighborhoods such as SoHo, Brooklyn Heights and the Upper West Side” (Ibid.). Perhaps this reference to efforts of a broad group of New Yorkers as major
players in improving city life, making the city “more cosmopolitan than Paris or London” (Ibid.), was a retort to the announced creation of another business group ten days earlier: the New York City Partnership. The formation of the group was led by David Rockefeller, chairman of Chase Manhattan Bank; Walter Wrinston, chairman of Citibank; Richard Shinn, president of Metropolitan Life Insurance Company; and William Ellinghaus, president of American Telephone and Telegraph Company (Schumacher 1979b). While ABNY and other major business associations would be part of this new group, the real estate community did not, at least initially, lead it. The goal of the newly formed partnership was to “unite the business community on such issues as taxes, the development of such projects as Westway and the recruitment of industry for New York,” and had the support of the Koch and Carey administrations (Ibid). While Carey was disappointed that the existing business organizations weren’t able to drive the Westway highway project to fruition, and Peter Solomon, the Deputy Mayor for Economic Development, complained that “if I have a problem, I don’t have a group to go to as it is now. We badly need a stronger, better organized business community that is involved in the city” (Ibid.). Given the efforts of the NYCVB and ABNY just a few years earlier to aid in supporting the city, both financially and psychologically during the fiscal crises, it is surprising that the Deputy Mayor felt without strong allies in the business community.

By the summer of 1980, however, the booster skills of the NYCVB’s & ABNY’s Preston Robert Tisch proved to be valuable yet again to the city as it hosted the 1980 Democratic National Convention. Tisch served as the chair of Convention’s Citizen Host Committee,
which paid for advertising appearing on New York City subways and buses using the NYCVB & ABNY Big Apple theme, stating “Polish the Apple – They’re Coming Again” (Carroll 1980). The major event for all convention guests, a special show at Radio City Music Hall, featured Tisch, Koch and Carey as the co-hosts (Ibid.).

The 1980s: The return of the real estate coalition from their role as Boosters to their role as Builders

While the real estate community may not have been in front of the cameras as city boosters, they became the subject of headline news in the early- to mid-1980s. Supported both by the New York State Urban Development Corporation and the city subsidies, the landscape of the city was transformed by a series of new and renovated hotels, the creation of the retail complex of the South Street Seaport, office development at Battery Park City, and the beginnings of the redevelopment of Times Square (Fainstein 1994, 47). Curiously, the start of this development process did not originate with increased demand from the visitor marketplace. In the early 1980s, the nation’s economy was troubled, and in 1982, the number of visitors to New York City declined slightly to 16.9 million from 17 million in 1981, and the hotel occupancy rate dropped from 72.9 percent to 70 percent (Dunlap 1983). Noted Charles Gillett, “We are – happy isn’t the right word – we are satisfied because it dropped so slightly compared to other parts of the country” (Ibid.). The year 1983 wasn’t much better of a tourism season, with tourism increasing to 17.1 million visitors, and hotel occupancy increasing to 72 percent (Anderson and Bird 1984). Gillett pointed at the difficulty in convincing visitors that New York was an affordable vacation destination (Ibid.), a long-time concern for the NYCVB. Even during
the 1980s, a period where the excesses of Wall Street, as chronicled by Tom Wolfe (1987), became part of the image of New York, the hotel industry did maintain diversity in room rates. Noted Alphonse W. Salmone, vice president of the Hilton Hotels in 1984,

“Building costs are high but there has always been a vast array of choices in New York City. There will always be hotels with rooms for as little as $80 or $100. Hotels pass their costs on to their clientele, but we have not dislodged a great class of people because of rising rates. Looking at the present situation the city seems to be highly sellable and our prices compare favorably with other cities such as Boston” (Goodman 1984).

1986-1988: Tisch and Gillett depart from the NYCVB

In 1986, Preston Robert Tisch, just installed as the Postmaster General of the United States, stepped down as chair of the NYCVB and was replaced by Allan R. Johnson, the former CEO of the Saks Fifth Avenue department store (Unsigned article in The New York Times 1986). The last NYCVB head from the retail world was in the 1940s-1950s, when Bernard Gimbel led the Bureau. Tisch’s prestige, his many connections in the political, sports and of course the real estate world, his hosting of “Power Breakfasts” at his Regency Hotel, all aided tremendously in the NYCVB’s efforts to be a major player in the city’s civic scene (Martin 2005). His departure from the NYCVB represented a significant loss of power for the organization, creating a vacuum that made the organization much more dependent upon the leadership of City Hall less than a decade later. In 1988, Charles Gillett retired as president of the NYCVB after 43 years with the bureau (Unsigned article in The New York Times 1988). Tourism to New York was strong in 1988, with 19,844,000 visitors (Hevesi 1989).

Tourism numbers were bolstered in 1987 and 1988 due to the lower valuation of the
Dollar, the growing economy and spillover from the Statue of Liberty anniversary celebration and the World Series victory of the New York Mets (Meslin 1987). Despite these positive numbers, the threat of unscrupulous businesses and street crime was still a major concern for visitors. In 1998, the Better Business Bureau of Greater New York felt compelled to publish and publicize a guide to shopping in New York that advised visitors on how to avoid dishonest retail establishments, and NYC Transit Police spokesperson Albert O’Leary felt that it was helpful to remark that “the common perception is that the subway is an extremely dangerous system and you can see people breathe a sigh of relief when they leave a station. But people are 40 times more likely to become a crime statistic on the streets of New York than they are in the subway” (deCourcy Hinds 1998).

Upon his retirement, Gillett received the first New York State Governor’s Award for his “long and distinguished service in promoting New York as the premier travel destination in the world” (Barron 1995). Marshall E. Murdaugh, a travel and tourism professional whose credentials included creating the “Virginia Is For Lovers” marketing campaign and serving as the head of the Memphis Convention and Visitors Bureau, replaced Gillett (Unsigned article in The New York Times 1988). Mr. Murdaugh’s timing for joining the Bureau was less than ideal. In 1989, on the heels of the burst of the Wall Street bubble, tourism declined in New York City. Noted Rosemary Scanlon, chief economist for the Port Authority of New York and New Jersey, “instead of growth in the city’s advanced business services, which serve a national and international market, we’ve had a flattening out. That brought fewer business travelers to the city” (Hevesi 1989).

Due to the decline in municipal coffers, city financing of the NYCVB dropped from $1.5
million in 1988 to $1.25 million in 1989, the last year of the Koch Administration. In addition, the NYCVB had to close its Columbus Circle information center on weekends, and its in Times Square visitor center altogether (Navarro). In 1990, newly-inaugurated Mayor David Dinkins restored funding for the Bureau, and won passage in the New York State legislature for ¼ of one percent of the 21.5 percent hotel tax be used to support tourism efforts (Unsigned article in The New York Times, August 21, 1990). Noted Dinkins in an address to the NYCVB Board of Directors: "I realize how vital your efforts are to this city's economy. That's why I have reversed the decision of the previous administration to eliminate city funding of the C.V.B., and I have insured that your organization gets a share of the revenue generated by the increase in the hotel tax" (Ibid.).

Despite Dinkins’ support of the Bureau, 1991 was, according to Murdaugh, “a pretty miserable year. The best thing to say about ‘91”, he added, “is that we’re glad it’s over” (McDowell 1992). While Murdaugh noted that overall visits to the city only declined “slightly” from the 1990 figure of 25.3 million, he was particularly concerned that the number of conventions hosted in the city declined to 625 in 1991, down from 783 in 1992 (Ibid.). He attributed this decline to a troubled national economy, the Gulf war and the hotel occupancy tax, which was the highest in the U.S. (Ibid.).

In July 1992, New York City again hosted the Democratic National Convention (DNC). When, in 1976 and 1980, Preston Robert Tisch served as both NYCVB and Convention Host Committee chairman, it was moment of unabashed hoopla and hyperbole about New York. In contrast, in 1992, the city’s greeter-in-chief, Marshall Murdaugh, stated to The Times that he is worried that visitors would be frightened away from New York due
to “the big-event syndrome. In Philadelphia, Boston, Washington, on July 5 you could have shot a cannon through hotel lobbies and not hit anybody because a lot of people, fearing the promise of crowds, just stayed home. We don’t want people staying away because they think the city is sold out” (Barron 1992a). While Murdaugh remarked after the convention that it “helped dispel the myth of the unfriendly New Yorker. These delegates felt welcomed by New York, and that's important because the No. 1 way to attract visitors is not through advertising or direct mail, it's through word of mouth, and the word of mouth has never been more positive” (Barron 1992b), clearly the NYCVB’s new leader was a much more sober and muted style of cheerleader.

Moreover, the major branding and tourism programs developed to promote the city as media attention was placed on New York in the run up to the Democratic National Convention was not the NYCVB, but rather by the New York’92 Convention Host Committee itself (Miller 2008). The Committee was formed in 1990 (Federal Election Commission 1993, 3), with a unit focusing on convention “infrastructure” (headed by Henry Miller, who helped former Atlanta Mayor Andrew Young secure the 1988 DNC), and a non-partisan unit (headed by Leslie Marcus, a former fundraiser for then-Mayor Dinkins) established to organize events and parties that promoted the city while at the same time entertaining delegates (Barron 1992c). The titular leadership of the New York ’92 Host Committees did not have the stature or firepower that Preston Robert Tisch commanded when he led the festivities of the 1976 and 1980 conventions, however the working committees that took over much of the programming aimed at impressing 1992 Convention delegates and the media about the vibrancy of New York created some of the
city’s most enduring and celebrated tourism-related programming. For example, New York Restaurant Week, which is celebrating its twentieth anniversary in the winter of 2012 (NYC & Company 2012), was inaugurated as part of the programming of the DNC, and ran from July 13-16, 1992 (Miller 1992). Dining guide publisher Tim Zagat\textsuperscript{25} and famed restaurateur Joseph Baum\textsuperscript{26} created Restaurant Week to, as noted by Zagat, “invite New Yorkers, and others, to try restaurants that they might feel are too expensive to visit otherwise” (Ibid). New York’s leading restaurants joined the program, including Aquavit, Bouley, Harry Cipriani, Le Cirque, Mesa Grill, the Union Square Café and Windows on the World (Ibid). The restaurants participating in the promotion featured prix fixe lunches for $19.92 that would normally on average cost $45 (Brozan 1992). The program was a remarkable success, with restaurant managers stating that the response was “bordering on hysteria,” and that “phones [were] ringing off the hook” with reservation requests (Ibid.). However, the majority of calls came from New Yorkers, not conventioneers or tourists. The owner of the four-star Quilted Giraffe restaurant stated:

“It’s New Yorkers, but it is very touching. It is people who have been dreaming of eating in such places all their lives, the ones for whom even $19.92 is a lot of money. I hope we have a lot of those people” (Ibid).

Another major tourism-related public event created to highlight the city during the DNC that is celebrating its 20\textsuperscript{th} anniversary is “Broadway on Broadway.” The event, an outdoor lunchtime performance by the casts of musicals running on Broadway and staged

\textsuperscript{25} Zagat was the Chairman of NYC & Company when the city was attacked on 9/11.  
\textsuperscript{26} Zagat and Baum co-chaired the New York ’92 Host Committee’s Restaurant and Hospitality Committee (Brozam 1992).
in the heart of Times Square, was hailed as “spectacular” in its inaugural year (during the 1992 DNC) by the Editorial Board of The New York Times in a piece titled “Play It Again, Broadway” (The New York Times Editorial Board 1992). As was the audience for the 1992 NYC Restaurant Week, the attendees of the July 1992 Broadway on Broadway event were “mostly New Yorkers” (Ibid.).

New York’s semiannual Mercedes Benz Fashion Week, the leading fashion show of American designers that also serves as the launching point for NYC & Company’s Fashion’s Night Out event (Emmrich 2010), was also created as a result of the 1992 DNC. Fern Mallis, then the executive director of the New York-based Council of Fashion Designers of America, organized a runway show in Central Park “to romance the [DNC] delegates and put the New York fashion industry’s best foot forward” (Cheney 2011). The show took place on the second day of the DNC (July 14) in a tent, and convention delegates, party officials and fashion industry executives were invited (Hochswender 1992). The general public was able to watch the show via a simulcast on the Sony Jumbotron screen in Times Square (Ibid). For Mallis, the “New York is Fashion” event served as her means to demonstrate to the major New York fashion designers that joining forces for a major collective show focusing the world on the New York fashion industry was a worthwhile investment. Noted Mallis:

“There were 1,000 people and every designer who mattered provided clothing and models. At the end of the show you had Calvin [Klein] walk down the runway with a model, Donna [Karan], Oscar [De La Renta] Bill Blass, Diane [Von Furstenberg], Betsey Johnson – you name it they were there. They all got off the runway and were standing on the lawn looking back at this and they said, ‘Is this what you are talking about?’ After a year of meetings and pitching the fashion week idea, they got it, and then they were like, let’s go for it” (Cheney 2011).
Given the strong local support for the tourism-related events generated by the DNC, it would seem logical that the NYCVB would be in a much stronger position to lead major tourism event programming within the city. However, instead of the NYCVB asserting its role as the city’s lead tourism organization, the committees that led the DNC’s public events continued as ad hoc organizations. For example, Tim Zagat and Joseph Baum continued to lead the restaurant committee of the “NY93 Summer in the City” promotion, which was a partnership between businesses and city government (Fabricant 1993). Zagat & Baum’s 1993 Restaurant Week featured $19.93 lunches, was held during the same week in July as it was held during 1992, and featured 115 restaurants, twenty more than in 1992 (Ibid). No mention of the NYCVB was made in any of the four the New York Times articles describing the event (Miller 1993a; Miller 1993b; Williams 1993; Fabricant 1993), even though it was characterized as “a private-public partnership of the city’s tourism industry and the Mayor’s office” (Miller 1993a).

GIULIANI’S ELECTION AS MAYOR BRINGS CHANGES TO THE NYCVB

On November 2, 1993, the day Rudolph Giuliani was first elected Mayor of New York, and less than four months after the completion of the 1993 New York Restaurant Week, Marshall E. Murdaugh, then president and CEO of the NYCVB, resigned unexpectedly from his post (Unsigned article in The New York Times, November 3, 1993). Tourism was perceived as languishing in New York City due to the weak economy and the 21.25 percent New York City hotel occupancy tax (Ibid.). Murdaugh was succeeded by Stephen J. Morello, who moved to the city from Albany, where he had served for nine
years as deputy commissioner in the New York State Department of Economic Development (Weber 1995b).

The first summer of the Giuliani administration was considered by John Linen, the vice chairman of American Express and the chairman of NY94 (the successor organization to the DNC’s NY92 and the NY93 ad hoc committee) “a breakthrough summer” of cooperation among the diverse businesses of the tourism industry and city government. (Ibid.). This cooperation resulted in a program that created visitor packages that included shopping, dining and hotel accommodations that could be accessed via a single phone call (Ibid.). The big problem for the NYCVB was that those phone calls were not being directed to their offices, and indeed the Bureau was not included in most of the planning sessions for the program (Ibid.). This appearance of disengagement prompted John Dyson, then Giuliani’s Deputy Mayor for Economic Development, to describe the NYCVB at the beginning of Morello’s tenure as “asleep at the wheel,” and then to question whether supporting tourism should be a role of government or the responsibility for the private hospitality-related businesses which tourism supports (Ibid).

In January 1996, the New York Times’ Editorial Board wrote a piece focusing on the city’s “need to nourish tourism” (New York Times Editorial Board 1996). Stating that the NYCVB was “just one of several organizations luring out-of-towners,” the piece bemoaned that there was a “lack of concerted effort” to generate tourist visits (Ibid.). The editorial pointed to two “private groups” as part of the city’s tourism promotion infrastructure. First, it named NY’95, the successor to NY92, NY93 and NY94, defining the group as an “aggressive [emphasis added – a far cry from the “asleep at the wheel”
characterization of the NYCVB stated by Dyson] collection of hotel, restaurant and travel interests.” The piece applauded NY ‘95’s plan to make itself a permanent organization, which the NYCVB could only view as being a threat to its presumed leadership and representation of the tourism industry. Curiously, the other private group that the editorial mentioned as being engaged in “luring out-of-towners” was the Association for a Better New York, which the piece described as “a well established organization with roots in real estate” (Ibid.).

Any positive developments in the tourism outlook for the city during Morello’s tenure seemed to be met with concurrent new challenges. First, while he had success with both the city and state in reducing the hotel occupancy tax to 13.25 percent, the Bureau no longer received revenues generated by the higher tax (Weber 1995b). Second, while private sector efforts to lure tourists to New York were expanded by the involvement of NY’95, and it could only help the NYCVB’s efforts when businesses in the tourism industry recognize that they depend upon each other to effectively drive visitor business to the city, 27 while NY’95 was developing packages for individual, leisure-based visitors, the NYCVB focused its efforts on business travelers attending conventions in the city. Large-scale advertising campaigns that promoted the city and its newfound vibrancy to the general public is quite a different (and more politically attractive) way to spend tourism-related dollars than investing in trade missions aimed at booking large scale conventions. The third challenge faced by Morello was negotiating through the

27 As noted by Martin E. Segal, the former chairman of Lincoln Center who in 1996 was working to foster the collaboration of arts agencies, “it is accepted now, as a consequence of NY92, NY93 and NY94, that we're all in the same boat...the restaurants won't do well unless there are tourists; the hotels won't have occupants unless people come to town, and people won't come unless there are interesting events” (Weber 1995b).
political feud between New York Governor George Pataki and Mayor Giuliani,\textsuperscript{28} which led to diminished city involvement and promotion in the state-supported \textit{I Love NY} campaign (Ibid.).

On December 12, 1997, in the fourth year of his tenure, and shortly after the re-election of Giuliani for his second term as mayor, Morello submitted his resignation as President of the NYCVB. Later that same day, former Deputy Mayor Fran Reiter was installed as the NYCVB’s new leader (Firestone 1997), making it completely clear that this personnel change was orchestrated by City Hall, and thereby setting the stage for the heightened coordination between tourism-related industries and municipal government that enabled the establishment of the post-9/11 tourism-led growth coalition. Denying that the Board of the NYCVB was forced to make the change Paul O’Neil, president of Sheraton Hotels of New York and then-chair of the NYCVB stated that "the Mayor has always contributed 50 percent of budget, and that's a lot. When he spoke, he was listened to. He has representatives on the executive committee of the Convention and Visitors Bureau, and they were listened to" (Ibid.).

Gone were the ad hoc tourism related groups such as New York ’95, for Giuliani recognized how promoting a vibrant New York increased his national reputation. Likewise, support of the tourism-related industries such as the arts, retail and restaurant businesses attracted investment in New York City and the in-migration of talented, highly skilled labor.

\textsuperscript{28} Republican Mayor Giuliani actively endorsed the ultimately unsuccessful re-election campaign of Democratic governor Mario Cuomo instead of fellow Republican George Pataki (Mitchell 1994).
During Mayor Giuliani’s first term of office (1993-1997), Fran Reiter served as his Deputy Mayor for Planning and Community Relations and Deputy Mayor for Economic Development and Planning (Fried 2003). Reiter stepped down from the administration in 1997 to serve as the manager for Giuliani’s successful campaign for a second term of office (Ibid.). Reiter was known for being “loyal and dutiful” to the Mayor and for her “aggressive style” in City Hall (Ibid.). In 1996, a year prior to Reiter’s appointment as head of the organization, New York City was only the fifth most popular destination for American travelers, being outpaced by Orlando, Atlanta, Chicago and Las Vegas (Goodnough 1998). While tourism numbers were indeed growing, “most in the [tourism] industry agreed” that this growth was not due to the efforts of the NYCVB, but rather due to the Mayor’s well-publicized successes in improving public safety and improvements in the overall economy (Firestone 1997). Indeed, as late as 1996, tourists visiting the city, such as Sabine Hackl from Austria, were relieved to report that “almost every film about New York shows someone getting killed…but that’s not true. People are actually helpful here,” prompting Giuliani to remark that “to continue the momentum it’s important for people to get an accurate picture of what New York is like. Stereotypes are very hard to change. But we have a great story to tell” (Swarns 1996).

As campaign manager and deputy mayor, Reiter was one of the few members of the Mayor’s inner circle who was trusted with communicating with the media and with coordinating the disparate personalities and municipal agencies that make up the vast New York City government bureaucracy. At Reiter’s appointment, Paul O’Neil, remarked that “there is a recognition that we have to take tourism coordination to a much different level. We're going to be stepping up our effort to coordinate all aspects of
tourism promotion around the city, including the millennium celebration and the
centennial of the city's unification, and we needed somebody familiar with all of these
constituencies” (Firestone 1997). This need to create better coordination between the
public and private sector organizations responsible for managing tourism in New York
City and the economic development agencies which promote the City as a place to live
and run a business, led to the renaming of New York’s not-for-profit tourism agency
from the New York Convention & Visitor’s Bureau (NYCVB) to NYC & Company
(Sidron 1999). Reiter said that the newly renamed agency will act as a “central facilitator
and point of entry” for investors in New York and for linking businesses with the city’s
quasi-governmental Economic Development Corporation (Ibid.). By linking tourism
related programming explicitly with business and human resource recruitment, Reiter
thereby set the stage for the agency leading development in the months immediately
succeeding the attacks of September 11, 2001.

In July 1999, Fran Reiter was given an ultimatum by the agency’s Board of Directors to
either end her exploration of a possible run for Mayor in 2001 (Giuliani was term-
limited), or resign her position as NYC & Company president (Goodnough 1999a).
While Reiter had only served 19 months in her new role, she decided to resign for she
understood that the Board felt that consideration of a mayoral candidacy would become
too much of a distraction (Ibid.).

Cristyne Nicholas takes the helm of NYC & Company

On October 1, 1999, Cristyne Nicholas began her tenure as President of NYC &
Company (Eaton 1999). She was appointed to this position with the strong support of
City Hall after serving first as the Giuliani 1993 mayoral campaign press secretary, then Mayor Giuliani’s first press secretary and later his Communication’s Director, rising to the de facto Chief of Staff of his administration (Barry 1999a). Nicholas29, a Brooklyn-born, 1987 graduate of Rutgers University, was appointed to the Communications Director title at age 30, in March 1995 (Firestone 1995). In that title, Nicholas was responsible for the Mayor’s “press office, his speech writing and research office and all his public scheduling and also coordinate[d] City Hall’s public comments and responses with other agencies” (Ibid.).

A major element of Mayor Giuliani’s public persona was his combative, take control attitude, which he justified as a means of disproving conventional wisdom that large cities such as New York were ungovernable, and that crime, particularly quality of life offenses (e.g., “squeegee men,” graffiti, vandalism, etc.), were intractable. Communication of the successes of the Giuliani administration was viewed as key to the Mayor’s political and operational power, and messaging was carefully tailored so that the Mayor would be credited for these victories, particularly when they involved the fight against crime. A frequently cited dispute between the Mayor and his first police commissioner, William Bratton, erupted when Bratton appeared on the cover of Time magazine as the city’s chief crime fighter. The displeasure of the Mayor caused by Bratton’s perceived usurpation of the public’s adoration led to the dismissal of the commissioner from his post (Kirtzman 2000, 175-177; Barrett 2000, 346), demonstrating

29 Prior to her marriage to golf writer Nicholas S. Nicholas in February 2000, Ms. Nicholas’ name was Cristyne F. Lategano.
that limelight could not extend to Giuliani’s subordinates, no matter their role in the administration.

As press secretary, Nicholas focused not only on shaping the Mayor’s message, but also on making sure that the Mayor’s views were delivered to the public as unfiltered as they could be from the oft-critical press corps. Nicholas’ strategy was to deliver fewer speeches within the Blue Room (the ceremonial chamber in City Hall where formal news conferences are traditionally presented) and issue few press releases that could be deconstructed by the editorial interpretations of reporters, in favor of creating opportunities where sound bites of Giuliani speaking at public events and ceremonies would be broadcast on radio and television. Remarked Giuliani on his press strategy,

“...I pay significant attention to television and radio, and very often that may be the priority. For three or four minutes, people can see and hear me deliver my message, as opposed to reading, ‘The angry Mayor said.’ They can see for themselves and decide whether or not I was angry” (Weber 1995).

This strategy was not appreciated by the press corps, as noted by Joyce Purnick of The New York Times:

“...But these are essentially photo ops, where he takes softball questions from anchors not really into the details enough to ask intelligent follow-up questions. Rather than sit down and painstakingly try to explain his positions, he can go directly—and uncritically—to the people” (Horowitz 1995, 50).

30 In his memoirs, Giuliani remarked “delivering speeches is only one facet of communicating ideas. In 1993, in the interim period after the election and before I took office, my advisors and I decided on a new strategy...we had to get into people’s living rooms and explain what I was doing and why I was doing it...I couldn’t leave it to the media to explain...so we decided that I’d communicate directly with the people...this was all intended to allow me unfiltered communication...” (Giuliani and Kurson 2002, 194).
Both as press secretary and as communications director, Nicholas actively controlled the press corps’ access to the Mayor, and engaged news editors who were considering publishing an article that was unflattering to the Mayor, an activity that did not endear Nicholas to reporters. For example, Nicholas stated that she and her staff “withheld interviews with the Mayor and his commissioners from those reporters considered biased against the administration’s agenda” (Firestone 1995). A prescient incident that shows Nicholas’ direct efforts to influence how print reporters covered City Hall was when she called the New York Daily News’ editor Arthur Browne at home at 1:00 AM over the headline of an article covering a poison gas attack in the Tokyo subway, which was slated to be “We Have No Plan,” and convinced him to change the headline to “Could It Happen Here?” (Horowitz 1995, 49).

Never seeking the press limelight herself (“it’s not what I’m about,” noted Nicholas (Weber 1995)), and described by The New Yorker reporter Andy Logan as “different from other press secretaries….she doesn’t make an effort to schmooze or be amiable” (Ibid.), Nicholas focused her energies less on creating a narrative about Giuliani for consumption by the press, and more on assuring that the Mayor’s own sense of identity was not manipulated by the media coverage. In short, she focused on making sure that Rudy Giuliani, a man who earned his reputation and mayoralty on being a reforming “bull in the china shop,” remained Rudy Giuliani. Noted New York magazine reporter Craig Horowitz (1999):

“Though [Nicholas] has even been dubbed "co-mayor" by a couple of people on his staff, that really misses the point. She is more like a cheerleader or an agitator. Picture her as the corner man at a boxing match, splashing water on her fighter's
face, emphasizing the opponent's weaknesses, telling him which punches to throw, and urging him on with a constant *You the man* kind of chatter.”

But continuing the metaphor, it is always the fighter in the ring (Giuliani) that is ultimately responsible for making and defending against punches. Noted Nicholas, “you are only as powerful as people allow you to be, or as much as they think you are. But I was really just the director of communications. I was the press gal, that’s all” (Kirtzman 2000, 142). This administration, that in 1995 “fired the chief press spokesperson for five city agencies and thirty-six lower ranking press aides on the same day,” and “which ran a press operation characterized as the U.S. Attorney’s Office working on a mafia case” (Siegel 2005, 183-184) demanded loyalty, a uniformity of message, and sublimation of self to the priorities of the Mayor.

Giuliani’s 1997 re-election campaign rolled out radio advertisements that characterized the Mayor as “a leader prepared to never sleep for the city that never sleeps. He’s here, he’s there, he’s everywhere, on call round the clock to save the day” (Haberman 1997). When Nicholas, the indefatigable runner of marathons (both the political and the 26 mile variety) (Weber 1995a) took a leave of absence from City Hall in late May 1999 for “personal reasons,” she was credited as being unflinchingly loyal, always on call and as serving as the de facto chief of staff for the Administration (Barry 1999c).

**The Nicholas Appointment Announcement**

At the NYC & Company announcement of Nicholas as their likely nominee for the position of President, which took place less than three months after the start of her leave from City Hall, agency spokesman Howard Rubenstein noted that "the Mayor gave very strong support to the idea, she is an impressive promotional person, so that was the
deciding factor” (Goodnaugh 1999b). At the time of Nicholas’ appointment, City Hall contributed $5.6 million of the agency’s $13.6 million dollar budget, and Giuliani commented “that thanks in part to [Nicholas], he is the ‘best-known Mayor in the world,’ credited with transforming a ‘basket case into the renaissance city of the world. I feel we are making a very, very strong appointment’” (Barry 1999b). While business leaders on the NYC & Company Board of Directors publically expressed their support of Nicholas for this position (restaurant guide publisher and the NYC & Company chairman Tim Zagat remarked “in some ways [hiring Nicholas] was like having an old friend come on board” (Ibid.)), the appointment of Nicholas, who had at that time no direct experience in the tourism industry, was met with some criticism in the press. The editorial board of *Crain’s New York Business*, for example, wrote that [Nicholas] “is simply unqualified to head the New York Convention & Visitor’s Bureau. For her own sake and that of the city, she should withdraw her candidacy for the job before she embarrasses herself and the rest of New York” (Crain’s New York Business 1999).

However, Giuliani had long credited the upswing in tourism in New York during the 1990s to his efforts in improving the quality of life in the city and reducing crime. In a 1997 announcement during his re-election campaign touting that a record number of travelers visited the city in 1996, Giuliani remarked “it’s a city in which people can feel confident that they can come here and there are not going to be subjected to undue security problems, and that certainly wasn’t the case four to five years ago” (Halbfinger 1997). Nicholas was at the center of the publicity apparatus used to promote the Mayor’s crime fighting credentials and accomplishments. Noted Nicholas, "part of the success of the Giuliani administration has been conveying the message that New York City is the
safest and most exciting large city in America. That's what I've been doing for the last five years, getting that message out, and it has directly helped the tourism industry" (Goodnough 1999b). Moreover, at the time of Nicholas’ appointment to lead NYC & Company, Giuliani was in the midst of exploring a campaign for the United States Senate. Nicholas’ proven track record in conveying the Mayor’s successes could only be an asset in a statewide campaign. Indeed, on January 3, 2000, three months after Nicholas took the reins of NYC & Company, Giuliani was accused of using the agency’s Paint the Town Red promotion as a vehicle to promote his Senatorial campaign among upstate New York voters (Bumiller 2000). Giuliani “dismissed” this accusation, and Nicholas remarked that “[the Mayor is] actually reaching beyond the borders of New York to people who can’t vote. If you want to inject politics into this, it’s just a nonstarter” (Ibid.).

REVIEW OF VISITOR NUMBERS AND CONCLUSIONS

Table 2.8 displays the number of tourists visiting New York City from 1947 to 2010.

While there were fluctuations in the number of visitors from the mid-1960s to the mid-

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31 Sources for Table 2.8 Data:
1980s (with annual tourism counts generally ranging between 16 and 18 million people), it was not until the end of the late 1980s that the number of visitors to New York City would exceed 20 million people. This jump in tourist visits (the number of visitors to New York in 1988 was 19.84 million versus 24.7 million in 1989, a 24 percent increase) could be partially attributed to the drop in the valuation of the dollar, thereby making a trip to New York much more affordable for those from abroad (Lueck 1988). Growth also originated thanks to a long time friend of the tourism industry – the real estate community. In the mid-1980s, many new hotels were developed, creating additional capacity for overnight visitors (Lyons 1986). Tourism grew again at the end of the Dinkins administration in 1992, reaching a record of 27.9 million visitors (up from 22.8 million in 1991), as crime began its drop thanks to the increase in police officers funded by the city’s “Safe Streets, Safe City” program (Firestone 1996). Tourism continued to grow through the mid-1990s as the Giuliani administration’s successes in public safety were publicized and the overall economy, both on Wall Street and throughout the nation, improved. By 1999, the year leading up to the Millennium celebration, New York City tourism reached a new record of 36.7 million visitors, an increase of over 40 percent from the 1989 tourism count of 24.7 million visitors. Between 2000 and 2001, tourism declined by 1 million visitors (from 36.2 million in 2000 to 35.2 million in 2001). By 2003, only the second year after the 9/11 attacks, a record number of visitors (37.83

Table 2.8 Visitors to New York City, Selected Years, 1947-2010

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Visitors (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>48.7</td>
</tr>
<tr>
<td>2009</td>
<td>45.6</td>
</tr>
<tr>
<td>2008</td>
<td>47</td>
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<tr>
<td>2007</td>
<td>46</td>
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<tr>
<td>2006</td>
<td>43.8</td>
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<tr>
<td>2005</td>
<td>42.65</td>
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<tr>
<td>2004</td>
<td>39.94</td>
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<tr>
<td>2003</td>
<td>37.83</td>
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<td>2002</td>
<td>35.3</td>
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<td>2001</td>
<td>35.2</td>
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<td>2000</td>
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<td>1995</td>
<td>28.5</td>
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<td>1994</td>
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<td>1969</td>
<td>16.5</td>
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<tr>
<td>1968</td>
<td>16.25</td>
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<tr>
<td>1965</td>
<td>15.75</td>
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<tr>
<td>1949</td>
<td></td>
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<tr>
<td>1947</td>
<td>6</td>
</tr>
</tbody>
</table>

**Source:** See Footnote 31.
milllion) arrived in New York City, exceeding the previous record year of 1999 (36.7 million) by over 1.1 million people. The number of visitors to New York City continued its annual increase until 2009, when the city and nation were fully in the midst of an international recession.

CONCLUSION

In sum, although New York has for over a century been the dominant economic and cultural capital of the United States, the tourism industry has accrued a long track record of working to change public perception about the city. While always celebrating the city’s vitality as the ultimate destination for entertainment and commerce, New York tourism leaders have always felt the need to prove that the city was friendly enough, safe enough, clean enough, inexpensive enough, navigable enough, and enjoyable enough for the general public. Perhaps a city of such size and constant population movement as New York needs a “gravitational force” to ensure that not only its visitors but also its residents stay within its tight orbit and not “scatter” to other, less demanding locales. The charismatic leaders of the NYCVB have each employed showmanship and shoe leather to cajole disparate business interests to coordinate their common efforts. Whether the medium was “Big Apples” or red hearts surrounded by an “I” & “NY”, the message was that New York is the place where one needs to be.

Former NYC & Company Communications Director Keith Yazmir could identify many people and many discreet marketing decisions that facilitated his agency leading the tourism coalition’s efforts in response to 9/11. However, when identifying “why” NYC
& Company had this ability to lead, he attributes this entirely to the agency’s President, Cristyne Nicholas. Her “relationship with City Hall, the trust government and business leaders had in her, and her personality” were each enablers and driving forces behind NYC & Company’s work (2004). From Gimbel to Gillett to Tisch, the story of NYCVB has been one not only of clever catchphrases, and of “representation and spectacle” (Fainstein, Hoffman & Judd 2003, 244), but also of effectively communicating the moxie and resolve that effuses New York, even in its most difficult hours.
CHAPTER 3
LITERATURE REVIEW

INTRODUCTION & REVIEW OF BODIES OF LITERATURE

The central hypothesis of this dissertation is that a coalition of tourism-related industries in New York City was called on by government to become the public face and instrument of growth in the months succeeding the attacks of 9/11; this coalition at least temporarily superseded the real estate industries as the lead actors of urban development and investment. The formulation and testing of this hypothesis has been informed by a variety of theories that have been explored in the literature of 1) urban growth, 2) the commodification of urban culture, 3) urban place marketing, and 4) the authenticity and economic benefits of tourism-related urban development strategies. To briefly summarize the pages that follow, Molotch’s (1976) community “we feeling” will serve as the theoretical foundation of how “place patriotism” functioned as the curative tonic for the recovery of the damaged New York psyche. The Greenberg (2008a) critique of the civic chauvinism of city branding campaigns, particularly those that attempt to market and “clean up” sections of a city so that they appear more attractive to tourists and outside investors, is that they sweep under the carpet the real needs and problems of large swaths of the local population, particularly those of lesser economic means. Similarly, Sturken’s (2007) appraisal of the tourism-related growth coalition’s encouragement of retail and entertainment spending to spur economic growth in New York was that it distracted the public from questioning the causes of 9/11 and numbed and depoliticized the public into believing that they were supporting America and New York by shopping rather than by performing more meaningful public service.
The discussion of the literature regarding boosterism and urban place marketing will focus on how, as described by Judd (1999) and Sassen and Roost (1999), the entertainment infrastructure that makes global cities such as New York so attractive to visitors, is largely utilized by those residing within the city limits. Similarly, the discussion of the literature regarding the beneficiaries of tourism-related city development projects takes its cues from authors such as Fainstein, Hoffman & Judd (2003) who point out how in the tourism-related industries, such as entertainment and restaurants, much of what is produced locally is consumed by local populations. The review of literature documenting the economic impacts of 9/11 on the New York City economy will relate to the theories underlying the body of literature that questions the authenticity of the urban tourism experience. This discussion will be guided by Florida’s (2002) thesis that major cities require a vibrant entertainment infrastructure to attract the labor force required for high value-added industries.

Central to this dissertation is an analysis of the difference between growth strategies employed by real estate-led growth coalitions versus those of the tourism-led coalition that emerged in New York after 9/11. The primary research question of “who controls growth after disaster and why” will thereby aid in creating an avenue of heretofore unexplored growth machine and tourism development theory, revealing not only how and why the tourism-led coalition was called upon to steer growth, but also the specific actions that this coalition took to guide development in the city. The literature of place marketing will likewise be expanded as the strategies employed by the tourism-related
coalition, such as the “Spend Your Regards to Broadway” ad campaign, are analyzed to determine whether they created any economic benefits to the city and its population that would have not otherwise have occurred without the coalition’s intervention. Finally, Hubbard and Hall (1998) suggested that “the task of exploring the manner in which entrepreneurial cities are experienced and understood by local populations, and the ways in which this differs from the hyperbole of the city boosters, has as yet received little attention” (21). The reaction of New York’s local population to the initiatives of the tourism-led coalition is central to the research question of “who leads growth after a disaster and why?” for this coalition was identified as being best able to motivate city residents and businesses to stay and reinvest in the city by appealing to the notion, however hyperbolic, that there was indeed a “New York Miracle” that can come true for them.

LITERATURE REVIEW ORGANIZATION

The literature review that follows is a “conceptual, traditional review” (Jesson et. al. 2011, 76, 118). While not every work in the fields of urban growth, place marketing and tourism development will be discussed, what will follow is a synthesis of key studies that provide theoretical and empirical alternatives for the following themes (see Table 3.1):
Table 3.1: Linking Themes in the Literature to This Dissertation.

<table>
<thead>
<tr>
<th>Theme</th>
<th>Literature</th>
<th>Literature/Dissertation Synthesis</th>
<th>Literature gap &amp; dissertation chapter in which the gap is addressed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) How growth coalitions coax and facilitate civic pride as a means to validate their activities.</td>
<td>Boyle (1999); Cox (1999); Jessop, Peck &amp; Tickell (1999); Logan and Molotch (1987); Molotch (1976)</td>
<td>Addresses Research Question 1 regarding who controls growth after a disaster and why.</td>
<td>The case of the tourism-led growth coalition in post 9/11 New York serves as an example of how the “community we” feeling posited by Molotch was both harnessed and utilized to prevent an exodus of capital and population. This theme is explored in detail in Chapter 5.</td>
</tr>
<tr>
<td>2) How in the post-industrial, entrepreneurial city, cooperation between and among government and business actors is enhanced.</td>
<td>Barnett (2002); Cochrane (1999); Elkin (1987); Fainstein (1994); Gotham and Greenberg (2008a)</td>
<td>Addresses Research Question 2 regarding the similarities and differences between the strategies employed by the tourism-led growth coalition versus those of a traditional real estate-led growth coalition.</td>
<td>The tourism industry serves as a strong example of how various business sectors and city government support each other for their mutual benefit. Chapter 2 provides a history of the New York Convention and Visitors Bureau, and how its leadership intersected with city government. Through an examination of a variety of powerful public and private sector individuals, the role of agency is also explored in Chapters 2 and 5.</td>
</tr>
<tr>
<td>3) How city governments throughout the nation have embarked on branding campaigns so that they may re-prioritize their municipal largess without compromising their political viability.</td>
<td>Greenberg (2010); Greenberg (2008a); Greenberg (2008b); Greenberg (2003); Greenberg (2000)</td>
<td>Addresses Research Question 1 regarding who controls growth after a disaster and why.</td>
<td>While Greenberg has thoroughly documented the role of branding campaigns during the city’s 1970s fiscal crises in preventing business divestment and encouraging the development of an economy based on the financial service and tourism sectors, the threat that New York City-based businesses and local residents would leave the city for safer destinations was intensely acute in September 2001. Chapters 5 and 6 offer a different perspective than Greenberg on both the motivations and strategies of the post-9/11 marketing campaigns created for the city.</td>
</tr>
<tr>
<td>Theme</td>
<td>Literature</td>
<td>Literature/Dissertation Synthesis</td>
<td>Literature gap &amp; dissertation chapter in which the gap is addressed</td>
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<tr>
<td>4) How efforts to support the city and its residents in the aftermath of 9/11 were viewed by some as a “gauzy commodification of grief” that depoliticized the public during its time of possibly greatest mobilization; yet were viewed by others as an affirming experience which created a sense of belonging among and with the polity.</td>
<td>Abrams, Albright &amp; Panofsky (2004); Bartel (2002); Campbell (2003); Green, Bartholomew &amp; Murrmann (2003); Heller (2005); Solnit (2009); Sturken (2007)</td>
<td>Addresses Research Question 3, which determines the effectiveness of tourism-led growth coalition strategies, judging whether these strategies merely mimic otherwise occurring market forces.</td>
<td>The experiences of small businesses in Lower Manhattan and of the Broadway theater community documented in Chapter 5 demonstrate an alternative view to literature describing perceptions about turning tragedy into an excuse for retail therapy, and the analysis of post-9/11 employment in the tourism industry in Chapter 6 describes the effectiveness of the patriotic tourism strategy in maintaining job opportunities for New Yorkers.</td>
</tr>
<tr>
<td>5) How the long-time development strategy of boosterism and place marketing has changed in an economy whose driving actors are increasingly footloose and responsive to cultural cues pervasive in and created by popular media.</td>
<td>Ashworth and Voogd (1990); Blum (2010); Goodwin (1993); Hamnett and Shoval (2003); Harvey (1989); Holcomb (1994); Holcomb (1993); O’Connor (1998); Philo and Kearns (1993); Short (1999); Ward (1998b); Zukin (2010); Zukin (2008); Zukin (1995)</td>
<td>Addresses Research Question 3, which determines the effectiveness of tourism-led growth coalition strategies, judging whether these strategies merely mimic otherwise occurring market forces.</td>
<td>As documented in Chapter 2, boosterism in New York’s tourism economy was formalized in 1934 with the creation of the city’s Convention and Visitors Bureau. The advertising strategies utilized by the tourism-led growth coalition after 9/11, described in Chapters 1 and 5, provide a case study of how media images were chosen to appeal to the heartstrings and wallets of New York business owners and residents.</td>
</tr>
<tr>
<td>6) How jobs that were lost in New York due to 9/11 are distinguished from those jobs that were lost as a result of the general recession that gripped the nation prior to the attacks.</td>
<td>Chernick (2005); Fuerst (2005); Hill and Lendel (2005); Parrot and Cooke (2005)</td>
<td>Addresses Research Question 3, which determines the effectiveness of tourism-led growth coalition strategies, judging whether these strategies merely mimic otherwise occurring market forces.</td>
<td>While extensive research has been conducted on the employment impacts of 9/11, Chapters 2 and 6 add to this literature by documenting how the tourism industries collectively became the public face of unemployment in post-9/11 New York.</td>
</tr>
<tr>
<td>Theme</td>
<td>Literature</td>
<td>Literature/Dissertation Synthesis</td>
<td>Literature gap &amp; dissertation chapter in which the gap is addressed</td>
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</tr>
<tr>
<td>7) How the city has become the shared space of tourism production and consumption.</td>
<td>Fainstein and Gladstone (1999); Fainstein, Hoffman &amp; Judd (2003); Fainstein and Judd (1999); Florida (2002); Hoffman (2003); Kasinitz, Smithsimon &amp; Pok (2005); Sassen and Roost (1999)</td>
<td>Addresses Research Question 1, defining the economic and social relationships among members of the tourism-led growth coalition.</td>
<td>The advertising campaigns and public spectacles that were produced by New York’s tourism-led growth coalition, documented in Chapters 1 and 5, will add to this literature by describing how the city’s entertainment elite were engaged in the creation of this promotional programming in many cases due to their own respective personal relationship with the city.</td>
</tr>
<tr>
<td>8) How both welcoming and fearing the outsider has become a phenomenon of post-9/11 urban tourism.</td>
<td>Bonham, Edmonds &amp; Mak (2006); Fainstein (2002); Goodrich (2002); Greenberg (2008b); Marcuse (2002); Savitch (2003)</td>
<td>Addresses Research Question 3, for the tourism-led coalition can only be effective if the city remains open and welcoming to visitors.</td>
<td>Further documentation of how New York both recruited and publicized the development of major large scale spectacles such as the World Economic Forum as a means to demonstrate that the City can withstand disruptions that would cripple other municipalities is presented in Chapter 5, while national efforts to change public perception about the United States as a friendly international tourism destination is discussed in Chapter 7.</td>
</tr>
<tr>
<td>9) How the tourism industry has set new standards for post-disaster communications and target market recalibration.</td>
<td>Blake and Sinclair (2003); Enz and Canina (2002); Fall (2004); Floyd et. al. (2003); Frisby (2003); Hopper (2002); Knable (2002); Lepp and Gibson (2003); Litvin and Alderson (2003); O’Neill and Lloyd-Jones (2002); Rozario (2005); Vale and Campanella (2005)</td>
<td>Addresses Research Question 2 for the communications strategies employed by the tourism coalition could lead to the resurgence of all aspects of a local economy affected by disaster.</td>
<td>Best practices from the New York and Washington post-9/11 experiences, as well as London’s efforts to respond to the Foot &amp; Mouth Disease scare are addressed in Chapter 7.</td>
</tr>
</tbody>
</table>
THE “WE FEELING” – VALIDATION, DELUSION OR A COMBINATION OF BOTH

This dissertation is theoretically linked to the notion of a community “we feeling” posited by Molotch (1976, 311, 314) as part and parcel of the growth machine thesis of urban growth. Logan and Molotch (1987) argue that growth machines “connect civic pride to the growth goal,” whereby “elites generate and sustain the place patriotism of the masses” (60). In the post 9/11 New York case, we see an agency-driven strategy, with powerful local actors (such as Mayor Giuliani) taking center stage, harnessing Logan & Molotch’s formula whereby the agents of growth and development proactively imbue the general public with an emotional identification with city’s iconic events, buildings, institutions and sports teams, even if the self interest of the majority of the public is not necessarily enhanced by these actions (Boyle 1999, 58, 67).

