

**Carl Van Horn Interview**  
*Conducted by Rick Sinding*  
*March 8, 2013*

This interview is focused on Carl Van Horn's interactions with Jim Florio, first as an informal policy advisor before Florio's successful campaign for governor in 1989 and then as Director of Policy in Governor Florio's office for the first 33 months of his term.

The short excerpt below serves as an introduction to the complete transcript of the interview which follows. Here, midway through the conversation, Van Horn replies to a question by interviewer Rick Sinding about the accuracy of a public impression that Governor Florio "relished the opportunity to raise taxes, as opposed to being dragged kicking and screaming to have to raise taxes ..."

**Carl Van Horn:** *Well I think it's important to say that he relished the opportunity to provide better education for children in low income districts. And I think that surprised some people because that wasn't a key topic in the campaign. It was a central part of his inaugural address and it's a central part of who he was at the time, and I suspect still is... I mean, he grew up in New York and had a good education; was able to work his way into being the Governor of the State of New Jersey, after serving in the Navy. Education was his opportunity and the ticket for him, and still is a lifting dream for millions and millions of people. He wanted to address that issue.*

**Rick Sinding:** I'm Rick Sinding. It's March 8<sup>th</sup>, 2013 here at the Eagleton Institute of Politics at Rutgers University and I am interviewing Carl Van Horn for the Center on the American Governor. Carl Van Horn is currently professor of public policy here at Rutgers and director of the Heldrich Center for Workforce Development.

You were the director of policy in Governor Florio's administration but before that you had a relationship with Jim Florio that dated back several years. I'm wondering if you could fill us in on how the two of you got to know each other and how your relationship developed over the years.

**Carl Van Horn:** Actually we're sitting in the Drawing Room of the Eagleton Institute of Politics and I think this is the first place I met him, or at least maybe the second place. And the reason we were in this room is because he was interested in teaching a course at Rutgers. After he lost the gubernatorial election in 1981 by a landslide of whatever it was, 1700 votes or something, he was interested in

teaching. And he approached Alan Rosenthal, and Alan and I agreed to work with him -- to help him do the course. He would come here Monday mornings; we'd have breakfast him with in a local hotel. And the idea of the course was we were going to teach it together. In fact, he taught the course and we sat there and listened and learned a lot from it. So that's where I first met him. And then subsequent to that, he and I got to know each other and I started organizing briefings for him, in his Congressional office on issues facing New Jersey. Of course he was thinking about running in 1985 against then incumbent Governor Kean and wisely in my view decided not to do that.

And also at the time I was, I had a Congressional Fellowship from the American Political Science Association. So I was in Washington working on the Joint Economic Committee staff; not working for him but on a separate group. And so we would see each other in Washington from time to time, but it really got more intense as we got closer to the '89 election and it was clear he was going to run. So for many, many Saturdays I would organize meetings in his Congressional office, bringing in different experts on topics from A to Z-- usually just a few people-- and we would spend several hours in the morning talking over those issues. And I remember very vividly because I had two young children at the time and I didn't see them very often on Saturday mornings for a year or two, going down to his office. I knew exactly how far it was and how long it took me to get there. But that was a very interesting process. And then of course when he decided to run, I helped him somewhat during the campaign as well.

**Rick Sinding:** Let's go back actually before your relationship with the governor and talk a little bit about your preparation and background. What's your academic background and where did you get your training and your education and so forth?

**Carl Van Horn:** Well I have a Ph.D. in Political Science; went to Ohio State University. And I entered academia when I graduated immediately. I taught at the State University of New York at Stony Brook for a couple of years and then I moved here to Eagleton. So I've been at Rutgers since 1978. And my area of specialization is American public policy, and especially intergovernmental policy. I've written about that. And then-- that's as a political scientist-- and then I'm also a public policy person - trained in public policy and economics. And so there my work has been on American labor markets and workforce and education programs.

**Rick Sinding:** Your Saturday morning meetings with Congressman Florio, were they largely to just kick around different policy ideas? Were they to talk specifically about issues facing New Jersey at that time? How up to date was he on state public

policy issues; and how much were you involved in trying to bring him up to speed on that?

**Carl Van Horn:** I would describe it as I was providing him the meal and he was consuming it. So in other words, he was there to listen and learn. He was not on output in those meetings as much as he was on input. So I would try to identify the smartest people I knew who could talk to him or wanted to talk to him; and they were Republicans and Democrats and Independents. And it was formulating policy positions, it was learning about the policy. Right? So he wanted to know what do these folks think. And he wasn't talking to people who were necessarily all that deeply involved in electoral politics. There were a few elected officials that would come to those meetings because obviously there's some that have specialized in certain policy areas. But it really was academics, current or former members of the Kean administration or the Byrne administration; perhaps a few people from other states that had moved but that still had familiarity with New Jersey. So it was a diverse group of people.

**Rick Sinding:** Now he had some specialization himself while he was in Congress, certainly in environmental areas; also in healthcare.

**Carl Van Horn:** And transportation.

**Rick Sinding:** He was on the Commerce and Transportation Committees?

**Carl Van Horn:** Right, right.

**Rick Sinding:** Did you focus in on other areas that perhaps he wasn't as involved in? Or did you also touch on many of them?

**Carl Van Horn:** Well we touched less on them. I think he was certainly keenly interested in education policy and the various court decisions that were evolving -- yes we spent a lot of time on that -- and also fiscal policy vis-à-vis New Jersey. But we did some other -- for example, in transportation he -- I remember we had some briefings on that; certainly environmental policy vis-à-vis the state of New Jersey. So it was not that he was unfamiliar with those issues but he wanted to know more. And generally speaking my role in that was, as I said, set the table, guide the discussion, sense when it was time to excuse ourselves and let him go on to something else. But he was very interested in those meetings. And they-- I of course at that point had met a number of elected officials. There were few that I

had met that were that as intensely interested in policy just for its own sake and how it was evolving. And I also gave him a few things to read in advance; and again, unlike many people, he'd actually read them and he was prepared.

