B: This is an interview with Charles J. Zwick being conducted for the Samuel Proctor Oral History Program in the University of Florida’s Department of History. The interview is taking place on August 17, 2000, at 95 Merrick Way in Coral Gables, Florida. The interviewer is Cynthia Barnett. Dr. Zwick, I am conducting this interview for a research project involving the history of growth management in Florida. The Zwick Commission is an important part of that history, and I’d like to record your thoughts on the state’s attempts at managing growth and providing infrastructure. But you obviously have a lot more to offer UF’s Oral History Program as the retired chairman of Southeast Banking Corp, so if we find ourselves branching off in that direction or others, that is just fine. Can we start with what year you were born and where?

Z: I was born in 1926, in a little town called Plantsville, Connecticut.

B: And were you also reared in Plantsville?

Z: Yes.

B: What was it like growing up in Plantsville during that era?

Z: I was raised on a farm. I say, in retrospect, that we were poor but we didn’t know it. On the farm, we had plenty to eat and plenty to do.

B: What crops did your parents grow? Was it your dad who was the farmer?

Z: Yes. He had inherited, actually, from his parents, who came over from Germany in the late 1860s or something. They were in the truck growing business, interestingly, early vegetables, only to be driven out by Florida when the trucking industry came along and you could start shipping fresh vegetables from Florida up. So, we then switched over into the flower business. Then we grew what is known as the last crop of every farm in Connecticut, a housing development. That was the end of the Zwick farm.

B: Was there something in your upbringing that inspired you to become an economist?

Z: Not really. Again, I was born and raised on the farm and was involved in 4-H [agricultural club] and University of Connecticut activities. When I got out of high school, my mother said, you are going to go to college. In those days, when your mother said you were going to go to college, you went to college. I went to
college for one year at the University of Connecticut. During that first year, the only A I got was in economics. I said, gee, that is pretty good. Maybe that is what I ought to be, an economist. But what happened is, I went back home because my father had an accident. I went back home and ran the farm for a couple of years. That was enough for me to decide I did not want to be a farmer full-time.

B: Had your father had a farming accident?

Z: Yes. He backed a tractor into a tree in the orchard and got crushed. It did not kill him, but it sure put him out of commission. After that tour, I said I do not want to be a full-time farmer. I felt like I really did want to get my military obligation out of the way because I had turned eighteen then. I joined the Army for eighteen months, which is the smartest thing I ever did, because then I came back and I had [assistance from] the GI Bill. I did my undergraduate and my master's degree in agricultural economics at the University of Connecticut.

B: Where did you serve in the Army?

Z: In Japan.

B: What years were those?

Z: 1946-1947. You can see the war just coming to an end as I am enlisting as a kid.

B: That was very good timing for you.

Z: Yeah, I put in my eighteen months. They kept saying, if you go to school, we will let you [discharge] but [otherwise] you got to re-enlist for another eighteen months. I kept saying, I will put my eighteen months in, and thank you very much.

B: What do you feel you still carry from your parents? What are their main influences on you?

Z: I would say we were a big old German family with relatives from New York. They would come up on the train, and this was the farmstead where everybody came. There was the notion of an extended family, in current vocabulary. And, I think, hard work and discipline. In retrospect, looking back there, we did not have much income in those days, but I did not know that. We had more to eat than you needed, and we had more work to do than you needed to do. You rode your bicycle to school, and life went on. Mainly it was sort of the discipline of the family and hard work and the need for chores on a farm that were every day. You had to meet a schedule.

B: What made you decide to go on for a Ph.D. at Harvard?
Z: When I came back from the Army, I knew I wanted to go to college. I did not want to go back to being a farmer. Somehow or other, I had drifted from agricultural engineering to agricultural economics. I started in agricultural and then diverted over to agricultural economics. Then when I got my B. S., they said, why don’t you go for a master’s degree? I got the master’s degree and taught for one semester at the University of Connecticut. I still had GI Bill [money] left and I was getting good scholarship offers, and why not get a Ph.D.? I think my life pretty much until I came to Southeast Bank was, I was doing A and B came along, and I compared A to B; if I liked B better than A, I did it, and if I did not, I stayed at A.

B: Where did your wife come into that picture?

Z: She was a student at the University of Connecticut. Her name is Joan Cameron.

B: You met her in undergraduate?

Z: As an undergraduate, right, and then we got married in 1952 when I was at Harvard. I went up to Harvard, and for one year, I was single, and then we got married. She helped, and between her job and my scholarships, life was not too difficult.

B: What was her job at that time?

Z: She worked for one of the [university] departments.

B: You worked at the Rand Corporation, from 1956 to 1965, a long time. Could you talk about what brought you there and what your duties were?

Z: When I finished my doctorate at Harvard, the question was, what are you doing next? They needed an instructor to teach what they called the economics of agriculture, not agricultural economics. Professor [Kenneth] Galbraith, who [usually taught it], was off in India, and so they said, why don’t you stay and do that? So I stayed for two years. At the end of two years, it was clear that I was going to move on. The job market was still good at that time, and I looked at a couple academic positions, including one at the University of Wisconsin. Rand came into the purview, and they were then doing some of the most sophisticated econometrics stuff. I was teaching statistics at that time, so why not? That was the leading edge.

B: That was in Santa Monica.

Z: Yes.
B: What sort of work did you do during those ten years?

Z: I worked first in the logistics department, in 1956, and very quickly became head of the logistics department, I would guess in 1958. They did work on transportation, did work on _____ supplies, inventories, airlifts, that whole setup, what we call logistics now in the commercial sector. I ran that for about three or four years, I guess, and I finally said, I am getting bored. They said, why don’t you go on the research council? So I went on the research council. The research council had a general quality review and stimulative...two responsibilities, one, is the product, as it is being developed, worthy, and, two, how do we stimulate new and interesting projects? We had a joint sort of thing. I did that until 1964.

B: Were there any particularly interesting projects that came out of that, that you are proud of?

Z: During that period, I did head up a Ford Foundation [study] on urban transportation. That is how I started to back into this stuff we are going to get to in a little while. I headed up a study on urban transportation and got involved in land use.

B: That was in the early 1960s.

Z: Yes. I would say the 1960s, maybe even the late 1950s or something. I did some work on commercial air transport.

B: What sorts of things were you finding out about transit at that time?

Z: Well, we found out that, A, with a dispersed population, lots of places, a solid rail-based system would not work and the busses made an awful lot more sense. We are still finding that there are only a few places. The real question then and the real question now, still, is how much will the transportation system affect urban development? If you take L.A., for example, which was pretty well laid down, it is going to be pretty hard for mass transit to affect the future focus of L.A. Miami, I have hopes that the mass-transit system will in fact develop density along the routes. So far, the results have been disappointing, in terms of the grandiose promises that were made at the time.

B: In terms of METRORAIL or Tri-Rail?

Z: METRORAIL, but I think that will pick up. So, as far as I am concerned, that is still an open issue. The question of whether mass-transit systems work or not is tricky. I keep pointing out [that] we build them all over the place and they work very nice, and, in fact, they are free, and we call them elevators. When you think about them, that is a mass-transit system run vertically rather than horizontally,
and it works.

B: Good point. And they are not publicly-subsidized?

Z: They are not publicly-subsidized, and why is that? Because they capture all the economic benefits in rent. If you think about a building, that is a good way to start. Buildings give you free transportation up and down the building because they capture the benefits from rents.

B: What brought you to Washington, D. C., to work for OMB [Office of Management and Budget; federal agency]?

Z: In 1964, I got led astray, it is fair to say. I was sitting there in the research council and Rand was asked to do a review of the pacification program and economic assistance program in Vietnam. They put together three very capable individuals, and then the president of Rand said, you know, I would like to have somebody I do not think I had grey hair at the time with a little more experience, [so] Charlie, you are going to head up this team. So, off I went to Saigon, and we headed up a study and reported on it.

B: How long were you in Saigon?

Z: We were there for about six weeks. We wrote a report, and we almost got shot when we got back to Washington because we said, you do not know what you are doing, and they did not appreciate that.

B: What were the findings?

Z: The basic argument was that, the only way you are going to win this war, if you are going to win it, is to do what General Lansdale did in the Philippines, and Colonel Thompson in Malaysia, and that was finding indigenous leadership and support them with money. The U. S. military did not like that. They [had an attitude of], get out of the way, we are coming in, firepower, win the war by our brute strength. That report did not make anybody very happy. At that point then, there was a big blowup in Saigon. I think one of the Buddhist monks burned himself or something. All of a sudden, our report was the hottest thing since sliced bread.

B: It was very relevant.

Z: Yes. [Secretary of Defense Robert S.] McNamara loved it, and we were told the president read it and this is what we are going to do, simple fact of the matter, which is relevant when we get later on into land use, is the military did not know what we were talking about, did not want to know what we were talking about,
and that ain’t the way we are going to do it, folks.

B: But the policymakers did eventually

Z: Well, too late though. So, we did that, and we were very popular. Then, nothing would keep people happy, but we had to do the same thing in Thailand and Laos. So, after early 1965, I then had teams in Thailand and Laos and then stopped in Saigon over there. Almost killed myself physically commuting between L.A. and Thailand.

B: Did you do similar types of reports?

Z: Yes, and they were quite different. Interestingly enough, Laos, was a neutral country at that point, so everything that was done was done covertly. There was Air America [covert CIA airline into Vietnam], if you have seen any of those movies. And through the aid program, everything was covert CIA action. We did exactly what our report said, which was we got some old operators who went in and found local leadership and supported them. We were doing very well in Laos.

B: So that report was very positive?

Z: Yes, and it was doing very well. Of course, when we pulled out of Vietnam, we let all those people hang out on the end of the limb, which was a little tough on them. That is why if you go out to Minneapolis or someplace, you will find a number of Laotians. You wonder why there are so many Laotians in this country, partly a guilt complex on their part.