The case of the promotion of New York City in the months immediately succeeding 9/11 will expand upon the wide body of literature which originated from the Growth Machine thesis (Jonas and Wilson 1999, 6), clearly demonstrating again the role of agency (Jessop, Peck & Tickell 1999, 143). However, while much of the growth machine texts focus on the role of the rentier class as the agents and provocateurs of growth (Cochrane 1999, 112), the actors that led the way in the post 9/11 New York case were members of the

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33 While the term “rentier class” can in most cases be substituted for “property owners and developers,” Logan and Molotch (1987, 29-31) define “rentiers” as “contemporary place entrepreneurs” of three types: 1) “Serendipitous Entrepreneurs” are those who collect rent and control property through inheritance or other passive means; 2) “Active Entrepreneurs” are speculative developers, particularly those that build or invest in new or underutilizes locations or for emerging users (such as high-tech enterprises); and 3) “Structural Speculators” are those that actively try to manipulate market conditions in specific places so that they are more conducive to growth. These manipulations include trying to influence zoning and municipal infrastructure development decisions.
tourism community, who were empowered and spurred by local and statewide elected officials. The real estate community was thus enabled to stay behind the scenes (and away from the media) and push for financial incentives that benefitted their efforts to physically rebuild and re-tenant Lower Manhattan.\(^{34}\)

Regime theorist Stephen Elkin’s (1987) holistic view of city growth reveals that it may be too simplistic to say that the real estate community manipulates city government to serve their private capital accumulation goals. Rather, business and government have a mutuality of interests. Urban regimes require cooperation between the public and private sectors, sharing an understanding of the direction for which the city should take (Nevarez 2000, 198). Nevertheless, public / private development relationships are not completely cozy for they are open to public scrutiny and the public has to essentially “pay” for this development. The problem in challenging growth is that those mobilized to stop development must not only put breaks on the project, but the entire apparatus of government support that is moving it along (Elkin 1987, 42-44).\(^{35}\) The formation of public-private partnerships, whether through Community Development Corporations or quasi-governmental city development agencies, creates a tableaux whereby private sector, for-profit real estate development can be presented to community residents and their local elected officials as a job- and tax-generation vehicle that benefits all (Fainstein 1994, 108-109, 116-117).

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\(^{34}\) These efforts by the New York City development community to create financial incentives for those building or signing leases in Lower Manhattan firmly places the city’s large scale development community in the “structural speculator” sector of the “rentier class.”

\(^{35}\) In their description of the redevelopment of the Pike Place Market in Seattle, Frieden and Sagalyn (1994) demonstrate that one of the best ways to defeat an initiative supported by both business and government is to find an alternative business group for which government can express their sympathies (116).
In post-9/11 New York, the notion of the “mutuality of interests” between government and real estate camps manifested itself in government incentives for development in Lower Manhattan (Dixon and Stern 2004, 116-117) and while groups such as the Civic Alliance and New York New Visions were dedicated to creating alternative rebuilding scenarios for the Ground Zero site, they could not stand in the way of the office-focused development trajectory proposed by both the private sector (mainly World Trade Center lease-holder Larry Silverstein) and the public/private partnership embodied by the Lower Manhattan Development Corporation (Goldberger 2004, 83).

Firms within an urban growth coalition, whether they are real estate developers, hoteliers or retailers, are by their very nature competitive with one another. However, as noted by Barnett (2002, 250-251), in times of crisis firms unite with one another and position themselves as part of a broad “industry.” This cooperation, often executed at the CEO level, creates a sense of community among the firms, which further hones the communication of private sector interests to their public sector counterparts.

The concept of community “we feeling” was posited by Molotch (1976) as a way of explaining how those whose direct self interests (and fortunes) are tied to the development of urban land, convince the overall public that their collective self-interests are indeed in the public interest. While this term is not used, the concept is imbued with a tinge of snake-oil salesmanship, because implicit in the notion is that instead of the polity being given facts, it is given propaganda (Boyle 1999, 55). Civic jingoism,
expressed by rooting for a baseball team or self-congratulatory acceptance of
overcrowded subways or cramped living space as a means to prove that one is tough
enough to make it on the world’s greatest stage, is consciously propagated by those who
control the fixed assets of a city as a means to valorize ever-expanding growth (Cox
1999, 35; Jessop, Peck & Tickell 1999, 158). Molotch (1976) does not “claim that there
are no other sources of civic jingoism and growth enthusiasm in American communities,
only that the growth-machine coalition mobilizes what is there, legitimizes and sustains it,
and channels it as a political force into particular kinds of policy decisions (315)”
(emphasis mine). The tourism-led growth coalition in post 9/11 New York: 1) mobilized
New Yorkers to spend in local retail shops, restaurants and cultural institutions; 2)
legitimized that activity by demonstrating how this spending would support their city and
providing proof to the wary international business community that New York is indeed
open for business; 3) sustained these activities through an aggressive promotional
campaign and special events, as well as marketing the city as a “premium product”36 for
businesses that employ those who demand the cultural amenities that New York features;
and 4) it enabled policy decisions such as those made by City government to not
substantially cut municipal services despite the budgetary shortfalls caused by 9/11,
choosing instead to raise property taxes by 18.5 percent (Cooper 2002).

36 NYC Mayor Michael Bloomberg in 2003 characterized the City as a “high-end product, maybe even a
luxury product. New York offers tremendous value for the moneys that you’re going to spend” (Cardwell
2003).
GREENBERG’S CRITIQUE: BOOSTERISM AND THE REBRANDING OF THE
CITY AS A SMOKESCREEN FOR REPRIORITIZING WHO BENEFITS FROM
URBAN GROWTH

As mentioned in Chapter 1, in late September of 2001, New York’s tourism community
felt like it was working without a playbook (Jackson 2004). However, many of the
promotional activities of the post 9/11 tourism coalitions were clearly founded within the
boosterism tradition of American cities. Critics such as Miriam Greenberg (2008a) have
argued that New York’s growth coalition has used boosterism to mask structural changes
in the city economy and to influence the allocation of city largess (such as tax incentives
and economic development-positioned capital projects), often at the expense of New
York City residents (38). Moreover, Greenberg (2003) notes, New York City
government used its powers of social control to “maintain the image of a tourist-friendly

37 While there was indeed no “playbook” or disaster scenario plan that New York tourism officials
consulted after 9/11, there was already a body of literature on the effects that terrorist activities have on
travel markets in general and on specific locations that are victimized by terrorist attacks and civil unrest. The
general findings of these studies are that:
1. Terrorist activities generally depress leisure and, to a lesser extent, business travel across all
   markets (Wall 1996, 146);
2. Terrorist activities and civil unrest can dramatically reduce both leisure and business travel to the
   victimized location (Sonmez and Graef 1998, 136; Enders and Sandler 1992);
3. The longevity and severity of the reduction in tourist traffic is proportional to the extent that the
   victimized location remains threatened by attack or civil unrest (Bar-On 1996, 161; Drakos and
   Kutan, 2001, 25);
4. Locations victimized by terrorist activities and/or civil unrest – whether they be resort areas, cities
   or nation-states, have used three strategies for the recovery of their visitor market: a) dramatically
   reduce rates; b) conduct an extensive marketing and public relations program; c) increase security
   measures.

According to the studies conducted thus far, particularly those associated with the spate of attacks in 1994-
95, the most successful strategies were those promotional strategies that publicly acknowledged the safety
threat, and that demonstrated that increased public safety measures were being imposed. (Cavlek 2002,
Pizam 1999; Richter and Waugh 1986, 238; Sonmez, Apostolopoulos & Tarlow, 1999, 15; Withiam 1993,
10). This dissertation will expand on the post-terrorism tourism development literature by documenting
how the tourism development coalition of New York City followed these tenets for recovery.
city free of petty crime – with all of its race and class-based associations – while ignoring the root causes of such problems (409).”

This dissertation builds upon Greenberg’s analysis of the real estate-led growth coalition (led initially by developer Lewis Rudin of Rudin Management and the Association for a Better New York) and its efforts in the 1970s fiscal crisis, as well as her analysis of how New York was rebranded after 9/11 as a “safe and patriotic tourist destination and corporate location” (Greenberg 2008b, 30). Under both circumstances, residents were leaving the city, and businesses were questioning whether to invest in New York. Both in the 1970s and in October 2001, there was a pervasive feeling among New Yorkers that the economy and public safety had not hit rock bottom and could indeed get worse. Police layoffs, arson and the aftershocks of the blackout and the Son of Sam murders created ongoing setbacks to the rebuilding of New York in the 1970s, while the appearance of anthrax in New York City Post Offices and in media mailrooms kept New Yorkers on edge and in fear in 2001-2002.

In both cases, tourism-related marketing campaigns were touted and employed as a means to reverse these negative trends. In the 1970s and in the months following the 9/11 attacks, promotional campaigns were organized with the goal not only to woo visitors to the city, but also to convince New Yorkers not to leave. Clay Felker’s New York Magazine gave New Yorkers a portal to the chic urbane lifestyle (Greenberg 2000, 238), while the “Portraits of Grief” section of The New York Times gave a sense of catharsis to New Yorkers wanting a tangible connection to the thousands of 9/11 victims
(Collins 2007). However, as well documented by Greenberg, during the 1970s fiscal crisis, the real estate community took the initiative on its own to push elected officials towards a marketing/branding growth strategy, while after 9/11, research in this dissertation will demonstrate that New York’s political leaders put the tourism community, at least briefly, into the driver’s seat of rebuilding the psyche of New York.

While Greenberg (2003, 412) acknowledged that post-9/11 development strategies were successful in attracting a large number of visitors and conventions to New York, she argues that NYC & Company’s patriotic-themed marketing campaigns gave too much political and media cover to large New York-based corporations, creating a flag-draped smokescreen that obscured that fact that these corporations were receiving financial incentives in the name of “recovery” that could have been better used by city residents of lesser means. While the largest post-9/11 private business subsidies “were barely covered by the media” (Greenberg 2008b, 30), Greenberg (2008a) states that:

“rather than diversifying the regional economy, expanding social services, or scaling back the WTC site, [the administration] imposed austerity measures and extracted concessions from unions, while cutting business taxes, offering incentives, and marketing the dream of a pleasurable and profitable city to an affluent global audience” (259).

Although progressive civic and planning groups such as the Civic Congress argued that “a broader citywide and regional economic development strategy will both enhance the success of the Lower Manhattan effort and help insure that it fully leverages economic benefits throughout the region,” recommendations certainly did not include broad
changes in the business model and social relations of New York City\textsuperscript{38} (Civic Alliance 2002) that Greenberg has called for. Finally, the politically dangerous Mayoral and City Council decision to raise property taxes by 18.5 percent in 2002 (Mollenkopf 2005, 220) was emblematic of the shared sacrifice that government asked of city residents and property owners so as to not cut city services that would ultimately affect the quality of life of city residents and visitors. The upbeat, proactive, “we can’t give up on New York” policy prescription, one that took full advantage of the “community we feeling” described by Molotch, was more akin to what New Yorkers longed for.

Despite the rapid initiation of activities by the tourism-led development coalition, Abrams, Albright & Panofsky (2004) argue that the “return to community” felt by New Yorkers in the weeks after 9/11 was precipitated not by an “imposition of public meanings on a frightened populace dependent on TV and newspapers for their interpretations,” but rather on a combination of communication between individuals (both neighbors and strangers) and on what was gathered from “official sources” (190).

Abrams, et. al. also argue that the patriotism felt by New Yorkers and which furthered the perception of city residents that they were part of a distinct and valued community, was imbued with “New York-centric cosmopolitanism” that emphasized the multi-cultural nature of the city, and which favored wearing “black” rather than red, white and blue

\textsuperscript{38} “Specific recommendations included the following:
- Develop other urban centers, such as Downtown Brooklyn, Jamaica Queens and Newark NJ, as part of a multi-nodal network that will complement the global functions centered in Lower Manhattan.
- Develop a range of workforce strategies that will expand opportunities for low income workers in Lower Manhattan’s growing economic sectors.
- Improve regional cooperation on issues related to Lower Manhattan.
- Develop regional revenue streams to support shared infrastructure.” (Civic Alliance 2002).
While Greenberg (2010) suggests that urban branding campaigns such as the one created by NYC & Company post-9/11 aimed to “soothe the trauma of crisis, legitimize new leadership, as well as aestheticize and distract critical attention from highly politicized processes of urban recovery and rebuilding” (119), and that the “utopian” vision of the New York that these campaigns created produced “projections of social solidarity [that] help reproduce processes of social exclusion” (120-121), the “community we” feeling described by Molotch was promulgated in the public spaces of Union Square and by the “bucket brigades” of Ground Zero spontaneously and without political prompting.

THE CULTURE OF COMFORT: STURKEN’S CRITIQUE OF CONSUMERISM AS A PATRIOTIC ACT
The community “we feeling” immediately after 9/11 has been described by Sturken (2007) as the “culture of comfort.” As meat loaf and macaroni & cheese were often on the post-9/11 restaurant menu as comfort foods (Green, Bartholomew & Murmann 2003, 72), the “culture of comfort” was heavily dosed with patriotism and nationalism as reassuring ingredients: “the experience of patriotism and nationalism is reassuring and comforting; it feels good to feel patriotic because it provides a sense of belonging” (6). In much the same way that Greenberg (2008a), and to a lesser extent Logan & Molotch (1987) view boosterism as a means by which to gain acquiescence for policies that support the interests of real estate owners and developers, Sturken (2007) argues that the “culture of comfort” furthers “depoliticization” and aided in quelling opposition to post-9/11 government policies such as the war in Iraq. Sturken remarks that true patriotism
was replaced by consumerism, arguing that through the purchase of trinkets associated with disasters such as Oklahoma City and 9/11, one can “enjoy” the sense of belongingness associated with being part of this shared experience (despite the fact that the experience that triggers this response is so horrible), without the deeper internalization of understanding what has happened and why: “the mode of the tourist can also be seen in the purchasing of souvenirs at sites of loss such as Ground Zero as a means of expressing sorrow at the lives lost there, without trying to understand the contexts of volatile world politics that produced the attacks of 9/11” (10).

Sturken argues that a culture of consumerism was furthered by the repeated remarks of Mayor Giuliani imploring Americans to go on living their lives as before, and to support the city and country by spending their dollars, and by implication, not by spending their time in other forms of volunteer service:

“Rather than telling Americans to work together to help their neighbors, to build community, to volunteer….the mayor, at the absolute height of his popularity, with the national public listening to his every word, told people to act as individuals, to spend money on themselves, to consume products and entertainment because their true mission as citizens was to bolster the economy, even if they put themselves and their savings at risk (57).”

Solnit (2009) builds upon this theme at the national level, stating that the Bush Administration actively “quelled” both America’s “awakened civil society” as well as its anxieties about terrorism by encouraging people “to stay home, to go shopping to stimulate the economy” (222). While cultural critics identified the “patriotic-themed” television advertising of national consumer brands such as Ford and General Motors as exploitative of the fragile emotions of Americans in the months succeeding 9/11 (Heller
2005, 19; Campbell, 2003, 47), New Yorkers expressed the greatest revulsion to the consumerism of 9/11 at the street vendors hawking 9/11-related souvenirs in the area immediately surrounding Ground Zero (Tribarco and Dupret 2005, 42).

Bartel (2002) argues that after 9/11, New Yorkers and city visitors sought “membership-claiming” experiences that they used to bolster their existing relationship with the city, or to create an identity somehow linked to New York (242). Whether buying car flags or visiting firehouses, those within the city tried to show that they were indeed New Yorkers. Vice versa, Bartel suggests that New Yorkers were eager to grant “membership status,” at least partly as a way of bolstering the human resources that could respond to continued threats (243). One means of “claiming membership” was to aid in the recovery effort, however it quickly became evident that rescue and recovery workers at Ground Zero were awash with aid, and that only those with specific recovery skills were needed at “the pile.”39 As noted by Abrams, et. al. (2004), “most New Yorkers found themselves experiencing the frustration of desiring to help but being forced to watch from the sidelines like the rest of America” (205). The exhortations by Mayor Giuliani to help the city by spending at a local restaurant or shop were thus made even more attractive because it provided a path by which to not only help, but to certify that one was a member of the New York team.

While it is clear that community service could not be equated with a shopping spree at a local boutique, New Yorkers genuinely felt a need to support their city’s retailers (and

39 “The Pile” was a sobriquet used for the actual smoldering ruins of the destroyed World Trade Center.
their employees) in the face of economic uncertainty. Indeed, since New Yorkers felt that their quality of life was dependent on a wide variety of choice of restaurants and entertainment venues, it was in their self-interest to be “enlightened consumers” who used their pocketbooks to ensure that these businesses remain afloat. Moreover, Sturken’s critique needs to be measured against the timeline of events immediately following 9/11. Mayor Giuliani made the call to re-open the Broadway theaters only one day after the attacks. Barrett & Collins (2006) document the story of a psychiatrist who was called in to speak with the Mayor on the morning of September 12th. The psychiatrist told Giuliani that he needed to convey to the public a “trauma narrative” that made people see “that their own personal woes were part of a larger, collective story of tragedy, grief and recovery” (22). The cathartic role of the tourism-related growth coalition cannot be dismissed when viewed amidst the backdrop of curtains rising on Broadway as the Mayor is shuttled to a slew of firefighter and police officer funerals.

In summation, Greenberg sees marketing-led economic development programming as 1) a means to position the city away from being a producer of jobs and social welfare for its residents to being a seller of entertainment experiences and capital accumulation services for visitors and residents of ample means, and 2) to convey to middle- and upper-income individuals that New York is indeed a “dual city,” and that they need not be concerned about those residing outside of their circle:

“And indeed, I Love NY did a masterful job of political legitimization. If you believed in the campaign, the fact that there were real crises out the window, down the street, or in an adjoining borough did not have to worry you” (2008, 207).
However, the sentiment of most participating in the public discourse at the time that the post-9/11 *New York Miracle* television ad campaign was aired was similar to that of Slate columnist Rob Walker (2001) when he remarked that

“there is something admirable—maybe even moving—about so many big-name, big-ego personalities getting involved in a campaign that, as much as anything else, makes the case for New York as a truly (miraculously) one-of-a-kind place. Luckily for all of us, that's an easy case to make.”

PLACE MARKETING: CREATING THE PUBLIC SPACES OF THE SYMBOLIC ECONOMY

The roots of place marketing in America lie in efforts to encourage settlement in undeveloped portions of the continent by its local landowners. Literature on place marketing reveals that it has been used, at its simplest incarnation, to sell land and attract industry, but at its most sophisticated, to redefine the perception that residents and visitors alike have of a city (Short 1999, 41; Holcomb 1993; Ashworth and Voogd 1990). As noted by Holcomb (1994), “the city is remade to fit a promotable image while the promotional image reflects a highly selective reality” (115). Greenberg (2008a) argues that the selective reality is one which favors the FIRE-centered economy dominated white-collar jobs, while the blue-collar residential base is relegated to being literally behind the scenes and out of view. Holcomb (1994) and Philo & Kearns (1993) note that cities throughout the world have created aggressive advertising campaigns and undergone physical rejuvenation in their downtowns as a means to lure footloose service-economy jobs populated by employees looking for the quality of life attributes that these remade cities possess. While government-sponsored incentives to property owners to build what
they would have likely built on their own given market demand is clearly suspect, much of the cultural and entertainment infrastructure invested in by cities has created the public space that city residents increasingly identify with.

As cities increasingly act like entrepreneurs that compete for private sector capital investment and for human capital to fill the job functions of the global service economy, Zukin (1995) argues that cities speak in the language of the “symbolic economy.” Zukin posits that while elites, often with the support of government, have always built major cultural institutions, parks, and other civic amenities to demonstrate their altruistic munificence and to convey the prosperity and power of their respective city, these cultural icons have changed from representing the amenities of a city to becoming fundamental components of a city’s endemic economic base. Rather than acting as bait to attract footloose “command and control” economy actors, the elements of the symbolic economy -- including a city’s physical appearance and its mix of spaces for retail consumption, entertainment and recreation -- are all integral to the creative processes that businesses use to generate wealth. In other words, “culture is intertwined with capital and identity in the city’s production systems” (12).

Cityscapes in the symbolic economy present a language of cues that make some members of society feel welcome, and other members of society not feel welcome. This “language of exclusion and entitlement” (7) builds upon an “aesthetics of fear” (12) that feeds into a perceived desire for homogeneity among respective camps of its residents. Participants in the symbolic economy represent the opposite of the famous Groucho Marx line
(Swann, Jr. 1992, 15), stating that he would never want to join a club that would have him as a member: rather, actors in the symbolic economy only want to become players in a city that exists within their own personal comfort zones.

Much has been written on the authenticity of the tourist experience; for example, “the touristic experience that comes out of the tourist setting is based on inauthenticity and as such it is superficial..” writes MacCannell in his seminal work, *The Tourist* (1976, 102). If the symbolic economy of the city is entwined with both the production and consumption of culture, can the tourist experience truly be inauthentic if the production of these cultural products is indigenous? In her later writing, Zukin shifts the emphasis of the symbolic economy thesis from the central business district to the neighborhood level, where resident lifestyles and consumption choices are patterned by “media representations” that “both drive and reflect this vision” of the “urban good life”, complete with “opening more sidewalk cafes and boutiques, and restoring more old houses” (2009, 549). While at first blush it may seem like a contradiction, Zukin suggests that the symbolic economy produces in city residents a “standardization of individual desire” (546), while at the same time generating a want for “authenticity” of experience (544).

However in her study of Manhattan’s Union Square Park Greenmarket, Zukin (2008) states that the urbane, “socially diverse” consumers of the Greenmarket, who have embraced the seemingly authentic market experience of buying fresh foods directly from independent entrepreneurs, have created an enclave of commerce in a public park that
evokes a “self-consciousness of distinctiveness that sets these consumers apart” (738).

Consumers concurrently create and mirror lifestyle trends, trends that are reinforced and publicized through a variety of informational venues, from blogs to block parties. Through the act of consuming commodities (whether they are groceries or lattes), social groups transform physical communities into spaces that accommodate and sustain their particular tastes and desires. Zukin (2010) does not look at this metamorphosing process as benign; rather she argues that, given the limits of urban space, the gains of one group necessitates losses by another:

“the means of consumption are destroying the city of the working class. Our pursuit of authenticity—our accumulation of this kind of cultural capital—fuels rising real estate values; our rhetoric of authenticity implicitly endorses the new, post-Jacobs rhetoric of upscale growth.” (18).

Nevertheless, the authenticity of these transformed places as meaningful sites for social interaction, particularly Union Square Park, were validated in the days after 9/11. While many of the people that gathered at the spontaneous, ad hoc candlelight vigils in Union Square Park may have “had the preference to join company with similar others,” (Bartel 2002, 241) the Park became an acknowledged site for New Yorkers wishing to express their grief and assuage their fears in a public setting (Berman 2002, 11).

LITERATURE DOCUMENTING THE EFFECTS OF 9/11 ON NEW YORK CITY’S ECONOMY

There is a rich literature describing how the City’s economy was affected by 9/11, and on the direct economic rebuilding incentives provided by the Federal government to New York (Bram 2003; Bram, Orr & Rapaport 2002; Chernick 2005; Dolfman & Wasser
These incentives largely benefited the downtown large-scale commercial and residential development community, even though on actuarial terms, “dispersing economic activity may reduce the number of attractive targets for terrorists” (Dixon and Stern, 2004, xxxi). The literature gap that this dissertation shall fill will be to review how and why these property development incentives were largely eclipsed in the civic discourse (and newspaper coverage) about rebuilding after 9/11, and why unemployment in the city’s tourism-related industries garnered disproportionately greater public attention than 9/11-related unemployment in other industries.

Hill and Lendel (2005) have concluded that the terrorist attacks of 9/11 exacerbated negative employment trends that were already underway in the city prior to 9/11, however “there is no evidence that the city suffered permanent damage as a business location” (53). Fuerst (2005, 62) and Kasinitz, Smithson & Pok (2005, 99) argue that this may have been the case due to the fact that the speculated and highly feared mass exodus of residents and employers after 9/11 did not occur. Moreover, since the majority of downtown New York firms that were actually displaced by the destruction of 9/11 returned to Lower Manhattan within two years, it demonstrated the resiliency and attractiveness of the agglomeration economies created by the concentration of the financial markets in the Wall Street area (Fuerst 2005, 77). After 9/11, office workers were fearful about returning to jobs located within Lower Manhattan’s trophy
skyscrapers. However, Fuerst notes that contrary to these employee concerns, “the expected flight of tenants from tall office buildings did not occur in the first three years following the attack (Loc. Cit. 80).

Chernick (2005) posits that part of the reason that the office marketplace of Manhattan was so resilient was that government-supported financial incentives were targeted to “place building” rather than “people building” objectives (316). Tax breaks were given to property owners to rebuild, and to tenants to re-sign leases downtowns. Although the majority of these financial supports were place based, businesses in the information economy are dependent on highly compensated and highly talented employees who prefer to work in locations in which urban cultural amenities are present (Florida 2002). Given that the financial services industry was already in decline prior to 9/11 (Parrot and Cooke 2005, 197), and becoming increasingly footloose, efforts to strengthen the long-established Wall Street hub by making it more attractive both in terms of rent and in terms of making the neighborhood more attractive to financial services workers (such as by the restoration and entertainment programming of Stone Street by the Alliance for Downtown New York business improvement district) became an even more urgent matter after the attacks. Events such as the Stone Street restaurant happy hours and the Dine Downtown program40 created a social milieu in which the post-9/11 recovery financial incentives could take root (Lewis 2007).

40 The Stone Street Happy Hours were a series of evening events whereby the restaurants and taverns lining Stone Street (a narrow alley that has been closed to vehicular traffic and paved with cobble stones) served at outdoor beer garden-style tables. The Happy Hours became a popular social mixer for Financial District workers. The Dine Downtown program consisted of a series of prix-fixe meals at Lower Manhattan
Finally, Parrott and Cooke (2005) argue that the significant job losses after 9/11 in the securities industry and professional & technical services industry were an extension of an already declining trend in employment in these sectors that was originated well before the attacks (197). On the other hand, job losses that occurred in the tourism-related industries during the last few months of 2001 were a direct result of the decline in business caused by 9/11 (196). This blunts the argument of those, like Greenberg, who felt that it was unnecessarily commoditizing grief to persuade visitors New Yorkers alike to see a show or shop as a way of improving the economy. Given the large number of low-wage positions in these tourism-related industries (Fainstein & Gladstone 1999, 25), efforts to encourage tourism-related spending could be portrayed as disproportionately aiding workers in low-wage occupations (Parrott and Cooke 2005, 199).

In August 2011, on the occasion of the tenth anniversary of 9/11, the New York City Independent Budget Office (NYCIBO) issued a Fiscal Brief documenting how the $20.5 billion in Federal aid pledged to New York in the aftermath of the attacks was (or was not) spent (New York City Independent Budget Office 2011a). Although Chapter 5 of this dissertation includes a section evaluating the business and real estate development funding provided by the federal government, a brief review of the NYCIBO’s analysis is in order (see Table 3.2). According to the NYCIBO, federal aid was allocated into three major categories: Rebuilding & Development (which received an allocation of $11.3 billion), Emergency Response (which received an allocation of $7.3 billion), and General

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restaurants. Both programs were initiated by the Alliance for Downtown New York and were deemed successful by participating businesses (Lewis 2007).
Budgetary Relief (which received an allocation of $1.9 billion) (loc. cit., 2). Of the $11.3 billion allocated for Rebuilding & Development, 4.6 billion was budgeted towards transit projects, including the World Trade Center Transportation Hub, the Fulton Street Transit Hub, and roadway improvements such as the reconstruction of West Street (loc. cit. 3-4). While the report concludes with the assessment that concerns that the 9/11 attacks jeopardized the future of New York City as a “global center of commerce and culture” have largely been “allayed,” and that Lower Manhattan has “found new life” and the $20.5 billion in federal aid “played a crucial role” (loc. cit. 10), one particular promise of federal aid has not come to fruition. In 2007, with the support of President Bush and at the request of Governor Pataki and Mayor Bloomberg, the US Senate Finance Committee approved the reallocation of $2.0 billion of unused federal business tax breaks to support additional transportation projects benefiting Lower Manhattan (loc. cit. 7).

Unfortunately, this legislation died in committee, and NYCIBO believes that the legislation will not be able to be brought back to life (loc. cit. 10). The most feasible project that the $2.0 billion would have funded would have been a rail link between Lower Manhattan and John F. Kennedy International Airport in Queens (loc. cit. 7). The Downtown Futures Group of the Steven L. Newman Real Estate Institute of Baruch College argue that “rapid and direct connections to JFK, Newark and LaGuardia Airports are critical to sustaining New York City’s status as a primary global destination” (Steven L. Newman Real Estate Institute 2008, 41). Mobilization of support for improving transportation links to the region’s airports should clearly be a major objective of Lower Manhattan planners going forward.
Table 3.2: Allocation of Federal Aid to New York for Post-9/11 Recovery & Rebuilding as Assessed by the New York City Independent Budget Office (NYCIBO)

<table>
<thead>
<tr>
<th>Recovery or Rebuilding Program Name</th>
<th>Program Description</th>
<th>Program Category as Defined by NYCIBO</th>
<th>Federal Allocation (in $ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FEMA Public Assistance</td>
<td>WTC site recovery &amp; cleanup, hazard mitigation (NYCIBO 2011a, 9).</td>
<td>Emergency Response</td>
<td>$2,778.9</td>
</tr>
<tr>
<td>FEMA Insurance Fund</td>
<td>Liability insurance provided for Ground Zero debris removal and cleanup providers (NYCIBO 2004, 1).</td>
<td>Emergency Response</td>
<td>$999.9</td>
</tr>
<tr>
<td>Emergency Transportation Projects</td>
<td>Repair of roadways and transportation infrastructure in the area immediately within and surrounding Ground Zero (NYCIBO 2004, 2).</td>
<td>Emergency Response</td>
<td>$541</td>
</tr>
<tr>
<td>FEMA Aid to Individuals</td>
<td>Loans for housing assistance and provision of counseling services for those households directly affected by the attacks (NYCIBO 2004, 1).</td>
<td>Emergency Response</td>
<td>$521.2</td>
</tr>
<tr>
<td>FEMA Operations and Administration</td>
<td>Project management.</td>
<td>Emergency Response</td>
<td>$402.4</td>
</tr>
<tr>
<td>SBA Loans and Other</td>
<td>$6.1 million in loans to 412 individual proprietors and $508.1 million in loans to 5,685 businesses operating in the immediate Ground Zero area. The low cost loans for the replacement of damaged property and to cover lost income (NYCIBO 2004, 1).</td>
<td>Emergency Response</td>
<td>$137.6</td>
</tr>
<tr>
<td>Other Emergency Response</td>
<td>Provision of Disaster Relief Medicaid to provide the uninsured with health coverage, aid to local hospitals, assistance to Federal agencies with offices in Lower Manhattan (NYCIBO 2004, 2).</td>
<td>Emergency Response</td>
<td>$806</td>
</tr>
<tr>
<td>LMDC Business Assistance Grants</td>
<td>Channeled through the Empire State Development Corporation, these grants provided direct funding to immediately affected businesses for items such as property damage, business interruption, and loss of customers (NYCIBO 2011a, 5); created a bridge loan program; and provided assistance to a variety of technical assistance providers (NYCIBO 2011b, 2).</td>
<td>Emergency Response</td>
<td>$620.3</td>
</tr>
<tr>
<td>LMDC Emergency/Temporary Service Response for Utilities</td>
<td>Aid to utilities so that they may reconstruct damaged telephone and energy provision infrastructure (NYCIBO 2004, 2).</td>
<td>Emergency Response</td>
<td>$159.8</td>
</tr>
<tr>
<td>FEMA Hazard Mitigation</td>
<td>Funds provided by FEMA to the City of New York to build defenses against future attack, such as enhancing security at the city’s Upstate reservoirs (NYCIBO 2004, 3).</td>
<td>Emergency Response</td>
<td>$312.1</td>
</tr>
<tr>
<td>Recovery or Rebuilding Program Name</td>
<td>Program Description</td>
<td>Program Category as Defined by NYCIBO</td>
<td>Federal Allocation (in $ millions)</td>
</tr>
<tr>
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</tr>
<tr>
<td>LMDC Business Assistance Grants</td>
<td>Support for Job Creation and Retention programs as well as Small Firm Attraction programs. The funds continued to be distributed through 2011, including a $3 million grant to financial services firm Oppenheimer &amp; Co. for its new corporate headquarters on Broad Street in Lower Manhattan (NYCIBO 2011a, 5).</td>
<td>Rebuilding &amp; Development</td>
<td>$496.8</td>
</tr>
<tr>
<td>Financial Assistance to New York City</td>
<td>Provided direct, general budgetary relief to both the City and State of New York, defraying tax losses resulting from “depressed economic activity” (NYCIBO 2011a, 8).</td>
<td>General Budgetary Relief</td>
<td>$1,729.1</td>
</tr>
<tr>
<td>Tax Benefits for Businesses</td>
<td>Through action of Congress, Lower Manhattan businesses received tax credits for hiring and retaining employees, an “accelerated depreciation schedule for new equipment; an extension of the period during which property could be replaced without recognizing gain” (NYCIBO 2004, 2).</td>
<td>Rebuilding &amp; Development</td>
<td>$864</td>
</tr>
<tr>
<td>LMDC Residential Grant Program</td>
<td>Grants to households that agree to reside in Lower Manhattan for two years or who were living in Lower Manhattan at the time of 9/11 and agree to continue doing so (NYCIBO 2004, 3).</td>
<td>Rebuilding &amp; Development</td>
<td>$236.2</td>
</tr>
<tr>
<td>Other LMDC Projects and Administrative Costs</td>
<td>Purchase and preparations of WTC parcels for redevelopment including 130 Liberty Street (the former Deutsche Bank building that was damaged beyond repair on 9/11) and the future WTC Performing Arts Center; developing a new pedestrian bridge over West Thames Street; and supporting the administrative, communications and planning work of the LMDC. Also supported a variety of park and school development projects and community and cultural programming for and in Lower Manhattan (including in the communities of Tribeca, Chinatown and the Lower East Side); the projects were funded through CDBGs (NYCIBO 2011a, 5-6; NYCIBO 2011b, 3-4).</td>
<td>Rebuilding &amp; Development</td>
<td>$1,279.4</td>
</tr>
<tr>
<td>Transportation Projects</td>
<td>Funding to the Port Authority of New York &amp; New Jersey for the WTC Transportation Hub and for the WTC Vehicle Security Center which shall provide screening to all vehicles entering the WTC site; funding to the Metropolitan Transportation Authority for the Fulton Street Transit Center and for the new South Ferry subway station; funding to the NYS Department of Transportation for roadway improvements on Route 9A - West Street (NYCIBO 2011a, 3-4).</td>
<td>Rebuilding &amp; Development</td>
<td>$4,550</td>
</tr>
<tr>
<td>Recovery or Rebuilding Program Name</td>
<td>Program Description</td>
<td>Program Category as Defined by NYCIBO</td>
<td>Federal Allocation (in $ millions)</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>---------------------</td>
<td>--------------------------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>Conversion of Tax Benefits to Transportation Tax Credits</td>
<td>Former Governor Pataki and Mayor Bloomberg requested that funds initially allocated to support business tax credits be reassigned to support additional transportation infrastructure. Congress has not yet approved this reallocation (NYCIBO 2011a, 7).</td>
<td>Rebuilding &amp; Development</td>
<td>$2,000.</td>
</tr>
<tr>
<td>Liberty Bonds</td>
<td>These triple-tax-exempt bonds supported commercial and residential projects in the WTC redevelopment area, Lower Manhattan as well as at other locations within the city. The office building at 7 WTC, completed in 2005, was supported by $475 million in bonds, while Towers 1, 2, 3 and 4 are slated to be supported by $3.3 billion in bonds. Other Lower Manhattan projects that received Liberty Bond support included the new Goldman Sachs headquarters in Battery Park City, two downtown hotels and the now defunct National Sports Museum. Liberty Bonds supported three market rate residential projects in Lower Manhattan, creating 5,675 housing units. Three commercial development projects outside of Lower Manhattan were also supported by Liberty Bonds including the Atlantic Terminal Bank of New York Tower in Brooklyn, 1 Bryant Park in Midtown Manhattan and Frank Gehry’s InterActive Corporation building in Chelsea (NYCIBO 2011a, 6-8).</td>
<td>Rebuilding &amp; Development</td>
<td>$1,228</td>
</tr>
<tr>
<td>CDBG Funding Not Yet Allocated for Specific Purposes</td>
<td>These were funds that were originally targeted towards utility restoration that can now be allocated toward other uses (NYCIBO 2011a, 4).</td>
<td>Rebuilding &amp; Development</td>
<td>$35.4</td>
</tr>
<tr>
<td>LMDC Programs for Utilities</td>
<td>The permanent restoration of the infrastructure destroyed or uprooted as a result of the 9/11 attacks (NYCIBO 2011a, 6).</td>
<td>Rebuilding &amp; Development</td>
<td>$323.6</td>
</tr>
<tr>
<td>World Trade Center Memorial</td>
<td>$252.4 million of federal funds for the Memorial were allocated to the WTC Memorial Foundation, and the balance was allocated to the Lower Manhattan Development Corporation (NYCIBO 2011b, 2-4).</td>
<td>Rebuilding &amp; Development</td>
<td>$319.5</td>
</tr>
<tr>
<td>Recovery or Rebuilding Program Name</td>
<td>Program Description</td>
<td>Program Category as Defined by NYCIBO</td>
<td>Federal Allocation (in $ millions)</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>---------------------</td>
<td>---------------------------------------</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td>LMDC Affordable Housing Program</td>
<td>While the majority of funds were funneled through the NYC Department of Housing Preservation &amp; Development for the preservation and rehabilitation of existing affordable housing stock in Lower Manhattan (including the Chinatown/Lower East Side Acquisition and Preservation Program and renovations at the large housing developments of Knickerbocker Village and Masaryk Towers), some funds were allocated so that a variety of new housing development projects, such as 270 Greenwich Street, contained affordable units (NYCIBO 2011b, 2).</td>
<td>Rebuilding &amp; Development</td>
<td>$54</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>$20,542.4</strong></td>
</tr>
</tbody>
</table>


NEW YORK’S TOURISM-RELATED INDUSTRIES: THE SHARED SPACE OF PRODUCTION AND CONSUMPTION

A common thread in the urban tourism-related literature is the difficulty in untangling whether the costs and benefits of urban amenities are skewed more for the local population or for the visitors market (Fainstein, Hoffman & Judd 2003, 4), (Hoffman 2003, 106). These amenities, from Broadway theater (and a sanitized Times Square), to museums to improved shopping districts, were the specific sites that Mayor Giuliani & NYC & Company promoted visiting as a means to hasten the recovery of New York. Zukin (1995) wryly observed that “culture is arguably what cities do best” (264), and although many critics question whether the “culture” represented by these amenities is
representative of the diversity of the city, or whether these amenities exclude segments of the urban population, it is clear that these cultural attractions are part of the artillery that New York has employed to compete, even pre-9/11, with other cities for investment and jobs. (O’Connor 1998, 226; Hamnett and Shoval 2003, 233).

Harvey (1989) remarked that in advanced urban economies, there is a link between the technologies of production of fashion and style and the technologies of their consumption, and that “the stronger the link, the more dynamic the urban economy will become” (143). Sassen and Roost (1999) observed that “the same cities that produce entertainment also consume it” (143). The tourism-led growth coalition that was mobilized after September 11th was particularly strong for the members of that coalition included leaders in the media, advertising and cultural industries. New York’s tourism-related growth coalition had resources beyond that which would have been found within the tourism industries of other U.S. cities for not only was New York able to call upon the most significant collection of producers of culture, but also it supported an unmatched local consumer base that can purchase culture at the highest level (Fainstein and Judd 1999, 267). For example, as a culture “producer,” New York counts actor Robert DeNiro as both a resident and business owner. New York also has a marketplace that can purchase and sustain Robert DeNiro’s “product” created to aid the city in its recovery from 9/11 – the Tribeca Film Festival (Kasnitz, Smithsimon & Pok 2005, 87). The intensity of the overlap in New York between consumption and production is what makes

41 Reid and Smith (1993) mock the promotion of the East Village as an “Wild Wild West” avant garde “frontier” destination for investors in the arts and real estate industries (196); while Judd (2003) describes the sometimes physically separate enclaves of the city featuring entertainment and shopping amenities and greater police presence as “virtual tourist reservations” (36).
the city uniquely qualified to employ the tourism-led coalition as its provocateurs of growth.

In the literature regarding place marketing, many examples are given of the value of local “cultural industries and attractions” as a means to recruit and maintain high value-added employees and attract capital (Goodwin 1993, 147), (Ward 1998b, 49). Florida (2002) points out that rather than at large scale arts and culture venues such as major museums and sports stadiums, the “smorgasbord” of small-scale activities found within a multiplicity of street-level venues are the cultural amenities that attract and retain the “creative class” (184-185). Blum (2010) questions Florida’s presumption that there is indeed a creative class, suggesting that the dichotomy between the “creative class” and the “non-creative class” is really a divide between those who do “manual versus mental work” (72), and that it is impossible, as Florida maintains the creative class to be, “both normal (‘mainstream’) and special (‘creative’)” (73). While stating that most people experience culture as part of a “normal” rather than a “maverick” lifestyle (Ibid.), Blum nevertheless agrees with Zukin in her description of actors in the symbolic economy not only creating but also reflecting a particular lifestyle image. As noted by Blum, capitalism has a “third ear” to “hear its own desire” (88).