**Rick Sinding:** Just maybe before we move ahead to the '89 election, can you give me an example, maybe even by name, of the kinds of people that you brought in for, let's say, an education discussion? Whom would you have brought in to meet with then Congressman Jim Florio to talk about education policy in New Jersey?

**Carl Van Horn:** Well Tom Cochran, for example, who was an education policy expert and wound up working for him as one of his key advisors on education policy; Susan Fuhrman who was a professor here at the Eagleton Institute; is now the president of the Teacher's College at Columbia. Folks like that; and other folks from- who were involved in the issue. Environment, for example, Mike Catania, who was the deputy commissioner I guess of DEP or something like that at the time; I don't remember. And people who were involved in advocacy organizations who had a policy expertise. So yes, it was a long list of people. And state planning was another issue, actually come to think of it; which of course cuts across environment and urban development and so. And that was a very prominent issue back then, and he was very interested in that. So we had folks talk about that. My wife was one of those individuals. She was a founding director of New Jersey Future. So she briefed him on what was going on with that.

**Rick Sinding:** I should point out that New Jersey Future is an organization that advocates for state planning.

**Carl Van Horn:** Exactly, right. And it's a bipartisan- nonpartisan organization. So as I said, it wasn't just people who had-- and it certainly wasn't people who were just looking for a job in the administration.

**Rick Sinding:** Although there must have been some of those as well.

**Carl Van Horn:** Of course, of course, but it wasn't just that. There were many people who were independent of that. I know that Dick Leone, who of course was a prominent person in the Byrne administration, treasurer, a member at that time of the Port Authority Board-- Port Authority of New York and New Jersey-- he briefed him on what was going on with the Port Authority. So there were some specialized briefings and then some broader issue briefings.

**Rick Sinding:** Okay. Let's get into the 1989 gubernatorial election. Were you on staff of the campaign? You were an advisor to the campaign?

**Carl Van Horn:** Yes, very informally; I mean, I was-- I helped-- I looked at some issue papers that the staff drafted. I may have written some myself. But I was not-- not day to day, I certainly wasn't on the staff. I probably went to the campaign headquarters in West Orange two or three times. I met him occasionally in different parts of the state; he would like to talk about an issue. But I certainly was not deeply involved in the campaign.

**Rick Sinding:** There came a time, probably I would say in September of 1989, when it became pretty clear that Florio was going to win the gubernatorial election. It was at that time that he brought Steve Perskie on to the campaign and he was widely viewed as being the person who was going to sort of begin to oversee the transition from campaign to actual governing.

**Carl Van Horn:** Mm-hm.

**Rick Sinding:** At what point did you begin to start thinking less along the lines of how do I advise a candidate running for office to how do I begin to advise a person who looks as though he's going to be the next governor?

**Carl Van Horn:** Well actually I remember pretty well what happened. He was-Governor- Congressman Florio was giving a speech in Cherry Hill. I don't remember the exact date. He asked me to come and meet with him after the speech. So I went down to meet with him. And what he said to me is he said, "Would you be interested in working in the administration if I were to win?" And I said, "I'd be honored to do that." He said, "Well then I want you to meet with Steve Perskie; go to Atlantic City; here's his phone number. Steve will expect to hear from you." And I did. I went down-- I didn't bother to-- the governor was surrounded by other people; I think there must've been 25 people waiting to talk to him. So this was sort of in a rather public place. So needless to say I didn't explore what he meant by working for him, anything in that context. But I was-- of course I was interested. I was making no commitment, I was just interested. So I went down and met with Steve; Steve again telling me what he was doing. Steve told me that- more or less one way or the other: "Congressman Florio, if he wins, wants you as part of his team. I want you to think about that. We'll work out the details later; and go back and think about that and talk with your wife and talk with your colleagues. But be very limited in the number of people you talk to about this." So that's basically what happened. And so I thought about it and I thought

this is a terrific opportunity for somebody who teaches about government and policy; helps educate young people that go into the profession; you know, and I of course admired the Congressman. So I said, "Well I'll try to work it out."

**Rick Sinding:** Okay and you did work it out.

**Carl Van Horn:** I did.

**Rick Sinding:** How long did it take to work that out? At what point were you actually offered a job; and the specific job of director of policy?

**Carl Van Horn:** It evolved. What happened was that the Transition Office was established. I was probably there the second day or the first day. And we didn't have titles at that point; you know, it was just throw yourself into the enterprise. As people who watch this may or may not know, putting together an administration is a complex task, especially after eight years of an incumbent member of the other party; Governor Kean. And I should say, by the way, I was involved in that- very involved in that transition, and Governor Kean and his people couldn't have been more gracious and helpful. Now they didn't in a policy sense always do the things that then Governor Florio wanted them to do. But in terms of as on a professional basis they were very easy to work with, and they shared all the information that we asked for and also gave us the opportunity to meet with outgoing officials. So -- we didn't have titles. But the governor-elect then started talking with folks-- and Steve Perskie and other people sort of talking with folks-- about well what role would people play? And I do remember one of the interesting episodes was the governor-elect was interested in potentially moving his office from the first floor where-- the Governor's Office-- from the first floor to the second floor so that various people could have access to him on a regular basis; as opposed to the kind of little isolated experience in the Governor's Office per se, the formal office. And I think he had in mind the sort of hub and spoke, Roosevelt model of advising; you know, that there would be these people. And essentially that was nixed by the security people and a number of other people. It didn't make sense. I actually wound up occupying there-- you've worked up there too; so you know it wasn't perfect for a governor to be located. But the point-- the reason I bring that up is because what he said to me and to all of us was-- that were kind of the people that were going to work most closely with him-- was he said, "I don't know what your titles are going to be but I just-- I want you around me and I want you involved, and I want you to have access to me; and we'll work out the details."