B: Did you ever go back and follow up on any of that work?

Z: Only through my Rand thing. Basically, the right answer is, I moved on to new ______. As a result of that, I was in and out of Washington anyway, in 1964 and early 1965. All of a sudden, there was an assistant directorship for what was then called the bureau of the budget. There had been a Rand person in it, and it was almost a Rand chair if you ____ because we were pushing planning, programming and budgeting under Secretary of Defense McNamara. So I said, well, I am sitting here in Santa Monica and they do not listen, so if I go there, I will get my hands on the wheels and make them do what I want them to do, which was a big surprise that that is not easy.

B: How closely did you work with McNamara?

Z: He was ahead of me, in a sense, as Charles Schultz was budget director before me. I went to a number of meetings where Schultz and McNamara would be
there, and I would be sitting there with Schultz=s right-hand man. So I was always interacting. In fact, when Schultz left, McNamara was one of my supporters to become budget director.

B: What was he like to work with?

Z: I [was] not overwhelmed, to be blunt.

B: Why?

Z: Well, I think he was quick but could be led astray. In fact, I think one of the reasons I became budget director was that I used to go to balance some payments with Schultz and McNamara and George Ball, who was Undersecretary of State, and being an old hand, he used to fall asleep until the report came, and then his assistants would elbow him and he would wake up and come out fighting. I watched for a long time Schultz, who I was supporting, and McNamara sort of try to out-calculate each other. Something would come up, and they would like to [snaps his fingers a few times]. Well, I was pretty good in math in those days, pretty fast. One day, Schultz was not there, and I was sitting in the BOB [Bureau of the Budget] slot. Some number came up and I said, 3.2. McNamara looked up and said, who the hell is that? Where did he get that? How could he do that that quickly? I think he was impressed with that sort of analytic numerical quickness. That is fine up to a point. It is tool, not an end in itself, being analytically bright and quick.

B: So you think some people were able to lead him?

Z: Oh yeah. The Secretary of the Treasury, Fowler, was nowhere as near as smart but was a tough old experienced Washington politician-lawyer. He would always create an issue and get McNamara all excited about it, and McNamara would say, I will go back in the Defense Department and do this, this and this. And Secretary Fowler would say, that is very good, now we got the rest of the government and you, the Bureau of the Budget, has got to whip the rest of the government in line. And he would say, fine. Then about two weeks later, we would find that, once McNamara got back to the Pentagon, all his assistants told him twenty-two reasons why he could not do what he promised. We were left out there whipping the rest of the government in shape, and they were reneging on their commitments. That annoyed people. He was a very bright, very quick guy. I think he was over-enamored with numbers quickness, as I said.

B: So you presented a balanced budget in 1968-1969, which is quite a feat.

Z: Correct.
B: What did it take to produce a balanced budget at that time?

Z: It took about three things. One was, we had to raise taxes, and we did. That took us a year, but we finally raised taxes in June of 1968. Secondly, by then, [President Lyndon B.] Johnson had said that he was not going to run for re-election.

B: Did that make it easier for him to raise taxes?

Z: I do not think that had much to do with raising the taxes, but he then started worrying about what the history books [would] say about [his] legacy. One of the things he wanted to do was balance the budget. We actually ran a couple budgets for a while there, one with a tax increase and one without it. He was super because, at that point, he wanted to balance the budget, and he did not want to have to tell all his friends at HEW [Health Education and Welfare, Cabinet department] and other places that there was not as much money as they thought there was going to be. So, the budget director got the honor of being the bad guy, but it was easy. I mean, once the president said, I do not care whether we get the tax increase or not, that budget is going to be balanced when I walk out of here on January 20. Once he made that decision, it made it easier on the expenditure side, but really what happened was the economy was booming and the revenues jumped up, which is exactly what is happening right now. No different.

B: So this is why we finally [currently have] a balanced budget for the first time since your tenure.

Z: That is right, and at both times, we had a very strong economy. If you look at the numbers, the revenues just took off and the expenditures were sat on. But it was not cutting expenditures; it was growing revenues that really balanced the budget.

B: What was Johnson like to work with?

Z: Everything you have heard plus more. He was tough, hard-driving, very smart. He knew how the system worked. He worked it very well. He could be tough, he could be mean, he could be venal, he could be crude, he could be everything. I was impressed. I come away with giving him high marks. The Vietnam thing just killed him, and there was no way out of it, it seemed, or at least we were not smart enough to figure out how the hell to get out of it.

B: Do you have any good anecdotes about President Johnson that you could share?
Z: Yeah, but we could be here all week.

B: How about one?

Z: Just one? Well, the famous one that I use most often was that I was [in Washington] on a typical two-year assistant director tour in the summer of 1967, and I went and saw Charlie Schultz, the budget director, and I said, Charlie, remember I was coming for two years and two years only? It is now, and remember I am married and I have two kids and I am broke. You know, and there comes a time when one should go out and earn a living, and I am getting out of here. He said, you cannot leave because I have got to get out of here, and I have already talked to the president and you are going to be my successor. That was the summer. Fall went on and we really did not hear anything, and I said, Charlie, are you sure? Remember, two kids, no money. No, no, no, he is just busy. We went down in the fall once. We were going to go to the ranch, but there was fog, so we went into Austin to brief the president on some budgets. And [Schultz] said, you will do the one on OEO [Office of Economic Opportunity] and so you will get to see [Johnson]. Went through that, and then we were going up in the elevator to lunch and he turned to me and he said, can you do it? Can you do it? Yes, sir, I think so. You know, what are you supposed to say? You say yes, sir, I think so.

B: And that was it?

Z: That was literally it until there was one more incident. So, then we sat down, and I sat to his right. Eyes went up all over the room, you know, what the hell is this lowly assistant director sitting next to the president for? So that started rumors, but nothing happened for quite a while. I would guess it would be sometime in December. It was really fairly late in the game. It was on a Saturday morning, and the president and Charlie Schultz and I were the only three in a room going over the budget. He liked everything we were doing with it, but the numbers were too high. Not giving enough to buy favorite programs, but the numbers were too high. We would say, the sum of these lead to that number, Mr. President. We were sitting there, and all of a sudden he turned to me and he said, now, when you are budget director, I want you to understand a couple of things. First, I really do not know you, but Charlie Schultz says you are the man, and Charlie was terrific, and I got him because Kermit Gordon said he is the man. I observed that they are eastern-establishment types and went to Harvard and these things like that, and I like to go down to the ranch and put on my boots and ride. And I notice you went to Harvard. [I replied,] yes, sir, your history book is very good. He said, well, that is fine. And, if you need to talk to me, pick up the phone, and if I am here, I will answer it. If I am not here, put it in the night reading, and you will get an answer in the morning. And he did that. I would say three-quarters of the time when I picked up the phone, I got him. Very seldom did anything hang
around a few days. He said, do not let those kids, do not let Joe Caliphono\textsuperscript{1} I do not know if that name rings a bell for you? Joe Caliphono was the assistant for domestic programs, a very powerful guy. He said, do not let Caliphono and those other kids get in your way. If you want to talk, pick up the phone and talk to me. He understood bureaucracy. You talk to me, and I will give you the answer. Then he did what I thought was the world’s greatest line. We were sitting there, and he had that habit of coming up to you eyeball-to-eyeball. He said, just remember one thing. And I said, yes, sir. He said, the American people elected me president, not you. Isn’t that a wonderful story? And I said, yes, sir, I got it.

B: He was really adept at working that bureaucracy.

Z: Oh yes, he really was. That is enough Lyndon Johnson stories, but they go on forever.

B: How did you get from Washington, D.C. to Southeast Banking Corp? Who or what made that happen?

Z: Election Day, it was clear that Richard Nixon was going to be the president and I would not be budget director anymore, so I was unemployed. It was the first time that I really said, what do I want? I am forty-two years old, and what am I going to do? Up to that point, as I told you earlier, you would be doing A and B came along and you decided whether you stayed at A or go to B. But this was the first time in my whole forty-two years that I was going to be unemployed, day certain, in three months, and what do you want to do? And the choices were good. I could have gone back to the academic [world]. If I was going to back to the academic, that was the time to do it. I was actually offered a university professorship at the University of Connecticut. The president was a fellow named Homer Babbage, and he was going to run for governor as a Republican. He said, you come up and you be the Democrat and I will be the Republican, and we will have a powerful team.

B: Why did you turn that down?

Z: Well, in fact, I had mentioned that once to Johnson. He said, what are you going to do? And I said, another Lyndon Johnson story, well, I may go become a professor and get involved in Connecticut politics. And he said, Charlie, you could not get elected dogcatcher. All you kids sit around here and you think you know what it is to be out there in the hustings. He was right. Most of the people who went back who were staff people went back and ran for office [and] did not make it. It is just a different world.