LITERATURE FOCUSING ON HOW THE TOURISM INDUSTRY RESPONDED TO 9/11

The flow of information and people into New York (the command and control hub of the global economy) and the concurrent injection of visitors to experience the entertainment
opportunities that are generated by global economy, is facilitated by the ease of air travel. For reasons including the facts that the 9/11 terrorists used commercial airplanes as weapons and that the attackers entered the United States on tourist visas (National Commission on Terrorist Attacks Upon The United States 2004, 237), the literature describing how the tourism industry responded to 9/11 includes much discussion about the dichotomy between the need to embrace visitors for the cultural and monetary wealth that they bring to the city, versus the urge to repel visitors due to fears of a repeat attack. For example, Fainstein (2002) states that “urban governments are pulled between the contradictory needs to be welcoming to travelers and wary that outsiders may intend to harm” (593). Noting that while cities have worked for decades to make their tourist centers safe for visitors by guarding them against local criminals, and that post 9/11, the video surveillance cameras have been turned towards the visitors themselves, Fainstein suggests that the attacks have created further “regulations restricting the movement of visitors” (594). Bonham, Edmonds & Mak (2006) discuss how restrictive visa requirements as well as perceptions among those from abroad that the US has become unfriendly to foreign tourists has caused a decline in international tourist travel to America (107). Marcuse (2002) warns that increased watchfulness by government and wariness by office tenants caused cities to build new protective barriers against unrest, and encouraged corporations to build walled-off “citadels” to protect themselves against potential attack (599-600). As a result of 9/11, New York’s tourism economy was placed at the fulcrum of a pendulum that swings between facilitating the city’s identity as a vibrant gathering point of people and exposing the city to threats from abroad disguised as a Trojan horse with a tourist visa. Savitch (2003) believes that this dichotomy creates
a new urban paradigm, with “the positive side of globalization emphasiz[ing] the city’s strength and resilience, [and] the negative side exploit[ing] its vulnerability and fragility” (107).

Stating that enhanced security is the most publicly visible impact of the attacks, Goodrich (2002) describes a tourism industry that looks at its own customers as potential dangers. From enhanced baggage check and passenger scanning, to installing surveillance cameras in hotels to monitor their guests (“many of the hijackers had stayed in hotels across the USA prior to September 11, 2001” (577)), all layers of the hospitality industry were threatened with loss of patronage, and the industry perceived their patrons to be threats themselves. Given the newfound and far-reaching security obligations of the airline industry and the industry’s need to assuage business and pleasure flyers amidst a shrinking customer base, Blake and Sinclair (2003) conducted the first major study that analyzed the impacts and economic results of the Federal Air Transportation Safety and System Stabilization Act, which was signed into law just 11 days after the 9/11 attacks (814). Upon reviewing the various subsidies provided by the federal government to the airline industry, as well as a series of proposed, but never implemented, consumer tax credits for leisure and business travel suggested by the Travel Industry Recovery Coalition, the authors determined that to spur the travel-related economy, direct airline subsidies provide the greatest job preservation and economic development impact (827).42 This is due first to the large number of individuals directly and indirectly

42 A similar debate in housing policy is whether to subsidize the users of housing by making it more affordable (by providing residents with, for example, Section 8 vouchers), versus providing subsidies to
employed in the airline industry, and second to the determination that consumer tax credits that encourage leisure travel would not address the sharp decline in business travel, which was the sector of the U.S. travel industry most depressed by the attacks (Ibid.).

Indeed, in the accommodation segment of the hospitality industry, hotels catering to business travelers fared considerably worse after 9/11 than did hotels catering to vacationers. O’Neill and Lloyd-Jones (2002) demonstrated that while the expected value per room for all hotel categories declined 4.9 percent nationwide between 2000 and 2001 ("$70,358 per room at the end of 2001 versus $73,978 per room at the end of 2000" (59-60)), high-end business hotel values declined by 11.6 percent ($155,065 per room at the end of 2001 versus $175,407 per room at the end of 2000) (58). The hotel industry responded by quickly lowering room rates as a means to spur demand (53). Enz & Canina (2002) agreed that luxury hotels in major cities were the segment most negatively affected by 9/11 (41), and calculated that in New York, Revenue Per Available Room (RevPAR) declined by 35.92 percent in the fourth quarter of 2001 compared to 14 percent nationwide (51-52). Curiously, RevPAR declines were even greater in San Jose and San Francisco (a 46.77 percent and 42.49 percent decline, respectively) (51), presumably due to a decline in business travel within the high-tech industries. Like the hotel industry, New York’s restaurant managers responded to the drop in clients by lowering prices and by participating in promotional campaigns developed by local associations (Green, Bartholomew, and Murrmann 2003, 78). In New York and to a
much lesser extent in Washington, restaurateurs and hoteliers were deeply involved in providing hospitality services to first responders, providing both respite and critically needed nourishment to recovery workers (Loc. Cit. 69; Knable 2002, 15).

Since virtually all vacation travel is discretionary and meant to be pleasurable, and much business travel depends upon choices made by executives as to whether a face to face meeting is necessary, the tourism industry depended upon positive risk assessments made by their potential clientele. Floyd et. al. (2003) noted that in the weeks after 9/11, “about two-thirds of US leisure travelers indicated reluctance to fly, while 55 percent of business travelers planned to drive when feasible as opposed to fly to their respective destinations” (21). Floyd et. al.’s post-September 11 analysis of risk perceptions among New Yorkers regarding travel showed that the factors that most influenced the choice to take vacation travel were frequency of past travel, safety concerns and “social risks” (the risk that friends and family will disapprove of one’s choice to travel) (32). Despite these perceived risks, 81 percent of the respondents said that they would be taking a pleasure trip within twelve months of the study period (29). Perhaps given that Floyd et. al.’s study was conducted on New Yorkers in the months after 9/11, the respondents may have felt it was safer to travel outside the city than to stay home. Lepp and Gibson (2003) studied travel risk perceptions of young US-born adults, and similarly concluded that travel risk perceptions were highly dependent upon frequency of prior travel, with more frequent travelers less fearful about safety and more interested in novel experiences (616). Both Floyd et. al. (33-34) and Lepp and Gibson (620) suggested that marketing strategies to encourage tourism must be more narrowly targeted so that they would appeal
to potential travelers with specific travel experience levels and the respective travelers’ interest in new experiences.

Crisis management and communications is another important theme in the post-9/11 tourism literature. Given the need for sophisticated communications strategies to assuage the fears or pique the interest of potential travelers, public relations strategies became an important part of the marketing and promotional programming of convention and visitors bureaus (CVBs) after 9/11. For example, Fall (2004) found that 23.9 percent of CVBs used newspaper media releases as a “communications tactic” more frequently than before 9/11, and 8 percent used them much more frequently (244). CVBs also refined their communications strategies so that they could be better positioned to specific markets, such as to reach travelers arriving by car or those seeking experiences characterized by “safety, relaxation and family” (247). In that vein, the Charleston, South Carolina CVB cancelled familiarization tours planned for travel agents from areas in flying distance from the Charleston region, replacing the effort with a campaign to recruit associations located in driving distance from Charleston to encourage them to hold their conventions and meetings within the region (Litvin and Alderson 2003, 192).

In London, the decline of tourism caused by 9/11 followed the city’s battle to attract visitors frightened away by the outbreak of Foot and Mouth Disease. Communications leaders in London were thus experienced with the challenge of presenting the city as vibrant but at the same time convincing politicians that the city was in deep need of financial assistance (Hopper 2002, 83). The London Tourism Board and the British
Tourist Authority worked closely together to proactively and sometimes reactively provide the press with a more complete and accurate appraisal of the extent and dangers of the outbreak, acknowledging that while safety concerns do exist, they were much more limited and avoidable than what had in times been reported (Ibid.), (Frisby 2003, 90). Acknowledging the decline in overseas visitors after 9/11, the London Tourism Action Group was established by the Mayor of London to promote tourism to the city, focusing their efforts on domestic travelers, including “city break takers with high disposable income and geographically distant from London so that they would require an overnight stay” (Hopper 2002, 85). Their first major campaign, the largest domestic marketing campaign in the city’s history, ran from January to April 2002 and included the “Mayor’s theatre initiative,” which paid for the distribution of free and discounted theatre tickets (loc. cit. 84-85).43

CONCLUSIONS – THE THERAPEUTIC QUALITIES OF THE “COMMUNITY WE FEELING” & THE TOURISM-LED GROWTH COALITION

Greenberg (2008b) asked whether:

“[urban leaders should] focus precious political and economic resources on addressing the long-term social and infrastructural needs of local residents, or on repairing the perception of their city held by tourists and markets beyond their gates?” (2008b, 20).

Stating that the two foci need not be mutually exclusive, Greenberg concludes that while the branding efforts of city government in partnership with groups like the Association for a Better New York and NYC & Company aided in bringing tourists and business

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43 This program was similar to NYC & Company’s “Spend Your Regards to Broadway” promotion, which was also implemented at the start of 2002.
investment to the city, social indicators such as standards of living and housing affordability had not improved for the city’s poor (39). Greenberg further argued that the Federal government’s Liberty Bond and Liberty Zone programs provided “massive subsidized investment [for] New York City’s high-end commercial real estate as a solution to the post-9/11 crisis,” with the major beneficiaries of that investment being World Trade Center developer Larry Silverstein (who received 40 percent of all bonds, or $2.4 billion) and Goldman Sachs (Gotham and Greenberg 2008, 1049-1050), and concluded that the recovery effort favored those with the greatest resources. Since business groups such as the New York City Partnership lobbied vociferously for these financial incentive programs (1044), the answer to this dissertation’s basic research question of who controls development after a disaster and why, seems, at least at first look, to be real estate and business interests. Continuing with Greenberg’s frame of reference, the tourism-led coalition’s efforts to promote the city, using government leaders as Mayor Giuliani as spokesperson, could be characterized as “a broader social formation, one in which an emphasis on image and media integration is tied to the extension of market priorities into new social and political realms” (Greenberg 2010, 116). Perhaps public sector leaders are now “place entrepreneurs,” a cohort that was formerly largely limited to the real estate community in Molotch’s (1976) growth coalition thesis; government and real estate would therefore be viewed as a combined pecuniary and political force in the “entrepreneurial symbolic economy of cities.” (Hetherington 2008, 285).
However, before we jump to answer our research questions in this literature review, it was mentioned earlier that New Yorkers were in a state of heightened fear in the months succeeding the attacks of 9/11, fears that were exacerbated by both Anthrax-laced letters infecting postal deliveries and by concerns fanned by the media. As noted in a report published by the American Psychological Association:

“In the case of 9/11, we propose that the characteristics of human relative risk appraisal may explain the relationship between media exposure and symptomatic response among those indirectly affected by the attacks. That is, unlike most media coverage of disasters, specific aspects of the 9/11 attacks—its scale, unpredictability, novelty as a threat, and implications for future safety, together with media saturation of graphic images and frequent government warnings of future attacks—carried the signal potential that there was a significant ongoing threat, with greatly elevated risk for being harmed in additional attacks.” (Marshall, et. al. 2007, 309).

A study published in The New England Journal of Medicine conducted to determine the psychological health of Manhattan residents within the first few months after 9/11 stated that 7.5 percent of the Manhattan’s population (and 20 percent of those living in Lower Manhattan) reported symptoms consistent with post-traumatic stress disorder (PTSD), and 9.7 percent reported symptoms consistent with depression (Galea et. al. 2002, 982). The national benchmark for PTSD was 3.6 percent, while the national benchmark for depression was 4.9 percent, demonstrating that the effects of 9/11 doubled levels of PTSD and depression for Manhattan residents (985). The Journal of the American Medical Association published a national study whose goal was to “assess psychological symptom levels in the United States following the events of September 11 and to examine the association between post-attack symptoms and a variety of indices of exposure to events” (Schlenger et. al. 2002, 581). While nationwide PTSD symptom levels were not elevated (with 4.0 percent of the population afflicted with the disorder),
and Washington, DC levels were slightly lower than the nation as a whole (at 2.7 percent), PTSD levels in the New York City metropolitan area were determined to be 11.2 percent of the population (Ibid.). Schlenger et. al. noted that there were an estimated 532,240 excess cases of 9/11-induced PTSD (*excess* meaning the amount more than what would normally have been expected given national PTSD benchmarks) within the New York metropolitan area, and that 60.7 percent of households with at least one child had a child that was upset due to the 9/11 attacks (compared to 48 percent nationally) (586). As these studies concluded, much of the population of New York was in a clinical state of stress as a result of 9/11, experiencing trauma that threatened the economic and mental well being of its citizens. The threat that 9/11 would so impact the psyche of New Yorkers that they would choose to live or establish their businesses in “safer” locales will be the central factor in determining the answer to this dissertation’s first and primary research question of who controls urban growth after and disaster and why. The tools that the tourism-led coalition used to steer growth, the documentation of which is the primary element of the second research question guiding this dissertation, will be shown to include many elements that Logan and Molotch (1987) ascribed to the “community we feeling,” Zukin (1995) attributed to the “symbolic economy,” and that Greenberg (2010) argued are how city branding campaigns “soothe the trauma of crisis” (119).

Rozario (2005, 31) documents that after the great San Francisco earthquake and fire of 1906, and the Chicago fire of 1871, commentators focused on expressing their belief that those in the future would look back at that destruction of their respective cities as
“blessings” – whereby a city more beautiful than ever before would be built, and that the rebuilding process would, in the words of a contemporary editor, “serve only to point a moral and adorn a tale.” Vale and Campanella (2005, 8) define the notion whereby residents of a city that has experienced disaster can begin to express feelings that a potential good can result from the disaster as “urban resilience.” Even though a decade has passed since the 2001 attacks, for most New Yorkers, the experience of 9/11 is too raw for this notion of “urban resilience” to apply. Shortly after 9/11, NYC & Company distributed lapel pins featuring a red, white & blue ribbon with the text “Stronger Than Ever” placed above the ribbon. While, as mentioned earlier, critics such as Sturken (2007) and Solnit (2009) argued that using commodities such as retail products and restaurant meals as a palliative for the psychological and economic stress caused by 9/11 reduced the tragedy to merely being an excuse to spend money, the tourism-led growth coalition, for at least the months after that tragedy, became a powerful local force by replacing the anomie that city residents experienced with a sense of emotional and economic cohesion. The third research question of this dissertation, seeking whether the efforts of the tourism-led coalition were successful in their own right or were they merely reflections of what the market was actually doing on its own, will be answered by better understanding how the tasks essential for rebuilding post-9/11 New York were performed by the growth coalitions best able to bring their tasks to fruition. The tourism-led coalition worked on mending the city’s psyche, allowing the traditional real estate coalition to work behind the scenes and secure the government-sponsored financial incentives for building apartment and office buildings that could only be occupied by an assuaged populace.
CHAPTER 4
RESEARCH METHODOLOGY

INTRODUCTION: A MIXED METHODS RESEARCH DESIGN

This dissertation employs a mixed method research design. While this project has a qualitative case study emphasis, quantitative analysis of New York State Department of Labor/ES 202 employment data and a media Content Analysis of post-9/11 unemployment related coverage within The New York Times is also utilized to answer the central research questions regarding the control and support of growth after urban disasters. The best definition of this dissertation’s research design is a “sequential mixed methods” approach, defined by Creswell (2009) as when the “researcher seeks to elaborate on or expand on the findings of one method with another method” (14). Thus, Chapter Five of this dissertation provides a qualitative analysis featuring first-person interviews of leaders in the tourism-related industries as well as of leaders in government and the real estate and financial services industries. The quantitative and media content analyses in Chapter Six “elaborates on and expands” the findings of the post-9/11 New York qualitative research by demonstrating that the tourism industries had a much greater role in the New York redevelopment discourse than would be expected given the number of tourism-related workers who lost their jobs versus the number of workers who lost their jobs from other New York industries in the months succeeding the attacks.

Mixed methods is described as a new research design approach, having originated in the late 1950s as a means of conducting analysis of psychological traits (Creswell and Clark 2007, 15). Mixed methods is considered a “third wave” of research, for it tries to break
away from biases held by “camps” who believe that either quantitative or qualitative data analysis techniques are fundamentally superior to the other and are otherwise incompatible, creating instead a new approach that legitimates the combined use of a variety of research paradigms (Johnson and Onwuegbuzie 2004, 14, 17).

When combining methods, researchers need to be mindful of whether the data, and more importantly, the research questions used to form the analysis using that data, are consistent among the multiple methods being employed. A researcher can have strong data that meets the rigors of the respective quantitative or qualitative validity tests used to conduct any component of the mixed method analysis, yet if the data or research questions are not aligned, then the benefits of holistic mixed methods approach are not fulfilled and may lead to false conclusions. Stating that a challenge for mixed methods researchers can be “confusion between the quality of data/observations and the quality of inferences that are made of the basis of the analysis of such data,” Teddlie and Tashakkorie (2003, 38) warn that “inaccurate conclusions may be made on the basis of good data” (39) if the standards used in each of the elements of the mixed methods analysis are not calibrated with one another. By using a “sequential” mixed methods approach, this dissertation may not take full advantage of a mixed methods analysis that ideally looks at all the data that was presented via the qualitative and quantitative approaches that were used. Nonetheless the research presented herein is not as subject to the pitfalls of mixed method approach for the “inferences follow each other [and are] separated by a study (ie. an inference points to the necessity of further data collection, which is followed by new inferences)” (41). In other words, while the qualitative
analysis presented in Chapter Five answered questions about how the tourism-led growth coalition guided the city through some of its most difficult months, it raised questions about what were the actual impacts on employment in the tourism industry as a result of 9/11, which were in turn answered via the quantitative and media content analysis of Chapter Six.

CASE STUDY METHODS

While this dissertation uses a mixed method research strategy, the primary method by which this dissertation’s research questions will be answered is by means of a case study. Robert Stake (1995) defines a case study as “the study of the particularity and complexity of a single case, coming to understand its activity within important circumstances” (xi). Robert Yin (1989) notes that the case study is an advantageous research method when “how and why” questions are asked “in examining contemporary events, but when the relevant behaviors cannot be manipulated…it adds two sources of evidence not usually included in the historian’s repertoire; direct observation and systematic interviewing” (19-20). Stake suggests that case studies work best when they are studying “people and programs,” and work less well when studying “events and processes” (2).

While working within the theoretical framework of the “growth coalition” model developed by Logan & Molotch (1987), this research project focuses on powerful examples of agency exhibited by local and state government that helped empower the individuals and institutions of the tourism-led coalition to take the mantle as leaders of growth in the months after 9/11. Thus following Stake’s guidelines, the present case
study focuses less on abstract processes of development, but rather on how Mayor Giuliani, the leaders of NYC & Company and its member theaters, restaurants and hotels actively created programming and asserted their vision as to how to portray and promote the city in its darkest months.

In designing a case study, Yin remarks that the research design must satisfy a number of tests. The first, “construct validity,” requires that the investigator be specific about the changes that are to be evaluated, and that the measures that have been selected to be analyzed are indeed indicators of those changes (42). The test for “internal validity” determines whether there was a causal relationship between two factors of the study (p. 43). In the present case study, the internal validity test would be to decide whether the public fears and business concerns associated with 9/11 caused the tourism-related industries to take a front seat in the growth coalition. The concern regarding internal validity is that there could be another factor (such as changes in the real estate coalition itself) that caused the outcome that occurred. “External validity,” Yin’s third test, determines whether the findings of the study can be generalized so that they would be relevant beyond the case itself (44). Yin’s final test, that of “reliability,” measures whether the documentation of the study is sufficient enough for another researcher to conduct it and reach similar conclusions (45). Similarly, Stake (112) uses the term “triangulation” to describe a series of protocols that measure the “contestability” of the interpretations of data made by the researcher.
This dissertation presents a single case study, rather than a series of related cases. Yin suggests that it is appropriate to use a single case when one is testing whether a “theory’s propositions are correct, or whether some alternative set of explanations is more relevant” (47). The present study offers examples of how the “community we” feeling actively generated by growth machines (Molotch 1976, 311 & 314) was employed by the tourism-led coalition in the months after 9/11, thus providing evidence of how growth machine theory can accommodate a major change in lead actors (i.e. from the real estate industry to Broadway and hoteliers). A second justification for using a single case, notes Yin, is when one is studying an “extreme or unique case” (47). While New York City was not the only major city attacked on 9/11 and it certainly is not the only world city to have fallen victim to terrorism, the size of New York’s population, its economic milieu (as capitol of the nation’s finance and media industries) and the direct impact made upon the city’s residents and businesses by the attacks makes New York City worthy of singular study.

Hoaglin et. al. (1982) also suggests that case studies tend to focus on the “most extreme story” (131), and then cautions case study researchers against being reductive, stating that details of the case study narrative can be “tidied up” so that they fit within the overarching story that the researcher wishes to present (Ibid.). The present study tries to stay away from a reductive view of the tourism-led coalition’s taking the reins of growth away from the traditional real estate coalition by showing how real estate leaders took a more behind the scenes role in securing federal redevelopment dollars during the months after 9/11, and also by demonstrating that for larger property owners, losses in lower
Manhattan were made up by occupancy gains in their midtown office space portfolio thanks to the relocation of businesses displaced from downtown.

Stake argues that unlike most quantitative research that marginalizes the outlying occurrences of a particular phenomenon “qualitative researchers treat the uniqueness of individual cases as important to individual understanding” (39). Indeed, the present study of how the tourism-related coalition controls growth would be well beyond the bell curve of typical case studies examining urban growth control, which typically focus on the real estate industries.

A third instance of a circumstance when Yin believes it is appropriate to study an individual case is when the researcher is able to analyze a unique and never before seen set of data (48). The interviews specifically conducted for the present study and which were provided exclusively to this author by NYC & Company indeed provides a unique data set.

Yin notes that case studies can either be “holistic” or “embedded” (49). An embedded case looks at multiple events within a specific case, while a holistic study looks at the entire case in a more “abstract” way. The present case is embedded, for it looks at multiple instances of how the tourism industry was called into action by powerful actors such as the Mayor and Governor; the specific actions taken by the tourism-led industries to portray the city (to residents, businesses and visitors) as being “open for business”; and then demonstrates the actions of the real estate industry from when they took a more
behind the scenes role in the months after 9/11 to how the real estate industry again took the steering wheel of growth in the Olympic and Far West Side development efforts. Yin states that researchers conducting an embedded case study must be wary of losing track of the theoretical framework that links the multiple specific instances described in the study, focusing on the minutia rather than the links that create the overarching narrative of the case (50).

Stake also suggests that case studies can generally be divided into two camps, either “intrinsic” or “instrumental” (3). Intrinsic case studies are conducted for the sole purpose of learning more about the subject of the case itself. To illustrate this, he uses the example of an educational researcher called in to a school to evaluate its effectiveness in teaching its students (as opposed to a researcher, seeking to learn whether a particular teaching method is effective, goes into a school to evaluate its results using that method). Like Yin’s “holistic” category, “intrinsic” case studies are conducted upon a single case, when the goal is to unravel and understand the processes that allow the entity to function. The present case would be “intrinsic” if this project’s goal was to understand how the tourism industry functioned in the months after 9/11, documenting in detail profiles of visitors and their experiences, or on detailing changes in employment and gross city product during that time period. As this project can be characterized as a Yinian embedded study, it can also be defined in Stake’s terms as an “instrumental” case study. Instrumental case studies are conducted when the study of that case leads to understanding about a phenomenon which that case well represents or illustrates. While the present case does have its intrinsic elements, an instrumental framework is employed,
for it examines how the leaders of growth in New York changed in the months after 9/11, documenting the flexibility of the growth machine thesis of Logan and Molotch even in the most trying economic and social circumstances. Stake notes that in an instrumental case study, “we start and end with issues dominant” (16). The identification of who controls growth, and the human agency that asserts that control guides this case. “We do not study a case primarily to understand other cases,” noted Stake, and the case study is not a method of sampling research (4), and therefore the study of the New York City post-9/11 case cannot substitute for documenting what happened in other large cities directly affected by 9/11 (such as Washington, D.C.).

Table 4.1: Brief Summary of Case Study Categories

<table>
<thead>
<tr>
<th>Author/Concept</th>
<th>Explanation</th>
<th>Case study method employed in this dissertation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yin (1989) Holistic versus Embedded</td>
<td>An embedded case looks at multiple events within a specific case, while a holistic study looks at the entire case in a more “abstract” way.</td>
<td>Embedded</td>
</tr>
<tr>
<td>Stake (1995) Intrinsic versus Instrumental</td>
<td>Intrinsic case studies are conducted for the sole purpose of learning more about the subject of the case itself. Instrumental case studies are conducted when the study of that case leads to understanding about a phenomenon that that case well represents or illustrates.</td>
<td>Instrumental</td>
</tr>
</tbody>
</table>

Finally, Stake suggests that case studies work best when the phenomena that one is observing is complete, or in other words, that the case is indeed closed (147). Hoaglin et. al. (1982) however suggests that one of the pitfalls associated with case study research is “that it tells you how to fight the last war but not the next one” (123). In other words, the case study may not be instructive for policy makers for it does not offer concrete courses
of action for future decision making. However since the present project is an “embedded” and “instrumental” case study, it demonstrates the robust nature of the growth machine thesis under a new set of stimuli. Moreover, as major cities such as London have become targets again for terrorist action, the techniques used by the New York tourism industry to regain visitors are indeed instructive. As mentioned in the literature review, a number of case studies have been conducted on the tourism industry response within cities victimized by terrorism, and Convention and Visitors Bureaus have been advised to develop crisis management plans to address future risks (Sonmez, Apostolopoulos and Tarlow, 1999). Case studies have also been conducted on how other cities have addressed the decline of tourism after 9/11, for example Litvin and Alderson (2003) examined how Charleston, South Carolina’s CVB changed their marketing strategy in the months after 9/11 so as to target visitors arriving via car from locations within easy driving distance from the city. In their conclusion, Litvin and Alderson note that a lesson learned through the study of the Charleston case was that there is a need for CVBs to have a

“well-thought-out crisis management plan, broader in scope than has ever in the past been envisioned necessary. Further, the 9/11 experience has reiterated the need for flexibility and a degree of nimbleness in the face of unforeseen challenges” (196-197).

The present case clearly adds credence to the assertions of Litvin and Alderson, and therefore should assuage Hoaglin et.al.’s (1982) concern regarding the relevancy of case study research as an instructive tool for policymakers.

Rather than offering apologies or caveats for a degree of researcher bias in conducting case study research, Stake embraces the immediacy associated with research that uses
“narratives to optimize the opportunity of the reader to gain an experiential understanding of the case” (p. 40). Stating that “subjectivity is not seen as a failing needing to be eliminated but as an essential element of understanding,” (p. 45), Stake recognizes that in order to do effective case study research, a researcher must immerse him or herself by, as noted by Yin (p. 62), asking good questions and being a good listener. Stake argues that “one of the principal qualifications of qualitative researchers is experience” (p. 49), while similarly Yin notes that the researcher “must have a firm grasp of the issues being studied” (p. 63). Indeed, my own personal experience as taking part in some of the more intimate meetings of the NYC & Company leadership as they were deciding upon a course of action gives me insight into both the personal and professional mindset of some of the leading actors of my case study. I fully admit that I became entangled in the fears associated with post 9/11 New York, and indeed I seriously contemplated leaving New York due to concerns about a follow-up attack. I deeply recall being moved while watching the “New Day” ads on television, and feeling that it was our responsibility to stay in New York and work to ensure that the city we so much love remains strong. As a participant observer in portions of the case study presented in this dissertation, I have done my best to avoid the pitfalls of “over-rapport” with the individuals discussed herein (Miller 1952, 97-98). Yin warns that case study researchers must work to not show bias, and that they are “especially prone to this problem” (p. 65). Yin suggests that one of the tests to determine whether the researcher is biased is the degree to which he or she is “open to contrary findings” (Ibid.), while Labaree (2002) suggests that participant observers must be especially wary of maintaining “objectivity and accuracy,” and must

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44 These ads were produced by the tourism-led coalition within a month after 9/11.
recognize where he or she is located in the narrative that is presented (107). By documenting how the real estate industry gained back their mantle as leaders of growth within a year after 9/11 as the city focused on the 2012 Olympic bid and the redevelopment of the West Side rail yards, this study demonstrates acknowledgement that the leadership of growth by the tourism-led coalition was indeed an ephemeral circumstance.

Research Tools Available

Yin remarks that evidence collected from the following sources may be used to generate case studies: “documentation, archival records, interviews, direct observation, participant-observation, and physical artifacts” (p. 84). While it was still under the direction of President & CEO Cristyne Nicholas, NYC & Company, which includes many of the main protagonists of the present case study, granted this author with use of a series of oral histories that were conducted with the leaders of NYC & Company to document their efforts in response to 9/11. The present study employs the transcripts of all of the oral histories conducted in 2004. The individuals interviewed for the NYC & Company oral history were:

- Cristyne Nicholas, former President/CEO of NYC & Company;
- Barbara Lorber, former Senior VP, Major Events & Promotions, NYC & Company;
- Danny Meyer, President of the Union Square Hospitality Group and former head of the Restaurant Committee of NYC & Company;
- Ruth Nadler, former VP of Research, NYC & Company;
- Jonathan Tisch, Chairman & CEO of Loews Hotels and former Chairman of NYC & Company;
- Tim Zagat, Founder & CEO of Zagat Survey and former Chairman of NYC & Company.

In addition, this author conducted in-depth interviews with:
• former NYC & Company VP for Communications Keith Yazmir; and,
• former NYC & Company VP for Tourism Celyta Jackson.

The individuals listed above represent the leadership team (both staff and Board members) of NYC & Company, and therefore provide the best first-hand observations of the activities of the organization as it responded to 9/11.

For this project, this author has also conducted in-depth interviews with leaders from government and from the media, advertising, real estate and hospitality industries. The interviewees were chosen for they were key players in the development of the growth strategies employed by government, the real estate industry and by the tourism-led coalition in the aftermath of 9/11. The interviewees were as follows:

• JP Avlon, former speechwriter, Office of NYC Mayor Rudolph Giuliani (Mr. Avlon worked with Mayor Giuliani’s as he developed his post-9/11 speech before the United Nations General Assembly, and also conducted the NYC & Company oral history interviews);
• Joe Chan, former Senior Policy Advisory, Office of former NYC Deputy Mayor for Economic Development & Rebuilding Dan Doctoroff (Mr. Chan aided Deputy Mayor Doctoroff in the development of the NFL Kickoff celebration in Times Square, among other projects);
• Paula Cohen, former Publisher, Where New York magazine (Ms. Cohen served as publisher of the largest visitor publication in New York);
• Chester Deptula, former Chairman, New York City Hotel Association (Mr. Deptula developed policy for the Hotel Association as it dealt with the impact of 9/11, and he also served as general manager of the Surrey Hotel at the time of the attacks);
• Valerie Lewis, former VP for Marketing, Alliance for Downtown New York (Ms. Lewis developed the post-9/11 marketing and communications strategies for the largest business association in Lower Manhattan);
• Marty Rainbow, former creative team member, BBDO Worldwide (Ms. Rainbow was a key member of the creative team that developed the New York Miracle television advertisements);
• Marc Ricks, former Senior Policy Advisor, Office of NYC Deputy Mayor for Economic Development and Rebuilding Dan Doctoroff (Mr. Ricks assisted Deputy Mayor Doctoroff in the creation of NYC Big Events, and in the redevelopment and rebuilding efforts of City Hall, including the West Side Yards and Stadium projects);
• Michael Slattery, Senior VP, Real Estate Board of New York (Mr. Slattery was and continues to be a senior leader in the pre-eminent real estate advocacy organization in New York);
• Judy Tenzer, VP for Public Affairs, American Express (Ms. Tenzer presented the viewpoints of American Express, arguably the most significant post-9/11 private sector leader in the redevelopment and promotion of Lower Manhattan, including sponsoring such programs as the River to River Festival and the Tribeca Film Festival. With headquarters at the World Financial Center, American Express was (and continues to be) one of Lower Manhattan’s largest office tenants.).

In my professional capacity as president of the Madison Avenue Business Improvement District, I was privileged to take part in a number of meetings with the NYC & Company leadership regarding specific economic development and tourism-related programming in the months after 9/11. The experience I had at these meetings adds to my overall understanding of the personalities’ thought processes that were behind the decisions made at that time.

Archival materials that will be examined in this case study include reports produced by multiple branches of New York City and New York State government (including the text of major speeches); internal documents produced by the advertising agency that created much of the television advertising associated with promoting New York, as well as the ads themselves; reports commissioned by the Partnership for the City of New York, the Alliance for Downtown New York, the Real Estate Board of New York and the various multi-organizational visioning groups that developed post 9/11 plans for the area surrounding Ground Zero; annual reports and financial statements produced by the major real estate investment trusts operating in New York; and a wealth of articles that appeared in the pages of the major New York newspapers and New York magazine.
The majority of research performed for this dissertation took place between 2003 and 2008, however relevant literature has been reviewed to the period ending January 2012.

QUANTITATIVE AND MEDIA CONTENT ANALYSIS

As this dissertation uses mixed methods of analysis, Chapter 6 of this study features a quantitative and media content analysis of the impact 9/11 had on employment within New York City. A quantitative analysis of tourism-related and non-tourism related employment and labor market characteristics in New York is presented. The work of Gladstone and Fainstein (2001, 30-35) using County Business Patterns (CBP) data from the U.S. Census is updated to 2008 and appended with New York State Department of Labor ES202/Quarterly Census of Employment and Wages data. The quantitative analysis of New York State Department of Labor ES202 / Quarterly Census of Employment and Wages data that is presented is largely descriptive.

Content Analysis of New York Times Coverage of Unemployment from September 12, 2001 to December 31, 2011

Logan and Molotch (1987) view local media as key players in advocating growth (70-73). Fainstein (2001) describes the New York press as “a reliable booster of real-estate investment …, not question[ing] the basic equation of real-estate development with economic growth” (60). Building upon the work of Miriam Greenberg (2003, 2008a) in analyzing media coverage of the real estate-led branding campaigns conducted as a response to New York City’s 1970s fiscal crisis, the present study examines the 106
articles appearing in The New York Times from September 12 to December 31, 2001, that focused on topics pertaining to both “unemployment” and “9/11” to determine whether there was markedly more attention placed on employees within the tourism industry as a result of the ascendancy of the tourism-led coalition. To review how The New York Times covered and portrayed the geographic and industrial concentrations of unemployment in these articles, a media analysis technique known as “Content Analysis” was utilized. Content analysis can be both quantitative and qualitative in nature, the quantitative measuring the “frequency and extent” of messages conveyed in texts; while the qualitative (or “ethnographic”) component of this form of analysis focuses more on finding specific meaning in how those messages are conveyed (Altheide 1996, 14-16).

Weber (1985) notes that the basic element of Content Analysis is that words within the texts under review are classified into defined categories (12). The two broader themes, or “frames” used in the analysis of The New York Times’ coverage of unemployment conducted in Chapter 6, are ones of location (the specific geographic locations that are the focus of the articles), and of industry (the sectors of the economy, such as tourism & financial services, that are the focus of the articles). Altheide defines frames as “broad thematic emphases” (15) within a wide topic, such as looking at tourism through the lens of being a leisure activity versus being a form of business enterprise. Each of the 106 articles that focused on unemployment were then broken into the two frames of “location” and “industry,” and then sorted by keywords that divided each frame into three

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45 The New York Times was chosen for this study because it is considered by many as the U.S. newspaper of record (Winett and Lawrence 2005, 7) and features extensive reporting content on the New York City region.
separate categories. For the location frame, the categories were “New York City focus”, “Other City focus” and “National focus.” For the industry frame, the categories were “Tourism-Related Coalition focus,” “Financial Services focus” and “All other industries/no specific industry.”

The reliability of the results of content analysis depends on the choices made by the researcher on what keywords are chosen and how the categories in which these keywords fall under are defined. Weber describes a series of tests to determine the validity of a content analysis study: face validity, construct validity, hypothesis validity and semantic validity (18-21). *Face validity* tests whether the categories used by the researcher are appropriate means to measure the concept that he or she is exploring. For example, are the tourism-related categories (such as hotel workers) appropriate to describe as a distinct industry? *Construct validity* tests whether a measure is “correlated” with another measure in the “same construct” (19). For example, is “hotel employment” is correlated with “food service employment” in the “tourism-related coalition” industries category.

A measure has *hypothesis validity* if it falls within the broader, generally accepted theoretical concepts as other measures of that category. For example, for the “Other City focus” in the “location” frame, articles describing a major municipal entity with urban population densities and centralized forms of local governance, whether that city was Los Angeles or Charlotte would all fit within that category, but articles focusing on unemployment of airline workers nationwide would not. *Semantic validity* measures whether the words or terms that get coded in a single category “possess similar
connotations” (21). For example, in the “Financial Services focus” in the “industry” frame, the words “stockbroker” and “Wall Street clerical worker” can be coded together in this category, and thus maintain semantic validity, even though the job function and skills of these workers differ greatly.

For the content analysis study conducted in Chapter 6, the “units of analysis” (Altheide, loc. cit., 50) were the 106 articles that appeared in The New York Times with the key words “unemployment” and “9/11.” Each newspaper article was a separate unit of analysis. Weber suggests that it is difficult to “achieve high reliability when recording whole texts” (23) however the categories chosen were broad as well, and the purpose of the study was not to examine nuances in reporting, but rather the general focus of these unemployment related articles. Some articles were coded into more than one category (for example, an article could have dealt extensively with unemployment in both the tourism and financial services industry). Weber cautions researchers about creating categories so broad that units of analysis can be classified into more than one category for confounding variables may not conform to statistical analysis (Ibid.). However, since the units of analysis were entire articles, it seem more true to the intent of the journalist to state that an article features analysis of more than one category, rather than, based upon word count of text focusing on one category or another, placing the article in just a single category.
CONCLUSION

The interviews conducted for this dissertation as well as the oral histories for which this author is the first researcher to have been granted access provide original documentation that aids in answering the research questions that serve as the destination of this research project. Archival materials, quantitative data sets as well as a content analysis of the editorial focus of post-9/11 *New York Times* articles reporting on unemployment will each enable this author and those reviewing this dissertation’s findings to verify and test what Yin refers to as the “reliability” of the present case study, and, as Stake would argue, “triangulate” the findings of this study so that this researcher can assure with a reasonable degree of certainty that others looking at these same materials would answer my research questions much as I did in the pages that will follow.
CHAPTER 5

SOOTHING A SUFFERING CITY: THE POST-9/11 NEW YORK CASE STUDY

INTRODUCTION: THE TOURISM-LED GROWTH COALITION

Traditional efforts of real estate led growth coalitions focus on assembling land, building transportation and utility infrastructure, and engaging public excitement and support for the creation of new or more intensively used urban communities. The redevelopment of Times Square (Fainstein 2010, 100-105; Frieden and Sagalyn 1994, 242-3; Sassen and Roost 1999, 150-153) and the creation of a new CBD in downtown Brooklyn’s MetroTech Center (Fainstein 1994, 156-161) are each well documented examples of how development was nurtured by real estate interests. After 9/11, damage to New York City was so severe and destabilizing that it threatened to tear apart the very rationale for the density and intensity of people and businesses that are the hallmark of New York. Indeed, if New York City was targeted for attack because of its symbolic and very real role as hub of commerce, businesses could be compelled to disperse to less centralized locations. For this reason, a new coalition was borne, which this author shall define as the tourism-led growth coalition. This chapter shall demonstrate that the work of the tourism-led growth coalition served as a predicate for rebuilding New York both physically and emotionally, and that it focused its efforts on assuring that the people and businesses that created the demand for New York City as a place continued to live their lives and invest their livelihoods within its borders.
As argued by Logan and Molotch (1987), a growth coalition focuses many entities (capital, human capital, utilities & government) toward investment in the city. A critical first question to ask is who was the tourism-led growth coalition trying to target? As in all other growth coalition campaigns, after 9/11 efforts were mobilized to encourage investment by businesses and support by the local population (and that of the elected officials which represent the local population) for building and investment in New York. However, after 9/11, the emphasis was not on building and investing anew in the city, but rather, 1) on not abandoning existing investments and commercial locations within the city and 2) for residents and talented workers not leaving New York City for greener, and more significantly, safer pastures elsewhere in the region or nation. In the case of post-9/11 New York, where maintaining the viability rather than the growth of the city was at issue, the city turned to the tourism-related coalition to be the torchbearer and prime mover of maintaining stability, if not growth. According to the Pew Research Center, 17 percent of New Yorkers considered moving as a result of 9/11 (as opposed to 6 percent nationwide), and 25 percent of New Yorkers were “very worried” about being a victim of terrorism (versus 12 percent nationwide) (Pew Research Center 2002, 2-3). In short, the threat of relocation was very real. While then New Jersey Governor-elect James McGreevey pledged in November 2001 (just two months after the 9/11 attacks) that he would not try to lure businesses from Manhattan to New Jersey, by the end of December 2001, many major companies including “Lehman Brothers, Fuji Securities, CIBC Oppenheimer and Dow Jones” had “moved thousands of workers to New Jersey since September 11 in exchange for millions in tax breaks” (Bagli 2001).
A CITY IN THE GRIPS OF FEAR ABOUT WHAT MAY BE COMING NEXT

The damage and personal tragedy immediately caused by the terrorist acts of 9/11 was acute. However in the unsteady months succeeding 9/11, New York City remained in fear. Critically, the New York-based mainstream news media was quite blunt in documenting, and indeed offered validation, for these widespread fears. On the business side, New York City’s two largest private sector employment and economic business clusters were directly attacked in September: the financial center of Lower Manhattan was attacked by airplanes, and the media center of midtown Manhattan (as embodied by offices of NBC News\textsuperscript{46} and the New York Post\textsuperscript{47}) were attacked by Anthrax spores. Both of these terrorist acts called into question whether it was a wise business investment to maintain a concentration of employees and business functions in a single city or city neighborhood that could become a defined target for further terrorist attacks.

Not only were the major transportation hubs of New York blanketed by uniformed soldiers from the National Guard, New York City and State health department officials were officially told on October 9, 2001 to look out for diseases or symptoms associated with bioterrorism (Ojito 2001). With many of the early symptoms of anthrax infection being similar to those of the flu, New York Times columnist William Safire quipped that “mothers treat their children’s every sniffle as incipient anthrax” (Safire 2001).

However, Safire’s sarcasm seemed prescient given that on October 16, 2001, only five

\textsuperscript{46} The Anthrax-laced letter addressed to NBC News Anchor Tom Brokaw was opened by an NBC Aide sometime between September 19-25, 2001 (Revkin 2001).

\textsuperscript{47} The Anthrax-laced letter addressed to the editor of The New York Post was postmarked on September 18, 2001, and the Post employee that opened the letter “became aware of a possible infection on September 22” (Lueck and Rosenbaum 2001).
days after Safire’s column was published, *The Times* reported that the 7-month-old child of an ABC News producer was infected with anthrax while attending a birthday party at ABC’s offices on West 66th Street in Manhattan (Lipton and Rutenberg 2001). Given that anthrax was found in the New York region’s major postal facilities, and that on October 24, 2001, John E. Potter, then the US Postmaster General acknowledged that “he could not guarantee the safety of the mails” (Purdum 2001), and that on the joyful children’s holiday of Halloween in 2001, a 61-year old hospital worker from The Bronx died of inhalation anthrax at Manhattan’s Lenox Hill Hospital (Lipton 2001b), what parent would not be fearful for his or her children’s safety?

In a major article in *The New York Times Magazine* titled “No Fun City”, noted columnist James Traub documented and expounded this business concern by noting:

“The issue is, first, whether the many brokerage and other firms that were quartered downtown will return there, and second, whether the big financial and other concerns that are located outside of downtown will remain in New York. ….. The danger is rather that a new fear of keeping all employees in one building will encourage firms to move back-office and other functions to cheaper, and at least safer-feeling, regions beyond New York.” (Traub 2001).

New York City residents likewise questioned the safety of living within the New York region. In that same article, Traub remarked: “The central fact of New York City right now is that people are living in fear. Their fears are rational and irrational; they involve airplanes and anthrax and smallpox and bombs in shopping bags – whatever” (Ibid). Real estate leaders who prided themselves on owning the iconic commercial properties of the city were expressing doubts about the viability of their portfolios. Noted Michael T. Cohen of Williams Real Estate, “the high-profile trophy building may be obsolete.
People may think twice about moving into buildings like Sears Tower or Empire State, and they may want to stay clear of downtown” (Holusha 2001).