**Rick Sinding:** We'll get in a minute to who that group of people was. But there's one thing I want to focus on in terms of the campaign, the transition, and then the early stage in office. The governor in his own interviews, 20 years, 25 years after the fact, talks a lot about the fact that during the campaign he was led to believe that there was going to be a budget surplus and it wasn't until he actually walked in the first day of the transition and was briefed by the Kean people to find out that there was in fact a looming substantial deficit.

**Carl Van Horn:** Yes.

**Rick Sinding:** I distinctly remember pundits at the time-- and I was one of them-- being asked what we thought was going to happen in the 1989 gubernatorial election. And I remember saying at the time, "There are two things that are absolutely certain. One is that the next Governor of New Jersey is going to be a former congressman named Jim, and the other is that one of the first things he's going to do is raise taxes." In other words it was an open secret among the people who followed politics and government closely in 1989 that there was going to be a substantial pressure on the incoming governor to raise taxes because of the looming deficit. Now did you all really not know that there was going to be this looming deficit and just took the previous administration at its word throughout the campaign? Or did you have a hunch that once you came in, you were going to have to face this difficult economic circumstance?

**Carl Van Horn:** Well there's a difference between a hunch and understanding the magnitude of a problem; and I think that's probably what the governor's referring to. It was larger than most- than we anticipated; and it may have been larger than Governor Kean and his people anticipated. We have no way of knowing that. Right? And I certainly don't have a recollection 25 years later whether-- you know? But it was certainly larger than we thought. And it meant that-- and the other thing is it's important to point out that when you pivot from a campaign to governing-- you know, which was my interest; I was frankly not as interested-- I'm not an electioneer or a campaign person. So when you go to governing, whole sets of other questions arise. We had to think about many other crises, not just the possibility of a fiscal one. So it was on top of that, if you will, that the challenges seemed rather steep. But I must say that these challenges are usually difficult, especially when there's a party change and especially when someone's been in office for a long time.

**Rick Sinding:** With 20/20 hindsight, had Jim Florio run not saying that he saw no need to raise taxes in the campaign but being a little more cagey on that subject,

might he have won by 300,000 votes instead of 700,000 votes and might his administration been somewhat different in terms of preparing people for the likelihood that there would be tax increases?

**Carl Van Horn:** Perhaps; but I'm not an electoral analyst so I don't know. I really don't. I mean-- yes that-- of course pundits talked about that. And I wasn't in charge of messaging in the campaign. So I'll leave that to others that'll be interviewed in this project to talk about that.

**Rick Sinding:** They certainly will. All right. We're now late 1989/early 1990. You're coming in to office. You've been named as the director of policy. One of the interesting elements of the early part of the Florio administration is that you and Brenda Bacon essentially shared a title.

**Carl Van Horn:** Mm-hm.

**Rick Sinding:** The Office of Policy and Planning changed to the Office of Management and Planning. You were the director of policy. I don't exactly recall what Brenda's title was but it was sort of understood that--

**Carl Van Horn:** She was chief of management and planning as I recall.

**Rick Sinding:** Okay. But that the two of you essentially presided over this Office of Management and Planning. How did you distinguish between what her portfolio was and what yours was?

**Carl Van Horn:** Well there's also another element Rick, and that is that Greg Lawler was named Chief Counsel for Legislation and Policy, I believe was his title. Okay?

**Rick Sinding:** As opposed to Counsel of the Governor. And he was also in the Office...

**Carl Van Horn:** That was a different person.

**Rick Sinding:** ...of Management and Planning. Right?

**Carl Van Horn:** Exactly, right. So no, no, Greg was in the Counsel's Office, Greg Lawler was in the Counsel's Office.

**Rick Sinding:** Oh was he? Oh I thought he was...

**Carl Van Horn:** Yes.

**Rick Sinding:** ...in Management and Planning.

**Carl Van Horn:** Right, right.

**Rick Sinding:** Okay.

**Carl Van Horn:** So that's-- this gets back to the point I alluded to earlier where I think the governor-elect and then the governor was less interested in these titles than he was interested in having the folks that he trusted to work with him. Right? And so it evolved over time. At first, of course, we had to sort that out. But, for example, at the very beginning of the administration, and even during the transition, some of these issues began sorting themselves out. Greg would be taking the lead on insurance policy, because he had staffed the governor-- and it's important to point out to whoever sees this that he had been a longtime staffer with him on his congressional subcommittee; very trusted by Congressman- then Congressman Florio; and had handled insurance and transportation and other issues for him in Washington. So he wanted Greg to come to New Jersey to work with him on those issues. So he would work on that. Brenda [Bacon] was an expert on healthcare policy; and she is very involved in the healthcare industry and in other human services. So naturally she was going to do that. I had worked with him more closely on education policy-- higher education, K through 12 education and other issues. So I was likely to be more involved in that. So now not to say that other people weren't involved in those issues in different ways. But I think some of it evolved naturally. And over time of course-- and we'll talk more about this-- the Governor's Office changed. But at least initially that was what happened. And also-- I think this is true in any administration-- there's a sorting out process. You can give people whatever title you want but then you-- things work in terms of a crisis, an issue that gets assigned to you. And like most governors, I think, that I know, he was open to different points of view from his staff. So it's not like a single person was entirely responsible for that. Obviously the cabinet members-- you know, the treasurer was very important; other people-- the chief of staff-- other people were weighing in on these issues. So even if you were in a sense the lead

on an issue, you were still dealing with lots of other people; and he was getting the opinions of lots of other folks.

**Rick Sinding:** You mentioned the cabinet officers; and I want to focus a little bit on how the cabinet was chosen and who was involved in making those decisions. You and Steve Perskie, I guess, and Brenda Bacon, Greg Lawler, were certainly the closest people to Jim Florio during the time that he was making the transition. I guess Jon Shure was also involved at that level. How much input--

**Carl Van Horn:** Mm-hm. And Doug Berman too.

**Rick Sinding:** And Doug Berman; of course Doug Berman; and we'll get more to him later.

**Carl Van Horn:** Sure.

**Rick Sinding:** How involved were all of you in helping the governor choose the cabinet? Or how much did he participate in the actual decision-making process of who would make up his cabinet?