B: Did his advice have an influence on you?
Z: It did affect me, but I had a lot of good job offers. One day, I got a call from Lloyd Cutler, a well-known Washington lawyer. I thought I had spent most of my career fighting with Lloyd, who represented the automobile people when we were doing the safety bill. He was trying to water it down all the time. Then there was the housing bill, and he was on the what was called the Violence Commission. There was a current commission, and then there was a second one after Martin Luther King [was assassinated]. So, he had been one pain in the rear end, as far as I was concerned. He called me up one day and said, Charlie, do you know what you are going to do yet? And I said no, and I have been busy trying to get the budget put together and get out of here, but there are a lot of job offers, so I am not that worried about it. He said, well, we represent a bank-holding company in Florida, called Southeast, and they need a president. I happen to have the chairman of the board, Fred ____, in my office right now, and he met you at some Fed meeting where you talked. I would like him to come over and talk to you. I said, Lloyd, I do not want to talk to him. I have been to Miami once in my life. All I know about banking is how to balance my checkbook and a few other financial tricks, but it is not my background, so I do not want to talk to him. At that point, typical wonderful Lloyd Cutler, he said, Charlie, that is dumb. And I thought, maybe it is. As a matter of fact, for the first time since I had come to Washington, I am unemployed. We briefed the budget this morning, so I did it. It is embargoed until tomorrow. The president is going to do the State of the Union tonight. And for the first time in my life, I am sitting here unemployed. If he wants to come over, have him come over. So he came over, and he introduced himself and pointed out that he was originally from Michigan and not Florida. We talked [and] right in the middle at about 4:00, the State of the Union Address will begin [soon]. The phone rings, the president is on the line and needs to talk to [me]. I pick up the phone. He has just read the numbers now for the first time, and he is going to have a 5:30 briefing to the leadership of the Congress and then go up and talk to the public on television. He has read the numbers for the first time, and he ain’t got enough Great Society programs. Those numbers are too low. They should be higher.

B: Right there? During your job interview?

Z: Yeah, right there. So I sent Fred on his way. We figured out we would both be in New York on the 21st of January and we would have dinner together. So, we got more social programs. How did he do that? Well, we took some of the TVA [Tennessee Valley Authority] programs and made them social programs.

B: So it was just a shift in semantics.

Z: Yes, just a shift in how we allocated some programs between categories. So, he ended up with more social programs, which made him happy, and we were happy because the numbers still added. At 5:30, we told the Congress[ional]
leadership, and at 8:00 or 9:00, whatever it was, he went on television and we
told the world [about] all the social programs which four hours ago were
economic development programs.

B: So then what happened a couple of weeks later?

Z: For several months there, I fiddled around because I really, literally, closed up
the government. I was the guy who really did not have time to see straight for
awhile after January 20, so I waited to do my serious talking. I guess sometime in
March or so, I decided to come here, simply because it was big enough to be
interesting and I thought the growth and what was happening in Florida made it
interesting. Yet, it was small enough so I could get the job as president.

B: What did you and wife think about coming to Florida? What conversations did
you have about that?

Z: Two ways to think about it. One, going back into the academic world, I was also
being interviewed for the dean of the Woodrow Wilson School at Princeton.
Indeed, on the 20th of January, we drove up to Princeton and were interviewed.
The kids [at Yale] were out of control in that period. I mean, they wanted to run
the school. The provost was showing my wife this big old barn and said, that is
where you are going to live.

B: Miami looked pretty good.

Z: Yeah, why don’t they just give you money and let us live in a house we want to
live in? So we came away somewhat disenchanted with that experience. We
decided we really did not want to go back. I knew at the time if I went back to the
academic world, I would be a dean. Of all the bad the jobs in the world, being a
dean is probably the worst. Everybody on the faculty thinks you are pretty dumb
or you would not be the dean, and you are out there begging for money and you
get no respect from anybody. I thought, gee, that is not really what I want to do. I
crossed that bridge when I left Southeast, when I could have been a dean again
of a business school, but, you know, that is not for me. I always kid my friend
Sandy D–Alemberte [president of Florida State University], you are a college
president, you live in a great big white house on the top of a hill, and you beg for
a living. That is what you do.

B: And you never have any time for yourself. You always have to be on. Always
fund-raising.

Z: That is right, and everybody figures if you are doing that, you cannot be very
smart. The faculty really does not have great respect for the president or the
dean. They are just in the way. They do not do their jobs to get me enough
money. I just really rejected that. We assumed, when we went to Washington in the first place, that we would go back to California, so it really got down to going back to California versus coming here. I think the bottom line would be that my wife would have preferred to go back to California. She liked to say, you never got over the fact that when we were living in Cambridge, we were living in a ghetto as graduate students, and then all of a sudden we were living out in Pacific Palisades with sliding doors and looking at the Pacific Ocean and all of that, so that you got to adjust. But, California is so far away, and the action is on the East Coast.

B: At least in banking.

Z: Well, on anything. In fact, I had dinner last Tuesday night with some dear friends. We decided not to go to the Democratic Convention. We figured we knew it better by staying where we were and having a good dinner. California is removed. It is, for reasons that are...I think it is just distance and time difference. They just see the world different than the rest of the world, and they say, yeah, we are right and you are wrong. And they may be right and we may be wrong, but it does not seem that way to me.

B: When you made the decision to come to Florida, would you have imagined that you would end up living here for so long and getting so involved in the state?

Z: No. We had never lived in a house more than four years, I think, until we came here. I thought, five years at Southeast and then move on to whatever else in my career. Allen Boyd was a good friend. We put the Department of Transportation together, actually, literally. I think bigger than balancing the budget. Most people do not think of it that way. Allen was Mr. Outside, running around trying to keep the industry types, and I ran the inside task force that wrote all the...

B: Was this when the country was doing its national highway grid?

Z: No. Again, this was 1968. Eisenhower started putting the interstates together. It just was a logical thing. One of the things that used to drive us crazy at this point you might find interesting was something called the Bureau of Public Roads, in the Department of Commerce and way down in the structure. All those construction company executives were bounding into the president’s office, and we wanted to head off them getting into the president’s office. So, by creating the Department of Transportation and saying that there was highways and there was airplanes and there was railroads and there was maritime service and so forth. We ought to have a Department of Transportation. So, for a lot of different reasons, we did it. Allen Boyd and I got to be really great friends. He became the first Secretary of Transportation. He wanted me to go and be deputy with him, and the president said no, you cannot have him, he is going to stay here. When
this job came him, literally I had been down here once. I flew down here once and took a car over to the ____ Harbor because the Teamster unions were meeting there, the AFL and CIO [the American Federation of Labor and the Congress of Industrial Organizations]. I got here, went to bed, got up, gave my speech, hopped on an airplane, and went back. That was all I knew about Miami, so it did not seem logical. I asked Allen, because he was a good friend, and he said, look, these are good people. Really gave me a pretty good sales pitch. When they got all done selling me on coming down here, he just said, but one thing you should know, I am not going back to Florida. I said, oh? Having told me what a good a place it is, why aren’t you? He said, if I go back, I am going to get involved in Democratic politics, and they are going to want to run me for Senator and I don’t want to do that, I am going to become president of Illinois Central Railroad, and that’s what happened.

B: Could you talk about your early days at Southeast Bank? 1969 is when it begins.

Z: Yes, it begins in 1969.

B: How old were your kids when you moved to Florida?

Z: At that point, my son was thirteen going on fourteen and my daughter was ten.

B: So you moved the family to Florida.

Z: Right, and I think everybody understood that something was changing in the state of Florida. While the First National Bank of Miami was the biggest bank in the state and, in many ways, the most sophisticated bank, it was landlocked, if you will, and the growth was taking place to the north and to the west. We had to move statewide, hence the bank-holding company. We needed to buy banks in Tampa, St. Pete, Jacksonville, and start a bank in Orlando, [and] in general participate in what, in those days, was really Barnett and us. Sun Bank was in the game for awhile, but then they sold out to a trust company in Georgia. Then, Florida National had been around, and there were others. Over in Tampa you had Exchange Bank. Al Ellis was over in St. Pete. The goal was to produce a bank that would be viable, given the economic activity that clearly could be forecast. I mean, the demographics were clear, the state was changing, and part of my job was to convince the bankers who did not really want to focus on that. They wanted to serve their existing customers, period, and why are you going off and dealing with all of these strange people in Tampa, Jacksonville and Orlando? I think that was implicit in bringing me here in the first place, that the world is changing and we have to change to stay with it. And I guess from 1969, 1970, things were going great and bankers were smart, and then came the big real-estate bust in the middle of the 1970s. Then we were all dumb. That is when we bought the Palmer Bank. Big fights over that. Then the thing turned around and
started booming again, and then we were smart again. Then things got worse again in the mid-, late-1980s, and then we had the 1990s recession. I think if you talk about urban transportation affecting urban form or urban form affecting transportation, in banking, it is the same thing. Bankers facilitate growth. They may influence it to some extent. But to a large extent, they are dependent on growth for them to grow. If there is no economic activity, you do not need a banker. My own perception is that, in many ways, Florida was too easy. I mean, it was growing and doing well, and you could be a hero too easily. You did not have enough bad times to get the discipline and take out some of the fat that came with acquisitions. Now, they are doing it. Right now, you are seeing people firing people all over the place.

B: How did you deal with those dips when they happened?

Z: I am not quite sure what your question is, and I do not know how to answer it. You did a lot of different things. You slowed down growth, you tried to tighten up, you fired some people, you took some hits when the prices of stock went down. You were either a hero or a bum, depending on who you talked to. But then when the earnings started to come back and the price of the stock went up, well then you were again very smart, a hero. It is very cyclical business. The balance of a bank are very tightly wound. With things going well, you can make a lot of money. When things are going badly, you can lose a lot of money. The real trick is not to get into either one of those extremes.

B: What are you proudest of, looking back over those twenty-two or so years?

Z: Well, I think we built a very good franchise. Barnett ended up with more deposits and more branches, so they won the title in terms of the [state=s] biggest bank, but we were the dominant player if you wanted to do sophisticated international or any sophisticated corporate [banking], you either did it with Southeast or you went to Atlanta or New York or wherever, Chicago or somewhere, to get it done. I think we had a very good team. The recession came along and the real-estate thing, and we were having trouble. I’m absolutely convinced, and I think most of the people who followed what happened [would agree], that we were on top of it and we would have turned the thing around, but the government panicked in the middle of it and decided otherwise. That is tragic because it was a very good asset, very important to the state and very important to this community. For me, it certainly was a personal tragedy and I lost a lot of money, but I observe I am not starving to death and life went on. But there were a lot of people, both customers and employees who really were badly hurt by this whole thing. They are the ones who were just left hanging.