*New York* magazine, which Greenberg (2008a) had described as the most “boosterish” of publications, gave voice to the overarching question of New Yorkers:

“What comes next…..There's the fear. The bomb threats and the succession of evacuations. …There's the fate of New York itself. Does this become who we are? Is this an inescapable new identity? Does this mean, in some real way, the end of the city? The sense that many New Yorkers always have of being so incredibly lucky to have ended up in New York is, at the very least, on hold -- it is now, more than at any other time, more than the worst crime years, a terrifying place” (Wolff 2001).

Even more frightening, Bill Keller, the former Executive Editor of *The New York Times* (and then a major columnist and former Managing Editor), wrote an article for *The New York Times Magazine* in May 2002 about the threat of nuclear attack in urban America, focusing in large part on Times Square. The first few words of the article were “Not if but when”, and he goes on to write: “When terrorists get around to trying their first nuclear assault, as you can be sure they will, there will be plenty of people entitled to say I told you so” (Keller 2002).

Joyce Purnick, one of the *Times’* major New York-focused columnists compared the fears of crime that drove people away during the 1970s to the fear of terrorism as a reason for a fear-caused exodus from the city:

“There is another kind of trouble, more psychological in nature. Fear of crime and impatience with bad services drove people away in the 1970's. Today the city is coping with a broader fear, of being a target of international terrorism. How does it even begin to address that, other than with bravado and clever television commercials starring pretend ice skater Woody Allen?” (Purnick 2001a).
The tourism-related industries were called upon to create the tableau in which spiraling fears regarding New York City’s future could be anchored for these industries had the resources and means to stabilize the free-fall of the city’s place in the global economy.

Table 5.1 provides a timeline of the tourism-led growth coalition’s activities in the months succeeding 9/11.

Table 5.1: Timeline of the New York City tourism-led growth coalition’s efforts in the months succeeding the attacks of September 11, 2001.

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
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<tbody>
<tr>
<td>September 11, 2001</td>
<td>Terrorist attack on the World Trade Center in New York, as well as the Pentagon in Washington, DC. Downing of United Airlines Flight 93 in Shanksville, PA.</td>
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<tr>
<td>September 12, 2001</td>
<td>Executive Committee Meeting of NYC &amp; Company. Decision made by Mayor Giuliani for curtains to again rise on Broadway on September 13. At the meeting, the Mayor asked the city’s restaurant community to aid in feeding Ground Zero rescue and relief workers.</td>
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<tr>
<td>September 13, 2001</td>
<td>Broadway theaters reopen.</td>
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<td>September 16, 2001</td>
<td>Mayor Giuliani holds press conference at Command Center and states that the best way to help the city is to spend money and go see a show.</td>
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<td>September 18, 2001</td>
<td>Anthrax-tainted letters are postmarked at a Trenton, NJ post office, addressed to the offices of NBC News and The New York Post in New York.</td>
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<tr>
<td>September 21, 2001</td>
<td>Congress passes bill, with the support of the White House, providing liability protection for the airlines as well as proving the airlines with cash and loan guarantees.</td>
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<td>September 21, 2001</td>
<td>9/11 Interfaith memorial service held at Yankee Stadium.</td>
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<td>September 25, 2001</td>
<td>New York Times/CBS News poll reported that eighty-four percent of Americans say they have a good image of the city, up from 61 percent when the question was last asked in early 1998. Mayor Giuliani receives a 95 percent approval rating nationwide.</td>
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<td>September 27, 2001</td>
<td>American Society of Travel Agents moves their annual event from Spain to New York.</td>
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<td>September 27, 2001</td>
<td>President Bush delivers speech from the tarmac of O’Hare International Airport in Chicago, urging Americans to “take your families and enjoy life, the way they want it to be enjoyed.”</td>
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<tr>
<td>September 28, 2001</td>
<td>League of American Theaters and Produces wraps up production of their “Let’s Go On With the Show” television ad, featuring cast members of all the major Broadway productions.</td>
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<td>October 1, 2001</td>
<td>Mayor Giuliani addresses the United Nations General Assembly.</td>
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<td>October 2, 2001</td>
<td>New York State announces pledge of $40 million for an I Love New York tourism promotion campaign.</td>
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<tr>
<td>October 2, 2001</td>
<td>Delta Air Lines named official airline of NYC &amp; Company, pledging 10,000 free tickets to New York. Mayor Giuliani attends the press conference, held at the offices of NYC &amp; Company, announcing this development. This was the first formal press conference that the Mayor held away from the Command Center.</td>
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<tr>
<td>Date</td>
<td>Event</td>
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<td>-----------------------------------------------------------------------</td>
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<tr>
<td>October 10, 2001</td>
<td>“A New Day” ad, narrated by Governor Pataki and Mayor Giuliani, begins airing on television.</td>
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<td>October 31, 2001</td>
<td>A 61-year old hospital stockroom worker from The Bronx infected by New York’s first case of inhalation anthrax died at Manhattan’s Lenox Hill Hospital (Lipton 2001b).</td>
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<tr>
<td>November 3, 2001</td>
<td>“Paint the Town Red, White and Blue” promotion announced by NYC &amp; Company.</td>
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<td>November 24, 2001</td>
<td>Macy’s Thanksgiving Day Parade held as scheduled.</td>
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<td>November 30, 2001</td>
<td>“Canada Loves New York” program launched.</td>
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<td>December 5, 2001</td>
<td>“I Love New York for business” ad campaign announced by Governor Pataki.</td>
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<tr>
<td>December 10, 2001</td>
<td>“Every Dollar Spent Downtown Is A Dollar Spent Rebuilding It” promotional campaign launched by the Alliance for Downtown New York Business Improvement District.</td>
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<tr>
<td>December 12, 2001</td>
<td>Mayor Giuliani and NYC Department of City Planning unveil a study titled “Far West Midtown: A Framework for Development.”</td>
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<tr>
<td>December 20, 2001</td>
<td>Ellis and Liberty Island reopens for visitors.</td>
</tr>
<tr>
<td>December 30, 2001</td>
<td>Ground Zero viewing platform opens to the public.</td>
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<tr>
<td>January 1, 2002</td>
<td>Michael R. Bloomberg succeeds Rudolph Giuliani as Mayor of New York City. Daniel Doctoroff, the President of NYC 2012 (the private group dedicated to bringing the 2012 Olympics to New York), becomes Deputy Mayor of Economic Development and Rebuilding.</td>
</tr>
<tr>
<td>January 1-16, 2002</td>
<td>“Spend Your Regards to Broadway” promotion conducted. The promotion is announced on December 18, 2001.</td>
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<tr>
<td>January 6, 2002</td>
<td>League of American Theaters and Producers release a coupon book providing incentives for Broadway and Off-Broadway shows, as well as local hotels, restaurants and parking garages.</td>
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<tr>
<td>February 3, 2002</td>
<td>Senators Schumer and Torricelli announce their effort to secure the 2007 NFL Super Bowl.</td>
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<tr>
<td>February 5, 2002</td>
<td>NYC Firefighters sent on nationwide “thank-you” tour.</td>
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<td>February 27, 2002</td>
<td>Do It Downtown! discount card program launched by Wall Street Rising.</td>
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<tr>
<td>April 3, 2002</td>
<td>Announcement that the 2003 Grammy Awards will be held in New York.</td>
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<tr>
<td>May 8-12, 2002</td>
<td>First annual Tribeca Film Festival. The Festival is announced at a press conference with Robert DeNiro, American Express CEO Kenneth Chenault and Mayor Bloomberg on March 21, 2002.</td>
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<td>May 13, 2002</td>
<td>Jonathan M. Tisch succeeds Tim Zagat as the chairman of NYC &amp; Company.</td>
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<td>Summer 2002</td>
<td>River to River Festival is organized by the Alliance for Downtown New York and sponsored by American Express.</td>
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<tr>
<td>August 2002</td>
<td>Formal effort begins by NYC &amp; Company and NYC Big Events to recruit the 2004 Democratic and Republican National Conventions.</td>
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<tr>
<td>August 27, 2002</td>
<td>The United State Olympic Committee announces that New York would join San Francisco as the finalists to represent the US in the global competition to host the 2012 Olympics.</td>
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<td>September 5, 2002</td>
<td>NFL Kick-Off event in Times Square.</td>
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<tr>
<td>September 11, 2002</td>
<td>One Year anniversary of 9/11 attacks.</td>
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<tr>
<td>February 2004</td>
<td>Broadway leaders inform the news media about their opposition to the Olympic/Jets stadium.</td>
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<tr>
<td>June 6, 2005</td>
<td>Proposed Olympic/Jets Stadium defeated by New York State Public Authority Control Board.</td>
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PROMOTING A NEW YORK MIRACLE TO PREVENT AN EXODUS

The tourism led coalition created a series of promotional campaigns, including traditional advertising and special events that promoted New York City. Who was the intended audience of these ads? The most celebrated element of this advertising campaign was the New York Miracle television ads, created and aired starting in November 2001 as a pro-bono project of the internationally renowned advertising agency BBDO (see Figure 5.1). In support of this project, BBDO provided this author with a copy of their EFFIE Awards application, an unpublished document which outlines, in their own words, the goals and strategies of this campaign (BBDO 2003). When asked “to whom was the campaign directed”, BBDO named “New Yorkers” as the number one audience (not tourists, which was to whom the campaign was officially targeted). When asked what the campaign objectives were, beyond increasing tourism and increasing traffic and sales at hotels, restaurants and other entertainment venues, they noted that their goal was to “generally lift spirits among all New Yorkers in an attempt to get NYC back to normal” [emphasis added]. While traditional growth coalition promotional campaigns focus on an area’s competitive advantages, such as labor and utility costs, business incentives, good weather and quality of life, the BBDO campaign was led by what they described as the following “truism”, that

“everyone, no matter where they live, or what they do, has a New York Dream. Everyone’s dream may be different and personalized, but the common belief is that New York is the place where the possibility exists to make your dream come true. It has always been and will always be the city of possibility” (Ibid.).

48 These are the television ads that featured Kevin Bacon and Ben Stiller becoming part of a sandwich selection at the Carnegie Deli, Billy Crystal and Robert De Niro arguing about their roles on a Thanksgiving Day Parade Float, Woody Allen skating like a pro in the Rockefeller Center Rink, Yogi Berra conducting the New York Philharmonic and Barbara Walters auditioning for a singing role.
In a city that within three months was targeted by terrorists both from the sky and from the U.S. Mail, this appeal to what makes New York unique and emotionally evocative was certainly called for.

If New York City government publicly stated that they were organizing this campaign to keep New Yorkers from leaving, it would have likely have appeared as being desperate, and could indeed have backfired. New Yorkers are known for their cynicism, after all! In all official documentation, such as the press release from the Mayor’s office announcing the campaign, the New York Miracle ads were described as being designed to “encourage tourism to the city,” (Office of the Mayor 2001a) rather than being designed to assuage the fears of the first tier audience that BBDO reveals the ads were targeted to: New Yorkers themselves.49

49 Advertising Age critic Anthony Vagnoni did report that the ads were “intended to buoy the spirit of New Yorkers,” this is the only reference that mentions that New Yorkers were indeed the primary audience for these ads (Vagnoni 2001).
Figure 5.1: Ben Stiller, Kevin Bacon, Woody Allen and Mayor Giuliani from the New York Miracle television ad campaign.

LET’S GO ON WITH THE SHOW:

BROADWAY AS A CATALYST FOR RAISING THE CURTAINS ON NEW YORK

The New York Miracle ads, produced less than two months after the 9/11, were by far not the only campaign organized by the tourism-led coalition. The story begins when Mayor Giuliani decided that it would be a critical priority to re-open the Broadway theaters on September 13, 2001. Remarked Deputy Mayor Anthony Coles, "we thought it was an important symbol. We wanted to send the message we were open for business” (Pogrebin 2002b). Given that all non-essential businesses were asked by the Mayor to remain closed on September 12, this quick mobilization of the theater and related tourism industries was enabled by the strong working relationship and trust that the Mayor had in NYC & Company’s President & CEO Cristyne Nicholas, and the leadership abilities that Nicholas and Mayor both put into action. Indeed, Nicholas was at a meeting at the Tweed Courthouse right behind City Hall when the attack happened, and was able to gain immediate entry and access to the Mayor’s Office in City Hall within minutes.

According to Keith Yazmir, then the Communications Director of NYC & Company, the key to tourism industry’s ability to take such a leadership role during at this time of crisis was Nicholas’ strong personality, her relationship with City Hall and the trust that City Hall had in her. Nicholas was “aware of all things government, able to see how all things interconnected. [She] didn’t say this is not a tourism issue, so I won’t deal with it” (Yazmir 2004).52

52 One such example of this was the reopening of the New York Stock Exchange, which Tim Zagat credits as being one of the great unreported successes of NYC & Company right after the attack. Noted Zagat (2004): “the stock market had been closed by the attack. If it did not open and complete the transactions that were ongoing they would unravel, and that would have been a terrible blow to the reputation of our markets. So [members of the NYC & Company team], and Verizon and Con Ed went to work and got the
Nicholas noted that on September 11 and 12, she and her senior team chose to keep their offices and the NYC & Company Visitors Center open, and to hold as planned their Executive Committee meeting on September 12. “It was probably one of the first right decisions that we made. It showed the instinct that we had that the best thing for us to do was all be at the table” (Nicholas 2004). That choice was fortuitous, for when Nicholas received a call from the Mayor to assemble the tourism leaders for an important meeting at the Police Academy, all were available. Nicholas invited Jonathan Tisch from the Loews Hotels, Joe Spinnato from the Hotel Association of New York City and Danny Meyer from the Union Square Hospitality Group. The meeting was at that point at a secret location and was to have only 30 people. Nicholas recalled that:

“we first met in a smaller conference room. It was really just the tourism community. Someone came in and said, “Mr. Mayor, there is a much larger group that is here, some bankers, and real estate development people.” He said to bring them in here and we will just have one meeting. And they said, “It’s a lot bigger than you think.” And he said, “Okay. Well, we will get up.” So we moved to the other room” (Ibid.).

It was quite telling that Giuliani first focus was on the hospitality and tourism industry, not on the real estate leadership.

Nicholas noted that Giuliani’s first priority with the tourism industry was centered not promotion but rather on logistics. He wanted to determine if the hotel community could
downtown back offices east of Broadway repowered. We got the phones reinstalled down there and some of our members got food down to these people. They got thousands of people brought into the back offices quietly. I do not remember ever seeing it written about all these transactions cleared, and the market was open the next Monday. There was never a question in the public’s mind whether the markets could be permanently damaged. They were not.”
house people who were displaced. Giuliani then remarked that:

“FEMA is going to be coming in. You are going to have all these rescue workers coming in. Where are we going to put them all?” [Nicholas replied that]“we would do whatever we could. And then [Giuliani] asked what was closed. Was Broadway going to be closed that night? Of course. But he said, “Let’s get it up.” As painful as it is, can you convey that message?,” Giuliani asked. “Do you need somebody to come in and talk? And I said no. I can do it. I spoke to Jed Bernstein [the president of the League of American Theatres and Producers]. The next day, the 13th, we made the announcement that Broadway would be up” (Ibid.).

League of American Theaters and Producers President Jed Bernstein remarked that some of his members had reservations about the tone of this action: “not everybody thought it was such a great idea practically, emotionally. Would anybody show up? Could actors get to work?” (Ibid.). The shows opened on the 13th as planned, and Bernstein was able to receive concessions from major theatrical unions so as to keep costs down on shows that were unable to maintain proper attendance levels (Ibid.).

Nicholas shared Bernstein’s concerns about whether opening the theaters so soon after 9/11 was appropriate. “We were all a little nervous, thinking ‘is this callous?’” recalled Nicholas. “Does it look like we are celebrating during a time [of] tragedy? So we had a press conference before the curtain [went up on the show titled The Full Monty]….What we thought would be a couple of cameras ended up being this huge press conference” (Ibid.). The opening was clearly a successful public relations strategy.

Nicholas said she and her colleagues in the theater industry very quickly latched on to Mayor Giuliani’s comparison to Londoners during the Blitz who defiantly kept their Opera House open even though it was threatened by bombs. Remarked Nicholas,

“the reason why we felt so strongly [about] opening up is that the mayor always
uses this famous quote from Winston Churchill: ‘if you close the opera then they have already won.’ Open up [Broadway] and we show the world that we are not frightened. It was a little scary for a couple of reasons, but we felt strongly about doing it. And that was one of the small things that we did to help” (Ibid.).

A QUESTION OF TONE

**Figure 5.2:** Lapel button created and distributed by New York’s Fashion Center Business Improvement District to encourage New Yorkers to spend to aid the city’s economy.

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53 Not every major event was viewed by the Administration as having the same public relations significance as the reopening of Broadway, however the cancelation of any event had the potential taking the “we are open for business” public relations stance significantly off message. For example, the annual German-American Steuben Day Parade was scheduled for Saturday, September 22. Mayor Giuliani initially supported the parade being held as planned. Having some concerns, Nicholas brought the Parade up at a meeting the Mayor had with agency heads. “After people had left the table and had a day to think about it,” recalled Nicholas, “I believe it was either [Deputy Mayor] Rudy Washington or the Police Commissioner at the time saying we really have to rethink this Steuben Day parade because it means a lot of police presence. It is not a question of do we fear that anything will happen along the parade route, but it is the amount of police overtime that is necessary. And do we really want to be spending money on that and taking police away from ground zero [for] having a festive parade [so soon after 9/11]? So we decided not to have the parade. I [had] to convey that to the German-American community. They understood when I explained it to them, but yet the flip side is we are telling people the city is open for business. Come to the city. It is okay for you to be here and enjoy the city, yet now we are closing the parade. What was starting is [that] there were two different messages going out” (Ibid.).

54 From author’s personal collection.
As there was concern about the appropriateness of the tone associated with raising a curtain on Broadway only two days after 9/11, there was some question as to whether it was proper for the Mayor to have implored people to go out to restaurants and to shop as a means to help New York recover so soon after the attacks (see Figure 5.2). Keith Yazmir of NYC & Company, remarked that they quickly identified and then implemented the patriotic tourism theme as a way of organizing their messaging.

“There was at the start an issue of appropriateness. Then we came up with the notion of the patriotic element, of patriotic tourism. Our message was that the way to help New York was to spend money – a fairly clear strategy. What we didn’t know was when we should put this message out, for it could be viewed as the epitome of commercialism. On Sunday [September 16] from the Command Center, Giuliani held a press conference. He said ‘thank you for your help, but how you can help most is to spend money, go to a show.’ It took someone with his authority to get this going” (Yazmir 2004).

According to J.P. Avlon, the Mayor’s chief speech writer during the period surrounding 9/11:

“Giuliani wanted an economic response. At first I thought it was crass, to tell people to go shopping. But he understood that the city needed money, and shopping did it, and most importantly, he understood that by shopping, people were defying terrorism. He understood that people needed a psychological way to combat their fears, to feel that ‘they were doing something helpful.’ He recognized that this was an economic response. Giuliani may have gleaned this when he visited Israel after terrorist attacks there. Giuliani specifically recognized that by promoting tourism, you would be sending a message to business telling them not to leave. This is one of the major reasons he promoted the tourism industry” (Avlon 2003).

Delivered on a world stage, Giuliani’s speech before the United Nations General Assembly on October 1 incorporated this concept of shopping as a defiance of terrorism by stating:

“In some ways, the resilience of life in New York City is the ultimate sign of defiance to terrorism….On Saturday Night I walked through Times Square, it was
crowded, it was bright, it was lively. Thousands of people were visiting from all parts of the United States and all parts of the world. And many of them came up to me and they shook my hand and patted me on the back and said ‘We're here because we want to show our support for the city of New York.’ And that's why there's never been a better time to come to New York City. I say to people across the country and around the world, if you were planning to come to New York sometime in the future, come here now. Come to enjoy our thousands of restaurants and museums and sporting events and shopping and Broadway. But also come to take a stand against terrorism” (Archives of Rudolph W. Giuliani 2001a).

Chester Deptula, former chair of the Hotel Association of New York City and then the manager of the Surrey Hotel in Manhattan, recalled that what struck him deeply shortly after 9/11 was that “European visitors made a point to come in to my office and say that they are supporting New York by being here at our hotel” (Deptula 2007).

In describing her rationale for supporting Broadway, Nicholas noted that “we need people to go to Broadway, and we are using Broadway as the tool to fill the restaurants and other businesses" (Nicholas 2004). Acknowledging the difficulty in creating the right balance between honoring the city’s many losses and stimulating the local economy, Nicholas noted: "you do have to be respectful and understanding of people in mourning. We lost a lot of people we knew and loved ourselves. But there is a point where you have to focus on the things that keep things going” (Ibid.). This notion of “self-help” that Giuliani and Nicholas promoted, whereby local spending was seen as the vehicle by which to renew the city, appeared to be necessary given the uncertainty of federal aid even in the early, most starry-eyed weeks of support for New York in Congress. For example, both Republican Congressman John Sweeney and Democratic Congressman Charles Rangel balked at the notion of federal aid being used to replace the lost state and city sales tax revenue resulting from 9/11. "We just asked each other what the hell was
that about," [Congressman Rangel] said of the proposal, presented to a meeting of the New York delegation. "At first blush, that was very unusual." (Lipton and Hernandez 2001).

While elected officials of cities nationwide were supporting campaigns to bring tourists from their localities to New York, there was some pushback, even in the weeks immediately after 9/11. For example, in response to Senator Charles Schumer’s unsuccessful effort to relocate the 2002 NFL Super Bowl from New Orleans to New York, Mike Bayham, a Councilman from St. Bernard Parish in Louisiana, remarked that the relocation of the event from their community would “devastate” their local economy (Bayham 2001).

**PROVIDING HOSPITALITY SERVICES FOR RESCUE & RECOVERY WORKERS**

The restaurant component of the tourism-led coalition was mobilized into the campaign when at the September 12 city leaders meeting with the Mayor at the Police Academy, Giuliani asked the restaurant community to feed and care for the rescue workers downtown. Noted Nicholas (2004), the Red Cross had not yet arrived in force, and though the city’s finest chefs volunteered to serve the workers, Giuliani asked that Nicholas and her team develop and implement a plan to accomplish this. Recalled Danny Meyer (2004),

“I was the head of the restaurant committee for NYC & Company, and we convened a number of very, very emotional meetings. We had everybody from

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55 Congress was supportive of funding cleanup and rebuilding efforts, but not for balancing the city’s budget, which the Giuliani administration asked for. Even sympathetic elected officials such as Charles Rangel were taken aback by this request from the Mayor. It seemed clear from very early on that the larger, non-Ground Zero recovery effort would have to be a process of self-help (like going out and seeing a show or spending in a store).
caterers to restaurateurs to chefs. We had people from City Harvest, people from the Red Cross all trying to decide what would be the best way as an industry to handle this, a) in terms of providing relief for people who needed it, and b) in terms of protecting our industry.”

The leadership of NYC & Company were called in not only to provide the food service to the rescue workers on “The Pile,” but to coordinate the massive outpouring of volunteers, both within the restaurant industry and of ordinary citizens as well. Tim Zagat (2003) recalled that right after the disaster,

“we found out that people were delivering food to every firehouse in the city and every police station. Anything that people knew they could do, they did. There was more meatloaf cooked that day than in history. One firehouse I gather received over one hundred pizzas during the course of the day. Everybody was trying to help, but it was uncoordinated. So very quickly we realized that the principle job that we would have would be to try to coordinate efforts that were already ongoing. There was no question that people would do anything they were asked to do, but they needed to make sure they were doing it in a consistent and sensible way and that they were not over delivering to one place and not enough in another.”

Nicholas’ team secured a building in Lower Manhattan to serve as a mess hall, including working with the Department of Health to make sure that it was sanitary. Celebrity chef Daniel Boulud developed the food service program for the mess hall In addition, Nicholas worked with the Spirit of New York dinner cruise line to create a meal area away from the site. Noted Nicholas (2004),

“for the first three weeks or so this was all done by our restaurant community [pro bono]. It became very costly for them, and even as generous as they are and were, they finally said there has got to be another way that we can do this. So the Red Cross then wanted to move into the operation. There [were] a couple of heated meetings because some of our restaurateurs [did not] want to leave. And now these workers that are working twenty-four seven are going to be given hot dogs and hamburgers after we have given them duck a l’orange? As silly as it sounds, they felt that they owed the [rescue] workers top of the line cuisine.”

Another logistical project that NYC & Company took on was to secure a group of
underutilized Hudson River piers for the Mayoral command center, given that City Hall was not operational. All press briefings and many other recovery efforts took place at these piers. Nicholas was particularly relieved that she was able to convince the Governor’s office not to follow through on their plan to use the Javits Center as the emergency morgue, “because if we were ever going to use the Javits Center again for business purposes, we did not want it to be tarnished with such a negative emotional memory. So thank goodness we were able to get rid of that idea, and the morgue became the area near Bellevue Hospital” (Ibid).

THE NEW YORK RISING COMMITTEE

In tandem with their efforts to provide logistical support for Ground Zero recovery, the board members of NYC & Company focused on the promotional needs of the city and of their industry. According to Jonathan Tisch, CEO of Loews Hotels and a member of the Executive Committee of NYC & Company (and later its Chairman 56) at the time of the attack, the most senior members of NYC & Company’s Executive Committee decided to rechristen themselves as the “New York Rising” committee. This committee “focused on quick remedies, quick ways to get the message out that we needed people to come to our town. We immediately talked about packages that we could put together, advertising, marketing, using the mayor and the governor as effectively as possible, working with the city and the state, and just coming up with the money and the will to ensure that the world and especially the United States knew that we needed people to come to our town. When our union was facing tremendous layoffs, we obviously wrapped labor into the discussion. …. [we created] a variety of different campaigns geared to the tri-state region, but also geared to the northeast and then eventually gears to the entire country to get the message to the traveler that we need you here in New York City. We need you emotionally, and we need you economically” (Tisch 2004).

56 Jonathan Tisch succeeded Tim Zagat as chairman of NYC & Company on May 13, 2002. Tisch concurrently served as the chairman of the National Business Roundtable (Blair 2002b).
Within nineteen days of the attack, those from the New York City region were consistently reminded of Mayor Giuliani’s often heard request to come to the city and spend, and tourists from throughout the country that were visiting New York for vacation were declaring it the “New York City Patriot Tour” (Dwyer 2001). These early tourists were each given the New York Rising “Infinity” button and a $25 gift card from American Express (Ibid).

This patriotic support of New York City was redoubled by the positive media attention about the heroism of rescue workers, and plight of victims’ families. By September 25, a New York Times/CBS News poll reported that eighty-four percent of Americans say they have a good image of the City, up from 61 percent when the question was last asked in early 1998 (Berke & Elder 2001). Likewise, the communicator in chief of the city, Mayor Giuliani, received a 95 percent approval rating nationwide (Ibid). This message of support for New Yorkers was pushed in the press. Noted Cristyne Nicholas on September 25, "The other thing that people saw in the last few weeks, other than the destructive visuals that were broadcast worldwide, was the beauty of New Yorkers. We have always struggled with being stereotyped. Now, when you say you are from New York City, people want to hug you" (Baron 2001).

A number of trade convention leaders took this patriotic support to heart, and moved their events to New York City. Among the largest of these conventions was the American Society of Travel Agents, who moved their event from Spain to New York on September 27 (Ibid). While a portion of the rationale for moving the convention to a domestic location was a response to the concerns of travel agents about traveling abroad, the move
nonetheless benefited New York by, in a viral fashion, spreading the word about the city’s recovery (Ibid).

**STRONGER THAN EVER**

On September 28, the first tourism coalition print ad was unveiled. Titled “Stronger Than Ever” (see Figure 5.3), the ad’s text included the phrase “‘Come for a weekend. See a show. Visit a museum. Eat at a restaurant. Go shopping’ (Blair 2001). The campaign was financed via pro bono contributions of $1.16 million in design fees and print advertising space, donated by such national media giants as Conde Nast, which ran the ads in seventeen of its magazines (Ibid.).

**Figure 5.3:** “Stronger Than Ever” lapel pin created and distributed by NYC & Company.  

Also on the 28th, the League of American Theaters and Producers, the national trade association for the Broadway industry, wrapped up production on a 30-second television spot that included 500 performers from 18 Broadway shows singing "I Love New York"

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57 From author’s personal collection.
in Times Square. (Ibid). The ad ran in twenty countries (Pogrebin 2002b). Since the 1970s, the statewide I Love New York advertising campaign has featured casts of various Broadway shows singing the “I Love New York” theme created by Steve Karmen. However, in this commercial, instead of singing the famous “I Love New York” theme, participating Broadway cast members sang “New York New York” by John Kander and Fred Ebb in the heart of Times Square. The ad featured celebrity cast members from a host of then-current shows, including Bebe Neuwirth (wearing a sweater with an American Flag), Glenn Close (wearing a New York City Fire Department shirt), and Alan Alda (see Figure 5.4). At the end of the ad, Nathan Lane does a voice-over stating, “Come to New York, and let’s go on with the show.” The ad incorporates patriotic imagery and star power and ends on a message of moving on in the face of adversity.

**Figure 5.4:** League of American Theaters and Producers’ “Let Go On With the Show” advertisement.58

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THE GOVERNOR AND MAYOR MAKE SEPARATE TOURISM
ANNOUNCEMENTS ON OCTOBER 2:

Launching An I Love New York Campaign With The Governor and

Organizing A Symbolic Change In Venue:

Moving The Backdrop Of A Mayoral Press Conference From The West Side Piers

Command Center To The Offices of NYC & Company

On October 2, Cristyne Nicholas participated in two separate press conferences to announce different programs created to support tourism in New York City. The first press conference, which was headed by New York Governor George Pataki, was called to launch a new “I Love New York” advertising campaign. The Governor stated that “this unprecedented campaign not only sends a message to America and the world that New York is open for business, but makes a strong statement that we will never surrender our freedoms or back down from a challenge” (Office of the Governor 2001a). New York State and the Port Authority of New York and New Jersey funded the $40 million campaign equally. Governor Pataki and Cristyne Nicholas announced the campaign together (Blair 2001b).

Just a few hours later, Nicholas joined Mayor Giuliani to announce that Delta Airlines had become the official airline of NYC & Company, and that it would give 10,000 free tickets to New York through a nationwide radio station promotion (Blair 2001b.).

59 According to Nicholas (2004), the free ticket to New York campaign was the idea of Leo Mullin, then the CEO of Delta. NYC & Company’s partnership with Delta was arranged prior to 9/11, and Nicholas was very pleased, and a bit surprised given the tremendous hit that the airline industry took after the attacks, that Delta would go through with the agreement. NYC & Company and Delta presented the
There is no better example of the political acumen and stature of Cristyne Nicholas that the fact that she was able to deliver two press conferences on the same day, each with competing announcements made by heavy-hitter elected officials with a history of animosity towards each other, especially given that the city and state were already publicly at odds over aid requests to the federal government (Lipton and Hernandez 2001).

In her press conference with the Mayor, Nicholas announced that her office had been successful in coordinating the relocation of a number of large conventions to New York that were scheduled for other locations, including the American Society of Association Executives, which was scheduled for Nov. 16 to Nov. 18 in Buenos Aires; the American Federation of State, County and Municipal Employees' women's conference, which was scheduled for Nov. 16 to Nov. 18 in Boston; the Magazine Publishers of America conference, which was scheduled for Oct. 21 to Oct. 24 in Phoenix; and Meeting Planners International, which was scheduled for Colorado on Oct. 27 (Blair 2001b).

Nicholas recalled that this press conference with the Mayor was the first that Giuliani had held away from the command center at the West Side piers, and that this symbolized his regard of the tourism industry as the coalition that could renew growth in New York.

“We did not want [the good news announcements regarding free tickets and the convention relocations] to get lost in the daily briefing of the death counts and the tonnage of removal and power outages; just the things that became routine for the reporters. So the first time the mayor ever held a press conference outside of that area was here at NYC & Company’s [offices]. I thought that sent a very strong message on which industry he viewed as being the best one to bring New York program both as a means to promote visiting New York, and to encourage the return of public confidence in flying.
City out of this, to rebuild New York City. He could have done a press conference any other place on any other topic. [Since this was] a business-related press conference, he could have gone to Wall Street. But he decided to do this here in our humble offices. I thought that meant a great deal not only to get the message out, because the reporters covered it. It was newsworthy [for] just the fact that he was outside of the command [and] control center, but it also told the travel and tourism industry that [it] is important, and I am going to honor you by coming here” (Nicholas 2004).

A NEW DAY

On October 10th, a $40 million television ad campaign began airing, created by Mike Rogers, president and executive director of the New York office of the Wolf Group, and paid for by the Empire State Development Corporation and the Port Authority of New York and New Jersey (Elliott 2001a). Titled “A New Day”, these ads were "to show that New York is going on," Mr. Rogers said, "refracting back that unquenchable spirit" (Ibid.).60 Behind a backdrop of a new age version of the *I Love New York* theme song, and featuring the narration of Governor Pataki and Mayor Giuliani, the script was as follows (see Figures 5.6, 5.6 and 5.7):

*Pataki:* This morning a great city woke up to a new day
*Giuliani:* Millions of people crowded its streets, businesses, theatres, restaurants and stadiums,
*Pataki:* And one simple phrase was repeated over and over again
I love New York
Now more than ever
*Giuliani:* Come see New York united in its finest hour
*Pataki:* And you’ll say it too,
*Giuliani & Pataki:* I love New York

Visuals of the ad included a busy subway and Grand Central Station, people jogging and walking dogs, merchants arranging their displays, children playing, a heroic looking stock trader, Derek Jeter warming up in Yankee Stadium, media celebrities, and people of

60 This was the campaign announced by Pataki and Nicholas on October 2 that was described earlier.
various economic backgrounds and ethnicities repeating “I Love New York.” The ad was not whimsical, nor was it a cinematic tour-de-force with awe-inspiring shots of the city. However the ad projected warmth and a sense of connectedness with each of the ordinary people and celebrities that heartily said that they “love New York.” Given that NYC & Company almost immediately had success in luring visitors who wanted to pay patriotic homage to the city, the advertising campaign could have easily been focused on the rituals that were already associated with 9/11, such as laying flowers down and signing the memorial canvas at St. Paul’s Church. Indeed, the television ad could have included a heroic “Flag at Iwo Jima” style-shot of firefighters coming back from a day working on

Figure 5.5: Multi-ethnic New Yorkers saying that they “love New York” in the “A New Day” advertisements.  

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Figure 5.6: A heroic-looking stockbroker from the “A New Day” advertisements.

Figure 5.7: Mayor Giuliani and Governor Pataki from the “A New Day” advertisements.

the recovery pile at Ground Zero. However, the news channels were showing enough of those images, and as Joseph Spinnato of the Hotel Association of New York remarked,
“I’m not suggesting that we not allow people who have come here to pay tribute, but maybe it’s just time to step back a bit. There are people here in the city who feel we’ve cried a lot, we’ve mourned, we’ve paid tribute. And maybe it’s time to move on” (Shalit 2001). Tim Zagat portrayed the A New Day ad campaign by stating that “we all banded together, and put what I call a blanket over The Pile. Don’t look at The Pile, look at the city. It’s still here and it’s wonderful” (Ibid.). Psychoanalyst Alison Birnbaum, who served as a consultant for the team developing the ad, noted that “you have the governor and the mayor standing there, joined at the hips, saying ‘It’s all right.’ They are using their authoritative and nurturing qualities to re-parent the infantilized consumer” (Ibid.)

A NEW DAY, BUT NOT A NEW I LOVE NEW YORK LOGO

Within the first month after 9/11, the creator of the original I Love New York logo from the 1970s, Milton Glaser, developed an alternative "I Love NY More Than Ever" design, with a black mark on the “red heart” portion of the iconic logo (Purnick 2001b). The black mark was in the same relative position that the World Trade Center was in the geography of Manhattan. However, not wanting the city to be branded with a black mark, the Empire State Development Corporation prohibited the use of the new logo stating “we think the heart of New York is bigger and stronger than ever. We don't want to show a damaged heart" (Ibid). Nonetheless, the New York Daily News reprinted the image on the back page of the newspaper (Greenberg 2008a, 254), and it was hung by numerous businesses in New York in the storefront windows.

Through October 2001, the exodus of some companies away from New York continued to be reported. For example, Salvatore J. Carrera, Westchester County's director of
economic development and real estate, lamented that while the County set up a databank of available office space for businesses displaced from the World Trade Center, for which there was virtually no finalized deals, many companies did move to other suburban locations in New Jersey and Connecticut “for many of the top executives lived there” (Kilgannon 2001). Real estate brokerage and management firm CB Richard Ellis reported at the end of 2001 that nearly 2 million square feet of space in suburban New Jersey, particularly along the Hudson River waterfront, was leased by financial services companies like Lehman Brothers and Goldman Sachs as a result of 9/11 (Holusha 2002).

PAINTING NEW YORK RED, WHITE AND BLUE

On November 3, in coordination with the start of the American Society of Travel Agents conference in New York, NYC & Company announced a new nationwide program titled “Paint the Town Red, White and Blue,” which offered discounted tickets to Broadway, hotel rooms and restaurants (Sharkey 2001) (see Figure 5.8). These packages, which tour operators could sell, deepened the offerings and discounts that were available in NYC & Company’s Paint the Town Red program in prior years. Now with a patriotic tourism spin, NYC & Company was able to promote to the nation that New York City’s attractions are available at a bargain price.

“NYC Freedom Packages” were also part of the offerings, which included flexible combinations of special discounts, combined with a contribution to the Twin Towers Fund, which benefitted the families of the victims of the uniformed service members who
Dear Visitor,

Welcome to New York City. Now, more than ever, we are grateful for your visit and for your support.

As you walk our streets, enjoy our fine restaurants and luxurious hotels, view Broadway shows and visit our many world class attractions and museums, you’ll see that New York is still the greatest place in the world to visit.

The special Paint the Town Red White & Blue offers are New York City’s way of thanking you for your thoughts and generosity. By taking advantage of them you are contributing to the City’s comeback and helping to make New York even better than it was before. On behalf of all New Yorkers, I look forward to welcoming you.

The Honorable Rudolph W. Giuliani

Mayor of the City of New York

Paint the Town Red White & Blue is New York City’s way of saying thanks. Please join us from November 5 through February 28, 2002, to enjoy great hotel, dining and shopping deals, special theater offers, discounts on the city’s top tours and attractions, free outdoor events, parades and festivals. Take it all in and take advantage of these special offers only when you use your American Express Card and present the Paint the Town Red White & Blue card attached here.

On behalf of the City of New York, welcome and thank you for visiting at this important time. With your help, we will emerge stronger than ever.

— Mayor Rudolph Giuliani
gave their lives in the World Trade Center rescue effort (Archives of Rudolph W. Giuliani 2001b). These offers were presented as a means to say “thank you” for the support of visitors to New York City since 9/11, and were described by Mayor Giuliani as “the easiest and most enjoyable way that you and visitors from around the globe can contribute to the comeback of the Capital of the World” (Ibid.). Cristyne Nicholas echoed the Mayor’s remarks about the program by reminding visitors and New Yorkers alike that if they wish the cultural and social opportunities of the city to remain viable, they must be supported. Noted Nicholas, the program “helps sustain the lights of Broadway, the incomparable cultural institutions and the best dining and shopping anywhere” (NYC & Company 2001).

On November 8, less than a month after the release of the “A New Day” television ads, Mayor Giuliani launched the “New York Miracle” television ads produced by BBDO (Office of the Mayor 2001a). There was no mention in this press release about trying to woo New Yorkers, and each of the ads were humorous. Heartstrings were not tugged, but New York moxie and vibrancy were suggested. Noted Adweek critic Barbara Lippert (2001), “there is a sweetness, an optimism and an energy in the spots that suggest an earlier, more innocent time.”

On Thanksgiving, Macy’s held its nationally telecast annual parade as planned. Recalled Nicholas (2004),

62 Over 350 businesses participated in the program. NYC Freedom Package rates started at $157 per person, including “a one-night hotel stay, a Broadway show, dinner, donation to the Twin Towers Fund, discounted parking and additional discounts” (NYC & Company Press Office 2001b). Hotels participating in the program ranged from economy hotels such as the Comfort Inn, to luxury properties such as The Waldorf=Astoria (Ibid.).
“the Macy’s parade was one of the most important events for families and young children to see. Because there were a lot of children that were frightened by 9/11, even my own nephew who at the time was only six and a half or seven years old, called me and said are you okay? Is your apartment on fire? Because he just remembers seeing all the fires. He remembers seeing the World Trade Center and the big smoke cloud. So how are you going to get the message to children that it is okay [to visit New York]? [The parade says to children and families], ‘Yes, come in. It’s okay.’”

Other than the Steuben Day parade, the major public events in October and November were all indeed held, including the American League Baseball Playoffs, the Columbus Day Parade and the New York Marathon. Remarked Nicholas “what a great opportunity to show the rest of the world that New York City has survived and New York City can be like the rest of America and enjoy America’s pastime, baseball….. every time there was a big event we used it as an opportunity to show the rest of the world that New York City was on the mend” (Ibid.).

On November 30, more than 3,500 Canadians visited New York to take part in the “Canada Loves New York” program, where they enjoyed a three-day visit that included shopping, Broadway theater and a solidarity rally at the Roseland Ballroom (McDowell 2001). Their visit accounted for a total of 1,400 room nights (at $199 a night) for Starwood's Sheraton, Westin and W hotels in Manhattan (Ibid.). The Toronto “Canada Loves New York” ad campaign, produced pro bono by the same advertising agency that created the “New York Miracle” campaign, displayed the Statue of Liberty clad in the Canadian flag, featured a large number of Canadian celebrities and Prime Minister Jean Chrétien saying, "Canada, show your support" (Elliott 2001b). Up to 5 million Canadian dollars of advertising exposure were donated by a variety of Canadian media companies for the campaign (Ibid.).
I LOVE NEW YORK…..FOR BUSINESS

On December 5, Governor Pataki organized a press conference to announce the creation of a television advertisement wherein major business leaders expressed their commitment to support and stay in New York State (Office of the Governor 2001b). The Governor remarked that the “strong vote of confidence in New York’s future” made by the participants in the ad “will help send a powerful message that this remains one of the greatest places in the world to do business.” The ad’s purpose was to “strengthen the confidence of businesses to stay and build their futures in New York” (Ibid). This was not the first time that the I Love New York tourism program substituted entertainment celebrities with business executives as part of a business recruitment television ad. In 1979, the New York State Department of Commerce produced a television spot featuring business leaders remarking about the tax cuts that they have received, and therefore, “since New York is getting down to business, business is singing a different tune: I Love New York” (Greenberg 2008a, 213-214).

Table 5.2: Participants in I Love New York for Business ad

<table>
<thead>
<tr>
<th>Name</th>
<th>Company</th>
<th>Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cathleen Black</td>
<td>Hearst Magazines</td>
<td>Publishing</td>
</tr>
<tr>
<td>Kenneth Chenault</td>
<td>American Express</td>
<td>Financial Services</td>
</tr>
<tr>
<td>Steven Florio</td>
<td>The Conde Nast Publications</td>
<td>Publishing</td>
</tr>
<tr>
<td>Rachelle Friedman</td>
<td>J&amp;R Music World</td>
<td>Retail</td>
</tr>
<tr>
<td>Richard Fuld</td>
<td>Lehman Brothers</td>
<td>Financial Services</td>
</tr>
<tr>
<td>Michael Gould</td>
<td>Bloomingdales</td>
<td>Retail</td>
</tr>
</tbody>
</table>

63 Source: Office of the Governor 2001b.
Richard Grasso  New York Stock Exchange  Financial Services
Ann Kirschner  Fatham Knowledge Network  Education
Hank McKinney  Pfizer, Inc.  Pharmaceuticals
Youssef Nasr  HSBC Bank USA  Financial Services
Drew Nieporent  The Tribeca Grill  Hospitality
Selima Salaun  Selima Optique  Retail
Ivan Seidenberg  Verizon  Utilities

The 2001 ad featured thirteen business leaders (see Table 5.2), the largest percentage of which represented the financial services industry and the tourism-related industries of retail and hospitality (31 percent, or 4 people each, respectively). New York’s media were also well represented by the leaders from the two largest national magazine publishing houses. Curiously, none of the business leaders participating in the television ad, which ran from December 5, 2001 to January 6, 2002, came from the real estate industries, perhaps because real estate (and often the financing securing real estate investments) cannot be readily moved.