**Carl Van Horn:** But before I begin, let me make sure for the record, Karen Kessler was very involved too. Karen had been the head of fundraising for the governor; a very smart person, management experience and background. So she also played a very important role, as did others. But anyway to answer your question the-- it varied depending on the office. And I think that-- I think the governor had in mind some people. He didn't need any help to vet candidates. So Bob- Robert Del Tufo was a person that he had great respect for and wanted him to be attorney general.

**Rick Sinding:** I think he was the first appointee, as I recall.

**Carl Van Horn:** Probably.

**Rick Sinding:** Yes, yes.

**Carl Van Horn:** And that-- maybe Doug was the first or second. But at any rate, the Attorney General is a constitutional office; meaning that once you're appointed you can't be dismissed, except for cause. So that's a careful decision the governor

makes; a very important decision. There were other people-- the transportation position, for example, who there were some candidates inside the state; but the governor wanted a broader- governor-elect wanted a broader scope and so an individual from out of state, Tom Downs, was recruited. But I participated in many of those interviews; as did other people. So it depended on the situation. There were some folks he knew for sure, and other folks he didn't. And for example I think in selecting the health commissioner and the human services commissioner, I would say Brenda was the most important person. You know? So I think it depended very much on the--

**Rick Sinding:** And education, were you actively involved in--

**Carl Van Horn:** I was involved but there were lots of people involved in that. That was-- there were many people who were interviewed; not many, several, and--

**Rick Sinding:** And you ended up getting a man from Texas.

**Carl Van Horn:** Exactly, right. And of course the governor would usually interview on those sort of in a sense open seats, if you will, the ones he didn't know in advance, he would interview a few people; and of course he made the final decisions. I think leading this all- over all, I would say-- my recollection was really it was Steve Perskie's role to really guide that. In other words, he was the person who, for example, would review the confidential reports from the State Police; which is a very important issue. It's known as the four-way check which is - just has to do with the three databases about your background plus some personal interviews. And there were some people, which I will not talk about, who were ruled out because of that. So they would never have gotten to the governor-elect-- right?-- those candidates; in the sense of they would just be ruled out at the beginning. There weren't many people; but there were a couple where there was some questionable issues that really didn't--that would eliminate the person for a position in a cabinet, in a Florio administration. But I think Steve was really the principal person managing that process, and I think that was-- that as well as the sort of the key legislative initiatives and so on, that kind of his job was to get that done and serve the governor; especially for those people where the governor wasn't sure who he wanted to hire.

**Rick Sinding:** Once the cabinet was in place, one of the criticisms of the Florio Administration in its early going-- and I think this is probably true of most administrations in the first few months of activity-- is that there were really a handful of people around the governor who reserved unto themselves the right to

really make virtually all of the important decisions. And I know in speaking with some cabinet officers at the time, they felt left out. Other people who thought that they would have better access felt left out. Is that something that's just symptomatic of the early days of an administration? Do you think that the criticisms of the early days of the Florio Administration are accurate? Or would you say that there are particular reasons why it has to be as closely knit as it was?

**Carl Van Horn:** Yes. Well as they say, where you stand depends on where you sit. So yes, I'm giving my perspective. First of all I would say the governor made all the important decisions. One of the things that-- I reject the idea that the staff made these decisions. Okay? And I think we all knew that; and that's probably why he trusted us because he didn't expect us to be freelancing. And that doesn't mean there weren't smaller choices that were made that he didn't necessarily have to be brought in to or needed- or wanted to be brought into. But there were not very many important decisions that he wasn't intimately involved in. First of all, he read the luminous briefing materials from the staff. And David Applebaum, who we haven't mentioned, was the person who organized all that to get to him; and Tina [Christina] Lado who was his personal secretary. So he read, he met-- you know, he made those decisions. From the standpoint of the cabinet, if I was in their shoes, (a) I guess I would have not been surprised by the fact that these key people that he knew very well were going to be very influential in the Governor's Office; so if they were surprised, that's-- they shouldn't have been. And secondly, if I was a cabinet member, I probably would've been nonetheless wishing I had more access. Right? Because there's nothing like personal access to state your case directly to the governor. And some of them didn't have that.

They were really-- and I can't remember exactly who falls into which category-- but there were clearly people who made- needed no appointment to meet with the governor. Bob Del Tufo, Doug Berman, they just called in and said, "I have to see the governor" or called him; and that was it. There were other cabinet officers who would have to go through a staff person-- the governor's assistant or one of us on the senior staff-- to say, "I'd like to meet with the governor." And often they wouldn't really be given the opportunity to meet with him alone. So if I were in their shoes, I'd say, "Gee I wish I could meet with him without these other people involved." But whether that's-- I suspect that's part of any, when there's a chief executive, a principal, the person who is the real decision maker, that people jealously guard-- they want that access, they want the ability to have unfettered access. Having said that, it's unrealistic for that to happen because of his schedule- - his or her schedule, whoever the governor is-- and given the way New Jersey politics is, so many lines of decision making come in to that person that you couldn't allow the whole cabinet just to walk in whenever they wanted. And some people, if you gave them that would've probably abused that privilege; let's put it

that way. And I don't-- I think the staff was also very sensitive to that too; that you just didn't walk down there and-- there had to be an imminent issue or decision.

And again, I want to emphasize he was- Governor Florio was very much a paper driven person; meaning-- and I'm familiar with other governors, they preferred oral briefings. But he wanted to see it in writing. And he, as Rick you would know since you worked for him too, he would mark it up and he'd have his notes.

**Rick Sinding:** The famous "TTM."

**Carl Van Horn:** TTM - talk to me.

**Rick Sinding:** Talk to me.

**Carl Van Horn:** Or Okay; or cross out, meaning he wasn't interested. But that was-- he would-- that's how he spent his evenings I think was pouring over that material and then just moving forward.

**Rick Sinding:** Probably the most outward manifestation of that early going of the centralization of authority was the decision that was made to have only the state treasurer testify before the legislature...