B: It turns out later that the FDIC ended up with a lot of extra cash, right?
Z: Right. Still has, and that is one of the problems. We cannot finish this because there is so much money that they would almost have to give it back to the shareholders, and what a terrible thought that would be. Almost un-American.

B: What is the status of that now?

Z: I think it is 90, 95 percent done. I think you are getting to the point now where the insurance companies are starting to maneuver for position, and the junior bondholders. I would bet in the next year, this will be over with, but that is ten years. That is a long time. My own back-of-the-envelope calculation, but I probably have watched this as well as anybody and I know what my legal bills were, in terms of all the defendants= legal bills, the government= s legal bills, the trustees= bills, it is clearly over $50,000,000, and ten years. It would have been nice if the shareholders got some of that.

B: What do you think could have been done differently?

Z: I am not sure you could have turned it around. The government was in a state of panic. The guys who did it, they did it all over the lot. I mean, they did with the Lykes= bank. If you talk to the Lykes family, what happened is that they let an OCC, officer _____ currency man in. He took over, they spent a year and then they merged it into Barnett. That is what they really wanted us to do, to merge. I said, are you telling me we have to? And they would duck under the table and say, no, we cannot tell you that, but... And so I said, well, we will not do it, or something to the effect of over my dead body. And they said, fine, over your dead body.

B: Over your dead body, it will be then.

Z: That is right, so there we are. I am not sure given the S and L [savings and loan] crisis, the Keating Five [scandal] where the senators were involved, including our great reformer [Arizona Senator John] McCain. I am not sure. They needed to do something.

B: It was the times.

Z: The time was there, and something had to be done. I am afraid that Southeast was standing on the wrong streetcorner at the wrong time. If it was six months one way or the other, it could have gone the other way because we clearly had our hands around the problem. It would have come out, and I think it would have made a significant difference to South Florida and to Florida as a whole. But those are the games you cannot play over. Nobody thought the government would do crazy things, but they did.
B: Is there anything you wish you had done differently, as CEO?

Z: Oh sure, there are a lot of different things. Would have it made any difference? I do not think so, and I have played this record, as you might have guessed, many times. I do not think if we had learned to hide, we might have survived. Barnett did in fact survive, and they did hide, in some extent, of moving bad credits around in individual banks and did wonderful things. So if survival was the test, which is not a bad test but only one test, they did survive. Then they sold out, of course, to Nations Bank. I am not sure, but there was no magic bullet that would have made the difference.

B: What do you think is the impact of the bank’s failure on Florida?

Z: To answer that, the best question would be, what is the impact of First Union and now Bank of America on Charlotte [North Carolina]? I think that all of us are surprised that went through that whole process. We worried mostly about Atlanta, worried about CNS and First of Atlanta. Trust Company bought Sun Bank and so forth. Charlotte was sort of sitting up there pretty much by itself, and it has had a major impact on Charlotte. You cannot help but observe that. And if you had some strong banks headquartered here, I think it would have had a significant positive impact on Florida.

B: What do you think the impact is on Florida, that we have so many mega-banks here that are headquartered elsewhere? What impact does that have on us as a state?

Z: The headquarters certainly, the last ten years and maybe ten more years I do not know, the world changes but certainly having the headquarters in Charlotte has made a significant impact on Charlotte. Charlotte was the least likely of places. Wachovia, which was clearly the best bank in North Carolina, was in Winston-Salem. The banks NCNB and First Union, which had lots of different now but it was originally Cameron Brown Voyage Company, they were not the first-line banks or players. If you worried about anybody, you worried about Atlanta, but Atlanta really lost two of its three big banks. The Trust Company of Georgia is still there but it has not been as big a player as Nations Bank or First Union. I think if we had one or two of them in the state of Florida, it would be very helpful.

B: In terms of philanthropy or leadership?

Z: Just business development, the networking, whether it is a box at Joe Robbie Stadium [former Miami football stadium] or at the football stadium up there. There are just a lot of different players. What you saw there [in Charlotte], and this always struck me, is you had a group of people that really wanted to promote
Charlotte. Indeed, they got to the point where they were fighting each other, First Union versus Nations Bank. I kept saying, they are doing great but if there is a downturn, they are going to be in deep trouble. But between [them], there was this civic pride and commitment to Charlotte, which we did not have in Florida. And why is that? That is a good question, which I do not think I know the bottom line. I think it has to do with diversity. If you get to the state comprehensive plan, there is a wonderful line in there that was put in there. I tried to take it out, and he would not let me. Jim Bacchus wrote that report. He is a terrific guy.

B: What was that line?

Z: He said more people have to call Florida home. If you call it home, you mow the lawn, you paint the house, you invest in the place. I thought, that is pretty hokey, Jim, and do you really want to say it? Yeah, I want to say it, so we left it in. Fundamentally, a lot of people in Charlotte thought of Charlotte as home. I do not think we had that loyalty to Miami. I think there was more in Tampa, but that was the Lykes family, to a large degree. In Jacksonville, you had the DuPont Florida National thing and the Atlantic Bank, which was the Lane family. But somehow or other, we did not have an ability to coalesce. Orlando just gave up early when they sold out to Georgia. We did not have the ability in the state of Florida to coalesce significant groups, and you can say that was because we had too many newcomers, too much diversity. You can say the guys who should have done it were too dumb. There was a fiefdom sort of attitude. When I came here in 1969, I was struck by how there was Miami, there was Orlando, there was Tampa, there was Jacksonville, but they were independent kingdoms, almost. Then you started to get the public-accounting firms, which cut across offices. Then you started to get banks cutting across. We have more of a statewide structure now than we had then, but it was not enough to say, I call Miami home and we are going to build the damn best banking system and be a player at the end of the day. I think we could have been, but we did not.

B: If there was a turning point in the state=s history that turned it away from becoming a banking center, it sounds like it might have been that combination of that inability and then what was happening with the government at the time of the FDIC=s decisions. Those two things kind of merged.

Z: Yes, and we did not have anybody who sort of stayed the course. Would it have made a difference? It is hard to [say]. I believe it would have made a significant difference, and I give you Charlotte, which had less reason to believe than Miami or Tampa.

B: Before we leave the banking industry, you had a lawsuit against Southeast Bank? Is that part of the same? The retirement issue.
Z: Yeah, I sued Southeast Bank, which then became my ____. When they went into receivership, then I sued the FDIC, and I settled with them about four years ago. There is still a residual. I then turned and said, I want to get out of the bankruptcy, the remainder of that, and that has not been resolved. When all the dust settles, it will get resolved in my favor.

B: Now, you had asked for all severance and supplemental retirement pay. Did you get that?

Z: No. The number that I calculated, which included an estimate of legal fees, was $3,971,000 something or other, and I got $3,000,000 from the FDIC. I got some other money later on from them, but I am still short that amount, plus my legal fees [that] now are a lot higher than they were. So I expect to get the remainder of that plus the additional legal fees.

B: So you are still fighting that battle.

Z: It has not been resolved, and it will not be resolved until some other...

B: Until the whole thing...

Z: Yes, is resolved. They are not going to settle with me until they mop it all up with one big thing.

B: Well, I guess we will go onto growth management. Can you describe the group we now all know as the Zwick Commission, how it came about and how you came to be appointed to lead it? The comprehensive plan called for such a commission?

Z: That is correct, the law required it.

B: And that is the 1985 growth management law that requires this commission.

Z: That is right. I think there are a lot of people who claim to be the fathers of growth management.

B: Who are they?

Z: Well, Bob Graham, who was the governor, certainly would argue it. John DeGrove certainly was there. Charlie Reed, who was working as chief of staff, and Jon Mills, who was about to become Speaker of the House. Jon said, hey Zwick, I hear you are supposed to be smart, and we got to appoint this commission. There was certainly a leadership of the state.
B: But now the real fathers would have been back in 1972, perhaps [Reubin] Askew and ELMS 1.

Z: Yes. That, I was so new on the scene. I was generally aware of it, knew the players. They were friends and I was perceived as a friend of theirs, but I was clearly the new boy on the block at that point.

B: So now this is 1987. We have passed a comp[rehensive] plan.

Z: We passed 1985. When did we start the commission, 1986 or 1987?

B: I am not sure. I guess the law passed in 1985 and it calls for a commission, so you must have started about then because it took two years and your final report came out in 1987.

Z: Yes, 1987 was when the report came out, and that was a year and a half later.

B: Who did appoint you to lead the commission?

B: The history was sort of in layers. The mood of the state at the time was very much like when I was in Washington: if you want to do it, all it takes is a commitment to do it, and it will happen. The state comprehensive laws came through, and to some extent Reubin Askew, I thought, made a good point to me once. He said, you know, I think we are lucky. We passed a lot of the laws, and then we had a recession. As we were writing the implementation rules, we were dampened or had to face the reality of job creation and other things. So, the rules came in a little more realistic than they would have if you had a booming economy right after it. Now John DeGrove would probably disagree with that, but I think Reubin was right, in that we passed these ambitious laws and then when we tried to implement them, things were tough out there, and that affected how you wrote rules. I think that was good for the state. By the time we got to the 1980s, that same group was alive and well, and there was a coffee-klatsch that included Jim Apthorpe and Charlie Reed and Sandy D=Alemberte and John Edward Smith, who was my lawyer, and the whole University of Florida Law School class of whatever it was. I had not realized how powerful that group was and how important a change-agent they were as a group. So, the law came along. I, of course, knew Bob Graham because we were his banker in Florida, in Miami, and the whole Miami Lakes thing. So, the thing came along, and for some reason, my name...I remember Jon Mills in particular saying, we got to put this together and by the way, Zwick, I have heard of you, you are supposed to be smart.