THE ALLIANCE FOR DOWNTOWN NEW YORK CAMPAIGN: *HAVE A FEW DRINKS DOWNTOWN, WAKE UP FEELING GREAT!*

During the week of December 10, the Alliance for Downtown New York, the city’s largest Business Improvement District, released its own $300,000 campaign to increase spending in Lower Manhattan (Donovan 2001a; Kramer 2001). According to Valerie Lewis, who later served as the Vice President of Marketing at the Downtown Alliance, these ads were directly created for and aimed at New Yorkers (not for tourists visiting Ground Zero), encouraging them to spend at the restaurants, barber shops and retailers of Manhattan south of Chambers Street, for their support was needed for the survival of
Figure 5.9. Ads produced by the Alliance for Downtown New York. New York. 2001.\(^{64}\)

\(^{64}\) Images courtesy of the Alliance for Downtown New York.
Lower Manhattan’s businesses (Lewis 2007). The television, radio and print ads all promised that the customer would feel good as a result of doing good by making a purchase. Print ad headlines included (see Figure 5.9):

- Happy Hour Special! Have a Few Drinks Downtown and Wake Up Feeling Great!
- Buy 1 Dinner Downtown, Get 1 Warm, Fuzzy Feeling Free. We Deliver Satisfaction!
- Buy 1 Dinner Downtown, Fill Up on Hope!
- Get a Haircut Downtown & Feel 50% More Beautiful Inside!
- Manicure Special. Get Your Nails Done Downtown, Feel Good All Over!
- Buy A Wool Skirt Downtown Today, Feel Warmer Inside! Don’t Delay!
- Buy a Diamond Ring Downtown and get a Great Deal More Joy!
- Have Your Shoes Shined Downtown & Get 20% More Spring in Your Step!
- Buy a Turkey Sandwich Downtown & Feel 30% More Satisfied!

All the ads included the tag line: “Every Dollar Spent Downtown Is A Dollar Spent Rebuilding It” and featured listings of specific stores located south of Chambers Street.

Among the most lauded of these ads, which were created pro bono by Kirshenbaum Bond & Partners, was that of a burly bald man walking asking for a haircut in a traditional Lower Manhattan barbershop. The ads were also quite overt in their appeal, stating that many of the businesses in Lower Manhattan would not remain open without the ad viewers’ patronage. Noted Debra Simon, then vice president for marketing at the Downtown Alliance, "the tone was so important and so hard to really hit on the head, without depressing people, without making too much light of the situation.

[Kirshenbaum Bond] really got what we consider the hardest part of this, which is the right tone" (Ibid).

Wall Street Rising, a non-profit group formed with the backing of downtown finance and law firms after 9/11 to provide additional promotional programming, took a more earnest tone in their describing their activities. Noted Julie Menin, president of the group,
“patronizing downtown businesses is not about celebration. It’s trying to support a 
community that has been devastated. It’s saying a community is in need, and itself has 
been victimized by these attacks” (Edelman 2002). The organization’s first major 
program was “Wall Street Wednesdays,” a discount Lower Manhattan dining program 
that operated in October and November 2001. The program was expanded in February 
2002 to include retailers as well as restaurants, and was renamed the “Do It Downtown!” 
discount card program to encourage local employees and tourists to eat and shop 
downtown at hundreds of participating businesses (Wall Street Rising 2002). At the 
press conference launching the program, Governor Pataki remarked, “encouraging people 
to come downtown and spend money will be the foundation on which we rebuild Lower 
Manhattan” (Ibid.).

The same week that the Downtown Alliance ads were released, the Asian American 
Business Development Center produced print ads in local newspapers, bus shelters and 
other city tourist destinations promoting Chinatown, whose businesses continued to 
suffer due to road network blockages caused by the recovery efforts and the downtown 
security perimeter. Actor Jackie Chan appeared in the ads pro-bono, and NYC & 
Company aided in the funding of this program (Phan 2001).

Despite the fact that business remained down by as much as thirty percent, and visitors to 
New York still thronged to pay their respects at Ground Zero, the Downtown Alliance, 
local retailers and NYC & Company did not want these campaigns to target Lower 
Manhattan’s “patriotic visitors” to the Ground Zero recovery site. Noted David Morrow, 
the assistant general manager of the South Street Seaport, "I'm not sure we've seen much
activity from them," he said, "not that we expect to or want to try to. We respect very much that they're here to offer condolences" (Saulny 2001). That thought continued to be echoed by Cristyne Nicholas, who remarked "it's not appropriate; it's still too tender a situation to discuss in terms of marketing. I think the natural course is that people will flock down there to ground zero. That's a bold leap then to market it. I wouldn't feel comfortable doing that" (Ibid).

SPEND YOUR REGARDS TO BROADWAY

On December 18, the League of American Theaters and Producers announced that the city would spend $2.5 million to purchase 50,000 tickets to Broadway shows that were experiencing low advance sales and not meeting their operating expenses (McKinley 2001a). This program generated some controversy, with Off-Broadway theater operators arguing that they were denied the benefits of the city’s largess (Ibid.). Under the program, just under a third of the tickets were given to rescue workers and victim’s families, and the remainder would be distributed through a new event titled “Spend Your Regards to Broadway,” in which consumers who brought $500 in receipts to the NYC & Company Visitors’ Center from New York City stores, restaurants and cultural institutions dated between January 1 and January 16, 2002, would receive a free pair of Broadway tickets (Ibid) (see Figure 5.10). This event was targeted largely to New Yorkers, for visitors would not necessarily be in town during the dates in which Broadway tickets were available. Described as an “economic stimulus initiative designed to jump start economic activity in the traditionally slow first half of January,” Cristyne Nicholas remarked that the program is “for everyone who didn’t get what they wanted for
the holidays….What could be better than taking advantage of New York City’s incredible January sales, eating in the world’s best restaurants and then receiving a free gift high on anyone’s list this year – a pair of tickets to an incredible show?” (NYC & Company 2002a).

The program was quite successful. Noted Ruth Nadler (2004), former Vice President for Research at NYC & Company,

“we had a few extra people downstairs [at the NYC & Company Visitors Center]. We were going to monitor all the stuff. We were going to tabulate what the receipts were. There were lines of people around the block, because thousands of people came who wanted free tickets. But also they had five hundred dollars worth of receipts in their hands…. the tickets went very, very quickly. A lot more quickly than we had anticipated.”
According to Ethan Geto, a lobbyist who had represented the League of American Theaters, Broadway producers recognized that the public may balk at municipal subsidies being awarded to their industry, and some producers even questioned whether the City’s scarce budgetary resources should have been used for this purpose (Pogrebin 2002b). The Times reported that on October 4, a League subcommittee met with Deputy Mayor Anthony Coles and City Budget Director Adam Barsky, and presented the economic spillover effect that Broadway produced for the City’s economy (Ibid.). The response was positive at City Hall, but the City officials urged the theaters not to be too greedy and to develop a proposal quickly (Ibid.). The League responded by presenting a proposal that included a ticket purchase program and an advertising campaign, which was at that point in time rejected for the city was already working on the Miracle ad program (Ibid.).

I was personally at one of the planning sessions held to develop the strategy for distribution of these “Spend Your Regards to Broadway” tickets. The distribution strategy needed to encourage retail spending and provide an understandable and not too complicated method by which the public could receive the Broadway tickets. Of the 35,000 tickets that were not distributed to rescue workers and victims families, 12,500 pairs were given to people who turned in receipts (which averaged $720), 1,500 pairs were given to restaurants and stores for their own promotions, and the rest were used by NYC & Company to lure groups from the suburbs to spend and stay in New York City (Ibid.).

THE CLOSE OF 2001

In a milestone for tourism in New York, Ellis and Liberty Islands opened again for
visitors on December 20 (Seeyle 2001). Also on December 20, Andrew Tisch, the chairman of the executive committee of the Loews Corporation (and cousin of the then incoming NYC & Company Chairman Jonathan Tisch), and Andrea Bronfman, the deputy chairwoman of the Andrea and Charles Bronfman Philanthropies of New York announced the formation of a new program titled The Gift of New York (McKinnley 2001b). 150,000 tickets to New York City cultural institutions, theaters and sports teams were donated by these institutions to the families of 9/11 victims in New York, Washington and Pennsylvania, and could be accessed by the families by logging into a specially created website. On December 30, a formal viewing platform was opened at Ground Zero, attracting thousands of people who each day were willing to wait hours in line to glimpse the site during its chilly first days of operation (Stewart 2002).

By the end of the 2001 holiday season, the cultural institutions of New York City widely acknowledged that the means by which to maintain attendance was to reach out to the local population for support (Stewart 2001). There have been many studies documenting the impact of cultural institutions on the New York City economy. For example, in 1993, the Port Authority of New York and New Jersey issued a study detailed the role the arts play in the region’s economy. Rosemary Scanlon, the project director of the study, commented that they “were surprised by the magnitude of the arts' impact” (Salmans 1993). By the end of 2001, New York’s cultural institutions recognized their centrality to the recovery of New York. As Barbara Lorber (2003), NYC & Company’s Senior Vice President commented,

“I think a lot of people here [in the tourism industry] may have questioned how valuable what they do on a day to day basis really is. You can question [whether]
tourism is a fluff industry. It is not a core industry. I think there was a transformation with a lot of people here where they really realized how close to the heartbeat they really are and what they do really is. The cultural community played an enormously central and in many ways forgotten role in healing the city, particularly in the first six months. They did hundreds of free concerts. Museums for hundreds and hundreds of days were open free. They were basically giving people a place to heal emotionally, to get away if necessary from what was relentless if they turned on a radio or a television or picked up a newspaper. They gave sanctuary in the truest sense.”

As 2001 came to a close, and The Times’ editors were writing its compendium of year in review articles, music critic Jon Pareles (2001) commented:

“for the last few months, consumption, even self-indulgence, has begun to be touted as tantamount to a public service. Add a heightened sense of mortality, a longing for frivolousness to seem as compelling as it was earlier this year, and the result is something like a government-approved suspension of the Puritan ethic. It's the antithesis of World War II, when rationing and austerity were the duties of the home front.”

Clearly as over three months had passed since the attacks and some sense of emotional recovery and normalcy was collectively felt by New Yorkers, there seemed to be a crack in the perception that advocating retail therapy as the preferred means of supporting the city and its economy was indeed the best and most meaningful course of action.

2002 BEGINS WITH A COUPON BOOK AND A VISIT FROM DAVOS

Nevertheless, the New Year began with a new special program to boost Broadway and its surrounding businesses. On January 6, the League of American Theaters and Producers launched a 28-page coupon book offering discounts to Broadway and Off-Broadway theaters, hotels, restaurants and parking garages (McKinnley 2001b). These booklets were distributed in newspapers throughout the Tri-State region, demonstrating again that this campaign was targeted to New York-area residents. A survey conducted by the League in late 2001 determined that about half of the audience of Broadway theaters
since 9/11 were from the New York region, up from 43 percent in the previous year (Ibid.). To receive funding for this $1 million coupon book program, Jed Bernstein and Gerald Schoenfeld, chairman of the Shubert Organization, separately called Charles A. Gargano, then chairman of the Empire State Development Corporation, for assistance (Pogrebin 2002). The League’s lobbyist, Peter A. Piscitelli of Wilson, Elser, Moskowitz, Edelman & Dicker (whose son, Anthony Piscitelli, was the City’s Albany lobbyist), also aided in this effort (Ibid.).

On January 31, the first of a series of major events were launched not only to generate economic support for the city, but also to demonstrate that New York was fully opened for business. The World Economic Forum, a conference of global economic, political and cultural leaders traditionally held in Davos, Switzerland, decided in October to move the event to New York’s Waldorf=Astoria Hotel from January 31 to February 4, 2002 (Baker 2002). Security concerns for the conference were trumped by the need to generate jobs, for in early January, The Milken Institute, an economics research group in Santa Monica, California, announced that New York City would lose 149,000 more jobs as a consequence of 9/11, more than any other metropolitan area in the U.S. (DeVol et.al. 2002). Also in January, it was reported by the newly installed Comptroller William C. Thompson Jr. that the unemployment rate in New York City increased in December to 7.4 percent from 6.9 percent as more than 10,000 jobs were lost (Eaton 2002). The December decline brought the job losses since 9/11 to more than 100,000, which broke records for a three-month decline (Ibid.). Declines were steepest in the financial services industries, but appeared to be stabilizing in the hospitality-related industries (Ibid.).
As the World Economic Forum opened, Rudolph Giuliani, out of office for only 31 days, returned to greet the many international leaders present at the event, stating "You have already helped us demonstrate to the world that New York is not only alive and well, but that its spirit is even stronger than it was. Spend a lot while you're here!" (Purdum 2002). To stimulate spending, $300,000 in prepaid $100 MasterCards were distributed to the wealthy attendees of the event for their personal use, and NYC & Company provided escorted tours of New York City cultural and shopping destinations (Dwyer 2002). This effort in some way mitigated the economic loss caused by security provisions for the event (Ibid.). At the Forum’s conclusion, Mayor Michael Bloomberg (who took office on January 1, 2002), remarked that the lack of violence and relative calm associated with the event demonstrated that the City has passed a “test”, and that "in terms of sending a message, in terms of helping us in soliciting other events going into the future, all you've got to do is look at what happened when the World Economic Forum was elsewhere and compare it to what happened in New York" (Barry 2002). Nicholas remarked that the World Economic Forum generated $100 million in revenue for the city (Ibid.).

On February 3, during the event dates of the World Economic Forum, Senators Schumer from New York and Torricelli from New Jersey announced that they were trying to secure the 2007 NFL Super Bowl for Giants Stadium in the Meadowlands (Gootman 2002). Saying that the event would generate $400 million for the local economy, the Senators remarked that the event would show to the world that “New York is committed to rebuilding” (Ibid.).

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65 Rioting took place at previous World Economic Forum (WEF) events in other cities (Lander 2000), however while the NYC protests during the WEF were heated, they were always under control.
Another reason why large, new spectacle events were being lured was that through March 2002, residents from the New York region remained at the front lines of keeping hotel occupancy up and theater seats filled. "It's the New York community that really propped up tourism after Sept. 11," said Cristyne Nicholas. "It's keeping theaters open; it's keeping hotels open" (Pogrebin 2002a). However, she remains concerned that there may be a limit to the ability of New Yorkers to maintain the tourism infrastructure without a strong return of visitors. Notes Nicholas: "Is a New Yorker who's seen 'Phantom' twice going to go back and see it a third time?" (Ibid.). Noted Jed Bernstein of the League of American Theaters and Producers, “in the beginning, New Yorkers and tri-staters picked up the slack. Now they’ve moved on to so many other things” (Kramer 2001).

As a coda to the World Economic Forum that proved New York has enough public safety personnel to handle any problem, and as a way to bolster domestic tourism now that New Yorkers had likely seen all the Broadway shows that they could handle, on February 5, two hundred New York City firefighters were sent “on assignment” throughout the nation as New York City ambassadors (NYC & Company 2002b). Describing the program as a way for New Yorkers to say “thank you” for the support the city has received from individuals across America, Cristyne Nicholas stoked the fires of patriotic tourism by remarking at the program launch press conference that “once again leading the nation by example, our firefighters will encourage all Americans to defend and enjoy our basic right to travel while delivering a personal invitation to the country to come visit us back in New York City” (Ibid.).
THE TRIBECA FILM FESTIVAL AND AMERICAN EXPRESS

On March 21, Mayor Bloomberg joined actor Robert De Niro and producer Jane Rosenthal to announce the formation of the Tribeca Film Festival, to be held May 8-12, 2002. Like the previous event announcements made by New York elected officials, Bloomberg noted that the event would demonstrate that “New York City is coming back, that Lower Manhattan is a safe place to go” (Pogrebin 2002c). The event organizers developed the Tribeca Film Festival as a catalyst to bring people and renewed vibrancy to the mixed-use neighborhoods in Lower Manhattan outside of the Financial District. According to Rosenthal, "This is not about raising money for 9/11, but about putting on an extraordinary festival to help bring people in to Tribeca, Battery Park and the Wall Street area, as well as Chinatown and Little Italy” (Ibid.). The event featured participation by local merchants, events for children and a street fair.

The Tribeca Film Festival received financial support from the Empire State Development Corporation, NYC & Company and a variety of studios. However, the major underwriter for the event was American Express, whose Chairman and CEO, Kenneth I. Chenault, took part in the March 21 press conference. Just that month, American Express announced that it would be bringing 3,500 workers back to Lower Manhattan from Jersey City (Ibid.). American Express’ world headquarters were located behind the World Trade Center at the World Financial Center, much of which was damaged by debris caused by the 9/11 attacks. American Express had from the outset of the disaster taken a major role in the supporting the city. For example, on September 13, the company’s executives committed initial grants of $250,000 each to the Red Cross and to the September 11 Fund (Gross 2001). The company gave $1 million to the families of its
eleven employees who killed on 9/11, and held a pep rally at Madison Square Garden for 5,000 employees (Ibid.).

After the 9/11 attack, American Express and its employees were concerned about returning to Lower Manhattan. According to Judy Tenzer (2007), VP for Public Affairs at American Express,

“we had a number of priorities after 9/11, foremost was safety of our employees. We also looked at our role in the downtown community, for we have always been downtown since our founding. The question of should we return to the building from the beginning was in our conversations. We had lots of discussions with law enforcement, and we decided to stay downtown.”

Once the decision was made to return to Lower Manhattan, American Express recognized that employees would need to feel secure and that they were working within a vibrant, productive community with the services and amenities that they had come to expect. Noted Tenzer, “we wanted our employees to feel comfortable coming back. We needed the place to be up and running for our employees to feel comfortable being back here. One way that we did this was to dispatch our employees to local businesses to see that they were up and running or if they needed help with software” (Ibid.).

Like the Alliance for Downtown New York, American Express created a series of print ads that featured restaurateurs and shop owners in Lower Manhattan. Rather than aiming for humor, the ads attempted to be “inspiring.” Tenzer described the ads as “showing that life was going on, making the best of the situation, and preventing the tragedy from ruling people’s lives” (Ibid.). American Express ultimately recognized that promoting and renewing the neighborhood was not only in city’s interest, but in their self-interest as
well, as it “something we needed to do – we did it so that people would want to go back to the neighborhood, including our people. It wouldn’t be a place our employees want to go back to otherwise” (Ibid.).

RESTAURANTS CONTINUE TO SERVE RECOVERY

One of the other programs that American Express supported was the expansion of NYC & Company’s annual Restaurant Week event, a period whereby restaurants provide prix fixe discounted meals (Gross 2001). According to Tim Zagat, by April 2002, the expanded Restaurant Week “brought main-line restaurants pretty nearly back to normal” (Burros 2002). Danny Meyer (2004) recalled

“we served lunch in the restaurants for twenty dollars and one cent, and we served three course dinners in the restaurants for thirty dollars and one cent. It was like magic. It was like performing CPR on our whole industry. But it was not just that the restaurants were full. It was not that they were making a whole lot of money at twenty bucks for lunch and thirty dollars for dinner. What the restaurants were really doing were inviting the city of New York to come back out, the feeling that people had of being with people. It was not that you were doing something wrong by having fun while so many others were grieving. It was that you were expressing your humanity by being with people. And restaurants really provided [that] role.”

The restaurant component of the tourism-related growth coalition thus served three roles: it provided services to the rescue workers right after 9/11, it aided in the restoration of New York as a vibrant, urbane place that would continue to attract the workforce necessary for the basic FIRE industries of New York, and it acted as a salve for New Yorkers in distress after the attacks of 9/11 and the subsequent fears of anthrax and other terrorist acts. As Meyer said,

“I think that when people look back on that awful, awful time the obvious thing to look at is how the restaurants responded quickly and fed the people that needed the food which was a great thing. I think that this story needs to be told of the
role that restaurants played then and continue to play throughout the ensuing anthrax and horrible recession and SARS and terrorism, etc. You know the fears. That restaurants have played the role of becoming what Italians have had for centuries in the piazza. People need to be with people. That is the role that restaurants have played in the hospitality world” (Ibid.).

Restaurants fostered the “community we feeling” that Logan and Molotch identified as a being fostered by urban growth coalitions. Noted urbanist John Mollenkopf, “We don't really love each other, and we're too different to feel like we're going to be soul mates with each other. But there's an underlying identity with the city and its toughness” (Barry 2001).

According to E. Charles Hunt, executive vice president of the New York Restaurant Association, restaurants were overall affected less than predicted, and much of this rebound was due to the support of New Yorkers (Burros 2002). However, through April 2002, Wall Street-area restaurants were still suffering, with famous restaurants like Vine, Bayard's and Delmonico's being off from 15 to 25 percent, despite the fact that tourists were actively visiting ground zero (Ibid.).

SPRING/SUMMER 2002: NEW YORK STILL WORKING TO PROVE THAT IT IS OPEN FOR BUSINESS

Two weeks after the announcement of the Tribeca Film Festival, Mayor Bloomberg joined Senator Schumer to announce that the 2003 Grammy Awards would be held in New York rather than in Los Angeles. Noted Senator Schumer at the press conference, "We've started to recover from Sept. 11, but we're still clearly on the mend. We're still looking for support, for tourism dollars and for symbols that the country and the world
stand behind our city. In other words, New York always wants the Grammys, but this year New York needs the Grammys" (Pareles 2002).

Despite these announcements, NYC & Company still was fighting perception problems about New York City both domestically and abroad. "There is a perception among some that ground zero is bigger than it is," said Cristyne Nicholas, in late April 2002. Among Japanese tourists, "there is also a belief that it is disrespectful to come to New York in a time of mourning” (Stamler 2002). However, in early May 2002, Linda M. Conlin, an assistant secretary of the U.S. Department of Commerce visited New York to release figures showing that the decline in tourism to date was less than expected, and credited Nicholas for being responsible for this better than expected showing (Blair 2002a). A week later, Jonathan M. Tisch, chairman and chief executive of Loews Hotels, was appointed chairman of NYC & Company (Blair 2002b). At the end of May, the League of American Theaters and Producers announced that declines were not as steep as predicted, with attendance dropping 7.9 percent and sales dropping only 3.4 percent due to increased ticket prices (Blair 2002c).

That spring, City Hall also presented formal bids to bring the national conventions of both the Democratic and Republican parties to New York in 2004, both offering Madison Square Garden as the lead convention site (Steinhauer 2002; Hernandez 2002).

During the summer vacation season of 2002, Ground Zero still drew many visitors. At the South Street Seaport, more than 7,700 free tickets were given out each day for the Ground Zero viewing platform that overlooked Ground Zero (Blair 2002d). The Alliance for Downtown New York stated that the Ground Zero viewing platform was at a pace to
attract twice as many visitors as did the former Observation Deck of the World Trade Center (Ibid.). Noted Valerie Lewis, the former Vice President of Marketing at the Downtown Alliance, Cristyne Nicholas’ efforts to move the ticket booth for the viewing platform to South Street Seaport on the eastern side of Lower Manhattan helped greatly for it led visitors to walk across the length of Fulton Street, one of Downtown’s major commercial corridors, and to the merchants within the ailing Seaport complex, on the way to and from the of ticket booth (Lewis 2007). Yet despite these crowds, Nicholas still held fast to the position that "we are not marketing ground zero,” just the businesses that are in Lower Manhattan (Ibid.).

Throughout the summer of 2002, the Downtown Alliance, in partnership with Lower Manhattan Development Corporation and the Lower Manhattan Cultural Council, produced the Downtown NYC River to River Festival, which included over 500 free concerts (including a lunchtime concert with Cheryl Crow), dance performances, lectures and art exhibits. American Express was the lead sponsor of the event, which had a budget of $7.5 million. The Festival attracted more than a million people to Lower Manhattan, and “lifted the spirits of Downtown workers and residents” (Alliance for Downtown New York 2002b). According to the Alliance’s Valerie Lewis (2007), the purpose of the event was to change perceptions, to show that it was okay to enjoy Lower Manhattan, and to encourage event-goers to spend money in local shops. The event was a result of requests to the Alliance from local property owners to “infuse the place with life.” Despite the massive breadth and depth of the summer-long festival, Lewis noted that the primary target audience for the event was those who live and work in Lower Manhattan, and the secondary target were residents of the five boroughs of New York
City. River to River was thus another event 1) targeted to New Yorkers and geared at supporting Lower Manhattan as a place to work and operate a business, and 2) in which the real estate community benefitted from the stewardship and leadership of the tourism-related growth coalition.

In August, Harvey Weinstein, co-chairman of Miramax Films, and James L. Dolan, the president and chief executive of Cablevision Systems and Madison Square Garden received the support of the Mayor and Governor to lure the Academy Awards to New York City. Governor Pataki remarked, "for the Oscars to choose to come here would be a very positive sign that the city is back, not just to where we have been, but that we are moving beyond that. New York is the media capital of the world, and having the Oscars would an important recognition of that" (Carr 2002). NYC & Company Chairman and Loews CEO Jonathan Tisch noted that as of August, hotel bookings were a par with the comparable period the previous year, but that room rates were down considerably (Ibid.).

On September 5, less than a week before the first anniversary of 9/11, the city hosted a massive block party in Times Square, complete with Bon Jovi, to launch the start of the NFL season. While some questioned the tastefulness of this celebration, the NFL reimbursed the city for all its expenses, donated $500,000 to various September 11 memorial events and $5 million more to local organizations involved in September 11 charity and rebuilding programs, and donated $15 million worth of broadcast time during games to promote New York City tourism as part of a multimedia “Touch Down New York” advertising campaign (Santora 2002). The Wolf Group, the same agency
responsible for the *A New Day* spots, created the television ads (Office of the Mayor 2002a). Titled “Cheer”, the NFL television campaign featured “enthusiastic, painted-face football fans from Miami, Denver, Green Bay, Minnesota, Cleveland, Pittsburgh, San Francisco and New England cheering typical New York scenes…[such as] one Hansom cab outpacing another in Central Park…. as though they were at a football game” (Ibid.).

NFL Commissioner Paul Tagliabue seemed like he was reading right from the Mayor’s playbook when describing why the NFL was promoting New York City:

“Everyone in New York has got a responsibility to make the city vibrant and positive again. As I travel around America, spending a lot of time in a lot of different cities, one of the things that impress me is that everyone in America wants New York to be strong and to be seen as strong. We’re doing our little part to show that it is a vibrant place, a great place to do business and a place with resilient people” (Christian 2002).

Television images of crowds in Times Square celebrating an all-American activity like football, according to Joe Chan, formerly an advisor to Deputy Mayor Dan Doctoroff, were “about familiarizing people with the city in a new way. It’s New York, it’s not a bit scary, it is an interesting place, some place that you can relate to” (Chan 2007).

**THE REAL ESTATE GROWTH COALITION AND SECURING FEDERAL REBUILDING FUNDS FOR NEW YORK**

During the period that the tourism-led growth coalition was gathering press attention, and creating a balm for the sore nerves and skittish fears of New Yorkers, the Real Estate Industry-led coalition was not sitting on their hands while the spotlight was pulled away from them. Rather, their focus was on securing federal aid for the rebuilding of downtown New York. In November, the New York City Partnership and Chamber of Commerce issued a detailed economic analysis and series of policy recommendations for
the recovery of New York (NYC Partnership 2001). According to Partnership President Kathryn Wylde, "after the loss of lives, the loss of livelihoods is the next most urgent issue to address" (Eaton 2001).

Yet prior to the release of this document, the leadership of the Partnership, especially Jerry Speyer, Chairman and Co-Chief Executive Officer of the real estate company Tishman Speyer and Henry Kravis, co-founder of the private equity firm Kohlberg Kravis Roberts & Co., were active in securing the $20 billion in recovery funding for New York that was promised by President Bush during his visit to Ground Zero (Kolker 2001). Speyer, Kravis and other Partnership leaders were extensively lobbying members of Congress to fund many of the $54 billion of infrastructure and financial incentive programs that were recommended by Governor Pataki on October 9 (Office of the Governor 2001c) but fell on deaf ears at the White House (Kolker 2001; Berenson 2001).

Speyer and Kravis focused their lobbying efforts on two items. First, to provide a $4,800 per employee tax credit for every company that stays in Lower Manhattan. Noted Speyer, "the incentives should go to the tenants, not the landlords… landlords should be driven by the marketplace like everybody else" (Kolker 2001). Of course, providing a financial incentive for a business to locate in a particular area benefits the property owners in that area. Speyer and Kravis also focused their lobbying efforts on repairing and improving the infrastructure of Lower Manhattan that was devastated by the attack. Remarked Kravis, "the government should be focusing its efforts on things the private sector would never take care of, like the infrastructure…that's a salable point in Washington" (Ibid.).
Property owners were able to take such an altruistic stand in their lobbying efforts while their portfolios in New York were threatened by the uncertainty and fears associated with 9/11, for many of the businesses displaced by the attacks on Lower Manhattan signed leases in midtown locations that were owned by some of the same property owners that held buildings Lower Manhattan. Noted Steven Roth, the CEO of Vornado Realty Trust on October 7, "Now the displaced tenants have taken up most of the space available. There's no supply now" (Colarusso 2001). Office occupancy in the New York portfolio of Vornado was 96 percent in 2000, and rose to 97 percent in 2001 (Vornado Realty Trust 2002, 6). Even Brookfield Properties, whose World Financial Center and One Liberty Plaza buildings were severely impacted by 9/11, saw a very modest decline in the office occupancy of their New York City portfolio: from 99.6 percent in 2001 to 97.6 percent in 2002 (Brookfield Properties 2002, 20). Indeed, one of the first major efforts by the Real Estate Board of New York after 9/11 was to “issue a directive against profiteering from the emergency, urging that rents be kept at levels achieved on or before September 10” (REBNY 2002). As seen in Table 5.3, while the value of Downtown Class A office building sales decline by 43 percent (a $129 per square foot decline) between 2001 and 2002, the value of Midtown Class A office building sales increased by 46 percent (a $124 per square foot increase), showing that value losses in Lower Manhattan were almost dollar for dollar made up in Midtown.
Table 5.3: Price per square foot for Class A commercial property sales, Midtown and Downtown Manhattan, 2000-2003.

Likewise, as shown in Table 5.4, retail rents in Lower Manhattan actually remained quite stable after 9/11, only declining by $2 per square foot (from $60 to $58, or three percent) between the Spring of 2001 (right before the 9/11 attacks) to Spring 2002. Retail rents declined much more steeply in Midtown Manhattan, from $122 per square foot in Spring 2001 to $109 per square foot in Spring 2002 (an 11 percent decline). However, by Fall of 2003, rents in Midtown returned to their pre-9/11 rates.
Table 5.4: Average retail asking rents per square foot, Midtown and Downtown Manhattan, 2001-2003.

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<td>Fall 2003</td>
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Source: Real Estate Board of New York, 2010.

In addition, according to Michael Slattery, Senior Vice President at REBNY, the government-financed tax incentives for residents to move to apartments in Lower Manhattan was a key factor in restoring the vibrancy and reducing overall vacancy in Lower Manhattan (Slattery 2007). Valerie Lewis (2007) from the Downtown Alliance, which had been working to convert many of their district’s older office buildings to residential use agreed, noted that these tax incentives saved Lower Manhattan as a residential community. According to Cushman & Wakefield, a large number of Lower Manhattan office buildings in post-9/11 Lower Manhattan with persistent high commercial vacancy rates were “antiquated, pre-war properties which were achieving rents far below market averages” (Cushman & Wakefield 2011, 3). Thanks in large part
to the government incentives (Liberty Bonds and the 421g\textsuperscript{66} Program) between 2002 and 2007 approximately 10 million square feet of office space became “more than 8,000 residential units” (Ibid.). As shown in Table 5.5, while the sales price of Manhattan residential Co-Ops and Condominiums grew year by year in the period 2001-2003 (an increase of $74 per square foot, or nearly 11 percent), demonstrating continued investment and the faith that New Yorkers had about their city despite the fears of terrorism, the average sales price per square foot increased at an even higher rate in the Financial District, showing an increase of $228 per square foot, or nearly 58 percent, between 2001 and 2003.

Table 5.5: Average sales price per square foot, Residential Co-Ops and Condominiums, Manhattan & the Financial District, 2001-2003.

![Table 5.5: Average sales price per square foot, Residential Co-Ops and Condominiums, Manhattan & the Financial District, 2001-2003.](image)

\[2001 \quad 2002 \quad 2003\]

\[\$394 \quad \$478 \quad \$622\]

\[\$691 \quad \$741 \quad \$765\]

\[\$0 \quad \$200 \quad \$400 \quad \$600 \quad \$800 \quad \$1,000\]

\[\text{All of Manhattan} \quad \text{Financial District}\]

Source: Prudential Douglas Elliman Real Estate, 2011.

\[\text{\textsuperscript{66}} \text{The 421g Program was administrated by the NYC Department of Housing Preservation and Development to convert Lower Manhattan office buildings to residential use. The program provided a maximum 12 year partial tax exemption and abatement to developers and future property owners, and the program expired in 2006 (NYC Department of Finance 2011).}\]
Thanks in large part to the efforts of the Real Estate coalition, federal investment in Lower Manhattan businesses was also significant. For example, small businesses were incentivized to sign leases in Lower Manhattan through up to $5,000 per employee grants from the HUD-funded Small Firm Attraction and Retention Grant Program (which, through June 2003 provided $31 million in grants to 951 businesses) and tax breaks via the Liberty Zone program (Dixon and Stern 2004, 115-116). Larger companies, such as Partnership member American Express, were eligible to receive an approximately $3,300 per employee payment through the World Trade Center Job Retention and Creation Program, also funded by HUD (loc. cit. 118).

In its November 2001 economic analysis report, the Partnership projected the financial and employment losses that would be ultimately attributed to the 9/11 attacks. However, noted the Partnership’s Kathryn Wylde, "our projections [were] also based on timely interventions [emphasis added] to turn things around, such as marketing the city and dealing with security issues. If that does not happen, we will have an even larger hole in our economy (Blair 2001c)." Thus according to Wylde, as a predicate to making the work of Speyer, Kravis and the other leaders of the traditional real estate-led coalition come to fruition, New York City must project both safety and a positive marketing message. Despite the ashen smell that lingered at Ground Zero and the anthrax attacks of a month later, the timely intervention of excellent police work and large-scale public events and a busy Times Square projected safety. The media campaign that included the “New Day,” “Broadway – New York, New York” and “New York Miracle” advertising launched in quick succession were also timely interventions. In short, the real estate-led
coalition needed tourism-led coalition to take the very public lead and jump-start the city’s psyche and thereby its economy.


Along with financial services, the November 2001 Partnership study estimated that the tourism and retail sectors would suffer the greatest job loss as a result of 9/11 (NYC Partnership 2001, 12-13). Likewise, on the anniversary of 9/11, Mayor Bloomberg characterized his support of the tourism-related economic development efforts of the past year as one focused on creating jobs for those starting on the economic ladder:

“In the end, 9/11 probably economically hurt the poor more than anybody else, because Wall Street was contracting and laying off anyway. But when tourism got hurt -- tourism is an industry that gives jobs to those at the beginning of the economic ladder, the people that work in the hotels, the people who work in the restaurants, people that drive the buses, those people starting up the economic ladder. And they live all throughout the city and the region” (Bloomberg 2002).

This focus on jobs was the public rationale for the support that Mayor Bloomberg had for the redevelopment of Hudson Yards commercial and residential redevelopment project. While the wide physical expanse of the Hudson Yards project opened acres of Manhattan land for far more intensive real estate development than what existed there at the time, the project was publicly touted as a means for growing the city’s tourism economy through the publicity generated by hosting the Olympics in New York City, and by increasing the city’s available convention floor space (Tierney 2002). Ultimately, however, the project broke apart the hegemony of the tourism-led coalition, causing rifts between members of this group, and which ultimately led to critics arguing that New York City had indeed been promoted enough.
In its 2004 Advocacy Agenda, the Partnership for New York City rated “Far West Side Development and Convention Center Expansion” as a higher priority than “Federal Aid for Lower Manhattan” (Partnership for New York City 2004). That same year, the major theater owners of Broadway, publicly criticized the Mayor’s plan, which included an expanded Javits Convention Center tied to a new stadium for the 2012 Olympics and the New York Jets: "The stakes for the city are enormous," said Gerald Schoenfeld, chairman of the Shubert Organization, Broadway's biggest landlord. "I think the Javits can expand without being tied to an Olympic Stadium. There is no evidence of a stadium having a positive effect on an urban center. This is a valuable piece of real estate; we should not be rushed in deciding its fate" (Bagli 2004a).

Mayor Bloomberg’s appointment of Daniel Doctoroff, the President of NYC 2012 (the private group supporting the City’s bid to host the 2012 Olympics) as his Deputy Mayor of Economic Development and Rebuilding demonstrated the new Administration’s commitment to the Olympics as an economic development strategy. Doctoroff, who had become wealthy as an investment banker, became enamored of the Olympics’ idealistic and internationalist traditions, and since 1994, thought of the Olympics as the perfect catalyst for the world’s most international city (Smith 2004). On August 27, 2002, less than a year after 9/11 and about a week before the NFL kick-off party in Times Square, the United States Olympic Committee announced that New York would join San Francisco as the finalists to represent the nation in the global competition to host the 2012 summer Olympics (Sandomir and Bagli 2002). Noted Bloomberg, "Bringing the
Olympic Games to the 'World's Second Home' would celebrate our unequaled diversity and participants from every nation would feel welcome" (Ibid.). The bid included two expensive projects that would be sited on the far West Side of Manhattan: an Olympic Stadium and the extension of the Number 7 subway line.

Initially, the designation of New York as an Olympic contender was greeted with a mixture of wonder and trepidation. *The New York Times* Editorial Board remarked that the bid was “audacious and daring, just the kind of qualities the Olympic Games reward…..the prospect of a New York welcome for the world's greatest athletes is beginning to get exciting. After a long, difficult year, it's hard not to cheer about news that we're in the game” (The New York Times Editorial Board 2002). However, the Editorial writers recognized the minefields associated with the bid, beyond those of its financial cost: “As people start taking the whole Olympics idea more seriously, controversy is going to heat up, too. Lower Manhattan boosters are going to look warily at any plan that seems to shift emphasis from development downtown to another part of Manhattan. Residents of Midtown and the West Side have not exactly been unanimously enthusiastic about the idea of a sports stadium in their backyards” (Ibid.). The Editorial Board had been quite prescient, for when, in 2005, London was ultimately chosen over New York by the International Olympic Committee as the site of the 2012 Games, one of the main deficiencies of the New York bid was the uncertainties associated with the Olympic Stadium (Zinser 2005a; Rutenberg 2005), as the West Side Olympics/Jets Stadium plan was rejected months earlier by an elected official representing Lower Manhattan in the New York State Assembly, and was opposed by very vocal West Side
residents and businesses. Along the way, the tourism-led growth coalition, while still playing a role, was relegated to being a supporting player.

The Olympic bid brought together a disparate storm of real estate development-related activities. While New York’s Olympic bid included venues throughout New York City, including an Olympic Village in Hunter’s Point, Queens, the centerpiece of all summer Olympic Games was the Olympic Stadium, where such activities as the Opening and Closing Ceremonies and the Track & Field competition would be held. The New York bid included the construction of a new Olympic Stadium in the Hudson Yards area of Manhattan. This area, bounded by 8th Avenue, the Hudson River, West 28 and West 42 Streets, contained warehouses, parking lots, railcar storage yards and the relatively isolated and over-capacity Jacob Javits Convention Center. It was in this area that Jay Cross, the President of the New York Jets, wanted to build his new domed football stadium, bringing the team back to New York after its move from Queens to Giants Stadium in the New Jersey Meadowlands (Sandomir 2000).

The suggestion of placing a stadium in Hudson Yards above the Long Island Rail Road storage yard tracks was hardly new. In 1993, Governor Mario Cuomo seriously considered the site for a new Yankee Stadium when the team threatened to move from the Bronx to New Jersey (Gruson 1993). In his 1999 State of the City Address, Mayor Giuliani enthusiastically supported a new stadium for the Jets on the site (The New York Times Editorial Board 1999). In his 2000 State of the City Address, Mayor Giuliani announced that he was working with the NYC 2012 Olympic Committee (then headed by
Daniel Doctoroff), on an application for the Olympics that would include a new stadium in Hudson Yards that could combine the needs of the Jets Stadium with those of the Olympics (Lueck 2000).

The focus by city government on the redevelopment of the Hudson Yards was not new either. On December 12, 2001, only three months after 9/11, Mayor Giuliani and the NYC Department of City Planning unveiled a study titled "Far West Midtown: A Framework for Development." Giuliani remarked that

"for decades this area has remained economically stagnant, despite being bordered by some of Manhattan's most vibrant neighborhoods, namely Midtown, Chelsea and Clinton. This study, undertaken long before the tragic events of September 11th, has now taken on more significance. 'Far West Midtown' effectively demonstrates how City businesses and residents will benefit from the redevelopment of this long-overlooked neighborhood" (Office of the Mayor 2001b).

This study succeeded the report entitled “Preparing for the Future: A Commercial Development Strategy for New York City,” which was created by the Group of 35, which included CEOs and leaders in business, real estate, academia, labor and government assembled by Senator Charles Schumer (Office of Senator Charles Schumer 2004). The Group of 35 report also recommended the redevelopment of the Hudson Yards area as an expansion of the Central Business District.

Finally, the desire to expand the Javits Convention Center had also long been a priority of the tourism community. When it opened in 1986, the Javits Center was the third largest convention center in the US (Carmody 1986). By 1990, the director of the Javits Center called for the expansion of the building by one-third in order for it to remain competitive (Gottleib 1990). Governor Pataki wanted to expand the Javits Center to twice its size, but
was stymied by Mayor Giuliani, who wanted to build a sports stadium for the Yankees (and later for the Jets), a proposal which was blocked by Governor Pataki. The 2012 Olympics proposal, which both Pataki and Giuliani supported, created détente for the two politicians: the Olympic Stadium could later be used for football, and Pataki would get his expanded Javits Center plus bonus space within the Olympic Stadium (Bagli 2000).

The private sector support team for the combined project, known as the Hudson Yards Coalition, was also broad, and included co-chairs William Rudin of Association for a Better New York and Rudin Management, and Joseph Spinnato of the Hotel Association of New York City. Cristyne Nicholas and Jerry Speyer were also Coalition members (Hudson Yards Coalition 2004). As the public focus of discussion of the project became the Olympic /Jets Stadium, key members of the tourism-related growth coalition either broke off completely from the project, or voiced their lack of enthusiasm for the project to members of the press. Four of the largest players in the tourism-related coalition were diametrically opposed to each other regarding the stadium. The ownership of the New York Jets squared off against the ownership of the New York Knicks & Rangers, for the latter, the James L. Dolan family, also owned Madison Square Garden and feared that the new stadium would ultimately compete with The Garden property for major shows. The Dolan’s waged a public war against the Olympic stadium, even producing television ads against it (Keating 2005). The Broadway theater community, which was supported so assiduously by city government as a key to the city’s revival after 9/11, was also seriously split. Gerald Schoenfeld and Rocco Landesman, who together owned 22 of 35 Broadway theaters, in a rare moment of cooperation with labor, joined Thomas Short,
president of the International Alliance of Theatrical Stage Employees, in opposition to the stadium due to traffic and pedestrian congestion that they believed would be caused by its operation (Bagli 2004b). On the other hand, James L. Nederlander Jr., who owned nine Broadway theatres, was successfully recruited to support the project for he argued that it would bring more visitors to New York (Ibid.).

NYC & Company Chairman Jonathan Tisch, tried to focus public support for the project on the fact that it would increase the available space of the Javits Center (the stadium would contain overflow space for very large conventions and shows) Noted Tisch: "There is a uniform belief that an expanded Javits will benefit New York City. It's important for the industry and the public sector to keep focused on the expansion, so we can move this project along and start construction" (Bagli 2004c). However, the organizers of the largest shows at the Javits Center, including the New York International Auto Show and the New York International Gift Fair, thought that the Stadium link to the Javits Center would be cumbersome and difficult to schedule (Golson 2004).