**Carl Van Horn:** Yes.

**Rick Sinding:** ...on matters of fiscal. I found this item —

[Sinding holds up a campaign-style button reading,  
"Ask Doug"]

**Carl Van Horn:** Ask Doug. I remember this.



**Rick Sinding:** At the Legislative Correspondents Club dinner in probably April or May of 1990, all the members of the governor's staff wore this button. It said: Ask Doug; meaning, "You have any questions for me?" "No." "Ask the treasurer." Whose idea was that? It was unusual to that day, and it is unusual since that day.

I don't think any other governor has ever had only his treasurer go before the legislature to answer questions about the budget. How was that decision made and by whom?

**Carl Van Horn:** First of all I don't know the precise answer to that question. But I can give you some context for it. And that is that the governor's approach to messaging, if you will, I would say was to be very disciplined about it; meaning that he wanted, on a given issue, to limit the number of people who were authorized to formally or informally talk about a topic. Right? So if it wasn't him on a topic it would be Jon Shure, who's press- Communications Director I guess was his title; and Press Secretary. And-- so anybody else who was so designated. Right? So he didn't want a cacophony of voices. Right?

**Rick Sinding:** It's interesting. Let me just interrupt you for a second because it sounds as though he did want a cacophony of voices...

**Carl Van Horn:** Inside not outside.

**Rick Sinding:** ...advising him.

**Carl Van Horn:** Right.

**Rick Sinding:** Okay.

**Carl Van Horn:** And it was not an administration where people were loose-lipped with the press, if you will, or just-- he didn't like that; he made that very clear to people. And he wanted to make sure the message was disciplined. I think that's something he learned from his campaigns; that that's important, to control the message of what you want to say to people. I think that-- so I suspect that actual decision was made between himself and Doug; but I wouldn't be at all surprised if it was Governor Florio's decision-- you may ask him, if you haven't already-- rather than Doug's decision.

**Rick Sinding:** I haven't asked him and would like to at some point.

**Carl Van Horn:** Yes right.

**Rick Sinding:** But you were not actively involved then in that decision?

**Carl Van Horn:** No not at all.

**Rick Sinding:** All right, what about the decisions now in terms of rolling out various initiatives? The first six months of the Florio Administration were a whirlwind of activity.

**Carl Van Horn:** Mm-hm.

**Rick Sinding:** And a clear calculated decision was made, I presume by the governor, that he was going to spend his political capital in those first six months. You had the auto insurance reforms. You had taking on the National Rifle Association over assault weapons.

**Carl Van Horn:** Right.

**Rick Sinding:** The education financing plan; the Clean Water Enforcement Act and other-- and the appointment of an environmental prosecutor.

**Carl Van Horn:** Etcetera.

**Rick Sinding:** And most prominently the budget and tax issues. Boom, boom, boom, boom.

**Carl Van Horn:** And education financing.

**Rick Sinding:** Right. Well those I guess do go hand in hand.

**Carl Van Horn:** Yes, right, right.

**Rick Sinding:** Obviously a decision was made, as I said, to spend that political capital and do it.

**Carl Van Horn:** Right.

**Rick Sinding:** Was that a unanimous decision among the brain trust? Were there differences of opinion about how rapidly or slowly these initiatives should come out?

**Carl Van Horn:** Yes there were some differences of opinion. But I think it's important to-- again for context here. Governor Florio is a student of American political history. He did get a Master's degree at Columbia in that topic. And he, in studying other executives, presidents and governors, he believed that you have to use that mandate that you have-- and he won by a substantial amount and he had a large majority in the legislature-- to get those things done when you have the opportunity.

And his reading of history is correct; I mean, that is in fact what-- if you look at what other presidents, that's what President Roosevelt did. I mean, he got very little done in his third and fourth terms- the part of his fourth term he survived. Certainly Lyndon Johnson got very little done after the first couple of years; and so on. So he was keen to get those things done. And he- unlike some other politicians he believed that the role of being governor was to take on the issues. You know, Lyndon Johnson famously said, when he was told "Don't push the Civil Rights Act" he said, "What's a presidency for?" And I believe that was Governor Florio's attitude as well. "I have worked hard to get here so I-- why am I here if I don't do these things?" And other people would say-- and I'm not-- that's their decision as a governor to decide how to lead. Maybe you say, "Well listen, I can't do everything at once. I should wait, do a few things, husband my resources and go on and do them later; or maybe this is better if I get reelected, a second term issue." But that was not his attitude. So I think some of the issues were presented to him, he felt he couldn't avoid; and others were those he chose to. And in the campaign he had talked a great deal about insurance reform, the environmental prosecutor, some of these other issues. And so he believed he needed to follow through. The fiscal issue he hadn't talked about; and here you had this issue which was a deficit that needed to be dealt with, plus you had the looming education finance issue. And the last thing I'd say is I believe he thought-- and many other governors had had this experience, and other presidents-- that if you have to do some tough stuff you do it at the beginning; you don't wait, you do it at the beginning and then you recover from the, shall we say, the disappointment with the electorate with some of those issues that are unpopular.

**Rick Sinding:** Did you or other folks in the front office anticipate the level of antipathy that was going to result as a consequence of these initiatives?

**Carl Van Horn:** I would say-- again this is with the benefit of 25 years of intervening memory on my part-- perhaps the less- the least well estimated blowback was the way in which the National Rifle Association organized to respond to the assault weapon ban and then linked it to the tax issue. So the so-called Hands Across New Jersey-- I call it so-called; I mean that was their name-- but they were funded and organized by the National Rifle Association to oppose the tax policy. Right? The assault weapons ban was pretty popular. Obviously taxes were not popular. And--

**Rick Sinding:** Well in fact the assault weapons ban is the one that survived.

**Carl Van Horn:** It did.

**Rick Sinding:** Even when the legislature shifted...

**Carl Van Horn:** In 1991. Yes, it-- but it was-- they were of course vehemently opposed to that. And I went to countless meetings; and understanding what an assault weapon is and not, according to them. The legislature was very divided about doing that, and it took an enormous effort to get them to do it. And Steve Perskie and others were in the lead on that, not me. So yes, but the blowback from that, the response to that, in my view was-- let's put it this way, I didn't anticipate how successful they would be in mobilizing against the governor in general. I don't know whether other people anticipated that.