B: You did not know Mills well before then?
Z: No, I did not know Jon Mills well. I did not, but he was part of that coffee-klatsch.

B: Sounds like Bob Graham is the one who floated your name and maybe said I want this guy.

Z: Somehow or another, it came up through there. I remember she was a character, and probably still is a character assuming she is still alive, the environmentalist, Mary Kumpe, Southwest Water Management District, Sarasota, Florida. And Maggie Hitchaler. The first meeting we had, we were to select our own chairman. Somehow, the grapevine was that you are going to select your own chairman, but his name is going to be Zwick. We had the first meeting, I remember, up in Tallahassee, and Mary Kumpe said, who is this Zwick? Who is this guy? I do not know him. Maggie Hitchaler, who is a wonderful person...She is Janet Reno’s [U.S. attorney general under President Clinton] sister, so if you know Janet, you know Maggie, or vice versa. I remember listening across the room, Maggie saying I do not know who Zwick is either, but Jon Edwards says he is all right, so he is all right. It was one of those things that I do not think you can really say who made the decision. Certainly, the governor had to approve of it, and certainly Charlie Reed had to approve of it. Certainly, Jon Mills was deeply involved.

B: While we are talking about Bob Graham, let me quickly ask you to describe what it was like working with him. You said Southeast financed Miami Lakes?

Z: Yes.

B: What was it like working with the Graham family?

Z: Well, you just did a switch in midstream. You know, he did not spend that much time on the thing. His brother Bill was the key businessman. They were a first-class family, still are a first-class family. The kids now are doing a good job.

B: What was it like working with Bob Graham?

Z: I have always been on the outer fringes of that coffee-klatsch with the University of Florida Law School, which I did not go to, I observe. I was always part of that group and had acceptance of the group. I always worked very well with them. We got along. We had a couple shouting matches during the branch banking days, but by and large, I have always been a fan of his and he has been a fan of mine. We work well, in a sense. His first four years were not the greatest as governor. In fact, the contractors called him Governor Jelly because he did not get that much done. But then the second four years, he had a very effective four years. There are those who give a lot of credit to Charlie Reed, and I would be one of those because Charlie Reed was professionally known as a kneecap-cracker. He got it done. He was the guy who knew how to make things happen. He took
Graham’s concepts and made them happen, was tough enough and effective, knew how to make it happen. I do not even know who his first chief of staff was now, but whoever it was, they did not have a great first four years. The second four years, everything was falling in place. We had the growth-management law. We now have a report that got a good reception, I think appropriately so. There was an extended family that included John DeGrove, and then John DeGrove had his own empire. He still has his empire. Have you seen John on this?

B: I will interview him in January. He and his wife are moving to Gainesville, which is where I am based.

Z: He is moving to there? That is interesting.

B: Yes, he is. He is retiring there.

Z: I knew he was in the process of retiring because of that Governor’s Commission on Sustainable South Florida. He was spending a lot of time in North Carolina, and he had turned it over to...

B: [Secretary] Murley. Right, so he wanted to wait and do our interview when he moves up.

Z: He has a good perspective because, you know, he is an academic, basically, and he has been through a longer cycle than I have and he has been involved in the state government in almost everything. I mean, he is the grandfather, if you will, of a lot of this.

B: I did interview Dr. Earl Starnes, whom I am sure you probably know from here and from state government.

Z: Yes. So, whose idea was ELMS 1? I think they wanted a response that is still going on, I would say, that Florida is changing. Just as the first of Miami had to get out of Miami, the state of Florida has got to change, which the Zwick Report was referring to. There was something that the Chamber of Commerce did, the cornerstone or something, which did a good historic thing. People were starting to perceive that things had to change. They did not like to admit it. They did not want to admit it. They still do not want to admit it today because the economy is buoyant, and they do not want to have to face up to some tough decisions. Of all the people whom I have met in Florida, I would identify three of them as being most visionary, most intuitively obvious. The three of them are Governor LeRoy Collins [1955-1961], [U.S. Senator] Claude Pepper [D-Tallahassee, 1937-1951], and Chesterfield Smith [partner, Holland & Knight law firm and former president, American Bar Association]. Those three guys are great men by anybody’s definitions. They could perceive the big picture and what was happening. This is...
a prologue to an interesting vignette. We were meeting with the state comprehensive plan in the Southeast building. We had a format which would go around, and we would have a dinner with the local leadership. You let the mayor get up and make a speech, and you had to listen to a whole bunch of stuff. Then all of a sudden that night at our place, somebody brought Senator Pepper with him. He sat at my table, and we were chitchatting and so forth. I got up and made my little speech as chairman, and then I asked Mayor Clark and he got up and made his longer speech, and somebody else got up. We were going through all of these sort of local official things when somebody, I must admit, came over and whispered in my ear and said, aren’t you going to ask the senator to say something? And I said, gee, that is an interesting concept. That is a good idea. It was funny. It was late enough so, and by my demeanor I guess, Claude Pepper and I, who were good friends because he was in our building, so I would see a lot of him, had concluded I was not going to ask him. All of sudden, I got up and said, and of course we could not possibly have a meeting without the most distinguished politician of this state, political figure, Senator Pepper. I am telling you it was the first and only time in my whole life that I saw him flustered. He was not prepared and he got up, and the fluster lasted for, I think, about twenty-two seconds. He stumbled around and then wham, he was in gear, as only he could be. He said, which I thought was beautiful, look, I am older than most of you people. I remember coming down here from the University of Alabama to be a lawyer, and hell, it was easy. He said, you all come to Florida, land is cheap, the climate is fine, and zero or no taxes. You all come. Then he chuckled and he said, guess what? They all came, and now that they are here, well, I guess we got to change. End of speech. It was that simple. I mean, we got there by saying, you all come, you got plenty of sunshine, you got lots of cheap land and hardly any taxes. Why would you not come? And they did. Now that they have come, you got to change. That is not unique. That is economic development one in the world. I think they chambered a pretty good piece there. I think it was Stanford Research Institute did the piece for that. It is more of a historical document, but a good piece.

B: So, the powerful people are realizing this at this time.

Z: Something has got to [change], and the Zwick Report, as you correctly referred to it, because I had a PR [public relations] person named Sam Robert who absolutely said, this is going to be the Zwick Report, it ain’t going to be called anything else...

B: A PR person did that?

Z: Yes, she did. She rode that thing very hard. If you read the title, it is not a great title. Jim Bacchus and I argued and argued. The title of it is Keys to Florida’s Future: Winning in a Competitive World. That is the message.
B: I had read that, but Zwick Report sticks with you. It is funny, I assumed that the media had dubbed it the Zwick Report because they do that with successful reports. But it sounds like you had a spin doctor who made sure the media did that. Interesting.

Z: That is right. Sam would not let you talk about the state comprehensive report. You talked about the Zwick Report. She is up in Orlando. She might be an interesting person...

B: Was she your PR person for Southeast Bank?

Z: Yes, for Southeast Bank. She is up in Orlando, and it is a sub of a Minnesota electric company. They buy up these utilities, something or other utilities, and developments. They buy them and put in a bigger, more appropriate utility, and, as she says, then raise their rates. Her job is to go and hold their hands.

B: That is an interesting detail that it was all planned out.

Z: Well, planned only in her mind.

B: Right, but she earned her salary, did she not?

Z: She did. That is correct.

B: Before we leave Collins, Pepper and Smith, I just want to ask you a quick question about those men. What do you think it was about that generation or that time that would produce people like that? I know you have talked about the fact that Florida seems to have a leadership vacuum, but there was a time when there were guys like that and they cared so much. There were a lot of people like that in this era that we are speaking about. What do you think that was?

Z: I do not know the right answer to that, and I keep reflecting on that because I think we are sort of getting anti-bureaucratic, whether it is government or private sector or nine years of litigation over a simple-minded mistake that the government made. We have so created process and procedure in bureaucracy that it is hard for anybody to be innovative and come out these days. The other way, it was easier to do it in those days, and you had some whole thinkers who got away with it. I do not want to tell you who it was, because I only believe half of what he says, but he is a well-known lobbyist in Tallahassee, we were talking about some land-use thing and he said, Charlie, Key Biscayne, somebody finally said look, there is that little chunk of sandpit over there. What was the family that really made that much difference over there?
B: Hoover helped save Key Biscayne.

Z: Yeah, but the Matheson family were growing palm trees and coconuts and so forth, and Mackle is going to go start building those $8,900 houses over there. We ought to have some public parks. He claims that Mayor [Robert King] High just said, okay, we will have three parks. We will have a developed park, we will have a county park, and we will have a state park. By golly, here is Key Biscayne and bang, bang, bang. I will deliver the county, and we got our act together to get the state to put its share of the money up and bang. And here it was. You cannot do that today.

B: But that was a terrible fight. Yes, the local government here painted the map green over Key Biscayne, but I think it was a lot more difficult than this lobbyist has...

Z: Well, I am sure it was. I would have to go back and read that history that I have not, I must tell you. I am saying it was easy as transportation. I have asked why does Cincinnati have the structure it has. Well, Proctor & Gamble needed a lot of help and they said, by God, we are going to put a subway system. A lot of people said you are crazy, for the same reasons they would say they are crazy today. You know, we have got to get enough ridership, blah blah blah, and we are going to do it.

B: But it was private industry that did it.

Z: Yes, that did it.

B: Kind of like the elevators.

Z: Yes. It was easier, I think, in those days to be bold. It is hard to be bold now. You know, whatever you think of Jeb Bush, and I happen to like Jeb but you cannot be bold. His thing on the Everglades, you know, he is fussing away. I was really thinking about it the other day, and if he would listen to he would listen to me, but whether he would pay any attention is another question. I would say, get yourself somebody whom you really trust and respect and tell him to be the czar of moving this thing forward, because these battles have been going on for twenty years and they are going to go on for another twenty years. You assign him the job of making something meaningful happen in your first term.