Finally, the Olympic and stadium debate brought about a public conversation on whether it was indeed the right idea to promote the city as a focal point for international attention in an age where terrorists look for symbolic targets, and whether, contrary to arguments made by the tourism coalition, New York still needed be discovered or promoted as a visitor destination. Remarked historian Thomas Bender, “I don’t know that we have a problem with the world knowing where we are” (Bagli 2004d). Sam Roberts of The Times echoed this sentiment by noting:
“Beyond the arcane cost-benefit analyses contained in hundreds of pages of competing bid documents and other assessments lie some even less tangible questions. Does any city, especially one that bills itself as the capital of the world, need to periodically replenish its prestige with building projects, the promise of a Super Bowl or the potential of luring the Olympics? Isn't Gotham already glamorous enough?” (Roberts 2005).

As a final blow to the moral authority of the growth coalition that focused its efforts on the tabula rasa of the West Side, Sheldon Silver, the Speaker of the New York State Assembly (and representative of Lower Manhattan), used his power as member of the New York Public Authority Control Board to kill the stadium for he argued that focusing development in the Hudson Yards area would deter rebuilding in the area surrounding Ground Zero (Mahler 2006). Remarked Silver, “am I supposed to turn my back on Lower Manhattan as it struggles to recover? For what? A stadium? For the hope of bringing the Olympics to New York City?” (Bagli and Cooper 2005).

**CONCLUSION**

If a postscript were written about the end of the tourism-related coalition’s hegemony as leaders of the city’s growth, it would include the facts that the New York’s Olympic bid was rejected and the Jets’ proposed West Side stadium was never built. This would seem like a defeat for the real estate-led growth coalition, if it were not for the fact that the City did succeed in redrawing the zoning of the broad Hudson Yards/Far West Side area for large scale commercial and residential development, and that the Related Companies, a large, multi-faceted, New York-based real estate firm, is building a major mixed used development on top of the rail yards (Bagli 2011). And the president of Related’s Hudson Yards real estate development project team is none other than Jay Cross, the former president of the New York Jets (Neuman 2008). Nevertheless, while the tourism-
related coalition can no longer be said to be the driver of growth in New York City, their greatest legacy was that the leaders and human capital of the core industries of New York continued to believe that “A New Day” would again return to New York City, and that they continued to invest their fortunes and their livelihoods in New York in their faith that a “New York Miracle” would happen to them.
CHAPTER 6
ANALYSIS OF TOURISM INDUSTRY-RELATED EMPLOYMENT DATA AND OF COVERAGE OF UNEMPLOYMENT-RELATED NEWS PERTAINING TO 9/11 IN THE NEW YORK TIMES

INTRODUCTION
There is no greater measure of the efficacy of the tourism-related growth coalition in leading New York’s redevelopment efforts than its ability to convince the public that job creation within the tourism-related industries would result in job growth in other sectors of the city’s economy. The tourism-led coalition’s message was that the city’s well-being and ability to retain and attract both businesses and residents significantly rests with maintaining New York’s cultural vibrancy. Therefore, the public identified with the tourism-related coalition as the conduit for supporting the city’s economy. Data presented in this chapter reveals that while significant, the loss of jobs in the tourism-related industries was not as severe as in other New York industries; yet tourism-related jobs were nonetheless the focus of media attention both locally and nationwide because the freedom to travel and enjoy the pleasures of cultural and recreational activities were violently challenged by the 9/11 attacks.

Chapter Roadmap
This chapter begins by classifying the specific sectors of the New York City economy that are represented by the members of the tourism-led growth coalition. The tourism-related employment sectors identified by Gladstone and Fainstein (2001) are the focus of
this chapter for these authors not only provided an overview of the quality of jobs in the tourism industry, but they developed a baseline for determining the quantity of jobs found in the many distinct sectors associated with the tourism industry (from hospitality to retail sales to transportation services). A variety of economic models are then explored as a means to document the “state-of-the-art” in analytic techniques for determining the number tourism-related industry jobs that are actually generated by visitors. The model developed by the U.S. Department of Commerce’s Bureau of Economic Analysis for their Travel & Tourism Satellite Accounts (TTSA) is reviewed in depth. As a means to quantify the employment impacts of 9/11 on visitor-generated jobs within the New York City tourism-related industries, Quarterly Census of Employment and Wages (QCEW) data from the period 2000 to 2003 is filtered through the TTSA Tourism Industry Ratio (that narrows the job numbers in each tourism-related industry to those jobs that could be specifically attributed to spending by visitors rather than by purchases made by locals) and by the TTSA Total Industry Employment Multiplier (that widens the number of jobs attributable to the tourism industry by identifying the number of workers that supply those directly employed in the tourism-related jobs). The QCEW data is also analyzed using a separate, more geographically-targeted multiplier model developed by the New York State Department of Labor.

Data presented by Gladstone and Fainstein (2001) is then updated (covering two time periods: 2000 to 2003, and 2000 to 2008), for the purpose of comparing total job loss in New York City’s tourism-related industries (whether or not these jobs can be attributed exclusively to visitor spending) to job losses in other New York City industries in the
post-9/11 time period. After demonstrating that many more New Yorkers lost their jobs in the non-tourism related industries than in the tourism industries during this timeframe (both in terms of total number of jobs lost, and percentage of jobs lost), the remainder of the chapter explores “why” and “how” New York tourism-related employment was nonetheless portrayed by the media as being more significantly impacted by 9/11 than other sectors of the city’s economy. “Why” the tourism industry became quickly synonymous with post-9/11 job loss will be attributed to the remarkably speedy bailout of the airline industry, which was crippled in the days following the attacks due to the mandatory grounding of commercial aviation as well as a pervasive fear of flying experienced by the general public. “How” the media represented tourism industry jobs as especially victimized by 9/11 is examined via a content analysis of articles focusing on unemployment that appeared in The New York Times from September 12 to December 30, 2001.

EMPLOYMENT SECTORS ASSOCIATED WITH THE TOURISM-LED COALITION
Gladstone and Fainstein (2001) documented that the tourism industry is an amalgamation of a variety of distinct business types (such as transportation companies, retailers and hoteliers) that are operated at a variety of scales (from multi-national, publicly-traded corporations to independent mom-and-pop entities) (24). Tourism industry employees are likewise heterogeneous, with a labor force ranging from the highly-skilled to the unskilled, from high-wage to low-wage, from union-organized to undocumented workers (Ibid.). Gladstone & Fainstein revealed that U.S. tourism industry employment is concentrated in cities, and that in New York, tourism employment is spatially focused in
Manhattan (26). While approximately ninety percent of tourism-related establishments in New York employ fewer than twenty worker and are often non-unionized, “some sectors of the tourism industry, however, are characterized by above-average establishment size: hotels, airports and other air-transport related establishment, and museums” (29) and their employees are typically covered by collective bargaining agreements. Based upon their research, Gladstone & Fainstein concluded as follows:

- New York City tourism industry workers earn higher wages and enjoy better benefits than their counterparts in other cities thanks to the relative strength of the City’s hospitality unions (such as the Hotel Employees and Restaurant Employees International Union) (33);

- while tourism-related workers may have lower wages than workers in other industries, the tourism industry provides employment to workers that may have few other job options due to lack of English language or other job skills (38);

- finally that municipally-sponsored workforce development efforts would be well served if they invested in the tourism industries, provided that job training programs are created that delineate an upward career path for entry-level workers, and that employers from all sectors of the industry accede to many of the collective bargaining gains made by hotel workers and others in the unionized portion of the industry (39).

This dissertation uses Gladstone & Fainstein’s classification of the employment sectors that are included in the tourism-led coalition. Gladstone & Fainstein examined tourism-related employment over the period 1977-1995 using the U.S. Bureau of the Census’
County Business Patterns data. Due to confidentiality requirements, data in a variety of employment categories within the tourism-related industries in New York has been withheld to avoid disclosing information regarding individual companies. Therefore, the present study uses New York State Department of Labor ES202 / Quarterly Census of Employment and Wages (QCEW) data, which aggregates employment within the five counties that comprise the City of New York, thereby alleviating virtually all disclosure issues.\textsuperscript{67} The sectors Gladstone & Fainstein (2001, 26) designated as tourism-related included the following North American Industry Classification System (NAICS) codes.\textsuperscript{68}

<table>
<thead>
<tr>
<th>Industry</th>
<th>NAICS Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Transport</td>
<td>481</td>
</tr>
<tr>
<td>Transportation Services</td>
<td></td>
</tr>
<tr>
<td>Scenic and Sightseeing Transportation</td>
<td>487</td>
</tr>
<tr>
<td>General Merchandise</td>
<td>452</td>
</tr>
<tr>
<td>Apparel &amp; Accessories</td>
<td></td>
</tr>
<tr>
<td>Clothing &amp; Clothing Accessories Stores</td>
<td>448</td>
</tr>
<tr>
<td>Eating &amp; Drinking Establishments</td>
<td></td>
</tr>
<tr>
<td>Food Services &amp; Drinking Places</td>
<td>722</td>
</tr>
<tr>
<td>Hotels &amp; Other Lodging</td>
<td></td>
</tr>
<tr>
<td>Accommodation</td>
<td>721</td>
</tr>
<tr>
<td>Amusement &amp; Recreation Services</td>
<td></td>
</tr>
<tr>
<td>Amusement and Recreational Services</td>
<td>713</td>
</tr>
<tr>
<td>Museums, Botanical Gardens &amp; Zoological Gardens</td>
<td></td>
</tr>
<tr>
<td>Museums, Parks and Historical Sights</td>
<td>712</td>
</tr>
</tbody>
</table>

Unfortunately, it is difficult to identify the number of jobs in most of these sectors that is primarily sustained by tourism-related spending. This is particularly the case in a city such as New York where shopping and dining is a major sport for many locals, both those residing in the city itself and in its suburbs. Indeed, there is no consensus among experts in the tourism field as to the definition of a “visitor.” For example, both NYC &

\textsuperscript{67} County Business Patterns data is only displayed by individual county, thus data from the five counties comprising New York City must be aggregated by the researcher manually.

\textsuperscript{68} The Industry Codes that are italicized are my approximations as to the Industry Codes analyzed by Gladstone & Fainstein (2001), all of which are non-italicized.
Company and the U.S. Travel Association (USTA) define “visitor” as any person who takes a day trip and travels 50 miles or more away from home or who stays in overnight accommodation (however that accommodation must be “paid for” in the USTA model, but can include visitors staying with relatives in the NYC & Company model) (NYC & Company 2009a, U.S. Travel Association 2009). As discussed in Chapter 5, suburban and exurban day trippers were a significant target of NYC & Company’s marketing strategies post 9/11, and these “visitors”, whether they lived forty or sixty miles away from Manhattan, showed great support of New York’s tourism-related industries (especially of Broadway) in late 2001 and 2002 (Bohlen 2001; Stamler 2002). Thus, these varied definitions of what constitutes visitor demand and spending would lead to different conclusions as to the number of jobs that are generated by the tourism industry.

DEFINING TOURISM-RELATED EMPLOYMENT AND SPENDING

The U.S. Travel Association bluntly observes that “there is no universally agreed upon definition of travel” (loc. cit.). Likewise, as noted by Kuhbach, Planting & Strassner (2004) of the U.S. Department of Commerce, “tourism is not generally treated as a separate industry, so data for tourism are scattered among other industries – such as transportation services, accommodations and food and beverage services.” Thus, a variety of different analytic models have been designed to estimate the economic and employment impact of tourism.

69 The visitor living forty miles away from the City would not be included in the tourism statistics while the visitor living sixty miles away from the City would be included as a visitor. This distinction is significant given the tourism-related spending associated with these individuals in late 2001 and early 2002, and the density of the outlying suburbs and exurbs of New York.
Bonn and Harrington (2008) examined three of these economic impact models for tourism research: capacity utilization modes (CUM), the Regional Economic Models, Inc. (REMI) and impact analysis for planning (IMPLAN). The CUM model combines user intercept survey data, and uses hotel/motel rooms available and occupancy rate information compiled by a private research firm as its baseline. Both the REMI and IMPLAN models use Wassily Leontief’s Input-Output (I-O) analytic framework (Ibid.). Each of these models examine the spending made by tourists during their trip (such as on hotel accommodation or a restaurant meal) and on behalf of those tourists while they are visiting, thereby determining how a locality benefits as the dollars spent by tourists work their way through its economy (Frechtling and Horvath 1999, 325). The IMPLAN input-output model is widely used in the tourism industry, including by the data analysis contractor of NYC & Company (NYC & Company 2009b). The U.S. Forest Service developed the model, and it relies on a series of national input/output tables generated by a variety of data sources from the U.S. Departments of Commerce and Labor (Charney and Leones 1997; Hjerpe and Kim 2007). Through this IMPLAN I-O method researchers can determine, for the range of industries touched by tourism-related spending, the direct, indirect and induced sales (output) associated with tourism, total value added, and resulting employment (Cela, Knowles-Lankford and Lankford 2007). Multipliers utilized in the model represent each of these steps in the chain of spending.

70 “Indirect” output represents the value of goods and services provided to tourism-related businesses such as hotels and “induced” output represents the spending of earnings made by the businesses and employees of businesses that directly or indirectly serve tourists (Cela, Knowles-Lankford & Lankford 2007, 181).
THE U.S. DEPARTMENT OF COMMERCE BUREAU OF ECONOMIC ANALYSIS’

TRAVEL & TOURISM SATELLITE ACCOUNTS AS A MODEL FOR DETERMINING

IMPACTS OF TOURISM-RELATED SPENDING

The U.S. Department of Commerce’s Bureau of Economic Analysis (BEA) provides the links in the input/output analysis chain by creating “Industry Accounts” which “show the flow of goods and services from each industry to other industries and to final users in the economy and the income originating in them” (Bureau of Economic Analysis, undated, found online at http://www.bea.gov/about/pdf/IED_Benchmark_FINAL.pdf. (accessed April 23, 2011)). As mentioned earlier, tourism is not an industry of its own, but an amalgam of many industries that become tourist-specific when a tourist utilizes them, or as noted by Smeral (2006, 93), “the size of the tourism industry in particular is defined by its consumers (the tourists) at the time of consumption.” For example, a restaurant is counted as part of the tourism industry when a tourist eats there, but is not part of the tourism industry when locals patronize that restaurant for a business luncheon. To enable the tourism industry to become the focus of input-output analyses, the BEA developed the “Travel & Tourism Satellite Account (TTSA),” an extension (or “satellite”) of the input-output analytical framework that had been developed for more traditional industries (Ibid.). On the supply (input) side, the U.S. TTSA framework includes direct, indirect and induced tourism production, and on the consumption (output) side, includes “tourism specific (e.g., hotels, travel agencies), tourism-related (e.g., souvenirs), and non-tourism-specific (e.g., general retailers, hairdressers) goods and services” (Ibid). Direct tourism employment comprises all jobs where workers produce direct tourist output (such as hotel staff) and indirect tourism-related employment comprises all jobs where workers are
involved in the production of indirect tourism-related output (e.g., employees that produce toiletries for hotel guests) (Bureau of Economic Analysis 2010). For industries in which only a share of total supply is consumed by visitors (such as Food Services and Drinking Places), the BEA allocated consumer spending using the national Consumer Expenditure Survey of the Bureau of Labor Statistics and private surveys conducted by D.K. Shifflet & Associates (Kuhbach, Planting & Strassner 2004, 53).

To determine employment in New York City that can be directly attributable to the tourism industry in the period surrounding 9/11, this author examined New York State Department of Labor ES 202/Quarterly Census of Employment and Wages data from 2000 to 2003 through the prism of TTSA framework. To derive a more refined estimate of New York City in the tourism-related industries, this author multiplied QCEW employment data by the TTSA Tourism Industry Ratio associated with each respective tourism-related business sector. Please note that employment calculations presented by Gladstone and Fainstein (2001) were not filtered through any Tourism Industry Ratio multiplier or other input/output framework, and therefore do not differentiate which employees in the tourism-related industries can attribute their jobs directly to tourist spending as opposed to, for example New Yorkers enjoying a restaurant meal or a day shopping at a local department store.
Analysis of New York City tourism-related direct employment as defined by TTSA

Tourism Industry Ratio

Reading Table 6.1 from left to right, Column 1 lists the tourism-related industries supporting the greatest number of jobs (Retail Trade, Food Services & Drinking Places, Accommodation, Air Transportation), as well as the relatively small Scenic and Sightseeing Transportation industry because virtually all of its employment is directly attributable to the tourism industry. Data shown in Column 2 is the New York State Department of Labor’s average annual employment for years 2000 to 2003 in the New York City Region Labor Market Area, which consists of all five counties that comprise New York City. Column 3 is the TTSA Tourism Industry Ratio for each respective industry (Bureau of Economic Analysis’ Industry Economic Accounts Information Guide, undated, http://www.bea.gov/industry/iedguide.htm#ttsa_oa, accessed September 25, 2011). This ratio is the proportion of the employment of the industry that is directly derived from visitors. For example, in 2000, three percent of employment (8,115 jobs, as shown in the fourth column) in the retail trade derives directly from tourist spending, while 81 percent of employment in the air transportation sector (25,444 jobs) derives directly from tourist spending.

The Tourism Industry Ratio for each respective industry may change from year to year, for example, the ratio declined in Air Transportation from 0.81 in 2000 to 0.73 in 2003 presumably due to the decline in leisure air travel created by fears associated with 9/11.

71 The TTSA Tourism Industry Ratio is found in Table 6 “Employment and Compensation by Industry” of the Annual TTSA data tables, available for download at http://www.bea.gov/industry/iedguide.htm#TTSA
Table 6.1
Total Employment Versus Direct Tourism Employment as per TTSA Tourism Industry Ratio
Selected Sectors
New York City, 2000-2003

<table>
<thead>
<tr>
<th>Major Tourism-Related Industries</th>
<th>Column 1</th>
<th>Column 2</th>
<th>Column 3</th>
<th>Column 4</th>
<th>Column 5</th>
<th>Column 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>NYS Dept of Labor Data - Avg Annual Employment</td>
<td>TTSA Tourism Industry Ratio</td>
<td>TTSA Tourism Industry Ratio</td>
<td>TTSA Tourism Industry Ratio</td>
<td>TTSA Tourism Industry Ratio</td>
<td>TTSA Tourism Industry Ratio</td>
<td>TTSA Tourism Industry Ratio</td>
</tr>
<tr>
<td>Major Tourism-Related Industries</td>
<td>NYS Dept of Labor Data - Avg Annual Employment</td>
<td>TTSA Tourism Industry Ratio</td>
<td>TTSA Tourism Industry Ratio</td>
<td>TTSA Tourism Industry Ratio</td>
<td>TTSA Tourism Industry Ratio</td>
<td>TTSA Tourism Industry Ratio</td>
</tr>
<tr>
<td>1. Retail Trade</td>
<td>2000</td>
<td>270,499</td>
<td>0.03</td>
<td>8,115</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2001</td>
<td>263,758</td>
<td>0.03</td>
<td>7,913</td>
<td>-2.49</td>
<td>(202)</td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>259,629</td>
<td>0.03</td>
<td>7,789</td>
<td>-4.02</td>
<td>(326)</td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td>259,400</td>
<td>0.03</td>
<td>7,782</td>
<td>-4.10</td>
<td>(333)</td>
</tr>
<tr>
<td>2. Food Services and Drinking Places</td>
<td>2000</td>
<td>156,107</td>
<td>0.19</td>
<td>29,660</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2001</td>
<td>156,545</td>
<td>0.19</td>
<td>29,744</td>
<td>0.28</td>
<td>83</td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>157,716</td>
<td>0.19</td>
<td>29,966</td>
<td>1.03</td>
<td>306</td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td>160,988</td>
<td>0.19</td>
<td>30,588</td>
<td>2.84</td>
<td>927</td>
</tr>
<tr>
<td>3. Accommodation</td>
<td>2000</td>
<td>39,144</td>
<td>0.75</td>
<td>29,358</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2001</td>
<td>38,761</td>
<td>0.74</td>
<td>28,683</td>
<td>-2.30</td>
<td>(675)</td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>37,254</td>
<td>0.74</td>
<td>27,568</td>
<td>-6.10</td>
<td>(1,790)</td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td>38,038</td>
<td>0.74</td>
<td>28,148</td>
<td>-4.12</td>
<td>(1,210)</td>
</tr>
<tr>
<td>4. Air Transportation</td>
<td>2000</td>
<td>31,412</td>
<td>0.81</td>
<td>25,444</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2001</td>
<td>30,331</td>
<td>0.80</td>
<td>24,265</td>
<td>-4.63</td>
<td>(1,179)</td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>25,188</td>
<td>0.75</td>
<td>18,891</td>
<td>-25.75</td>
<td>(6,553)</td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td>25,145</td>
<td>0.73</td>
<td>18,356</td>
<td>-27.86</td>
<td>(7,088)</td>
</tr>
<tr>
<td>5. Scenic and Sightseeing Transportation</td>
<td>2000</td>
<td>1,201</td>
<td>0.97</td>
<td>1,165</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2001</td>
<td>1,183</td>
<td>0.97</td>
<td>1,148</td>
<td>-1.50</td>
<td>(17)</td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>1,096</td>
<td>0.97</td>
<td>1,063</td>
<td>-8.74</td>
<td>(102)</td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td>1,101</td>
<td>0.97</td>
<td>1,068</td>
<td>-8.33</td>
<td>(97)</td>
</tr>
</tbody>
</table>

Total Tourism-Related Employment (Industries 1-5 above)

| | 2000 | 498,363 | 93,742 | | |
| | 2001 | 490,578 | 91,752 | -2.12 | (1,990) |
| | 2002 | 480,883 | 85,277 | -9.03 | (8,465) |
| | 2003 | 484,672 | 85,942 | -8.32 | (7,800) |

Sources:
New York State Department of Labor, ES202/ Quarterly Census of Employment and Wages Files
and US Department of Commerce Bureau of Economic Analysis’ Tourism & Travel Satellite Accounts-Tourism Industry Ratio
The TTSA Tourism Industry Ratio is found on Table 6 “Employment and Compensation by Industry” of the Annual TTSA data tables, available for download at http://www.bea.gov/industry/iedguide.htm#TTSA
The downward movement in the Tourism Industry Ratio for air transportation contributed to the sharp decline of 27.86 percent (7,088 jobs) in tourism-related employment in air transportation between 2000 and 2003, as shown in Columns 5 and 6 of Table 6.1. Declines in tourism-related employment were much more modest in Retail Trade and Accommodation (about 4 percent each), and in fact mirrored each other in 2001 and 2003. Average annual employment in Food Services and Drinking Places actually increased during this period (2000-2003) by almost 3 percent. Total tourism-related employment declined by 8.32 percent (7,800 jobs) in New York City between 2000 and 2003. However, nearly 91 percent of the overall major tourism industry job loss in the 2000-2003 period (7,088 of a total of 7,800 jobs lost) can be attributed to declines in the Air Transportation industry.\footnote{As can be seen in Chart 6.2, while already on the decline prior to 9/11, employment in Air Transportation precipitously dropped in the months immediately after the attacks and then remained relatively flat. The percentage decline in New York City doubled the ten percent decline in Air Transportation employment during this same period at the National level (Bram, Orr and Rapaport 2002, 8). A possible cause for the intensity of decline in New York City is the fact that since New York is a tremendous generator of outbound business travel by New York-based companies, the decline in business travel was more acutely felt in the New York marketplace.}
The TTSA Tourism Industry Ratio (TIR) for the retail trade industry is minuscule, at just 3 percent, which adjusts to approximately 8,000 tourism-related retail jobs in New York City during this 2000-2003 period. While the TIR is modest for food services and drinking places, at just 19 percent, tourism-related jobs within this sector in New York City amount to virtually the same amount of tourism-related employment (roughly 30,000) as “accommodation,” which has a TIR during most years of 74 percent. This is because the total number of New York City jobs in the food services and drinking places sector (about 156,000 to 161,000 over 2000 to 2003) is so much larger than the total number of jobs in the accommodations sector (between 38,000 and 39,000 jobs over 2000 to 2003). While the number of tourism jobs associated with the scenic and sightseeing transportation sector is relatively low (roughly 1,100 during the 2000-2003 period).
period), the TIR is very high at 97 percent. Job decline in this sector was relatively steep at 8.74 percent between 2000 and 2002 (a loss of 102 jobs), nonetheless employment in this sector grew modestly (5 jobs) between 2002 and 2003 (from 1,063 to 1,068 jobs).

MULTIPLIER EFFECTS ON NEW YORK CITY EMPLOYMENT GENERATED BY TOURISM SPENDING

Table 6.3 multiplies direct tourism employment in the leading five tourism-related sectors in New York City between 2000 and 2003 by the TTSA Total Industry Employment Multiplier,\(^\text{73}\) which calculates the sum of both direct and indirect tourism employment.\(^\text{74}\) Retail trade has lowest multiplier of all tourism-related industries, at 1.2. Air transportation services has the largest multiplier of the leading tourism-related job producers at 1.77, which magnifies the economic “hit” to New York City due to the decline in tourism-generated air transportation employment. Overall tourism-related employment (both direct and indirect) in the largest tourism-related industries declined by 13,330 jobs between 2000 and 2003 (from 132,306 jobs to 118,976 jobs), a 10.08 percent decline (which was nearly twice the 5.05 percent decline in employment – from 3,605,980 to 3,423,984 -- that all New York City industries witnessed during this period). Since the 2000 to 2003 percentage employment decline in tourism-related industries excluding Air Transportation was merely 0.9 percent (from 87,241 to 86,486), the impact

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\(^{73}\) The TTSA Tourism Industry Employment Multiplier is found on Table 7 “Employment by Industry” of the Annual TTSA data tables, available for download at http://www.bea.gov/industry/iedguide.htm#TTSA [accessed September 25, 2011].

\(^{74}\) Wall (1997) remarked that unless one recognizes the multiplier effects of tourism-related economic impact, the result would be “an incomplete and possibly misleading assessment of the magnitude and consequences of [this] economic activity” (447).
<table>
<thead>
<tr>
<th>Major Tourism-Related Industries</th>
<th>Column 1</th>
<th>Column 2</th>
<th>Column 3</th>
<th>Column 4</th>
<th>Column 5</th>
<th>Column 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Retail Trade</td>
<td>2000</td>
<td>8,115</td>
<td>1.20</td>
<td>9,738</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>2001</td>
<td>7,913</td>
<td>1.20</td>
<td>9,495</td>
<td>-2.49</td>
<td>(243)</td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>7,789</td>
<td>1.20</td>
<td>9,347</td>
<td>-4.02</td>
<td>(391)</td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td>7,782</td>
<td>1.20</td>
<td>9,338</td>
<td>-4.10</td>
<td>(400)</td>
</tr>
<tr>
<td>2. Food Services and Drinking Places</td>
<td>2000</td>
<td>29,660</td>
<td>1.34</td>
<td>39,745</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2001</td>
<td>29,744</td>
<td>1.34</td>
<td>39,856</td>
<td>0.28</td>
<td>112</td>
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<td></td>
<td>2002</td>
<td>29,966</td>
<td>1.34</td>
<td>40,154</td>
<td>1.03</td>
<td>410</td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td>30,588</td>
<td>1.34</td>
<td>40,988</td>
<td>3.13</td>
<td>1,243</td>
</tr>
<tr>
<td>3. Accommodation</td>
<td>2000</td>
<td>29,358</td>
<td>1.23</td>
<td>36,110</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2001</td>
<td>28,683</td>
<td>1.23</td>
<td>35,280</td>
<td>-2.30</td>
<td>(830)</td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>27,568</td>
<td>1.23</td>
<td>33,909</td>
<td>-6.10</td>
<td>(2,202)</td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td>28,148</td>
<td>1.23</td>
<td>34,622</td>
<td>-4.12</td>
<td>(1,488)</td>
</tr>
<tr>
<td>4. Air Transportation</td>
<td>2000</td>
<td>25,444</td>
<td>1.77</td>
<td>45,035</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2001</td>
<td>24,265</td>
<td>1.77</td>
<td>42,949</td>
<td>-4.63</td>
<td>(2,087)</td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>18,891</td>
<td>1.77</td>
<td>33,437</td>
<td>-25.75</td>
<td>(11,598)</td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td>18,356</td>
<td>1.77</td>
<td>32,490</td>
<td>-27.86</td>
<td>(12,546)</td>
</tr>
<tr>
<td>5. Scenic and Sightseeing Transportation</td>
<td>2000</td>
<td>1,165</td>
<td>1.44</td>
<td>1,678</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2001</td>
<td>1,148</td>
<td>1.44</td>
<td>1,652</td>
<td>-1.50</td>
<td>(25)</td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>1,063</td>
<td>1.44</td>
<td>1,531</td>
<td>-8.74</td>
<td>(147)</td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td>1,068</td>
<td>1.44</td>
<td>1,538</td>
<td>-8.33</td>
<td>(140)</td>
</tr>
<tr>
<td></td>
<td>2001</td>
<td>129,233</td>
<td>-2.32</td>
<td>(3,073)</td>
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</tr>
<tr>
<td></td>
<td>2002</td>
<td>118,378</td>
<td>-10.53</td>
<td>(13,928)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td>118,976</td>
<td>-10.08</td>
<td>(13,330)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Related Employment, without Air Transportation (1-3 and 5) | 2000 | 87,271 | | | |
| | 2001 | 86,284 | -1.13 | (986) | |
| | 2002 | 84,941 | -2.67 | (2,330) | |
| | 2003 | 86,486 | -0.90 | (785) | |

<table>
<thead>
<tr>
<th>All Industries</th>
<th>Total Employment</th>
<th>Percent Change Since 2000</th>
<th>Change Since 2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>3,605,980</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2001</td>
<td>3,561,914</td>
<td>-1.22</td>
<td>(44,066)</td>
</tr>
<tr>
<td>2002</td>
<td>3,462,186</td>
<td>-3.99</td>
<td>(143,794)</td>
</tr>
<tr>
<td>2003</td>
<td>3,423,984</td>
<td>-5.05</td>
<td>(181,996)</td>
</tr>
</tbody>
</table>

**Source:**
New York State Dept of Labor, ES202/ Quarterly Census of Employment and Wages Files and US Department of Commerce Bureau of Economic Analysis' Tourism & Travel Satellite Accounts/Tourism Industry Ratio

*The TTSA Tourism Industry Ratio is found on Table 6 “Employment and Compensation by Industry” of the Annual TTSA data tables, available for download at http://www.bea.gov/industry/iedguide.htm#TTSA*

*The TTSA Tourism Industry Employment Multiplier is found on Table 7 “Employment by Industry” of the Annual TTSA data tables, available for download at http://www.bea.gov/industry/iedguide.htm#TTSA*
on the airline industry specifically in New York due to the 9/11 attacks dwarfed all other sectors of the visitor-serving industries.

A major limitation of the TTSA filter of the NYS Department of Labor data is that the multipliers are not specific to the economy of New York City. Input-Output models such as IMPLAN and REMI allow for much more geographic specificity about local conditions. For example, Hjerpe & Kim’s (2007, 140) utilization of IMPLAN to determine regional economic impacts of rafting in the Grand Canyon was able to incorporate local producer and purchaser prices, including wholesale and retail markups and transportation costs. The New York State Department of Labor developed its own set of Tourism Industry Ratios (NYS Department of Labor 2008) for tourism-related employment statewide. According to their calculations, tourism related employment represents 4.9 percent of all employment in New York City, versus 4.2 percent statewide.

As Table 6.4 demonstrates, the percentage of tourism-related employment in the food services sector is virtually the same in the TTSA (Column 2) and NYS Department of Labor (NYSDOL) (Column 3) models (at approximately 20 percent); however the NYSDOL model attributes all employment in accommodation and air transportation to the tourism sector,\(^7\) which is not the case in the TTSA model, where 74 and 75 percent are respectively attributed. Curiously, the retail sector is not included in the NYSDOL

\(^7\) Given the large number of meetings that take place in New York City hotels that primarily attract those residing and working in the local region, it seems unlikely that all employment within these hotels can be attributed to tourism.
model as a travel and tourism employment cluster. The New York City Partnership, however, commissioned a study that documented that New York City department stores received half of their revenues from tourists and day-trippers, while specialty apparel, footwear, accessories, luxury goods and consumer electronics stores derived 30% to 40% of their sales from visitors (2001, 52), a figure much higher than would be expected with the TTSA Tourism Industry Ratio of 0.03 in Retail Trade (see Table 6.4, Column 2).

Table 6.4
TTSA Tourism Industry Ratio Compared to New York State Dept of Labor Tourism Employment Ratios
Selected Sectors
2002

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Retail Trade</td>
<td>0.03</td>
<td>N.A.</td>
<td>259,629</td>
<td>7,789</td>
<td>N.A.</td>
<td></td>
</tr>
<tr>
<td>2. Food Services and Drinking Places</td>
<td>0.19</td>
<td>20%</td>
<td>157,716</td>
<td>29,966</td>
<td>31,543</td>
<td></td>
</tr>
<tr>
<td>3. Accommodation</td>
<td>0.74</td>
<td>100%</td>
<td>37,254</td>
<td>27,568</td>
<td>37,254</td>
<td></td>
</tr>
<tr>
<td>4. Air Transportation</td>
<td>0.75</td>
<td>100%</td>
<td>25,188</td>
<td>18,891</td>
<td>25,188</td>
<td></td>
</tr>
<tr>
<td>5. Scenic and Sightseeing Transport</td>
<td>0.97</td>
<td>100%</td>
<td>1,096</td>
<td>1,063</td>
<td>1,096</td>
<td></td>
</tr>
<tr>
<td>Total Tourism-Related Employment</td>
<td>0.97</td>
<td>100%</td>
<td>85,277</td>
<td>102,870</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Includes conservative estimate of 7,789 retail tourism jobs.

Source:
New York State Dept of Labor Occupational and Industry Reports:
New York State’s Travel & Tourism Sector (2008)
and US Department of Commerce Bureau of Economic Analysis’
Tourism & Travel Satellite Accounts-Tourism Industry Ratio
This demand undoubtedly is a factor in the creation of tourism-related retail employment. Even without Retail Trade factored in, the NYSDOL Tourism Industry Ratio attributes over 17,000 additional jobs to New York City’s tourism-related industry employment than would have been calculated using the TTSA model (102,870 jobs using the NYSDOL TIR as shown in Column 6 versus 85,277 jobs using the TTSA TIR as shown in Column 5), thereby increasing the estimate of New York City tourism-related jobs by over twenty percent.

Summary
Even while the discrepancy in 2002 tourism employment numbers using the TTSA tourism industry ratio versus the NYS DOL tourism industry ratio is significant at roughly 15 percent (a total of 85,277 jobs using the TTSA filter as opposed to 102,870 jobs using the NYS DOL filter, a 17,593 job difference), the discrepancy of using unfiltered employment numbers for the tourism industries direct from the QCEW is dramatic. In 2002, the average annual employment the tourism-related industries of Retail Trade, Food Service & Drinking Places, Accommodation, Air Transportation and Scenic & Sightseeing Transportation was 480,833 jobs (see Table 6.1, Column 2) over five times greater than the 85,277 job calculation using the TTSA tourism industry ratio (see Table 6.1, Column 4). Moreover, while both the TTSA and NYS DOL filters can be helpful in determining what percentage of total tourism industry employment can be attributed to visitor spending, the TTSA Tourism Industry Ratios remained relatively constant among the tourism-related industries during the 2000 to 2003 study period (see Table 6.1, Column 3), indicating that calculating the number of jobs within the tourism
industry lost due to declines in visitor spending versus those declines attributable to local
spending remains an imprecise exercise.

ANALYSIS OF NEW YORK CITY TOURISM-RELATED INDUSTRY
EMPLOYMENT UNFILTERED BY THE TOURISM INDUSTRY RATIO

The intertwining of demand for tourism-related goods and services between visitors and
New Yorkers, from fine dining to a Times Square video arcade, makes the use of any
multiplier for New York City tourism related employment an imprecise tool. Moreover,
in a city like New York that “absorbs tourists seamlessly” (Judd 1999, 37), and where
Richard Florida’s (2002) “creative class” establish their homes so they can frequent the
same museums that attract tourists (the NYSDOL strangely attributes 100 percent of the
employment in the “Museums” sector to tourism), it is perhaps more fitting to not try to
assign employment in these tourism-related sectors as directly resulting from either
visitor or local spending. Indeed, as discussed in Chapter 5, the leadership of the
tourism-related industries were called on to make sure that employers and employees
within other sectors of the City’s economy would not flee to less risky locales.
Therefore, the following data analysis will remain in keeping with Fainstein and
Gladstone’s (2003) decision to examine tourism-related employment not through the
“zoom” of a TTSA multiplier and TIR filter, but through the “wide-angle lens” of total
employment in the tourism-related industries as revealed Quarterly Census of
Employment and Wages (QCEW) files,\textsuperscript{76} unmodified by multipliers or filters. As Fainstein and Gladstone noted:

> “With the exception of hotels and air transport services, the tourism sub-industries we have identified cater mostly to residents and not to tourists. However, each industry is dependent on tourist spending, and city policies favoring tourism development will also contribute to the expansion of the sub-industries” (164).

Concentration of tourism-related employment among the five boroughs of New York City

As described in Table 6.5\textsuperscript{77}, 2001 employment in the tourism-related industries was found throughout the five boroughs, with “Food Service & Drinking Establishments” the largest tourism-related employer in each borough except Queens (Column 5). “Air Transport” jobs were concentrated in Queens, given that both Kennedy and LaGuardia Airports are within the borough, and Manhattan contained the lion’s share of jobs within all other tourism-related industries.

\textsuperscript{76} As mentioned earlier, Fainstein and Gladstone (2001 and 2003) used U.S. Bureau of the Census County Business Patterns (CBP) data for their analysis. Due to non-disclosure issues associated with the CBP data set, QCEW data sets were used in the present study.

\textsuperscript{77} This table updates the information found in Table 1 of Gladstone & Fainstein (2001, 26) that displays data from 1995. While most data presented in Table 6.5 of the present study does not diverge from Gladstone & Fainstein’s work, the only significant difference is found in the Air transport sector. The present study finds only 9.3 percent of NYC employment in this sector based in Manhattan, while Gladstone & Fainstein found 19.3 percent based in Manhattan. As there were no airport facilities in Manhattan (other than the Downtown and West Side heliports) in 1995, this drop in Manhattan based employment is likely due to the reduction of headquarter and ticket office employment within the CBD.
# Table 6.5
New York City and Boroughs, Tourism Related Employment, 2001

<table>
<thead>
<tr>
<th>Column 1</th>
<th>Column 2</th>
<th>Column 3</th>
<th>Column 4</th>
<th>Column 5</th>
<th>Column 6</th>
<th>Column 7</th>
<th>Column 8</th>
</tr>
</thead>
<tbody>
<tr>
<td>All industries</td>
<td>Bronx</td>
<td>Brooklyn</td>
<td>Manhattan</td>
<td>Queens</td>
<td>Staten Island</td>
<td>New York City</td>
<td>Manhattan's employment share</td>
</tr>
<tr>
<td></td>
<td>214,214</td>
<td>439,334</td>
<td>2,341,467</td>
<td>478,610</td>
<td>88,290</td>
<td>3,561,914</td>
<td>65.74%</td>
</tr>
<tr>
<td>Tourism-related industries (4-11)</td>
<td>17,677</td>
<td>35,818</td>
<td>209,226</td>
<td>67,479</td>
<td>10,888</td>
<td>341,291</td>
<td>61.30%</td>
</tr>
<tr>
<td>Tourism Industries as a percentage of all industries</td>
<td>8.25%</td>
<td>8.15%</td>
<td>8.94%</td>
<td>14.10%</td>
<td>12.33%</td>
<td>9.58%</td>
<td></td>
</tr>
<tr>
<td>Clothing and Accessories Stores</td>
<td>NAICS 448</td>
<td>3,021</td>
<td>9,746</td>
<td>40,319</td>
<td>5,744</td>
<td>2,310</td>
<td>61,140</td>
</tr>
<tr>
<td>General Merchandise</td>
<td>NAICS 452</td>
<td>2,635</td>
<td>6,261</td>
<td>11,939</td>
<td>5,385</td>
<td>2,312</td>
<td>28,532</td>
</tr>
<tr>
<td>Air Transport</td>
<td>NAICS 481</td>
<td>-</td>
<td>-</td>
<td>2,813</td>
<td>27,501</td>
<td>-</td>
<td>30,331</td>
</tr>
<tr>
<td>Museums, Parks and Historical Sites</td>
<td>NAICS 712</td>
<td>1,695</td>
<td>988</td>
<td>7,191</td>
<td>592</td>
<td>276</td>
<td>10,742</td>
</tr>
<tr>
<td>Accommodation</td>
<td>NAICS 721</td>
<td>365</td>
<td>685</td>
<td>35,253</td>
<td>2,318</td>
<td>140</td>
<td>38,761</td>
</tr>
<tr>
<td>Food Service &amp; Drinking Places</td>
<td>NAICS 722</td>
<td>9,426</td>
<td>16,605</td>
<td>100,768</td>
<td>24,464</td>
<td>5,283</td>
<td>156,545</td>
</tr>
</tbody>
</table>

* The New York State Department of Labor reports that QCEW data are "not released for any industry level in any location that a) consists of fewer than three reporting units; or b) contains a single unit that accounts for 80 percent or more of the industry's employment" (http://www.labor.ny.gov/stats/istechqcew.shtm).
Distribution of employment within the tourism-related industries

Table 6.6 shows that in 2001, the tourism-related industries represented 9.6 percent of all jobs in New York City (341,291 tourism-related jobs versus 3,561,914 total jobs) (see Column 6), with an average salary of $27,765 (see Column 7), while the average annual salary in New York was two and a half times greater at over $61,000 per year. In 2001, eleven percent of tourism-related jobs were in the Accommodation industry (38,761 jobs) (see Column 5); and the largest amount of tourism-related jobs was in the “Food Service & Drinking Places” category (46 percent, 156,545 jobs) and the retail sectors of “Clothing & Accessories Stores” (61,140 jobs) and “General Merchandise” stores (28,532 jobs). When these two retail sectors are combined, they represent 26 percent (89,672) of all tourism-related jobs.

Table 6.7 shows year-by-year employment changes in the tourism-related industries in New York City between 2000 and 2008. The table shows that employment in Air Transport never recovered until later in the decade, for it was not until 2008 that employment in this category rose significantly above 2002 levels (by nearly 2,000 jobs, or from 25,188 jobs in 2002 to 27,061 jobs in 2008) (see Column 3). Employment in Accommodation rebounded to pre-9/11 numbers by 2007, with nearly 1,000 more jobs in 2007 (40,938 in total) than in the Millennium celebration year of 2000 (which featured

---

78 This table updates the data found in Table 4 of Gladstone & Fainstein (2001, 31), which covered the years 1977 to 1995. During this period, employment in New York City’s tourism-related industries grew by 11.2 percent (33,559 jobs), versus a 7.9 percent increase (204,609 jobs) in all New York industries.