**Rick Sinding:** One of the under-reported elements of the Quality Education Act was the assumption by local school districts of the costs of teacher pensions; which greatly angered the NJEA which would have otherwise been, presumably, a loyal union supporter of Jim Florio.

**Carl Van Horn:** Not only that but the substantial additional money going to the schools, from the state, in order to provide better education for people. So under most circumstances you would've certainly expected them to be supportive.

**Rick Sinding:** But that one element of that law cost Jim Florio the support of the teachers' union, a very powerful force in New Jersey.

**Carl Van Horn:** And turned them against Democrats in the legislature, which then resulted in the repeal of the Quality Education Act by the Democrats, in a way to try to save their selves from a fate that they eventually encountered. <Inaudible>

**Rick Sinding:** All right. So my question is: Was that a mistake; from a purely political standpoint? Had that piece of the QEA not been part of it, had you not taken on the teachers' union, so to speak, in the same way that the NRA and auto insurers and others sort of lined up in opposition to the governor, might that have saved the day in the midterm election? Might it have saved the day in terms of the governor's ability to get reelected?

**Carl Van Horn:** Yes I suspect it- I suspect it would've made a difference. I think the governor was a bit surprised perhaps by how strongly the union was attached to that particular provision, that-- and they made it very clear that this was a deal killer for them; that they would be against us if we went ahead with that. And I think the governor felt that that was important in order to help control costs over time to put some more responsibility on the local districts to make these decisions, rather than on the state. And that's a view of governing and policy which is totally defensible; but it doesn't necessarily work out politically. So I think it probably would've made a difference and it would've been a different policy. Now the legislature- legislators, the leaders that I dealt with, were divided about that. Some of them were very worried about that and losing the support of the NJEA and others were less so. But there was no question at that time-- and I think it's less so as we talk in 2013 -- but at that time there was no question that the NJEA was a very powerful political organization; not just for Democrats but for Republicans as well. That they had a well-funded army of local activists-- union presidents and union leaders-- and that they were a very formidable, if not the most formidable, organization in the state.

**Rick Sinding:** One of the other criticisms of the QEA in particular was that it was essentially trotted out in anticipation of the Abbott vs. Burke decision coming down, as opposed to waiting for the decision to come down and then coming up with a formula for correction; which led to the belief by a lot of people that Governor Florio and the administration relished the opportunity to raise taxes, as opposed to being dragged kicking and screaming to have to raise taxes. Was that an accurate description of the governor's attitude? And, again in retrospect, would he have benefitted from being- appearing more reluctant to do the things that he felt were necessary to be done?

**Carl Van Horn:** Well I think it's important to say-- I would put it this way: He relished the opportunity to provide better education for children in low income districts. And I think that surprised some people because that wasn't a key topic in the campaign. It was a central part of his inaugural address; and it's a central part of who he was at the time, and I suspect still is, as a person who is deeply committed to that. I mean, he grew up in New York and had a good education; was able to work his way into being the governor of the State of New Jersey, after serving in the Navy. But education was his opportunity and the ticket for him; and still is a lifting dream for millions and millions of people. He wanted to address that issue.

Now the second point is, from a timing standpoint, he wanted to do it in the first six months of his administration. Had he waited, that wouldn't have happened. Right? It couldn't have happened. The court wasn't basing their decision, I don't think, on that; although one never knows exactly what the court was doing. But I don't think there would've been enough time. So he wanted to move ahead on that. Now again I think it's also important to say that my view is that the politics of this are never good when you raise taxes. I don't care how much posturing you do to say you are kicking and dragging into this and so on and so forth. It's not going to be popular. Right? So-- and of course again the other thing to remember is there was a benefit to this, which was the intended benefit, besides helping low income children in these districts, also to lower property taxes; which is the least popular tax in New Jersey. So it's not like the governor was sitting there saying, "Well how can I annoy people in as many possible ways as I can?" There was a potential political benefit as well as a fiscal and other benefit, an economic benefit, from this policy change. But again, I've never met a politician who relished raising taxes; and I don't think he relished that. I think what he relished was wanting to address issues; believing it needed to be addressed; believing the can had been kicked down the road for 20 years and he was going to be the governor that would actually address it. And he did.

**Rick Sinding:** Do you think that he approached this issue and several of these issues in a way that was significantly different from the way in which his predecessor had done it? I would use Tom Kean as an example of someone who did leave the impression of being dragged kicking and screaming to raise taxes, as part of a deal that was done with a legislature of a different party. So that may have--

**Carl Van Horn:** A key point.

**Rick Sinding:** Yes it may have had an awful lot to do with it. And Governor Florio himself actually talks about the fact that the second two years of the administration, when he faced veto-proof Republican majorities, that he actually was able to get quite a bit accomplished because of being able to make those deals with the opposition party. Did you feel that the second two years-- well you actually left I guess in--

**Carl Van Horn:** Not until- not until September of '92. So I was there in '92.

**Rick Sinding:** So certainly the first year of dealing with a veto-proof...

**Carl Van Horn:** Yes.

**Rick Sinding:** ...Republican majority. Did you find it easier in some ways to deal with them than having to deal with members of the governor's own party in the previous two years?

**Carl Van Horn:** I don't think I'd put it that way because again the issues that were taken on in the first six months and the first two years were much bigger and more difficult issues. So they were just by nature, by their substance, going to be harder. In the second two years the focus really turned much more towards trying to help the state economically recover from a recession, which started officially I think in the late third-quarter of 1990 I believe. But of course we didn't know that until we got the GDP numbers- Gross Domestic Product numbers. So the issue of higher unemployment, trying to recover from that, and then dealing with the political fallout and a reelection and all those other things became more important; and then dealing with the attempt to repeal the assault weapons ban. But I don't think that the second two years were as challenging because the mountains being climbed were not quite as high.