B: Did he not try to do that with Allison Defour?

Z: Yeah, but they backed off. I do not think they have done it. Now, maybe he has a master plan that he has not revealed to me. My sense is, he does not have a master plan. He is bumping from one crisis to another. Allison Defour. Who is the
guy from the west coast who is head of the commission right now? Keiser. He is a good guy. He was involved in this thing. But they seem to be playing it too close in, I think. They are being jerked around, and lots of games are being played. It is hard. Now, maybe it was hard than, and we just have not bred people, but I do not think it is that we are dumber. Look at the [U.S.] Senate. We used to have big names. Lyndon Johnson. Hubert Humphrey [Senator from Minnesota]. Richard Russell [Senator from Georgia]. On the Republican side, [Everett] Dirksen and [Hugh] Scott from Pennsylvania and Vandenberg. These were big people. It is not just a matter of age. Now, you see [Tom] Daschle [[Senate Majority Leader] and [Trent] Lott [Senate Minority Leader from Mississippi]], and they do not zing you. Well, they do not zing me.

[End of Tape.]

B: The commission we are talking about now is the Governor=s Commission on Sustainable South Florida, which was Governor [Lawton] Chiles= [1991-1999] group, and we were just talking about Dr. Zwick=s sometimes blowups with Dick Pettigrew [Florida state senator and environmental lawyer] over the process. Could you finish that thought?

Z: Yes, and I think what you said was not accurate. Dick and I were allies. I would get frustrated and go to him and say, Dick, this is ridiculous, we are wasting. Dick, being a legislator at heart rather than a sort of decisive decision-maker, would say, no, no, we are doing fine, Charlie. He would be able to sit there and go through that nonsense, and as a net result, four years later we produced a fairly good document and got consensus on it. But now, when I read this letter right from Audubon Society, people are misquoting the report. The process and everybody involved and the ability to second-guess. To stay with that thing for a minute, they are very bright lobbyists, they are very bright lawyers, and they have been at it for twenty years. I mean, they know each other, they go from one set of negotiations to another set of negotiations, and it just goes on and on. I kept saying, you have got an equilibrium here which is good for the lobbyists and the bureaucrats and the lawyers, but it is not good for public policy. We got to break that. Now, I would argue that Dick Pettigrew was a pretty outstanding individual and he got a very good report, but it is being attacked by Dexter Lehtinen and the Miccosukee Indians, it is being attacked by the sugar-growers, it is being attacked by the urban utilities and the environmentalists, who have been violently [opposed to it]. You know, first, the Audubon Society was the most powerful group in this whole thing, but when we got all done with the report, was the Wildlife or the Wilderness Society who said, well, nobody asked us, and so the report is no good. They sort of kept bringing in new groups to say, rebid the whole game, folks. This has been going on for twenty years. I think the simple facts are, and we got everybody to agree to it in that plan, A, the current trends are not sustainable, B, the good news is we have more water than we can use,
C, we got to figure out how to manage that so it does not run the tide or flood everybody out, and D, the issues are who is going to pay and who goes first? The who goes first is almost a theological issue. The environmentalists kept driving my friend Maggie Hitchaler, they are always saying okay, take care of the environment first and then you take care of urban use. And okay, you are saying that you will have an urban mother nursing a baby not get adequate water, to put a little bit more in that River of Grass [famed term for the Everglades]. That is absolutely right. Hey, that ain’t right. The politics are not there. So, what you better agree to is that you are going to have adequate water except under extreme tails of the distribution for all of this. The question that is in this letter is, do you promise that for the existing population-base or the future base? That is what this letter is all about.

B: What do you think the answer is?

Z: I think you have to say the right answer is going to be somewhere in the middle. As population grows, as you want it to grow, as I want it to grow, you have got to make the new guys pay.

B: It is easier to make the new guys pay. They do not know what to expect when they come here.

Z: Well, and if they do not want to pay, they should not come. I do not have any problem with that. But you cannot say, I will give Zwick water but not you water because you just got here a couple of years ago. That sort of an equity argument is wrong. The point I was trying to make is, and there is only about four points really, current trends are not sustainable, there is enough water, it is a management problem, and there are a lot of tricky issues about storage and flooding and aquifer storage and retrieval and you name it. But it does not look impossible. It looks like it is doable. And then lastly, what we are fighting over is who pays? Not my backyard, I am not going to pay. That is the sugar guys. And the other, who goes first? Which is sort of the environmentalists saying, we get all we need, and then you take care of the nursing mothers. Politics just do not make that plausible, and I have never quite understood their extreme position. Except as I have pressed some of them over beers, and they will say, well, the other guy has got all the money so we got to make extreme proposals, and then we will compromise someways in the middle. Maybe they are right. It does not smell right to me. What we are getting is basically a logjam here. It has been going on for twenty years, and it will go on for another twenty years, not to the best interests of the state of Florida.

B: Do you think part of the problem with the Pettigrew Report is that it was done in the name of the Chiles administration and now we are in the Bush administration?
Z: No. I think those basic premises were accepted. In fact, if you listen to Bush, he basically puts the blame or quotes that report. But then, the question is implementation and how do you do it, and it is a tough one. But I think he happens to be governor of the state of Florida when this tough issue is on the table, and if I was him, I think Allison burned his pick early in the game. I would say look, I want to run for re-election and I better have significant progress on the Everglades. Now, I do not quite know what that means. You have the job, and you come to me and tell me what I need to do. We will be sure that come 2002, we will be able to say we did the following. We have not solved all the problems of the Everglades, but we are certainly moving in the right direction.

B: Have you told the governor you think he should have this czar person?

Z: No. I think I said a few minutes ago, I am sure if I asked him, could I talk to you, he would be delighted and he would say, thank you very much, and proceed on to who is the next person and what is his problem. Now, does that mean he is not as smart as LeRoy Collins was or as gutsy? I do not know how to read that, but I have to tell you, LeRoy Collins took some very gutsy positions on civil rights and on general education, right up until the end on the Collins Center.

B: Do you have an opinion about private companies, like Azurix [subsidiary of Enron Corporation, an energy company based in Houston, Texas], coming in and doing some of this work in exchange for a right to deal in the water?

Z: I would be more sympathetic to this than with Dick Pettigrew and most of the others, but the problem is very simple. That water now belongs to the people, and what they want to do is grandfather in current people who have conditional uses. Give them twenty years, and then they can sell the rights. Well, why should we make that? That is like giving the airways away, as we have done. The first thing I did as assistant director of the Bureau of the Budget was fulfill a commitment on the fellow who was in the position before me to go down to New Orleans, which I thought would be fun, and talk to the cattlemen and tell them we were going to raise grazing fees on the public lands. The fact that I am still alive is somewhat amazing. I thought they were going to kill me right there on the scene. You know, we paid good money for this stuff, it is capitalizing the value, and you are going to take that right away from us? What is the matter with you? Everybody gets subsidies, and why are you picking on us poor honorable cattle growers? It is a tough issue. You could go the other route and say you are going to guarantee X amount for urban needs, which are really not all that great, and then we are going to ____. If you want to wash your car every day and so forth, you pay for it. I do not know quite how you do that allocation, but it can be done. It is not overwhelming. But what they are saying is, if I understand them well and I read the report that was floating around for awhile...
B: I have read the report by Skip Campbell=s office.

Z: Well, there was one done about three years ago or so, a very good report that basically says....

B: Oh, Liquid Assets is the report you are talking about, Vogel.

Z: Could be. A female...

B: Yes, a woman. [The book] with a blue cover.

Z: Yes, that is up in the intellectual argument. The question is, the assets now belong to the public, and how do you transfer them at a reasonable price to these private companies to let them resell? I think there is some virtue in that, getting the market to do some of the resettling on the margins. That is what they do in California now, if you go out there. I have a good friend who happens to run a lot of property in the San Joaquin Valley and grow almonds and low-grade grapes for wine, and he says, you know, it is easier to sell the water than it is...

B: That is interesting.

Z: Yes. There is some truth in that allocation, but if you dig down, what they really want you to do is give away a major asset.

B: And why do it when we own it now?

Z: Why do we just give away a major asset?

B: Why get started?

Z: Yeah, I do not understand why. Just because they happen to be there and using it on a temporary permit does not mean that they own that asset. The people own that asset. So, I think there is probably some way to do some allocation at the margins by pricing, and probably better than the South Florida Water Management District could move through their process.

B: But you think government can do it, we just need to do a better job of it.

Z: Well, I do not know the answer to your question. That is the gutty issue. All I am saying is, if you tried hard, you could come up with a better solution than we now have, and you might want to privatize part of it. But what are they going to pay? Are we just going to make a great big windfall? I hope not.
B: That was the big question when you had your commission, how are we going to pay?

Z: Right.

B: So, that is a good segue. I wanted to ask you about the process. You worked for a year and a half on the report, with public hearings all over the state?

Z: Roughly, that is correct.

B: Is there anything that stands out to you now from those public hearings? What kinds of things people were saying?

Z: The two issues at the bottom of all these public finances is, who is going to pay and who comes first? I mean, just remember those two issues, and they are in the center of almost every public-policy debate you want. Who goes first and who pays? And the old saying is, do not tax me, tax the guy behind the tree. That is not surprising. Dick Pettigrew was real mad at me because he wanted me to get into the funding, and I said, let’s not. I think what you really want to do is make the case for, we have got a current trend that is not sustainable, there is a solution, we do not know all the answers but we ought to get on with it. And, do not get into a fight over who is going to pay because that will divert...

B: And that is what you did in 1987, right? The report came out and said, here is how we could pay.