79 Providing a further update to Table 4 of Gladstone & Fainstein (2001, 31). During the period 2000 to 2008, total employment in the tourism industries increased by 16.6 percent (57,074 jobs), while employment overall in the City increased by 1.88 percent (67,689 jobs). Since 1977 (the starting period of Gladstone & Fainstein’s Table 4 (2001, 31), employment in the tourism industries increased by 29 percent (90,981 jobs), while overall New York City employment increased by 35 percent (959,384 jobs).
39,144 jobs in the Accommodation sector). Employment in Food Service & Drinking Places increased every year from 2000 to 2008. By 2004, there were three more jobs in the Scenic and Sightseeing Transportation sector (1,204 jobs) than in that sector in 2000 (1,201 jobs), and employment in Scenic and Sightseeing Transportation continued to rise annually until 2008, when it declined again by four percent (1,525 jobs in 2007 versus 1,461 jobs in 2008).
### Table 6.6
New York City Tourism Related Employment, 2000-2003

<table>
<thead>
<tr>
<th>Industry</th>
<th>Column 1</th>
<th>Column 2</th>
<th>Column 3</th>
<th>Column 4</th>
<th>Column 5</th>
<th>Column 6</th>
<th>Column 7</th>
<th>Column 8</th>
<th>Column 9</th>
<th>Column 10</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Year</td>
<td>Average</td>
<td>Employment</td>
<td>Share of</td>
<td>Average</td>
<td>% A</td>
<td>Annual</td>
<td>% of total</td>
<td>Year</td>
<td>in</td>
</tr>
<tr>
<td></td>
<td></td>
<td>employment</td>
<td>growth (%)</td>
<td>tourism</td>
<td>annual</td>
<td>average</td>
<td>salary ($)</td>
<td>employment</td>
<td>growth (%)</td>
<td>2000-2002</td>
</tr>
<tr>
<td>1. All industries</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>2000</td>
<td>3,605,980</td>
<td>$59,103</td>
<td>1.09%</td>
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</tr>
<tr>
<td></td>
<td>2001</td>
<td>3,561,914</td>
<td>59,414</td>
<td>1.08%</td>
<td>1.08%</td>
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<td></td>
<td></td>
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<tr>
<td></td>
<td>2002</td>
<td>3,462,186</td>
<td>59,461</td>
<td>1.08%</td>
<td>1.08%</td>
<td></td>
<td></td>
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</tr>
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<td></td>
<td>2003</td>
<td>3,423,984</td>
<td>59,365</td>
<td>1.07%</td>
<td>1.07%</td>
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<tr>
<td>2. Tourism-related industries (3-10)</td>
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<td>2000</td>
<td>343,870</td>
<td>9.54%</td>
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<tr>
<td></td>
<td>2001</td>
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<td>9.58%</td>
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<tr>
<td></td>
<td>2002</td>
<td>334,859</td>
<td>9.67%</td>
<td>27,962</td>
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<tr>
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<td>2003</td>
<td>341,133</td>
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<td>3. Clothing and Accessories Stores</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NAICS 448</td>
<td>2000</td>
<td>60,938</td>
<td>1.69%</td>
<td>28,836</td>
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<td></td>
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</tr>
<tr>
<td></td>
<td>2001</td>
<td>61,140</td>
<td>1.72%</td>
<td>29,304</td>
<td></td>
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<td></td>
<td>2002</td>
<td>60,111</td>
<td>1.74%</td>
<td>30,887</td>
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<td></td>
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<td></td>
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<td></td>
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<tr>
<td></td>
<td>2003</td>
<td>60,480</td>
<td>1.77%</td>
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<td>4. General Merchandise</td>
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<td></td>
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</tr>
<tr>
<td>NAICS 452</td>
<td>2000</td>
<td>31,177</td>
<td>0.86%</td>
<td>20,318</td>
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<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>2001</td>
<td>28,532</td>
<td>0.80%</td>
<td>20,025</td>
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</tr>
<tr>
<td></td>
<td>2002</td>
<td>29,241</td>
<td>0.84%</td>
<td>23,910</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td>28,926</td>
<td>0.84%</td>
<td>24,555</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Air Transport</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NAICS 481</td>
<td>2000</td>
<td>31,412</td>
<td>0.87%</td>
<td>53,544</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2001</td>
<td>30,331</td>
<td>0.85%</td>
<td>58,636</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>2002</td>
<td>25,188</td>
<td>0.73%</td>
<td>61,367</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>2003</td>
<td>25,145</td>
<td>0.73%</td>
<td>60,845</td>
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Source: New York State Department of Labor, ES202 / Quarterly Census of Employment & Wages Files
### Table 6.7
New York City Tourism Related Employment, 2000-2008

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<td>10,400</td>
<td>3.02%</td>
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</tr>
<tr>
<td>Source: NAICS 712</td>
<td></td>
<td>2001</td>
<td>10,742</td>
<td>3.29%</td>
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<td></td>
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<td>2002</td>
<td>10,256</td>
<td>-4.52%</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>2003</td>
<td>10,183</td>
<td>-0.71%</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
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<td>2004</td>
<td>10,591</td>
<td>4.01%</td>
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<td>2005</td>
<td>10,711</td>
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<td>2006</td>
<td>10,872</td>
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<td></td>
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<td>2007</td>
<td>11,397</td>
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<td>2008</td>
<td>12,005</td>
<td>5.33%</td>
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<td>2000-2008</td>
<td>15.43%</td>
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<td>8. Amusement and recreational services</td>
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<td></td>
<td>2000</td>
<td>13,491</td>
<td>3.92%</td>
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<tr>
<td>Source: NAICS 713</td>
<td></td>
<td>2001</td>
<td>14,057</td>
<td>4.20%</td>
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<td>2002</td>
<td>13,997</td>
<td>-0.43%</td>
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<td>2003</td>
<td>16,272</td>
<td>16.25%</td>
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<td>2004</td>
<td>17,089</td>
<td>5.02%</td>
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<td></td>
<td>2005</td>
<td>18,517</td>
<td>8.36%</td>
<td></td>
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<td>2006</td>
<td>18,898</td>
<td>2.06%</td>
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</tr>
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<td></td>
<td></td>
<td>2007</td>
<td>19,624</td>
<td>3.84%</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td>2008</td>
<td>20,449</td>
<td>4.20%</td>
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<tr>
<td></td>
<td></td>
<td>2000-2008</td>
<td>15.58%</td>
<td></td>
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<tr>
<td>9. Accommodation</td>
<td></td>
<td>2000</td>
<td>39,144</td>
<td>11.38%</td>
<td>1.09%</td>
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<tr>
<td>Source: NAICS 721</td>
<td></td>
<td>2001</td>
<td>38,761</td>
<td>-0.98%</td>
<td>1.09%</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>2002</td>
<td>37,254</td>
<td>-3.89%</td>
<td>1.08%</td>
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<tr>
<td></td>
<td></td>
<td>2003</td>
<td>38,038</td>
<td>2.10%</td>
<td>1.11%</td>
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<td></td>
<td></td>
<td>2004</td>
<td>39,139</td>
<td>2.89%</td>
<td>1.14%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2005</td>
<td>38,941</td>
<td>-0.51%</td>
<td>1.12%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2006</td>
<td>38,893</td>
<td>-0.12%</td>
<td>1.07%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2007</td>
<td>40,938</td>
<td>5.26%</td>
<td>1.12%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2008</td>
<td>41,420</td>
<td>1.18%</td>
<td>1.13%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2000-2008</td>
<td>5.81%</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>10. Food Service &amp; Drinking Places</td>
<td></td>
<td></td>
<td>2000</td>
<td>156,107</td>
<td>45.40%</td>
<td>4.33%</td>
<td></td>
</tr>
<tr>
<td>Source: NAICS 722</td>
<td></td>
<td>2001</td>
<td>156,545</td>
<td>0.28%</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>2002</td>
<td>157,716</td>
<td>0.75%</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>2003</td>
<td>160,988</td>
<td>2.07%</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>2004</td>
<td>166,126</td>
<td>3.19%</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>2005</td>
<td>172,468</td>
<td>3.82%</td>
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<tr>
<td></td>
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<td>2006</td>
<td>178,451</td>
<td>3.47%</td>
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<tr>
<td></td>
<td></td>
<td>2007</td>
<td>188,948</td>
<td>5.88%</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>2008</td>
<td>196,700</td>
<td>4.10%</td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2000-2008</td>
<td>4.00%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: New York State Department of Labor, ES202 / Quarterly Census of Employment & Wages Files
POST 9/11 DECLINES IN TOURISM-INDUSTRY EMPLOYMENT COMPARED TO OTHER SECTORS OF THE NEW YORK CITY ECONOMY

Table 6.8 provides a snapshot of average employment in the tourism-related industries identified by Gladstone and Fainstein (2001) between April 2001 (five months prior to the 9/11 attacks and prior to the seasonal surge of tourism employment associated with the summer vacation season) and April 2002 (seven months after the attack). Average employment in all New York City industries declined by 3.66 percent (see Column 4) or by 131,486 jobs (see Column 7) during this period (from 3,591,321 jobs in 4/01 to 3,459,835 jobs in 4/02, as shown in Column 3). The employment decline in the tourism industry was 3.48 percent, or 11,893 jobs (from 341,404 jobs in 4/01 to 329,511 jobs in 4/02). Job loss in the tourism industry accounted for 9.05 percent of all job loss in New York City between April 2001 and April 2002. More than half of the tourism-related job losses during this period (7,254 jobs of the 11,893 total tourism-related job losses) were in the Air Transport industry (representing a 22.59 percent decline in Air Transport jobs, which went from employing 39,320 people in April 2001 to employing 24,853 people in April 2002). Accommodation employment declined by 2,109 jobs (5.36 percent, employing 39,320 people in April 2001 versus 37,211 people in April 2002). In the retail sectors, Clothing and Accessory Store employment declined by 3.95 percent (2,361 jobs, from 59,758 jobs to 57,397 jobs during this period), while General Merchandise actually gained employment by 2.07 percent (567 jobs, from 27,329 jobs to 27,896 jobs from 4/01 to 4/02). Although the Scenic and Sightseeing Transportation sector had the second highest percent decline in employment (11.47 percent from 1,133 jobs in April 2001 to 1,003 jobs in April 2002), the industry itself was quite small and the decline only
amounted to 130 jobs. The industries of Food Service & Drinking Places (a 0.15 percent decline between April 2001 and April 2002), Museums, Parks and Historic Sites (a 1.93 percent decline during this period), and Amusement and Recreation Services (a 1.2 percent decline during this period) each respectively lost approximately 200 jobs.

Table 6.8
New York City Tourism Related Employment, April 2001 vs April 2002

<table>
<thead>
<tr>
<th>Industry</th>
<th>Year</th>
<th>Average employment</th>
<th>Employment growth (%)</th>
<th>Share of tourism employment</th>
<th>Share of total City employment</th>
<th>Δ in employment April 2001-April 2002</th>
<th>% of total employment decline attributed to this industry, April 2001-April 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. All industries</td>
<td>Apr-01</td>
<td>3,591,321</td>
<td>-3.66%</td>
<td></td>
<td></td>
<td>(131,486)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Apr-02</td>
<td>3,459,835</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Tourism-related industries</td>
<td>Apr-01</td>
<td>341,404</td>
<td>-3.48%</td>
<td>9.51%</td>
<td>9.52%</td>
<td>(11,893)</td>
<td>9.05%</td>
</tr>
<tr>
<td></td>
<td>Apr-02</td>
<td>329,511</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Leading Tourism-Related Industries</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Clothing and Accessories Stores</td>
<td>Apr-01</td>
<td>59,758</td>
<td>-3.95%</td>
<td>17.50%</td>
<td>1.66%</td>
<td>(2,361)</td>
<td>1.80%</td>
</tr>
<tr>
<td>NAICS 448</td>
<td>Apr-02</td>
<td>57,397</td>
<td></td>
<td>17.42%</td>
<td>1.66%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. General Merchandise</td>
<td>Apr-01</td>
<td>27,329</td>
<td>2.07%</td>
<td>8.00%</td>
<td>0.76%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NAICS 452</td>
<td>Apr-02</td>
<td>27,896</td>
<td></td>
<td>8.47%</td>
<td>0.81%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Air Transport</td>
<td>Apr-01</td>
<td>32,107</td>
<td>-22.59%</td>
<td>9.40%</td>
<td>0.89%</td>
<td>(7,254)</td>
<td>5.52%</td>
</tr>
<tr>
<td>NAICS 481</td>
<td>Apr-02</td>
<td>24,853</td>
<td></td>
<td>7.54%</td>
<td>0.72%</td>
<td>(7,254)</td>
<td></td>
</tr>
<tr>
<td>6. Scenic and Sightseeing</td>
<td>Apr-01</td>
<td>1,133</td>
<td>-11.47%</td>
<td>0.33%</td>
<td>0.03%</td>
<td>(130)</td>
<td>0.10%</td>
</tr>
<tr>
<td>Transportation</td>
<td>NAICS 487</td>
<td>1,003</td>
<td></td>
<td>-11.47%</td>
<td>0.30%</td>
<td>(130)</td>
<td></td>
</tr>
<tr>
<td>7. Museums, Parks and Historical Sites</td>
<td>Apr-01</td>
<td>10,557</td>
<td>3.09%</td>
<td>0.29%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NAICS 712</td>
<td>Apr-02</td>
<td>10,353</td>
<td>-1.93%</td>
<td>3.14%</td>
<td>0.30%</td>
<td>(204)</td>
<td>0.16%</td>
</tr>
<tr>
<td>8. Amusement and recreational services</td>
<td>Apr-01</td>
<td>13,892</td>
<td>-1.20%</td>
<td>4.07%</td>
<td>0.39%</td>
<td>(167)</td>
<td>0.13%</td>
</tr>
<tr>
<td>NAICS 713</td>
<td>Apr-02</td>
<td>13,725</td>
<td></td>
<td>4.17%</td>
<td>0.40%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Accommodation</td>
<td>Apr-01</td>
<td>39,320</td>
<td>-5.36%</td>
<td>11.52%</td>
<td>1.09%</td>
<td>(2,109)</td>
<td>1.60%</td>
</tr>
<tr>
<td>NAICS 721</td>
<td>Apr-02</td>
<td>37,211</td>
<td></td>
<td>11.29%</td>
<td>1.08%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Food Service &amp; Drinking Places</td>
<td>Apr-01</td>
<td>157,308</td>
<td>46.08%</td>
<td>4.38%</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>NAICS 722</td>
<td>Apr-02</td>
<td>157,073</td>
<td>-0.15%</td>
<td>47.67%</td>
<td>4.54%</td>
<td>(235)</td>
<td>0.18%</td>
</tr>
</tbody>
</table>

Source: New York State Department of Labor, ES202 / Quarterly Census of Employment & Wages Files
In contrast, as displayed in Table 6.9, the actual number of jobs lost in the leading non-tourism related private sector industries was far greater than the number that were lost in the tourism-related industries. For example, the Finance and Insurance Sectors lost 34,764 jobs (a 9.68 percent decline, from 359,190 jobs to 324,426 jobs) during the period April 2001 to April 2002. Professional and Technical Services Employment declined by 25,967 jobs (an 8.45 percent decline, from 307,227 jobs in April 2001 to 281,260 jobs in April 2002), and the Administrative and Support Services industry lost 12,059 jobs (a 6.16 percent decline, from 195,824 jobs in April 2001 to 183,765 jobs in April 2002). New York’s Real Estate industry lost 2,313 jobs, representing a 2.28 percent decline in employment (101,646 jobs in April 2001 to 99,333 jobs in April 2002). Indeed, these four non-tourism related industries accounted for 57.12 percent of all job loss in New York City during this period, as compared to the tourism-industry accounting for 9.05 percent of all job loss.

While employment in none of the aforementioned industries other than Finance and Insurance declined as steeply between April 2001 and April 2002 as did the tourism-related industry of Air Transport (a 22.59 percent decline) (see Table 6.8, Column 4), the sheer number of jobs that were eliminated in Air Transport and the other tourism-related industries does not match the decline in some non-tourism-related sectors. In other words, while an employee in the Air Transport sector would have greater chance of losing his or her job than a Professional and Technical Services employee, there were many more Administration & Support Services workers who lost their jobs between April 2001 and April 2002 than did Air Transport employees.
To conclude, Table 6.10 shows that in the broader timeframe of the period 2000 to 2002 the tourism-related industries lost 9,011 jobs (from 343,870 jobs in 2000 to 334,859 jobs in 2002), or nearly 3 percent of all employment within that industry. Nevertheless, due to the pre-9/11 economic downturn and the post-9/11 recession, jobs in other sectors of the New York City economy declined much more dramatically than they did in the tourism industry during in the 2000 to 2002 time period. For example, Manufacturing employment declined by 33,922 jobs (from 172,266 jobs in 2000 to 138,344 jobs in 2002), or nearly 20 percent of all employment within that industry; Professional and
Technical Services employment declined by 33,887 jobs (from 312,272 jobs in 2000 to 278,385 jobs in 2002), or nearly 11 percent of all employment within that industry, and employment in Finance and Insurance declined by 35,199 jobs (from 360,365 jobs in 2000 to 325,166 jobs in 2002), nearly 10 percent of all employment within that industry.

**Table 6.10**

<table>
<thead>
<tr>
<th>NAICS Title</th>
<th>2000 Employment</th>
<th>2001 Employment</th>
<th>% of all jobs</th>
<th>2002 Employment</th>
<th>% of all jobs</th>
<th>2000-2001 Δ Employment</th>
<th>% of all employment lost</th>
<th>2000-2002 Δ Employment</th>
<th>% of all employment lost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total, All Industries</td>
<td>3,605,980</td>
<td>3,363,914</td>
<td>61,045</td>
<td>3,462,186</td>
<td>59,461</td>
<td>-144,824</td>
<td>-4.4%</td>
<td>-145,794</td>
<td>-4.5%</td>
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<tr>
<td>Agriculture, Forestry, Fishing &amp; Hunting</td>
<td>195,575</td>
<td>187,468</td>
<td>3.2%</td>
<td>173,465</td>
<td>2.9%</td>
<td>-1,013</td>
<td>-0.5%</td>
<td>-1,036</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Mining</td>
<td>150,097</td>
<td>139,246</td>
<td>2.4%</td>
<td>128,344</td>
<td>2.1%</td>
<td>-10,953</td>
<td>-8.0%</td>
<td>-10,960</td>
<td>-8.1%</td>
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<tr>
<td>Utilities</td>
<td>14,390</td>
<td>14,733</td>
<td>0.2%</td>
<td>14,733</td>
<td>0.2%</td>
<td>-14,733</td>
<td>100.0%</td>
<td>-14,733</td>
<td>100.0%</td>
</tr>
<tr>
<td>Construction</td>
<td>177,439</td>
<td>176,424</td>
<td>2.9%</td>
<td>165,652</td>
<td>2.8%</td>
<td>-11,764</td>
<td>-6.5%</td>
<td>-11,769</td>
<td>-6.6%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>372,289</td>
<td>354,104</td>
<td>5.6%</td>
<td>322,070</td>
<td>5.0%</td>
<td>-52,119</td>
<td>-14.5%</td>
<td>-52,219</td>
<td>-14.6%</td>
</tr>
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<td>Wholesale Trade</td>
<td>350,948</td>
<td>348,400</td>
<td>5.5%</td>
<td>336,400</td>
<td>5.3%</td>
<td>-14,548</td>
<td>-4.1%</td>
<td>-14,550</td>
<td>-4.2%</td>
</tr>
<tr>
<td>Transportation and Warehousing</td>
<td>114,292</td>
<td>108,722</td>
<td>1.7%</td>
<td>101,007</td>
<td>1.6%</td>
<td>-7,715</td>
<td>-7.1%</td>
<td>-7,725</td>
<td>-7.2%</td>
</tr>
<tr>
<td>Information</td>
<td>190,181</td>
<td>185,248</td>
<td>3.0%</td>
<td>171,697</td>
<td>2.7%</td>
<td>-3,541</td>
<td>-1.9%</td>
<td>-3,549</td>
<td>-1.9%</td>
</tr>
<tr>
<td>Finance and Insurance</td>
<td>1,135,835</td>
<td>1,046,318</td>
<td>17.1%</td>
<td>1,005,778</td>
<td>15.9%</td>
<td>-40,540</td>
<td>-3.9%</td>
<td>-40,556</td>
<td>-4.0%</td>
</tr>
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<td>Real Estate and Rental and Leasing</td>
<td>115,833</td>
<td>114,733</td>
<td>1.8%</td>
<td>111,561</td>
<td>1.7%</td>
<td>-3,172</td>
<td>-2.8%</td>
<td>-3,174</td>
<td>-2.8%</td>
</tr>
<tr>
<td>Professional and Technical Services</td>
<td>312,272</td>
<td>302,026</td>
<td>4.8%</td>
<td>287,385</td>
<td>4.5%</td>
<td>-14,637</td>
<td>-4.7%</td>
<td>-14,641</td>
<td>-4.7%</td>
</tr>
<tr>
<td>Management of Companies and Enterprises</td>
<td>51,293</td>
<td>48,237</td>
<td>0.8%</td>
<td>45,549</td>
<td>0.7%</td>
<td>-6,744</td>
<td>-13.8%</td>
<td>-6,750</td>
<td>-13.9%</td>
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<tr>
<td>Administrative and waste Services</td>
<td>207,469</td>
<td>199,303</td>
<td>3.1%</td>
<td>188,532</td>
<td>2.9%</td>
<td>-10,771</td>
<td>-5.7%</td>
<td>-10,779</td>
<td>-5.7%</td>
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<tr>
<td>Educational Services</td>
<td>106,253</td>
<td>101,437</td>
<td>1.6%</td>
<td>97,532</td>
<td>1.5%</td>
<td>-3,925</td>
<td>-3.8%</td>
<td>-3,931</td>
<td>-3.9%</td>
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<tr>
<td>Health Care and Social Assistance</td>
<td>477,366</td>
<td>468,318</td>
<td>7.4%</td>
<td>458,566</td>
<td>7.1%</td>
<td>-9,752</td>
<td>-2.1%</td>
<td>-9,759</td>
<td>-2.2%</td>
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<tr>
<td>Amusement, Recreation, and Recreation</td>
<td>54,064</td>
<td>49,254</td>
<td>0.8%</td>
<td>45,446</td>
<td>0.7%</td>
<td>-8,618</td>
<td>-18.2%</td>
<td>-8,623</td>
<td>-18.3%</td>
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<tr>
<td>Accommodation and Food Services</td>
<td>195,251</td>
<td>189,300</td>
<td>3.0%</td>
<td>183,206</td>
<td>2.8%</td>
<td>-6,095</td>
<td>-3.1%</td>
<td>-6,101</td>
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<td>Other Services</td>
<td>135,081</td>
<td>129,163</td>
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<td>123,441</td>
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<td>-5,722</td>
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<td>-5,728</td>
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<td>Federal Government</td>
<td>66,700</td>
<td>61,386</td>
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<td>60,564</td>
<td>0.9%</td>
<td>-5,146</td>
<td>-8.3%</td>
<td>-5,150</td>
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<td>State Government</td>
<td>42,119</td>
<td>42,463</td>
<td>0.7%</td>
<td>42,119</td>
<td>0.6%</td>
<td>-34</td>
<td>-0.1%</td>
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<td>Local Government</td>
<td>440,301</td>
<td>445,264</td>
<td>7.1%</td>
<td>451,070</td>
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<td>9,796</td>
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<tr>
<td>Unclassified</td>
<td>3,497</td>
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<td>0.1%</td>
<td>-377</td>
<td>-10.0%</td>
<td>-377</td>
<td>-10.0%</td>
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</table>

Source: New York State Department of Labor, ES202 / Quarterly Census of Employment & Wages Fills
DESPITE THE NUMBERS:

HOW THE TOURISM-RELATED INDUSTRIES BECOME THE FACE OF 9/11

UNEMPLOYMENT

So why were the tourism-related industries the most public face of job loss in New York after 9/11? As documented by Parrott & Cooke (2005, 196-197) job losses in the tourism-related industries, as well as in building services and manufacturing (particularly in Lower Manhattan’s Chinatown garment factories) were a direct result of the attacks on the City. Job declines in other industries were likely a result of the recession that was brewing before 9/11, and that overtook the U.S. in late 2001 and 2002 in part due to the decline in technology stock valuation, the loss of consumer confidence and global instability caused by the attacks (Ibid.; Hill and Lendel 2005, 32-33). The remainder of this chapter will discuss how the topics of “unemployment” and the “tourism-industries” became entwined in the media narrative thanks to the unprecedented Federal support of the airline industry immediately after the 9/11 attacks, and because the resulting nationwide coverage of the travel industry was focused locally on New York City’s tourism-related growth coalition to engage public empathy and support for their member businesses and employees as victims of the attack.

The federal government responds to pleas from the airline industry

On September 11, the Federal Aviation Administration halted all air transportation in the United States. Flights did not resume until a few days after the attacks, but cancellations abounded, with passenger traffic declining by as much as fifty percent (Alvarez & Shenon 2001). Airlines cut flights and proclaimed that they were in serious threat of
bankruptcy (Ibid.). By September 17, six days after the attack, Congress and the White House vowed to develop a stimulus plan to rescue the deeply troubled airline industry (Ibid). Central to the argument to support the airlines was a commitment to stem a tremendous amount of layoffs caused by the rapid contraction of the airline industry. On September 19, United Airlines announced layoffs of 20,000 of its workers (20 percent of its workforce) and that week 23,000 job cuts were announced by Continental Airlines and US Airways (Holson & Zuckerman 2001).

The debate within Congress on how to stem the decline of the airline industry took center stage as the nation came to grips with the post-9/11 world, and on September 21, merely ten days after the attacks, Congress overwhelmingly passed a bill supported by President Bush that provided the airline industry with protection from liability associated with the terrorist hijackings and $5 billion in cash and $10 billion in loan guarantees (Alvarez & Labaton 2001). When on September 27, President Bush spoke upon the tarmac of Chicago’s O’Hare International Airport, flanked by American and United Airlines planes (the two airlines whose flights were hijacked) to remark that:

“One of the great goals of this nation's war is to restore public confidence in the airline industry. It's to tell the traveling public: Get on board. Do your business around the country. Fly and enjoy America's great destination spots. Get down to Disney World in Florida. Take your families and enjoy life, the way they want it to be enjoyed” (Bumiller 2001),

the connection between the airline industry, tourism and jobs was clear. The focus on airline employees and unemployment continued in the forefront of public discourse for

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80 Spigel (2005) characterized this speech as “a bizarrely Baudrillardian moment,” where the President “begs us to return to normal life.” This speech is often cited as a prime example of how the President promoted consumerism rather than sacrifice as a means for average Americans to support the nation (Heller 2005).
the next few days as unresolved issues in the airline bailout legislation regarding severance and unemployment benefits were negotiated between the airlines and the labor unions with which they had collective bargaining agreements (Greenhouse 2001). The focus on airline workers (and thus on employees within the tourism industry) as being in the vanguard of the post-9/11 recovery effort continued with a series of television commercials produced by United Airlines that aired in October 2001, with a United pilot saying “We took a blow, but we’re gonna get up” (Campbell 2003). A similar American Airlines ad exhibited sentimental and heroic images of airline workers interspersed with the following text flashing on the screen:

We are an airline but it’s become clear we are more.
We are a way of life.
The freedom to come and go anywhere anytime with confidence and peace of mind.
We are an airline
That is proud to bear the name American.

Kinnick (2006) noted that 9/11 led to the creation of a distinct “genre” of national crisis response advertising (173), whose unifying traits included the “heavy use of stylistic rhetorical devices, including imagery and language evocative of American cultural values and icons” (171). In the case of this American Airlines ad, support for airline workers, who like the first responders at the World Trade Center, were a class of employees who were in the direct “theater of battle” during the 9/11 attacks, could therefore be directly associated with support of the nation. Furthermore, since passenger airplanes, the
“hardware” of the travel and tourism industry, were used by the terrorists as a weapon, support of airline workers, the airlines and the greater travel industry itself was seen as a direct effort to re-appropriate this industry to benefit the American people and to, at least rhetorically, win back America’s “freedom to travel.”

Media depictions of the tourism industries as the face of post-9/11 unemployment

The connection between growing unemployment and the welfare of the tourism-related industries was fostered by the media covering post-9/11 New York. Boyle (1999) remarked that local media is “structurally positioned to promote local ideologies consistent with growth goals” (66), and is thus an integral member of a city’s growth coalition. As the tourism industry took the reins of post-9/11 growth, it would therefore follow the Logan & Molotch (1987) Growth Machine thesis that The New York Times would favor “intensification” (73) of post 9/11 development and be supportive of the tourism industry in its efforts to promote and boost the city. To determine whether The Times supported a development agenda that was synchronized with the tourism-led growth coalition of post-9/11 New York, a content analysis was performed on the 106 articles appearing in the newspaper from September 12 to December 31, 2001, that focused on topics pertaining to both unemployment and 9/11. The research hypothesis of this content analysis of The Times’ unemployment coverage is as follows: that the subject matter of the articles would skew to proportionately greater focus on the tourism

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81 To conduct this “content analysis”, a key word search was performed on The New York Times’ official article search engine at www.nytimes.com using key words “unemployment” and “9/11.” Articles appearing in Table 13 all have a significant focus on unemployment related issues. Articles within which the key words “unemployment” or “9/11” were merely mentioned but not substantively delved into were excluded from Table 13. A deeper exploration of the methodology used for this “content analysis” is found in Chapter 4 of this dissertation.
industries than these industries would warrant, given the actual number jobs lost in the tourism-related industries compared to the job losses in other New York City industries.

As shown in Table 6.11, From September 12 to October 11, 2001 (one month after the attack), eleven out of the twelve articles focusing on unemployment in New York City significantly featured employees in the tourism-related industries. During that same period, half of these articles (six out of twelve) focused on employees in the FIRE industries that were impacted by the attacks on Lower Manhattan, while five of these twelve articles featured issues of employees in non-tourism and non-FIRE-related industries. As shown in Table 6.9, job loss in the tourism-related industries was only 9.5 percent of the total New York City job loss during the period April 2001-April 2002, while employment in the Finance & Insurance, Professional and Technical Services and Administrative and Support Services industries accounted for over 55 percent of total job loss in New York City during this period. 14 out of the 21 articles regarding national issues related to unemployment in The New York Times during the first month after 9/11 focused on the tourism-related industries, and seven out of the ten articles in The New York Times that focused on cities or localities other than New York also focused on the tourism-related industries. Coverage of the airline industry featured prominently in these articles, as this period contained the Congressional debate regarding the airline bailout legislation.
### Table 6.11


Articles can focus on more than one category.

<table>
<thead>
<tr>
<th>Article Headline</th>
<th>Date</th>
<th>New York City Focus</th>
<th>Other City Focus</th>
<th>National Focus</th>
<th>Financial Services industry focus</th>
<th>Tourism industry focus</th>
<th>All other industries/no specific industry</th>
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<tbody>
<tr>
<td>MIDSTREAM: Time For the Boomers To Dig In</td>
<td>23-Sep-01</td>
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<tr>
<td>ECONOMIC VIEW: Priorities In the Wake Of a Shattered Taboo</td>
<td>23-Sep-01</td>
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<tr>
<td>A NATION CHALLENGED: CHARTITY; Air Cargo Industry Loses Put Paychecks in Jeopardy</td>
<td>24-Sep-01</td>
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<tr>
<td>Washington Talk: With Bipartisan Zeal, Rival House Leaders Bond</td>
<td>25-Sep-01</td>
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<td>A NATION CHALLENGED: THE ECONOMY; CONGRESS GETS PLEA TO DROP TAX BENEFITS FOR INVESTORS AND WIDEN ECONOMIC RELIEF</td>
<td>26-Sep-01</td>
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<td>A NATION CHALLENGED: THE BENEFITS, Home Republican Leaders Rake At any Help for Laid Off Workers</td>
<td>26-Sep-01</td>
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<td>A NATION CHALLENGED: THE ECONOMY; Spending Weakness as Confidence Wanes</td>
<td>26-Sep-01</td>
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<td>A NATION CHALLENGED: THE AIRLINES; Unions at Airlines Assail Management For Denying Benefits</td>
<td>26-Sep-01</td>
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<td>A NATION CHALLENGED: THE UNEMPLOYED; Disaster's Aftermath: Number of Workers Out of a Job Is Rising</td>
<td>26-Sep-01</td>
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<td>A NATION CHALLENGED: THE ECONOMY; Many Stimulus Options Weighed in Economic Front.</td>
<td>27-Sep-01</td>
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<td>Economic Seattle. In responding to terrorism, the administration is faltering on the economic front.</td>
<td>27-Sep-01</td>
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<td>A NATION CHALLENGED: CHARTITY; For Many, the Good Times Have Ended</td>
<td>27-Sep-01</td>
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<td>U.S. Will Help States With Unemployment Insurance</td>
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<td>A NATION CHALLENGED REAGAN NATIONAL AIRPORT; U.S. Marshals May Be Key To Reopening Of an Airport</td>
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<td>Layoffs Push Jobless Claims to 8-Year High</td>
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<td>A NATION CHALLENGED: NEW YORK OVERVIEW; City to Sell Debt as It Waits For Promised Federal Billions</td>
<td>29-Sep-01</td>
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<td>A NATION CHALLENGED: THE WORKERS; Northwest and American To Pay Severance Benefits</td>
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<td>A NATION CHALLENGED: TOURISM; Hawaii Reeling As Events Outside States Keep Its Beaches Bare</td>
<td>29-Sep-01</td>
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<td>FIVE QUESTIONS for MARYLIN CARLSON NELSON; Now Make the Traveler Want to Travel</td>
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<td>Fear Itself</td>
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<td>An Economy on the Edge</td>
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<td>Hundreds of Keys To Nowhere</td>
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<td>Urban Pain, From Sea to Sea</td>
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<td>Auto Sales Resume, but Industry Outlook Seems Worrisome</td>
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<td>A NATION CHALLENGED: THE PRESIDENT; Bush Expected to Give Approval To Airport's Reopening Shortly</td>
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<td>A NATION CHALLENGED: THE OUTLOOK, Only Certainty in Economists Is bright Outlook</td>
<td>4-Oct-01</td>
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<td>An Effective, Responsible Stimulus</td>
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<td>A NATION CHALLENGED: THE ECONOMY; PRESIDENT URGING UP TO $75 BILLION TO REVIVE ECONOMY</td>
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<td>A NATION CHALLENGED: CHARTITY; Total Up the Damage, and Not Forgetting the Tips</td>
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<td>ON STAGE AND OFF; Pay Cuts Shrink, Worry Remains</td>
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<td>A NATION CHALLENGED: THE ECONOMY; Bush Proposes Extending Aid To the Jobless</td>
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<td>Job Cuts Increased Even Before Sept. 11</td>
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<td>Unemployed Struggle To Make Do in Difficult Economic Times, Computer Expert Turns To Odd Jobs To Help Pay Bills</td>
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<td>Unemployed Struggle To Make Do in Difficult Economic Times, Necessities Suddenly Become Lesses</td>
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<td>After the Shock: Is This the Bottom?</td>
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<td>Unemployed Struggle To Make Do in Difficult Economic Times, A Time for Reflection and Perfecting the Chicken Fricassee</td>
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<td>Unemployed Struggle To Make Do in Difficult Economic Times, Grounded on High-Flying Dream Job</td>
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<td>A Mass of Newly Laid-Off Workers Will Put Social Safety Net to the Test</td>
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<td>A NATION CHALLENGED: NEW YORK; New York Carries On, but Test of Its Grit Has Just Begun</td>
<td>11-Oct-01</td>
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Totals for the period September 12 to October 11, 2001

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<th>Total</th>
<th>New York City Focus</th>
<th>Other City Focus</th>
<th>National Focus</th>
<th>Financial Services industry focus</th>
<th>Tourism industry focus</th>
<th>All other industries/no specific industry</th>
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<td>21</td>
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Note: Articles can focus on more than one category.
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<th>Article Headline (Table A1, continued)</th>
<th>Date</th>
<th>LOCATION in which Articles are Focused Upon</th>
<th>ECONOMIC SECTOR in which Articles are Focused Upon</th>
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<td></td>
<td></td>
<td>New York City Focus</td>
<td>Other City Focus</td>
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<td>Unemployment Claims Post a Sharp Increase</td>
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<td>Focus Broaders to Relief for Trade Center Jobsites</td>
<td>13-Oct-01</td>
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<tr>
<td>PUBLIC LIVES: A Labor Leader on the Rise as His Workers Are Down</td>
<td>13-Oct-01</td>
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<td>Bills Would Help New Jobless Keep Insurance</td>
<td>14-Oct-01</td>
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<tr>
<td>Out of Work, and Out of the Benefits Loop; Restrictions Will Keep Millions From Receiving Help</td>
<td>17-Oct-01</td>
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<td>Recruiters Fawn Over Ex-Airline Employees</td>
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<td>Memo Matters: Larger Story In the Tales Of the Jobless</td>
<td>18-Oct-01</td>
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<td>Economic Scene: The stimulus package should fix the unemployment insurance program first</td>
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<td>New York City Jobless Rate Jumps to 6.3%</td>
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As the unemployment impact of 9/11 and the post-9/11 recession became wider felt throughout the economy, the emphasis on the tourism industry in *The New York Times*’ coverage of unemployment lessened. In the period from October 12 to December 31, 2001, 13 of the 23 articles about unemployment in New York City focused on the tourism-related industries (57 percent of the total), while 9 out of the 23 (39 percent of the total) articles about unemployment in New York focused on the Financial Services sector, which again points to greater focus on the tourism industry than the industry’s job losses would warrant. Only five of the thirteen articles that focused on cities or localities other than New York featured the tourism-related industries, and only 10 of the 32 articles that had a national focus featured the tourism-related industries, which may be indicative of *The Times*’ only providing greater emphasis to the tourism industries in the

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82 Of the 23 articles featured a focus on a non-tourism related industry or a general, non-specific-industry-based report on the city’s unemployment that may or may not include tourism-related industries.
newspaper’s coverage of its home city’s unemployment landscape; there was no need or interest in promoting a tourism-based coalition in cities other than New York.

CONTENT ANALYSIS CONCLUSIONS:

How coverage of the Tourism Industry & Unemployment relates to the post-9/11 editorial themes of The New York Times

The research hypothesis of this content analysis of The Times’ unemployment coverage, that the subject matter of the articles would skew to proportionately greater focus on the tourism industries than these industries would warrant, was verified by the greater prevalence of unemployment related articles focusing on the tourism industry than on other industries in which job losses were much higher. These findings are consistent with Jack Lule’s (2002) analysis of the post-9/11 editorial pages of The New York Times, which revealed that the editorials focused on four themes, each reflecting a distinct point of view for the newspaper (280). Each theme was also represented in the articles regarding the tourism industry and unemployment found in Table 6.11.

The first of these themes regarded how 9/11 represented an “end of innocence” for the United States (281), profoundly shaking America’s sense of normalcy and security. This theme is embodied by Chen’s (2001) article on how Hawaii’s tourism industry was devastated as a result of 9/11. Chen writes about how America’s tourist destination most distant from the 9/11 attacks was facing, in the word’s of the state’s governor, “its worst economic crisis ever” and that the state’s residents, perceived by many Americans as

having an idyllic lifestyle, were “for the first time in decades…expressing long-term worries over their jobs, the rent, everything.”

The second editorial theme of The New York Times identified by Lule (2002) regarded how a seemingly random chain of events divided those who were victims of the attack from those who were not directly harmed by it. Articles in this theme examined how the victims of September 11 were “ordinary people just like us” (282). Donovan’s (2001b) article84 focused on two of the 375 employees of the World Trade Center’s Windows on the World restaurant who were fortunately not working at the time of the attack. These two individuals were nonetheless suffering from the financial and emotional stress of unemployment, and gave details about their difficulties paying rent and utilities and in coping with the fact that unemployment benefits didn’t make up for lost tips. They also spoke about the kindness of the Brooklyn Bureau of Community Service workers who were providing financial support to those like themselves who lost their jobs due to the attacks.

A celebration of leadership and of heroism, exhibited both by elected officials and by ordinary New Yorkers, was the third New York Times editorial theme that Lule identified. While Lule argued that 1) The Times aided in the “legitimization of these leaders [such as Mayor Giuliani and President Bush] and buttressed their authority at critical times;” and 2) that, in the weeks immediately after the attack, the newspaper “adopted an almost child-like stance” of appealing for “paternal care” from strong leaders (284), the

newspaper reflected the nearly universal admiration of New Yorkers who “walked forward until they found something that needed doing, and then … did it” (Ibid.). *New York Times* columnist Dan Barry’s (2001) article published on the one month anniversary of the 9/11 attacks offered a heroic appraisal of the strength and perseverance of ordinary New Yorkers, suggesting that "we're tough, we're resilient, we fight back, and we're undaunted.” Indeed, in the same sentence in which he spoke about the steep drop in New York City tourism, he noted that “there emerged a strange, encouraging sense of community within a city of eight million” (Ibid.).

In sharp contrast to the palliative and uplifting messaging of leadership and heroism, the fourth *New York Times* editorial theme that Lule (2002) identified was an attempt to “prepare readers for a frightening future, transformed by undreamed of terrors and unthinkable fears” (286). Alvarez’s (2001) piece about the National Security Council and U.S. Secret Service deciding upon whether to reopen Reagan National Airport in Washington is an example of an article with such a theme from the unemployment-related pieces listed in Table 6.11. In that article, U.S. Representative James P. Moran notes that “on the one hand [President Bush] is telling people to fly, but on the other hand security people are telling him he can’t open National Airport because it’s not safe…we’ve closed down an airport that has so far resulted in the loss of 10,000 jobs.” A “foreboding” reality where safety cannot be assured is the new normal presented by articles related to this theme (Lule 2002, 285).

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The editors of *The Times*’ choice to link unemployment and the tourism-related industries in its early coverage of post-9/11 New York parallels the questions of confidence in the future that Mayor Giuliani and the tourism-related coalition tried to address in the months after 9/11. In a September 26 article with the headline “Spending Weakens as Confidence Wanes,” the reporter noted that:

“New reports of falling retail sales suggested that the attacks had done fresh and perhaps long-term damage to consumer spending….Because consumer confidence and spending tend to move in tandem, consumer confidence after Sept. 11 almost certainly took another significant plunge, economists say” (Uchitelle 2001).

Four days later, *New York Times* editorial page columnist and economist Paul Krugman (2001) wrote a major piece stating that the psychological effects of 9/11 may indeed have a much greater impact on the economy and employment than the physical destruction caused by the terrorists. In his editorial, Krugman argued for prescriptions that included changes in monetary policy and public investment in infrastructure. However he placed his prescriptions in a context that offered credence to the tourism-led coalition’s (and Mayor Giuliani’s) call to “spend some dough and see a show” by remarking that:

“So the reason to be concerned about the economic effects of terrorism is not the actual damage but the possibility that nervous consumers and investors will stop spending. Truly, the only thing we have to fear is fear itself. But isn't that always true? Why should we be any more vulnerable to fear now than we would have been five years ago? To answer that question we need to ask why in normal times it would be easy for economic policy to offset the psychological impact of tragedy on overall demand -- and why right now that may not be so easy” (Ibid.).

The intensive, speedy and remarkably successful lobbying efforts in the days after 9/11 by the nation’s Airline and other travel-related industries assured that the threat to
commerce and community caused by the potential collapse of the airline industry did not occur. In the same vein, the rapid efforts by New York City’s tourism-led growth coalition to reopen Broadway and pronounce that New York City is indeed open for business assured that the psychological impact of 9/11 described by Krugman (Ibid.) was blunted before even greater job loss could occur.
CHAPTER 7
CONCLUSIONS, LIMITATIONS, TOPICS FOR FURTHER RESEARCH,
& PUBLIC POLICY IMPLICATIONS

INTRODUCTION

The research design for this dissertation served to answer three fundamental questions that built upon theories of urban growth presented by Logan & Molotch (1987), on city branding by Greenberg (2008a), and on New York’s tourism industry documented by Gladstone & Fainstein (2001). Through a mixed-methods analysis examining the case of post-9/11 New York, this chapter will: 1) offer conclusions to the questions initially posed in Chapter 1; 2) acknowledge the limitations of this dissertation and offer suggestions for further research; and finally, 3) provide a series of public policy responses that can be enacted at the local and national level that take advantage of the lessons so unfortunately learned as a result of the September 11 attacks.

REVIEW OF DISSERTATION RESEARCH QUESTIONS AND THEIR RESPECTIVE CONCLUSIONS

Research Question 1

The primary research question posed in this study is “who leads growth after a disaster and why.” In New York, the tourism-led coalition did indeed take the driver’s seat for development after 9/11, and can claim success thanks to the relative lack of out-migration among the city’s residential and business communities during the period after the attack. This study confirmed that at least in the case of post 9/11 New York, the tourism-led
growth coalition was employed to boost the morale and sense of connectedness to New York for those already residing in and investing in the city. The coalition acted as a salve against the very real fears caused by the one-two punch of the 9/11 and anthrax attacks and helped stem the potential tide of businesses and residents leaving New York.