**Rick Sinding:** After the first six months, and with the emergence of Hands Across New Jersey and demonstrations in front of the State House with toilet paper being thrown through the second-story windows into your office and such, did you feel besieged? Did you spend another year or a year-and-a-half in the front office feeling just completely under siege and feeling as though everything you had to do from that point on was to try and get back the governor's capital? Was it a siege mentality in the State House?

**Carl Van Horn:** I didn't feel under siege. I think that-- I think it wore on the governor; I mean, it was very hard on him because he had taken on some issues that he felt strongly about, that he felt were very good on the merits. And of course he was-- his reward for that was a lot of attacks, either from people in his own party who said he'd made political mistakes, or from the public who were riled up about the tax increases. And again remember this is happening when the economy is declining-- right? So-- and we see it today, at least in the last several years when we have gone through the Great Recession, that people naturally lash out at their elected leaders when the economy is in bad shape-- right?-- because their lives are miserable and who do they turn to? Right? They blame politicians. So I think that was very tough. But I think that I certainly didn't feel under siege because I felt that there were many things that-- and he did-- that could still be accomplished, including the implementation of his policy changes-- right?-- to make sure they worked out. We should talk about that. But also other things he wanted to do that were good for the state and certainly were good for him as well politically. So and the challenge of trying to deal with righting the state from an economic problem, even though we know that we can't do it alone but you can do what you can do, that was also very challenging. So I didn't feel that way.

**Rick Sinding:** What major initiatives did survive the shift to a Republican majority in the legislature, and how did implementation go? I guess auto insurance was one of them which was not repealed.

**Carl Van Horn:** Mm-hm. The Environmental Prosecutor was not repealed. His actions on education reform, even though they were peeled back somewhat, still at the end of the day wound up putting much more money into those districts. Right? The difference was some extra money was spread around to some other districts. But in fact huge amounts of additional money went to those districts. Property taxes were declined for a couple of years, or a year-and-a-half I think. And so all of those things-- and the assault weapons ban of course was not repealed. So those things went forward. And he also initiated a very large multi-department, multi-authority infrastructure spending program using every opportunity for bonding authority and money from the Port Authority and so on and so forth to do what you normally do when there's a recession; which is do counter cyclical spending on projects, to try to both employ people and also bring some benefits too; long-term benefits. So he did a lot of those things as well. So I think that a lot of it actually continued. And his focus I think on the- in the second- the second two years certainly moved more towards getting these projects and these things done; getting them implemented; paying attention to them. And that's partly where the staff I think pivoted more towards that. We also did welfare reform; which was-- I was not the central person, that was Brenda's—Brenda [Bacon] and of course the

other people who worked on that; and healthcare reform. So there were other issues as well that went forward.

**Rick Sinding:** The counter cyclical funding, which of course has been much in the news the last couple of years, was done with a Republican legislature in New Jersey. Is this a function of how much the Republican Party has changed in the intervening 20 years? Because clearly President Obama, trying to do precisely the same thing in Washington today is having no success whatsoever.

**Carl Van Horn:** I don't think state-based Republican Parties are the same as the Washington-based Republican Party. So I think when you go around the country today you find lots of Republican governors and Republican legislators who support these infrastructure spending. And that was certainly true in New Jersey, and I think it's still true in New Jersey. So yes I think it's different because more of it is an ideological bent towards the Washington-based Republicans. But at any rate, that was a big push on his part. And of course he wanted to steer as much as he could into blighted urban communities where he thought there was an opportunity for rejuvenation; whether it was Newark or Paterson or Camden-- which of course was very important to him-- Atlantic City; and other smaller urban communities, including New Brunswick where we're sitting today.

One of the other things to point out here is that-- I don't exactly remember when this happened - but somewhere along the line there had been a separate unit overseeing the authorities, the 30-some authorities, in state and bi-state. That unit was abolished and transferred to me, to my responsibilities. So I became responsible for making sure that not only those authorities were behaving ethically, legally and so on-- and of course the governor could veto the minutes of almost all of those authorities. So there was a review function. But also a developmental function which was to find resources to advance economic growth out of those authorities.

**Rick Sinding:** Like selling a piece of Interstate 95 to the New Jersey Turnpike Authority for 400-million dollars or something?

**Carl Van Horn:** I think it was 300-million. But whatever it was, it was-- yes. So that's right. Widening the New Jersey Turnpike using Bonding Authority; getting money from the Port Authority of New York and New Jersey to do various projects in the state, in return for a toll hike. We also raised the tolls on the Turnpike. And this is important too. Perhaps it's a context but both tolls on the Turnpike and the Port Authority were raised during his administration by a substantial amount,

without much blowback. Why? Because I think people (a) saw the direct benefit that was articulated; and secondly there was so much other stuff going on they probably were less concerned about that. But if you did that in isolation, nothing else was going on, people would probably be more outraged. But that's why those things were done. It was to get those projects going and to-- for example, there were projects built. The Atlantic City Convention Center was built out of that money. There were numerous facilities that were constructed; in part because he believed that- he believed that these were ways to enrich the state in the long run but also get people to work right now. And the construction industry was also in very bad shape at that time because we were in a recession; not anything near like the one we experienced in the first decade of the 21<sup>st</sup> century but it was still a pretty serious one.

**Rick Sinding:** Your statement about tolls just kicked in a thought that I had completely forgotten in 25 years. One of the things that Jim Florio mentioned, when he was a candidate for governor, was that he was very much in favor of eliminating the tolls; I think specifically on the Garden State Parkway.

**Carl Van Horn:** Yes right.

**Rick Sinding:** I don't recall whether it was also the Turnpike.

**Carl Van Horn:** No it was the Parkway.

**Rick Sinding:** But I remember specifically he talked about eliminating the Parkway tolls, and actually had a plan to do it.