Z: If you look at that report, what is wrong with that report...it reads very well. I read it just recently, and it reads very well. Jim Bacchus deserves great credit for that. But we did not make, and perhaps it could not have been made at the time, [the point] that winning in a competitive world did not quite grab people=s...they heard $54,000,000,000 and they heard service taxes and transportation taxes, but we did not convince people that they had to change the way they were doing business, and that we had to educate our population and we had to put infrastructure in, airports and so on and so forth. Now, maybe we could have said it better, but it is said pretty well here. And it is not me who said it. I mean, we had good writers.

B: Could you go over the findings, the general overview of what the commission found?

Z: What we did was take the state comprehensive plan, which was done in 1985, which had how many goals? Thirteen?

B: I think it was thirteen.
Z: Whatever it was, there were a lot of specific goals, and our job was to take those goals and sort of say, what would it take to do it? We did a lot of haggling and arguing with people. The estimates had to be crude, but nevertheless, they were pretty much on target. They basically said, transportation is the number one need, and the rest of the stuff was easier, in terms of total dollars. One thing we did not really deal with because there was no great consensus, which is interesting, on urban water runoff and how much do you treat it? Do you turn it into pure portable water or don’t you, because that added $10,000,000,000, $20,000,000,000 more. I said, enough guys, enough. Let somebody else worry about that problem.

B: It sounds like the $52.9 billion was conservative.

Z: Yes, it was, and I think we have spent more than that so far. The question is, have we done a better or worse job? I think we have done a worse job than we would have if we had accepted a blueprint and we had some guidelines by which we sort of went forward.

B: So, the recommendations were, tax reform was the biggie for how to pay for this.

Z: Yes. Most people do not remember what it was.

B: In my notes, I have got...

Z: Yes, and here it is. Proposals. Volunteerism. We said, get off... but that is not going to solve your problem. Privatization and productivity, we talked about. Then we talked about gasoline taxes. Then government reorganization. Then local government finance and what local governments could do. Then some sort of sales tax exemption and sales tax on services. Last was fundamental tax reform, and we basically said look, at this point, there is no interest in real fundamental tax reform. 15 percent of the people were in favor of an income tax. 85 percent were opposed. We looked at it ten years ago or so after it came out, at what was 15 percent went to 14. It went the other way, so we said, there is no appetite. You can make some pretty good arguments with a lot of tourists that you ought to tax transactions, so we looked at transaction taxes. The sales tax was the obvious vehicle, and services were the big area that was not taxed. Off we went with Governor [Bob] Martinez’s [1987-1991] support.

B: How did that come about? That was a remarkable level of cooperation.

Z: That was really one of the funny parts of this thing. We wrote this report assuming there would be a Democratic governor coming in and we would hand this to him. Guess what? It did not happen. There were a number of people at the
time who said, well, we just wasted a year and a half. Forget about it.

B: There were people who said, do not even try?

Z: Do not even try. But there were several of the people who were very facilitative. One was Phil Handy, who had been Martinez= campaign-finance chairman, I guess, or whatever his title was. I think it was that. The other was Alex Cortelas. Alex, again, was a dear friend, and he backed him. I saw him fairly regularly, and we talked about it. I said look, we need this. You do not have to be a rocket scientist to know that there are big infrastructure needs. You can argue about priorities and the numbers, but they are big. And the service tax, which was really Jon Mill=s great thing. They sunsetted the bloody things. I said, if I was the governor, I would let it happen and blame it on the Democrats, the tax-and-spend Democrats, is the greatest present he is ever going to get. I tried that out on the governor. Alex got us together, actually, up at the Breakers [Miami hotel] at a Council of 100 meeting. Look, you cannot lose. Let it happen and say the Democrats did that.

B: What did he say?

Z: He never did answer, but all of a sudden, he was on board. He changed it a little bit, but it was his plan. But the other part of what I was saying was, let it happen and blame it on the Democrats. Do not make it your tax. I could not have asked for a better working relationship than I had with Martinez. I liked him. I think he liked me. We worked very closely together. It became his tax package. If he would have been smart, he would have let it be those spend-thrift Democrats. I believe the probably would tell you differently. He got himself too personally involved in the tax thing, and it became the Martinez tax, and then the infamous how in the world could you ever have thought? He and Stipanovich. Good old Stipanovich. We had a beer one Saturday afternoon and saying, we are getting a lot of pressure, maybe we ought to put it up for vote. And everybody said, you have got to be kidding. You have got to be kidding, Governor. And the rest is all public knowledge. It blew up. I kept saying to him, if this thing stays in, just as I am saying about Jeb Bush on the Everglades, if this stays in, you are going to have revenues coming out your ears, and you are re-elected. You are almost guaranteed being re-elected.

B: And you can blame the other side for the tax.

Z: You can blame the other side. What more can a politician expect out of life? And he kept saying, that is right, but I have got to get through, and I got such political pressure right now, Charlie, and the media and that wonderful Miami Herald decided to shoot at us. Your newspaper was all right [a reference to the St. Petersburg Times, which owns Florida Trend], but Miami Herald was not all right.
The advertisers in New York went crazy, and we were working on all sorts of ways to solve the problem when he jumped in and said, let’s throw it up for public decision. That was a mistake. It really doomed it. People do not like to pay taxes. The state chamber came along and said, let’s go from $0.05 to $0.06, but that did not have the built-in growth that the service tax would have had. So, the chamber did not help the process. Now, Wade Hopping would be mad and jumping up and down if he were here, but that is the truth. Actually, John Sheibel, of Associated Industries [of Florida; business lobbying firm], was not bad in all this. Wade Hopping in the chamber was part of the problem. I still think Martinez had it handed to him, and he blew it. He, I am sure, would have a different point of view. Here we are, and then lots of things happened. The mood changed that we can do whatever we want to do. It is a much broader mood now, I think. I think that is the mood you got right now. Things are so good, and we do not need a government. Or, if we got to have a government, let’s get one that will do the least. The one that does the least is the best.

B: What do you think about the state’s growth management laws, such as they were when we look back?

Z: My sense was we were on the front end. They were well-intentioned and by-and-large not bad, and the rules were fine. My impression at the moment is it has become so bureaucratized that it is getting almost counterproductive. That comes with age. I do not know what you do with that, in the public sector or the private sector. A year or so ago, I went to a meeting that Rand sponsored in Washington on planning, programming and budgeting. That was one of the great things Rand gave to the Kennedy/McNamara thing, and the concept is simple-minded. You got plans. If you want to be a great state, you are going to need roads, you are going to need education, you are going to need health facilities. That means you got to have dollars appropriated and planning, programming and budgeting was a grand way of integrating the detail, the books, the green eyeshade guys [accountants] on one end and the big thinkers on the other. It was a great idea. Now, if you talk to the Pentagon, and the purpose of this meeting which was called by the controller of the Department of Defense was, you know, is it so bad? Should we throw it out? There were a lot of guys saying, we have just spend hundreds and hundreds of hours and thousands and thousands of dollars grinding through the planning document, the programming document, the budgeting document and all the crosswalks so you can understand all those interrelations, and it has become so bureaucratic that any fresh thinking, which is what it was supposed to be all about, to provide fresh thinking, has been ground out of it. Therefore, maybe we ought to throw it out. I always think, before you throw it out, tell me what you are going to replace it with. Maybe you ought to go back and try to de-bureaucratize it, or whatever the right word is. I do not know what you do with that. I have the sense and I think I have a reasoned sense that is what is happening to growth management. It has
become older and you cannot get decisions. I do not even know whether they are still turned on, but we had two aquifer storage and retrieval things out here in west Dade County and we could not get the state people and the people in Atlanta and Washington to let us turn the damn things on. One of the big complaints against aquifer storage and retrieval is we have not had enough experience. There are a couple of them sitting out there; you just throw the switch and you would know. I was making speeches that we all ought to go up and sit in our friend [Carol] Browner=s [head of the Environmental Protection Agency under President Clinton] office and say hey, Carol, we remember you when; get your people to turn that thing on. It has become so structured and bureaucratized that, if there is a criticism, it is that. You have frozen out any fresh thinking. You have made a decision to not do anything. Therefore, you will not get in trouble. Doing nothing is not a bad decision. You do not get in trouble. That is not the same as Claude Pepper and LeRoy Collins and Chesterfield Smith. There is a great premium on being on the defensive and doing nothing. That is true, I think, in the public sector and the private sector. It is certainly true in the litigation we are going through with Southeast. I do not know what to do about that. You can conclude, well, we just do not have the great men we used to have. We are waiting for the great woman to come along and do it. I do not know.

[Tape interrupted.] Why don=t we in public policy have more innovators?

B: What do you think the answer is?

Z: I do not know the answer. Back to where we broke off, I think it is harder today to do anything. Look at the national issues. They have all muddied up the water on Social Security so badly, nobody knows what it is all about. And education. And we are all for defense, but do we need a Star Wars ballistic missile shield or not? If you think you do, could you get it? We have made things so complicated that it is hard to break through. I guess I would say that great infamous guy that a lot of people really do not like, Robert Moses of New York City, boy, he just did it. Well, there are no new Robert Moses on the thing, and that may be good. That just may be good. It is more democratic process. But if you are going to kill off the Robert Moses, who are you going to replace him with? How do you get forward progress?

B: How do you get something? As far reaching as your commission=s report and its recommendations, how do you convince the public?

Z: Maybe you do not. That may be the art form for this water thing because you can get a year later people misquoting the report and turning it around on its head. What are we doing in health care? We are all falling on our faces at ninety-three. We are doing it sort of piecemeal. Prescription drugs is one that maybe we can get political support for, and we will do something there. Gore keeps talking about the All Kids. Well, I do not think there is any appetite to deal with the
health-care problem.

B: Or big problems in general, perhaps.