The tourism-led coalition was able to take this leading role due to the support and encouragement of local and state government; the political acumen of the leaders of the tourism-related coalition; the relatively low cost and speedy production schedule of creating tourism-related promotions versus the cost of infrastructure and other physical rebuilding efforts; by the very appeal of these industries to the general public; and how deeply embedded the arts, fashion, culinary and media institutions of New York are with the city’s economic milieu and cultural identity. This study further demonstrated that the real estate industry, the group most associated in the literature as the leaders of growth, at least temporarily took a back seat to the tourism-led coalition. Real estate interests were able to step back as the leader of growth for their overall balance sheets remained relatively unscathed within the first year after 9/11 due to the fact that many of the businesses displaced from Lower Manhattan moved into underutilized office buildings in Midtown Manhattan. Efforts by the real estate industry leadership, especially the Real Estate Board of New York, were focused on their ultimately successful, but behind-the-scenes goal of creating financial incentives, such as Liberty Bonds for new construction and tax credits for new residential leases in Lower Manhattan.
RESEARCH QUESTION 2

This dissertation also described the similarities and differences between the strategies employed by a tourism-led growth coalition and those organized by the more commonplace property-led growth coalition. While the tourism-led coalition employed many of the promotion- and advertising-related strategies used by civic boosters and honed in New York during the fiscal crisis of the 1970s, the real estate-led coalition, in the months after 9/11, concentrated on place-focused tax incentives for those building, residing or hiring in Lower Manhattan. Unique to the post-9/11 booster strategies was the ability of the tourism-related coalition to equate patronizing its member businesses with a patriotic act. The re-opening of Broadway at the local level and the bail-out of the airline industries at the national level generated media attention for the tourism-related industries and gave government officials the opportunity to use the resurgence of these industries as a platform for demonstrating their leadership strategies and skills. The property-led coalition’s efforts to provide incentives, while actually delivering more direct financial stimulus to Lower Manhattan than was lured by the tourism-related coalition, received considerably less media attention and interest from the general public.

87 For example, the federal Liberty Bond program provided $1.2 billion of tax incentives for private sector residential and commercial projects in Lower Manhattan (Dixon & Stern 2004, 120). One of the largest tourism-related promotions, that of the “A New Day” television advertising campaign, was funded by a $40 million grant from New York State’s Empire State Development Corporation (Elliott 2001), which was a considerably smaller investment than the Liberty Bond program.
RESEARCH QUESTION 3

This study also analyzed whether tourism-related leadership strategies were effective in bringing about the resurgence of the post-disaster city, or did these strategies merely mimic otherwise occurring market forces. Eighteen months after 9/11, it was widely regarded that the nation’s economy was rising again, while the New York City economy remained in the doldrums as unemployment continued to remain high (Eaton 2003). Curiously, residential and retail real estate was relatively strong (Ibid.). Since the harm to New York City’s economy that resulted from 9/11 was more severe than was experienced in the rest of the nation, it would therefore make sense that the value of the city’s housing stock and retail space would decline accordingly. This study demonstrated that the tourism-related growth coalition was able to provide a contrary market force that encouraged residents to increase their budget for housing (see Table 5.5) and continue “retail therapy” spending on entertainment and apparel\textsuperscript{88} despite the uncertainties revolving around a declining stock market, unemployment in the business services sector and the fears associated with future attacks as the nation went to war in Iraq in March 2003. The real estate-centered growth coalition continued to be successful in its behind the scenes efforts, letting the tourism-led coalition take the more public, emotionally-charged role of rallying the confidence of New York residents and business owners in the continued value and vibrancy of the city.

\textsuperscript{88} Ensuring, as demonstrated in Table 5.4, that retail rents remained stable in Lower Manhattan despite a smaller number of workers in the area due to the destruction of the office space of the World trade Center, and that retail rents in Midtown bounded back to their pre-9/11 rates by Fall 2003.
This study also described how the media bolstered this tourism-led strategy via its coverage of tourism industry-related unemployment after 9/11, while demonstrating that the tourism industry’s rapid ascendance to the top of the unemployment “lede” was a result of the rapid collapse of the nation’s airlines as a direct result of the attacks. Congress’s remarkably speedy bailout of the airline industry resulted from projections of massive layoffs and permanently grounded flights. Newspapers such as The New York Times ran headlines such as “Patriotic and Undaunted, Some Tourists Insist on Autumn in New York,” calling tourists “the cavalry” that has arrived to rescue a “whole city look[ing] as if it were on the verge of buckling at the knees” (Dwyer 2001), while at the same time justifying a degree of civic jingoism by documenting the perseverance of New Yorkers coping with the fears associated with the specter of terrorism and a highly uncertain economy.

This study also demonstrated the fleeting nature of the tourism-related growth coalition’s hegemony. Through the process of preparing the city’s Olympic bid and its redevelopment plan of the Far West Side, the traditional real estate-led growth coalition emerged from its post-9/11 behind-the-scenes role of garnering federal tax subsidies and reclaimed the mantle as generator of the Logan & Molotch growth machine. While the proposed Olympic stadium was touted as providing additional space for the undersized Jacob Javits Convention Center, and NYC2012 created a series of inspirational promotional videos that blended the soulfulness of post-9/11 “A New Day” ads with the star power of the “New York Miracle ads” (in this case featuring Jerry Seinfeld comparing a bagel to a discus), the good will emanating from the tourism industry was
fractured over the debate over the sagacity of building a stadium on the West Side of Manhattan. Opponents of the project, many of whom were from the Broadway theater industry, argued that the stadium would create pre- and post-Olympic gridlock as the home of New York Jets football. Moreover, elected officials representing Lower Manhattan (namely New York Assembly Speaker Sheldon Silver), argued that the project would improperly direct the city’s development priorities away from the rebuilding the Financial District to that of creating a new CBD on the relative tabula rassa of the Far West Side.

RESEARCH LIMITATIONS OF THE PRESENT STUDY

All research has limitations, as does this dissertation. As mentioned in chapter 4, this embedded (Yin 1989, 49) case study may be limited by the possibility that by focusing so much on the specific actions of the tourism-related growth coalition, one could lose perspective on how and whether this coalition maintained a distinct identity apart from the real estate-led coalition, which certainly did not disband in the months after 9/11. As an instrumental case study (Stake 1995, 3), the focus on the actors within the tourism-led coalition precludes greater study into the opinions and experiences of the New York City residents and visitors who consumed the products (as theater goers, diners, hotel guests or shoppers) offered by businesses within this coalition.

This study has presented evidence that both New Yorkers and visitors utilized the programming created by the tourism-related coalition after 9/11, from participating in promotions such as “Spend Your Regards to Broadway”, to patronizing restaurants, retail
establishments and museums. Solnit (2009) documented various anecdotes of New Yorkers who sought each other in parks and other public places throughout the city for mutual support, and Kasinitz et. al. (2005) revealed the emotional trauma and resiliency of the residents of Lower Manhattan after the attacks. Goldberger (2004) described how New Yorkers engaged in a spirit of proactive hopefulness in the visioning sessions for the redevelopment of the World Trade Center area that were organized by a variety of civic organizations. This study is limited because New Yorkers and New York visitors were not directly questioned during the period in which the tourism-related coalition took a leadership role to gage whether they were indeed influenced by the “community we feeling” described by Logan & Molotch (1987); whether they found promotions such as “Paint the Town Red, White & Blue” ennobling or crass; or if the marketing programs created by the coalition (such as the New York Miracle ads) encouraged them to either visit the city or remain a New York resident despite the ongoing threat of terrorism.

Likewise, while this study presents considerable anecdotal evidence as to the efficacy of the tourism-led coalition in keeping the wounded spirit of New Yorkers on a more positive keel, there is no hard evidence that demonstrates whether any jobs were actually created or saved directly by their efforts, or the number of businesses or residents that New York would have actually been lost if these promotional efforts never took place.

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89 One particularly poignant anecdote collected by Solnit (2009) was that of a 19-year old who stated that “The city was veiled in the simultaneous chaos and quiet of disaster, and there was an overarching and unspoken desire (almost hunger) to provide ears, eye, voices, and bodies that would first and foremost nurture one another as we spoke passionately of the contemporary and historical conflicts, contradictions and connections affecting our lives. We stayed for hours, through the night, and into the week, riveted and expressive, in mourning and humbled, and in the ecstasy of a transformative present” (203).
Finally, some of the interviews with the leadership of NYC & Company that informed this case study were conducted by former Giuliani Administration speechwriter J.P. Avlon, and commissioned by NYC & Company as an oral history project to document their efforts in responding to 9/11. Since I did not conduct these interviews, their content is limited to the questions asked by Mr. Avlon.

The quantitative analysis conducted in this dissertation provides data up to 2008. As QCEW data is continually updated, the findings of this dissertation are by their nature of a particular time and could thus become less relevant.

TOPICS FOR FURTHER STUDY

*The Tourism Industry Of Washington D.C.’s Response To 9/11*

Sadly, there have been cases other than that of New York in which the tourism community has been called upon to help engage civic pride and re-energize the local economy after disaster strikes. Washington D.C. was the other city directly affected by the 9/11 and Anthrax attacks, and it too conducted a large-scale tourism-related campaign. Washington’s largest industry of course is government, which is much less footloose than the FIRE, media and service related businesses of New York (however Washington does have highly developed suburbs with significant government presence). While the Washington case was not nearly as focused on discouraging local businesses and population from fleeing to safer locales, it shared both a timeline and many of the same strategies used in New York. Stafford et.al. (2002) documented how the three-
week closure of Reagan National Airport created the public perception that Washington was “unsafe, under siege, and effectively closed” (33), much as the closure of Manhattan south of Canal Street to vehicles emphasized the fact that the direct effects of the attack extended beyond the boundaries of Ground Zero.

Like New York, Washington’s short-term tourism marketing efforts (launched in October 2001) were targeted to the local Washington, D.C. area, encouraging residents to “be inspired in their hometown” and patronize restaurants and attractions (35). A patriotic tourism campaign was developed for the national market titled “Washington, D.C., is the City of Inspiration, Home of the American Experience”, and local celebrities, from the cast of *The West Wing* to First Lady Laura Bush were featured in television ads (Ibid.). The District’s various tourism and business associations agreed to work together as partners in a coordinated public relations campaign with the city’s mayor as its chief spokesperson. One of the major successful initiatives of the coalition was to encourage the federal government to continue to hold meetings within the city (34). By late spring 2002, business levels in tourism-related venues were near normal (36). The speed of this recovery, however, may have much to do with the stability of the federal government as both an employer as well as tourism generator. Indeed, according to a study of hotel revenue per available room (RevPAR) in the months after 9/11, Washington did not even rank in the top ten cities in quarterly RevPAR percentage decline during the 4th quarter of 2001 (Enz & Canina 2002, 50). As the only other city directly attacked on 9/11, Washington should clearly be the target of further study. It would be interesting to learn

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90 The top ten cities, in descending order, were San Jose, San Francisco, New York, Boston, Oakland, Miami, Austin, Orlando, Dallas and Las Vegas (Enz & Canina 2002, 50).
to what degree businesses and residents located within the District considered moving to suburban locations, and how much of a consideration this was for city leaders as they were developing their tourism-related marketing strategies after the attack.

**The Evolution of NYC & Company as Citywide Tourism and Special Events Organization**

Also worthy of further study would be to determine whether and how NYC & Company changed as it became more closely entwined with city government. In 2003, spurred by the city’s efforts to lure the national political conventions of the 2004 presidential election cycle, Mayor Bloomberg created the Office of NYC Big Events. The organization was charged with bringing in large public and private events, such as the Country Music Awards, to New York City (Lee 2004). However, unlike NYC & Company, NYC Big Events was funded and staffed exclusively by the Mayor’s Office. In June 2006, Mayor Bloomberg appointed advertising and branding executive George A. Fertitta to lead the city’s integrated “tourism, marketing and event-planning” operation, with NYC & Company, the office of the Chief Marketing Officer and NYC Big Events reporting to him (McGeehan 2006a). Later that year, Cristyne Nicholas left NYC & Company (McGeehan 2006b) to launch her own consulting firm, and Fertitta became CEO of an NYC & Company which took on the Big Events and Marketing efforts under its organizational umbrella (McGeehan 2007). City government provided much needed additional funding to the agency, but at the same time it became much more under the stewardship of City Hall. Indeed, the Bloomberg Administration increased its support of NYC & Company by $15 million per year in 2007, thereby making the city’s contribution to the budget of NYC & Company more than four times greater than what
was generated by private sector dues (Ibid).

Since its marketing and tourism promotion efforts are now less dependent than in the past on membership dues, NYC & Company is more active in promoting city-wide special events that benefit businesses throughout the five boroughs that were never in the past associated with the organization. Many of these major initiatives, especially Fashion’s Night Out, an evening of shopping events at retailers located throughout the five boroughs, are directed primarily to residents of New York City and its suburbs, succeeding, for example, to “return the Meatpacking District to actual New Yorkers” (Emmrich 2010). Have these new participants in the tourism coalition taken new leadership roles or driven the organization in new directions? How has greater financial support offered by city government changed organizational goals and priorities, and has the tourism-related coalition taken a more active role during the current economic crisis?

PUBLIC POLICY IMPLICATIONS

Despite the tourism industry’s contribution to rebuilding New York after 9/11, and the Mayor’s support of dramatically increasing the number of annual visitors to the city to 50 million by 2015, there have been relatively few legislative initiatives specifically focusing on this industry. For example, since 2002, the New York City Council has only

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91 Fashion’s Night Out is co-sponsored by the Mayor’s Office, NYC & Company, Vogue magazine and the Council of Fashion Designers of America.
92 In 2006, Mayor Bloomberg increased municipal funding of NYC & Company by approximately 300 percent by contributing another $15 million to the agencies coffers with the goal of increasing the number of annual visitors to New York to 50 million by 2015 (McGeehan 2006c).
held five oversight hearings regarding the tourism industry,\textsuperscript{93} and the Council did not pass one piece of legislation focusing on the tourism industry (beyond the city budget appropriations to the city’s cultural institutions and NYC & Company).\textsuperscript{94} Likewise there have been few studies generated by City government on the impacts of the tourism industry. An analysis prepared by the NYC Department of Records identified a 1993 report from the NYC Comptroller’s Office and a 1970s report prepared by the NYC Department of City Planning as the only major research studies prepared by city government.

\textsuperscript{93} In September 2002, the Council’s Committee on Economic Development held a hearing on “Rebuilding the Aviation and Tourism Industries After September 11\textsuperscript{th},” bringing leaders from all sectors of the tourism industry to testify, including Cristyne Nicholas, Stephen Hanson of B.R. Guest Restaurants; Karen Brooks Hopkins, chair of the Cultural Institutions Group of New York and President of the Brooklyn Academy of Music; Bill Moriarty, President of Local 802 of the American Federation of Musicians; Timothy McGlinchey of the Hotel Association of New York City; Mark Alvin of the Intrepid Museum; Barbara Morris of Times Ledger Newspapers; and William Decota, the Director of Aviation of the Port Authority of New York and New Jersey. The most substantial request that was made of the Council in terms of legislation was to increase funding for advertising New York City to potential New York visitors. Noted Nicholas at the hearing “The simple fact is that advertising works. And in an increasingly competitive tourism market with New York City facing our toughest economic challenges ever, it is no longer okay to sit back while competitors spend tens of millions of dollars on advertising campaigns…. There is no better proven return on investment. And that is only what we can directly measure. It does not include the broader impact that television advertising has sending the critical message that New York City is open for business. Advertising not only encourages people to visit, it tells them to bring their businesses here, to bring their conferences here, film their next movie or TV show here, move here, relocate, even maintain a company here. Television ads have a direct effect on people’s image of our city, and that has a direct effect on all of these decisions.” She then mentioned that with a $14.5 million annual budget, about half of which came from municipal coffers, New York only ranked 16\textsuperscript{th} among US cities for CVB-related spending. For the next major oversight hearing, in June of 2004, the highest-ranking NYC & Company Official was Donna Keren, the organization’s director of policy and research. The hearing on tourism was combined with the Economic Development Committee’s hearing on “on the development of the New York Sports and Convention Center and the Jacob Javits Center expansion, proposed as part of the Hudson Yard redevelopment plan.” Other oversight hearings, in February 2004, October 2007 and January 2011, all focused on how tourism could be increased in boroughs outside of Manhattan, concentrating on issues relating to public funding equity among cultural organizations.

\textsuperscript{94} Since 2000, only five legislative bills were considered by the Council, that had any direct relationship to the tourism industry: 1) Intro. 812 of 2000, a Local Law to amend the administrative code of the city of New York, in relation to requiring sight-seeing buses to operate on alternative fuel; 2) Intro. 601 of 2005, a Local Law to amend the administrative code of the city of New York, in relation to the preservation of hotels; 3) Intro. 772 of 2008, a Local Law to amend the administrative code of the City of New York, in relation to fee disclosure in hotel advertising; 4) Intro. 801 of 2008 A Local Law to amend the New York City charter and the administrative code of the City of New York, in relation to preparation of community impact reports for city-subsidized economic development projects; and 5) Intro. 438 of 2010, which is a reintroduction of the previously described Intro. 801, which died in committee. This proposed local law has more to do with displacement issues related to large-scale retail and housing development projects and less on projects that are largely focused on attracting tourists.
government in the last thirty years specifically designed to develop policy regarding the
tourism industry (Bruzzese 2008).95

Given the degree of municipal government legislative support for tourism, and its relative
lack up until recently of financial support, it may come as no surprise that as mentioned
at the outset of this study, NYC & Company’s officials suggested that they were
operating without a playbook when organizing their response to the September 11th
attacks (Jackson 2004). Indeed, while the events of 9/11 were unprecedented, the
February 2001 Foot-and-Mouth Disease outbreak in the U.K. shortly preceded the attacks
on New York and Washington. The actions taken by the British Tourist Authority to
dispel the fears of potential visitors who erroneously believed that the outbreak affected
London and much of Britain included many of same strategies used in New York after
9/11. Frisby (2002) documents the massive public relations campaign aimed at
correcting misconceptions about the extent of the outbreak. The campaign included
hosting familiarization tours for travel industry leaders and developing advertising
campaigns with the headline “Yes, We’re Open!!” (92-96). In April 2001, the London
Tourist Board initiated its “Summer in the City” campaign targeting the U.K. market and
focusing on London museums and festivals, not as a means of demonstrating that London
was open for business, but rather on supplementing revenue lost by the decline in
international travel by increasing short-haul trips from within the nation (Hopper 2002,

95 There had been, of course, significant study (conducted by government organizations such as the New
York State Urban Development Corporation and the New York City Economic Development Corporation)
and public investment in the redevelopment of Times Square. While focused on real estate development,
the work of these publicly-supported entities did include efforts to aid the Broadway theater industry
(Fainstein 1994, 130-139).
Faulkner (2001), in an article published a few months before 9/11, argued that since tourists have increasingly been visiting areas susceptible to disaster (as air travel, for example, makes exotic destinations prone to hurricanes more accessible), and since vacation-related travel is indeed a discretionary for consumers, a formal tourism disaster management planning process should be developed by all major tourism destinations. Two of the key elements of Faulkner’s model plan, maintaining a “disaster management command centre” to serve as a central headquarters for decision making and information diffusion, as well as organizing a “media communication strategy involving the early establishment of a centralized source” to “ensure that misleading and contradictory information is not disseminated, and to support the coordination of responses” (145), were utilized effectively by NYC & Company as key elements of their 9/11 response, and thereby can be affirmed as best practices worthy of replication and formalization into actionable legislation or an adoptable crisis plan. However, while Faulkner saw existing and potential tourists as the primary audience for his proposed “media communications strategy,” as documented in the case of post 9/11 New York, the message conveyed by the tourism-related industries also can be targeted to wary local residents and businesses. Expanding upon Faulkner’s recommendations, in a globalized, information-based economy whereby the locational decisions made by international business as well as by highly skilled labor are based upon some of the same quality of life-related factors that attract tourists, municipal governments in major cities need to respectively establish a post-crisis communications and marketing strategy. This strategy must forge a
partnership between elected officials and the tourism-related industries (including local entertainment and other social celebrities) to convey the realities and combat misconceptions about the true state of the city.


London has developed a successful model crisis communications and marketing policy that efficiently replicates the tourism industry-led strategies of post-9/11 New York. In 2003, the Mayor’s Office of London launched the London Tourism Recovery Group (Ladkin et. al. 2007, 97). The purpose of the group was to establish a permanent network to support the tourism industry in London during times of emergency. The group’s membership included a variety of governmental and non-governmental agencies with relatively little private sector, non-tourism related entities. The group was charged with evaluating past emergency-related campaigns (such as those related to the Foot-and-Mouth Disease crisis), develop and if necessary, implement a plan titled the “Disaster Marketing Toolkit” if disaster struck again, and create and launch a Tourism Industry Recovery Plan for London in response to the global decline in international tourism associated with the war in Iraq and the global economic downturn (100). The Toolkit’s coordinated communications strategies echoed many of those which were advocated by Faulkner (2001), especially those associated with collaboration among tourism-related public and private agencies (Ladkin et. al. 108). The Toolkit was unfortunately tested in the July 7, 2005 suicide bomber attacks in London, which killed 56 people (110). The attack took place the day after the International Olympic Committee announced that London was the winner of the bid to host the 2012 Summer Olympic Games (Zinser
Nevertheless, within ten days of the attack, while subway transportation was seriously disrupted for the purposes of crime scene investigation, all tourism-related industries were open for business as usual (indeed they opened within a day of the attack) (Kaye 2005). Noted Paul Chibeba, a spokesman for VisitBritain, the British tourism office in New York, "the important message is that London is open for business and is welcoming visitors, particularly Americans" (Ibid.).

As the “open for business” message echoes the New York case, so do many of the initiatives launched via London’s Tourism Industry Recovery Plan (TIRP). For example, Ladkin et. al. noted that a measure used by the London Development Agency to determine the effectiveness of its Totally London Month, the first campaign tourism-related campaign targeting Londoners themselves, was “levels of civic pride within London pre, during and post-campaign” (102). The TIRP’s “Get into London Theatre Campaign,” which was targeted to both the U.K. domestic market as well as Londoners, was created to highlight the London theater as a key component of the city’s “imagery” for it conveyed its “icon city status” (103). Finally, from October 2003 to January 2004 the TIRP featured a series of major public events in London, promoted to the European market, demonstrating that the city “can stage world-class events effectively in the run up to the [2012] Olympic bid,” (106) in which London was chosen over New York, Madrid, Moscow and Paris as host city.

Ladkin et. al. suggested that one of the key successful elements of the TIRP was the level of coordination among the many layers of governmental entities responsible for tourism program planning and delivery (100). Indeed, while London does have a powerful
Mayor, there are thirty-three local boroughs responsible for service delivery. To develop a sense of partnership between the local boroughs and Visit London (the citywide CVB), the organization developed a series of informational booklets on tourism planning and promotion for borough staff. For example “London for Londoners: A Practical Guide for London Boroughs on How to Promote Tourism to ‘Locals’” (2005), is a how-to guide for tourism promotion and marketing emphasizing the importance of “developing civic pride” and “making people feel good about the places in which they live, work and relax” (30). Tourism-related training for the myriad public and private organizations involved in improving municipal quality of life should be developed and disseminated as part of any citywide tourism-related plan, and as noted in the “London for Londoners” guide, “This Toolkit is both for you if your job includes responsibility for tourism but importantly, it is also for staff whose job might not, at first glance, appear linked to tourism. You might be involved in leisure promotion, town center management, communications, planning, community development or economic development. In all theses cases, this Toolkit should be of benefit” (1).

Tourism planning in London continues to develop, and in 2009, the London Development Agency, an arm of the London Government, released its London Tourism Action Plan, 2009-2013. Given that the report was released in the heart of the global recession that followed the collapse of Lehman Brothers, it is not surprising that the tourism industry, undoubtedly boosted by preparations for the 2012 Olympics, was touted as a major component of revitalizing the wider London economy. Consistent with the findings of this dissertation, the Action Plan points to investment in the tourism industry as a means by which to “boost” the overall psyche of the city. As noted in the Plan, “targeted [tourism] marketing activity can provide rapid economic return to London, supporting business, jobs and confidence” (7).
If the City of New York chose to develop its own Tourism Action Plan, the following policies are recommended:

1) **Support tourism-related expenditures as long as they well serve the local market.**

For post-disaster recovery to occur in global cities such as New York, the tourism-related industries must be nurtured and programmed so that they appeal to the tastes and interests of the local marketplace because:

1) the unique tastes and interests of the local market make the experience of visiting the city novel for those from other locations;

2) by creating venues that appeal to the local population, a sense of “ownership” is imbued among local residents for this tourism-related infrastructure;

3) these venues appeal to what Florida (2002) described as the “creative class” and thus they make the city more attractive to its residents;

4) and ultimately, as was the case in New York, Washington, London and even in cities not directly affected by disaster such as Savannah, the local market will be asked to sustain the wide swath of businesses that populate the tourism-related industries when the visitor market dries up immediately after disaster strikes.

The success of New York’s tourism-related industries in creating the public relations milieu that inspired locals and visitors alike could not have been possible if these industries were segregated within an isolated “tourist bubble” set apart from the everyday life of ordinary New Yorkers. Rather, New York’s major restaurants, museums, retail establishments, cultural venues and even hotels are, as Judd (2003) remarked
“incorporated into an urban texture which has itself become an object of fascination and consumption” (30). Municipal investment in tourism-related venues should therefore only take place if the development represents local tastes and interests, lies within the fabric of dynamic communities and is readily accessible to visitors and locals alike.

Finally, tourism-related businesses that cater to local tastes, from restaurants to retailers, are more likely to be of local ownership and control. While a single national chain theme restaurant on a vibrant city block may in the short term represent a consumer brand that visitors would be familiar with and may be a stronger credit risk for real estate developers and their oft-wary financial backers, when multiple chain restaurants eventually dominate the storefront locations on that block, they create a milieu that no longer has the distinctiveness to lure visitors or locals. Fainstein (2010) likewise argues that smaller businesses are usually “more locally rooted” than their larger counterparts, and that economic development policies should favor the small, locally owned business in the “furtherance of equity” (172-173).

2) In a crisis, the tourism-related industries have the wherewithal to create public displays of urban affection, while the real estate coalition has the capacity to open wallets within the cloistered walls of government.

In the days immediately after 9/11, there was a conflict over whether the overt call for New Yorkers and visitors alike to spend their way to economic recovery was appropriate, and some questioned the celebratory tone of large scale public events, such as the Super Bowl Kickoff in Times Square occurring in a city still in mourning. As documented in
the preceding chapters, the tourism-related coalition served as an enabler of guilt-free consumption of goods and feel-good public experiences, linking Broadway, restaurants and retail venues in a coordinated campaign. As a public policy prescription, the booster-like approach towards economic recovery is acknowledged, even by critics such as Miriam Greenberg, as effective, noting that “this upbeat yet macabre approach appears successful” (2003, 412). Greenberg suggests that there was tension between those whom Shalit (2001) coined as the “pile fetishizers” versus those she described as the “pile minimizers”; in other words those who favored presenting a reverential treatment of the Ground Zero site itself (and emphasizing patriotic tourism) versus those that focused on emphasizing that the city is open for business and welcoming to guests. Paul Hopper (2002), in discussing the British Tourist Authority’s response to the early 2001 outbreak of Foot-and-Mouth Disease remarked that there was pressure placed on the Authority to influence the media so that it would focus on the negative impacts of the outbreak as a means to encourage elected officials to allocate government resources to the rural areas directly affected by the disease (83). As an economic development strategy, the tourism-led coalition taking the hegemonic mantle of growth and the real estate coalition assuming a more behind-the-scenes profile was an effective model for a) the tourism coalition could generate the image of New York as soulful, resilient and vibrant city, while b), the real estate coalition could exercise its enormous political clout under the radar so that the coffers of the federal government could be utilized to pay for the many tax credits and financial incentives offered to developers of property in Lower Manhattan.
3) **Strong elected leaders are important, and local celebrities must be cultivated.**

Much has been written in this study about the role of agency and how Mayor Giuliani and Cristyne Nicholas successfully asserted their leadership responsibilities. However, in post-9/11 New York, the public celebrities of the tourism-related coalition used their notoriety not only to film commercials or pose for “photo opportunities,” but to roll up their sleeves and aid in the recovery effort. Celebrity restaurateurs such as David Bouley (Knable 2002, 19) were at Ground Zero feeding rescuers, and actor Robert DeNiro created the Tribeca Film Festival. As a policy implication of this study, clearly the nurturing of local celebrity can pay tremendous dividends when the city is in crisis.

4) **In a crisis situation, a speedy public response is paramount.**

The benefit of a rapid public relations response to a disaster such as 9/11 is another major implication of this study. The decision to re-open Broadway within two days of the attack was the defining moment of the city’s response and fully set the tenor of the subsequent actions of the tourism-related coalition. The curtains going back up on Broadway was like a metaphorical “quick removal of a band-aid” that may have caused city residents to be both startled and feel a wince of pain, but quickly got the city back to a modicum of normalcy. Indeed, if the shows didn’t start on the 13th, when would it have been appropriate for them to do so….after a memorial service or after the end of rescue & recovery operations at Ground Zero?

5) **Create a crisis communications network that channels information flows towards a desired message.**
NYC & Company’s role as a hub for communication and coordination among the
tourism-related industries proved to be critically important, and for NYC & Company’s Barbara Lorber, should serve as a model for other cities experiencing a similar crisis.

Noted Lorber (2004):

“\textquote{I think we served as a catalyst, as a cohesive organizing force. We created a center. We became a communications network. There were hundreds of requests to help of all sorts. We triaged stuff. We got the hotels organized. We got the transportation industry organized. We called the quorum for communications. We had communications people in that conference room either Thursday or Friday. It was forty-eight or seventy-two hours later. We had forty-five or fifty people in there representing every major agency, every major hotel, every industry sector, restaurants, transportation, retail, cultural community. We had people from major arts organization, and we had the ability to serve as a locus and then have it fan out. The network was enormous.}”

The NYC Office of Emergency Management’s (OEM) mission is “to plan and prepare for, and mitigate emergencies; educate the public on preparedness; coordinate and support responses to and recovery from emergencies; collect and disseminate critical information; and seek and obtain funding and other aid in support of the overall preparedness of the City of New York” (New York City Office of Emergency Management 2005, 3). The agency has a significant public outreach effort to educate City residents about preparing for disaster. There have been no efforts to date to coordinate this messaging with that of NYC & Company, and while OEM’s Emergency Operations Center includes coordination with the city’s major event producers, such as the city’s Business Improvement Districts, there is no mention in any of OEM’s reports of post-disaster media and advertising strategies. While it is impossible to fully predict how another major disaster will impact the city’s emotional and economic fabric, the incalculably important messaging in response to such an crisis should clearly be
formulated by the “official marketing organization for New York City” (NYC & Company 2010, 6), rather than an agency such as OEM which will undoubtedly be focusing its communication efforts on relaying information to and from the US Department of Homeland Security and first responders.

A joint report issued in 2006 by the World Economic Forum and the World Tourism Organization created a framework for a global tourism disaster communication network (33). The purpose of the network would be a) to connect various governmental, transportation and tourism resources to aid travelers located in areas affected by disasters; and b) to better connect with the media, for “the use of inaccurate or incomplete information by the broadcasting sector can worsen the conditions for recovery of the tourism sector” (33). As noted by Lorber, one of the major roles of the “network” created by NYC & Company was to make sure that the spokespersons for all of the tourism-related industries were conveying to the press a singular message that the city is still functioning:

“The critical issue was the visibility, the image of the city. And I remember one of the things I said at that first meeting is that it is relentless already and it is going to be relentless, the image of the mouth of hell down there with the twisted iron. We’ve got to do something to mitigate what is going to become the overwhelming image of New York. We have got to counteract that…. The way we did that was get forty really good communications people, each of whom used their networks to be pounding positive, visual images of the city” (Lorber 2004).

Scott, Laws, and Prideaux (2010, 10), citing Floyd et. al. (2003) noted that after 9/11, one of the major locational decision factors of those considering vacation travel was the risk of disapproval of their family and friends regarding their choice of destination. As a
city whose leading businesses depend on recruiting the most talented professionals and most energetic young people from throughout the nation and the world, this “risk of disapproval” was even more critical for New York.

Social media websites such as Twitter, Facebook, Flickr and YouTube have grown as a means of communicating information after a disaster. For example, use of Twitter in Japan after the 2011 earthquake and tsunami was so great that the site created a guide, in Japanese, on how to communicate and share information with friends and family (Preston 2011). Post-disaster, centralized command-and-control communications networks where municipal officials can issue news releases and professional news media institutions can provide fact-checked information to the public have been supplemented, and even in some cases pre-empted\(^\text{96}\) by social media communications networks whereby “members of the public generate information on a far more expanded, rapid scale, with information production activity happening at even greater magnitudes than such disruptive events already trigger” (Palen et. al. 2009, 477-478). While it may be unreasonable to assume that the tourism-related communications network could assert its message via social media in the hours after disaster beyond communicating logistic information to visitors and tourism-related venues, a real-time social media strategy for the days and weeks after disaster should be developed. Likewise, a potential model for interactive, intra-industry information sharing strategies for communication among tourism-related businesses was the system used by US government relief agencies as part of the Haitian earthquake relief efforts (Yates & Paquette 2001, 9-10).

\(^{96}\) For example, the identities of those killed in the 2007 Virginia Tech shootings were available on social networks prior to their official release by the University (Palen 2008, 77).
Broad Applicability of Municipal Policy Implications

Many of the strategies used by the tourism-led coalition to sustain New York in the months after 9/11 could certainly be of benefit to cities even if they were somehow immune to the threat of disaster. Encouraging tourism-related business development (such as new theater companies and restaurants) that benefits and appeals to the local population, cultivating local artists and celebrity role models, and developing a tourism-focused city marketing campaign that is flexible enough to take advantage of fluctuating economic conditions are all strategies that can successfully cultivate urban growth. However, given the continued if not increasing disaster threats borne from both natural and man-made causes, municipal leaders should be proactive in taking advantage of the palette of communications lessons learned from the disaster recovery experiences of New York City.

Federal Policy Implications

On March 4, 2010, President Obama signed into law the Travel Promotion Act of 2009 (22 USC 2131). This bipartisan legislation created a Travel Promotion Fund that, after an initial government allocation of $10 million, shall be generated by a U.S. entry fee imposed on certain visa-waivered foreign travelers as well as by voluntary contributions made by private sector travel related companies. The Act calls for providing “useful information to foreign tourists, business people” and others regarding entry requirements and fees; identifying, countering and correcting “misperceptions regarding United States entry policies around the world” and maximizing the “economic and diplomatic benefits
of travel to the United States by promoting the USA to world travelers through the use of, but not limited to, all forms of advertising, outreach to trade shows, and other promotional activities” as well as to spread the benefits of international tourism to underserved US markets.

The Corporation for Travel Promotion (CTP) was established through the Act to administer the Travel Promotion Fund, and to create the nation’s tourism marketing campaign. The US Secretary of Commerce appointed the Board of Directors of the Corporation, and chose as one of its vice chairs the present CEO of NYC & Company, George Fertitta. At the Corporation’s February 2, 2011 meeting, Fertitta was named chair of the Corporation’s Marketing Committee (The Corporation for Travel Promotion 2011a, 2). Much as NYC & Company had to combat public perception that New Yorkers were unfriendly to tourists, the US tourism community continues to suggest that potential travelers to the US are wary of travelling here out of fear of being unwelcome (Dow & Tisch 2010). Likewise, as New York’s tourism community had to combat the lack of tourism advertising funding due to the perception that the world already knows about the excitement of the city, the US Congress and federal government needed to be convinced to support tourism marketing to compete with, for example, European Union countries whose national governments spend $800 million on advertising (Ibid.). Noted Tarun Patel (2010, 15), chairman of the Asian American Hotel Owners Association, “gone are the days when America was able to do nothing and still attract foreign visitors. It is about time that our government stepped up and delivered a program that will renew global interest in seeing all we have to offer.”
At the Corporation’s January 2011 meeting, the Board responded to a question made by a member of the public by remarking that the promotional campaign being developed by the group will “be marketing the United States as a whole, but the campaigns and markets [have] not yet been determined” (The Corporation for Travel Promotion 2011b, 5).

While it is logical that the advertising created by the CTP not replace the promotional campaigns of local and statewide CVBs, there is no reason that the CTP cannot utilize its resources as well as those of the US Department of Commerce’s travel-related research and promotion team to assist local and statewide tourism entities in promoting their local tourism-related resource to international audiences. As Visit London provided technical support for the city’s borough-centric tourism development efforts, the CTP should provide support to CVBs to better coordinate messaging to visitors from abroad who need to be convinced about the desirability of a US vacation. This can be accomplished through providing competitive grant assistance to CVBs so that they may enhance the interactivity and information available in their respective websites or enhance the local content of www.discoveramerica.com (the official travel and tourism website of the United States), develop videos that can be incorporated into a national video reel that can be provided to foreign tour operators or placed on www.discoveramerica.com, or, with the US Office of Travel and Tourism Industries (part of the Commerce Department’s International Trade Administration), create customized analysis of international visitors to local destinations via its Survey of International Air Travelers.

To facilitate the development of a communication-focused tourism-related disaster plan
as recommended by Faulkner (2001), a basic disaster related communications plan should be required as a pre-requisite of all grants made to CVBs providing service to regions of over one million residents. One can argue that linking disaster planning with a program to encourage international tourism may convey an inappropriate message given that the Travel Promotion Act’s goal is to facilitate greater visitation by foreign nationals. However, any city or region that counts the tourism industries as a major element of their local economy must develop such a plan to ensure the safety of these visitors if disaster strikes, and the collective experiences of major tourism destinations that have recently been victim to natural or man-made disasters ensures that regions no longer have any excuse for not having a “playbook” for post-disaster tourism-related communications.

Finally, the Corporation will be challenged “to ensure that international travel benefits all States and the District of Columbia and to identify opportunities and strategies to promote tourism to rural and urban areas equally, including areas not traditionally visited by international travelers” (Section 9 (b)(5)(A)(iv) of the Travel Promotion Act of 2009). As funding for transportation infrastructure construction becomes more scarce, as federal Community Development Block Grant funding which often paid for tourism infrastructure projects in smaller cities is being reduced, and as airlines are forced to eliminate less popular routes and destinations due to cost, smaller communities that are not within existing transportation hubs will have a more difficult time gaining access to visitors traveling from distant places. To facilitate tourism-related job creation in less-frequented tourism destinations and regions, and to ensure return-on-investment for private sector transportation and hospitality service providers, CTP-generated strategies
for emerging U.S. travel destinations should link international tourism development with expansion of the efforts of these destinations to build their day-trip and domestic markets. As was the case in the post-9/11 New York (as well as the Charleston, SC) experience, the local and domestic market generated the demand for tourism-related services (and thus employment) when the international tourism marketplace was most volatile, and it was the excitement that the local population felt for its cultural and tourism destinations that most attracted those from distant locations.

One cannot conclude a discussion of federal policy implications related to tourism for cities experiencing disasters without mention of Hurricane Katrina, which devastated New Orleans and much of the Gulf Coast in August 2005. Gotham (2007) writes about how New Orleans’ local tourism organizations promoted visitorship by using many of the branding strategies employed in New York after 9/11, messaging themes such as “The Rebirth of New Orleans: Ahead of Schedule” to demonstrate that the city is open for business, and “We Lift our Instruments to Lift Our City” to demonstrate that the great musicians that draw so many to Preservation Hall are, like the performers on New York’s Broadway, were the foundation of the rebuilding of the city (836-837). However, while New York’s post-9/11 tourism-related branding was aimed at uplifting the mood of New Yorkers and stoking their civic pride so that they would not leave for less terrorism-prone locales, New Orleans’ post-Katrina branding was aimed at convincing its residents that tourism is the best means for rebuilding their city’s economy. Notes Gotham, “rebranding New Orleans is also about socializing residents to view the city as a brand and imagining an urban future that conforms to a semiotic script” (839). Unfortunately,
as Gotham suggests, the symbols of the tourism economy, particularly in the French Quarter were not of the independent chef or inspired musician, but of the national chain theme restaurant. Says one French Quarter resident:

“Right now, tourism is about the almighty dollar. In the name of the almighty dollar, city leaders have dragged big corporations like Harrah’s Casino, the House of Blues, and others into New Orleans. Did we really need the House of Blues, the Hard Rock Café, the Planet Hollywood? They all look the same everywhere you go” (842).

Small businesses, such as the many distinctive retailers, restaurants and clubs that line New Orleans French Quarter and give it its particular allure, tend to be underinsured, and therefore particularly unable to reopen after disaster strikes (Waugh and Smith 2006, 214). In New York, despite the $20.5 billion in federal commitments to the city and those impacted by 9/11, fifty percent of all of the compensation provided to individuals and affected businesses came from payments from insurance companies (Stehr 2006, 495). As a response to 9/11, the federal government ratified the Terrorism Risk Insurance Act (TRIA) of 2002, dramatically increasing the affordability of property insurance policies that included terrorism coverage made with traditional, private sector insurance carriers. During the debates whether to renew the Act in 2007, Mayor Bloomberg stated that:

“without a doubt, the federal government’s terrorism insurance program has been a critical part of New York City’s revival and is giving business the confidence to move forward with exciting new projects. But without terrorism risk insurance, none of them would ever get off the ground” (Cardwell 2007).

97 Under the TRIA, the US Department of the Treasury would reimburse private insurers for a substantial amount of their required payout to claimants resulting from a terrorist attack, thereby significantly reducing the financial exposure of insurers in a potentially terrorism-prone marketplace (U.S. Government Accountability Office 2005, 59).
The U.S. Government Accountability Office conducted a number of studies on potential federal policy actions that would support the provision of private insurance coverage for property losses incurred as a result of natural or man-made disasters. One option would be to require all business owners to purchase an “all-perils” policy that would ensure broad participation, but that would require tremendous government subsidization (U.S. Government Accountability Office 2007, 35). Another option would be for the federal government to become involved in the reinsurance marketplace, \(^98\) which would lower premiums but at the same time could displace existing private sector reinsurance providers and result in losses for the government (Ibid). To ensure that the small businesses that create the distinct identity of places like the French Quarter of New Orleans can survive another disaster, and at the same time not place the federal government at undue financial risk, Congress should consider creating a catastrophe insurance program similar to TRIA, whereby the US would substantially reimburse private insurance providers for losses incurred by businesses with sales of less than $1 million annually that have claims resulting from natural or man-made disasters. For private insurers to participate in this program, they would have to lower their premiums for catastrophe insurance coverage so that they would be affordable for the vast majority of small business owners.

CONCLUDING THOUGHTS

In December 2010, London Mayor Boris Johnson merged Visit London with Think London, the city’s official foreign direct investment agency (the New York counterpart is

\(^98\) Reinsurance is insurance purchased by insurers to cover against potential losses.
the New York City Economic Development Corporation) and Study London, which promotes London as a collegiate destination (Leroux 2010). The new agency was named “London & Partners” (London Assembly 2011), a name that closely parallels that of “NYC & Company.” Dame Judith Mayhew Jonas, the chair of the New West End Company (a major Business Improvement District which she chairs and upon which she represents the Crown Estate), was named as the organization’s interim chair. Noted Jonas, “In a sense it came out of work we were doing with the Olympics. It became obvious that there were a lot more synergies between business, tourism, education and inward investment than we had previously thought” (Ibid.). She further remarked that other cities, including New York, are examining this new promotional and economic development model (Ibid.).

Perhaps it is a fitting coda for this study that global cities such as London and potentially New York are merging their tourism and business marketing messaging and messengers, and that tourism agencies are increasingly organizing events aimed at their local populations. As global cities have transformed their economic identities from being centers of manufacturing to being command and control centers of financial, information and cultural flows, it seems logical that the critical “infrastructure” for these cities has changed from that of rail, roads and factories to that of image. The tourism-led growth coalition proved after 9/11 that the message of New York, that of a vibrant & diverse city which challenges even the strongest personalities to prove that they can indeed “make it here”, proved to be a more powerful and (certainly more expedient) tool for re-building New York than the heavy bricks and mortar of the real estate coalition. The tourism-led
coalition also proved that the spark for urban revitalization is initially generated not from the pocketbook of the outside investor, but rather from city residents themselves for it is up to them to prove to these investors (from potential financial backers of a development project to a family deciding upon their vacation destination) that their respective city is “worth making the trip.” As major cities continue to be threatened by natural and man-made disasters, their resilience is dependent not only upon their defensive preparations, but also upon whether local residents and business owners find that their connectedness to the identity of their city transcends and overcomes the obstacles that they may ultimately have to endure to remain in their homes and workplaces.
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