**Carl Van Horn:** Right.

**Rick Sinding:** Somehow that never saw the light of day. Why not?

**Carl Van Horn:** I don't remember. I do say that unfortunately we didn't have the E-ZPass technology that we have today, which has allowed us to capture the same revenue and knock down some of the toll barriers. That would've been a nice thing.

**Rick Sinding:** You left in September of '92.

**Carl Van Horn:** Mm-hm.

**Rick Sinding:** Was it always your intention to spend two or three years in government and then go back to academia? Had you entered it with the express idea that sometime before the end of Governor Florio's first administration you would return to your academic life?

**Carl Van Horn:** Yes I suspected I would. I had been there almost three years; you know, since from two days after the election, in November of 1989, I was working on the transition. And so almost three years goes to September of '92. And I was then, and still am, a tenured professor at Rutgers University; and that's my home base. And I think that it was appropriate for me to return. And also-- and by the way the university had been very generous I think in allowing me to do that; to give me a leave of absence and to allow me to work for the state. The other thing that happened was the University had created a new school, the Bloustein School of Planning and Public Policy. And I was asked by the then-dean to be the chair of the Public Policy Department and to put that together. So that was an exciting opportunity for me. And I was also asked to be an acting director of the Eagleton Institute while Alan Rosenthal was on leave. And Eagleton was my home at that time. So I felt that that, given my long-term commitment to the University, that was what I should do. Now when I told the governor I was doing this-- I met with him and I explained that I was going back, he pointed to the phone on his desk and he said, "You're only as far away as my phone because I will feel no inhibitions about calling you any time I want."

**Rick Sinding:** And I presume he followed through on that.

**Carl Van Horn:** And he did; and I remained a part-time advisor to him through the rest of his term and worked on whatever duties I was assigned. But it was certainly not-- it was probably a day a week, let's say, if you put it all together; as opposed to seven-and-a-half days a week, which is what it was like working for him.

**Rick Sinding:** Was it a relief to go back to the quiet life of academia?

**Carl Van Horn:** There's a decompression process you go through. I think that working in his administration, and really working at a high level in any government I think, it's like drinking water from a fire hose. And it is both difficult and also stimulating. Okay? And so I was thrilled to have the opportunity. But there's no

question that it's very stressful. It's stressful on your body. I was in my 40s but I was stressed out and I was in reasonably good physical condition. It's very stressful on your family. And of course it's more stressful on the governor be'cause he can't leave; I mean, he's there. But I think it is stressful. So I was very happy to be back in the University because that's my life as an academic. One of the things I missed was writing; you know, I'm a writer and I'd spent my whole life writing. And most of what I did in government was talk and meet with people, and read other people's writing; and write very short things. But I was used to writing much longer things and--

**Rick Sinding:** Memos aren't exactly the same as books are they?

**Carl Van Horn:** No; and doing scholarly work. And I think-- the other thing is that the university is a place where-- some people complain about it-- but essentially most of your life at university is dealing with other smart people whose motivations are the same as yours-- they want to learn things, they want to help young people-- and it's really a pretty pleasant place to be. Politics in Trenton is not something I would describe in that same way. And it's not that I was unprepared for that; I mean, I was a steelworker when I was a young man. So it's not like I'd never been in a tough environment. But it's not the same as a university. So I really enjoy being back with my colleagues; people who tend most of the time to tell you the truth and really are well motivated I think.

**Rick Sinding:** So you wouldn't agree with Henry Kissinger's assessment that academic politics are so nasty because the stakes are so low.

**Carl Van Horn:** Yes; I mean, there are such things. But I think that's a silly characterization. I mean, after all, very seldom as a professor do you do any harm. You're helping people, you're helping young people achieve what they want to do. You're writing things that you're interested in. You know? So it's a different life. But again, having said that, I was grateful for the opportunity. I think I made some contributions. I admired the governor then and I still do. Because my feeling-- my experience with him is he always wanted to do the right thing. He may have made judgments that in retrospect people didn't like, and he made other judgments they did like. But I know his-- I know his motivation was such that he wanted to do the best thing he could for the State of New Jersey; and he threw himself into that. And I enjoyed his trust, and that is really what matters when you're working for an elected official. There were certainly things I- tasks I undertook that were unpleasant; that is to say for some people, they didn't like the decisions that were being made. And he always backed me 100 percent whenever people would

complain because I was actually carrying out his decision. Unlike some other politicians who might blame their staff for a mistake, he never did that because it was his decision. There were certain labor leaders and business leaders who might complain about what I was doing. But they were actually his decisions. And so he never said, "Well that Van Horn guy... And that's very important, you know, that you have that trust. Because then you're willing to go out there and do your level best because you know you're going to be supported. And that's what he did.

**Rick Sinding:** From the vantage point of 20 years of hindsight, is there anything you would point to that was particularly unique about Jim Florio as governor? Brendan Byrne is fond of saying, for example, that had he not decided to save the Pine Barrens he's not sure that anybody else would have done it. Are there things, or anything in particular that you can point to in Jim Florio's term as governor that were unique to him, that you think no other person would have done?

**Carl Van Horn:** I think what he did do was have a very clear agenda about what he wanted to do, how he thought he was going to make the state better, and he pushed forward on all of those things and had a lot of achievements. Would somebody else have done that as fast? Probably not because he was very ambitious about those. But perhaps some other people would have. I don't think Congressman Courter would have. I mean, that was his opponent, so we have a clear chance to make a comparison there.

But I think his commitment to education finance reform because-- it was very central-- because by the time he finished his governorship, the gap between rich and poor districts had already been cut in half, from when he started. And it's closed even further obviously 20-some years later. But that was the great leap forward in terms of addressing those issues. And, as many other people can speak to, the educational performance in those districts improved enormously. So that's a whole generation of young people growing up, doing better-- not all of them but many of them-- doing better, getting better education, going on to more successful lives. So I think he can clearly point with pride to that. Would somebody have also done that? I don't know. No one had done that prior to his election because it's a very difficult issue.

**Rick Sinding:** Carl Van Horn, thank you very much.

**Carl Van Horn:** Thank you; I enjoyed being with you.