Z: Maybe that is right. What you got to do is factor them and deal with piece A, B, C, D. But once you do that, partial analyses, you got to worry that when you add them all up, they are consistent. Or when you do A and you think you have done well, and you put a big bumper on the front end of an SUV, have you solved the problem that it is going to run over the top of my car, and I resent that.

B: That is an interesting point given the current growth management commission that Governor Bush has appointed. There is some criticism that, that group scope will be too narrow or that they may only want to deal with some issues like local government control and agriculture, but perhaps that is needed. Do you have opinions on what that group should do, or do you have fears?

Z: Not really. I really do not have a good view. I think it is important that you make some progress. But if you make the problem small enough so that you are sure that you can make progress, you may have missed the big issue. The big issue here was, we are running out of land and cheap land and you cannot do it with no taxes anymore, and your competitors are worldwide now. When you look at the airport problem, Miami should not be worrying about Orlando or Tampa or Jacksonville. It has got to be worrying about Atlanta, Houston, Chicago maybe, sort of just big overflight areas you can go to. So, intuitively, there is something wrong with cutting it up into little pieces because you do not know how it is going to add up. But if you try to do it all on one big bold, grand thing, nobody is ready to quite grab that. I remember talking with Jeb Bush, because he was secretary of commerce at the time, about this. He understands it, but the calculus is that it is not good politics to get too deeply involved in that Everglades stuff.

B: What do you think about urban redevelopment, both from the growth management perspective and from your banker=s perspective. Do you think that is a possible solution for us?

Z: Florida clearly, when you look at it and you see the big swamp and the two coastal ridges, and then above Okeechobee it goes all the way across, but down the east and west coast, you got to get more density. That talks about transportation, water storage, education facilities, the whole nine yards. I think most people would agree with that. How to deal with it? Urban renewal, therefore, is good. The problem is it is just hard to do without putting in a complete package.

B: Do you mean infrastructure when you say complete package?

Z: I will give you an example. I do not want to be difficult. The obvious way to solve
our problem is putting in a bunch of young professionals, high-income. Keep out the old people. Keep out the minorities. Put them in, and they will want restaurants and they will want gourmet coffee houses, and they will want all the infrastructure. By God, to do that, you got to have security, and they will have police in there. So, the way you can do it is by putting in a gentrification package which drives out the poor people and the minorities. These guys will get in there and they will make it happen somehow or other. That is another form of the trickle-down theory. It just, at the end of the day, does not sound right to me.

B: Where is the affordable housing in there?

Z: That is right. That is the problem.

B: Where does the banking industry come into play here? Because some developers now complain they just cannot do these deals because they cannot get the financing?

Z: Yes. I went around, I would guess, in this sustainable South Florida thing probably at least once a year, maybe twice a year, telling them stop just blaming the bankers. The problem is that it is hard, because you put it in and the payout is over a long period of time and you can get a new political party in or something who will change. Look down at the old Miami Arena and those things. When those two units right next to the old Miami Arena—one was a co-op and the other was an apartment rental—a whole bunch of young professionals in Southeast bought apartments in there because there was going to be a subway. You take the Metro to downtown, and they were going to double and triple their money. People lost interest in Park West, and they were held out. So, the problem is, I think, who is going to take the risk? I think the state development vehicle, in which they guarantee some of the bonds, is probably the only way to do it. The bankers are not going to do it. They should not do it.

B: Some sort of a fund.

Z: Some sort, probably a state. A federal one is too big. A local one is probably too small. At the state level, you could have a development fund which could be revolving and hopefully fund these projects and take the risk on them and take some of the risk out. Otherwise, I do not think it is going to happen. Sure, we all want to have on the first floor a gourmet market and the second floor a childcare center and the third floor a health facility gym, and then after that, we will sit and look at the sunset. That is easy to say, but it is hard to do. From the bankers’ point of view, it is easier to find somebody who will get a big chunk of land who is going to build 400 houses. He comes in and says, I am going to build 400 houses, and we say fine, here is the standard form. Fill it out, sign it. This is what your mortgages are going to look like. Boom boom boom, you sign them and we
package them. We sell them to Fannie Mae [government mortgage assistance corporation] or whoever, and we are out of here. The transaction cost is almost zero. We do not have to have very smart guys, only that they know to fill out the form reasonably coherently. We get the money out, we take 400 mortgages and package them up and send them off, and we are out of there. Comparing that to going into this multipurpose facility in the middle of a tough neighborhood...

B: Where you might not have the sewer lines or the things you need.

Z: Well, and they will not stay forever. Everybody says, what is in it for me? You know, everybody starts reaching for things. One of the things in our report Making the Grade was, all of a sudden, we thought we were at Eastward Ho back to the ridge. All of a sudden, the black community starts saying, hey, wait, while we have occupied this now for quite awhile, now you are going to come in and throw us out, right? You are not going to throw us out, folks. Try if you are. What were they looking for? Were they just against change, or were they saying, we want 30 percent of the work, or, we want to be bought out some other way?

B: So what do you do about that?

Z: So doing your fill-in or urban renewal or increase in densities is a very sensible concept. Implementing it is very, very hard, and there are very big risks, political risks. We do not go down and lend money to some countries unless we get the export/import bank to guarantee it. Why should a commercial private bank lend in a very risky environment where it is very expensive because every building is a separate entity? It is not a four-room, three-car garage, three-and-a-half baths. Why should they do that unless somebody...if they can make money on it, they will be happy to do it, but the risk is so great that I think you need some sort of guarantee of development bonds. Because, as we have noticed, particularly in the city of Miami, political entities change fairly rapidly and are fairly incoherent in terms of policies. I should bet ten years of favorable consideration of redevelopment downtown. The arithmetic just does not work. I made that speech at least twice a year for the whole four years....

B: Of this commission.

Z: ...and nobody believed me because they would bring it up again at the next session. You are just a banker, Zwick, protecting your friends.

B: What is your big-picture outlook for Florida? You are an economist, say, looking out twenty-five years or so.

Z: I am basically an optimist, notwithstanding moments of complaint and litigation. I think Florida has a lot of opportunity. This is not a good map behind you. You can see Florida down there, but you really need to look at a big map of the Western
Hemisphere and Canada, the United States, and Central and South America. You see this strange little finger sticking out there called Florida, and you say what is that? What is that? It turns out what it is, it is a big chunk of real estate with a fairly benign climate and well-located for a lot of commercial activities and financial services coming from Europe and going to South America. There is a whole bunch of reasons why that strange thing that is sticking out in the ocean has probably got a good future. If you want to worry, you worry about New Orleans. New Orleans, somebody probably made exactly the same speech fifty years ago or so about New Orleans. For some reason, New Orleans just did nothing. It never has taken hold, and it is second-rate. The food is great and it is a great place to go, but Houston or Miami or Atlanta or even Charlotte is more interesting than New Orleans. Who would have thought of that? That Charlotte would be attractive than New Orleans? So you can blow it. As far as I can see, there is nothing in the old Scriptures or the new Scriptures or anything that says Florida has some divine right, and therefore we could blow it. I think the geopolitics of it, where we are located and what is happening and 500,000,000 people, you know, plus Europe, we ought to do all right, so I am optimistic.

B: In spite of ourselves.

Z: Right, in spite of ourselves. But, if we got that great future, you got to do something. You can only do something if you have a consensus to do it, and getting consensus is not easy.

B: Is the answer still fundamental tax reform? Is that the big long-term answer?

Z: No. I would say that would be the wrong way to go about it. What you got to do is you got to convince people that the title of this thing was right. It was not the Zwick Report, but it was *Keys to Winning in a Competitive World*. And their answer is, things are going pretty good, Zwick. Why do you want to foul things up? That is not a bad answer. I just said, just wait. Just wait. The pitch that Clinton made the other night, which was interesting--you never had it so good. It is not only financial, economic, but it is lots of social indicators. This may have happened by chance, or it is possible the administration had something to do with it. So, before you throw your vote away, you better stop and think about what caused that to happen. So yes, we are thinking about it, but we are not sure that we believe. As a practical matter, my two kids and I have bought a farm up in Virginia. Even there, you get up in the countryside, who are these people? [A reference to 2000 presidential candidates Al Gore and George W. Bush.] They are two people who went to the St. Albans school and then to two prep schools, and one went to Harvard and one went to Yale. Since I went to Harvard, I think the guy who went to Harvard is better than the guy who went to Yale. That does not wash very well in the middle of the country. So, how do you choose between? It is a question of who you trust/which party do you trust? There was a
guy at Florida State, Lance Dehaven-Smith. He has a nice map that says, if you want to live in Florida, you take out all this which is going to be Republican and all this which is going to be Democrat, and it is that little slice in the middle...

B: That you focus on.

Z: Where you have the Independents, the yuppies, the soccer moms, whatever you want to call them. The two big chunks are pretty well committed, and so what you are doing is fighting over that middle ground. I would say the middle ground is saying, do not do anything radical, we are pretty happy. But at the end of the day, you got to choose. If you do not like choosing whether they went to school at Harvard or Yale or Gore who is clearly smarter than Bush or Bush who is clearly more likeable, I gather he works a room pretty well, or you do not like Democrats, you do not like Republicans. I do not know how you make up your mind. That is where we seem to be right now, and there is not a bad rule that says, if you do not know what to do, do not do anything. Wait. But we are losing ground every year we wait. I do not know how we get off dead-center at this point. I do not think the facts have changed an awful lot. You can take this report, update the numbers, make the same report, and it would look very similar.

B: Where are your two kids, by the way?

Z: Both of them are in the Washington area, although neither one of them is in government. My daughter is an accountant, started with Ernst & Young, and she is now with Time Warner or AOL [now companies that have merged], whatever you want to call it, in Alexandria [Virginia]. She is the, the columns have got to add, the rows have got to add. When I see them all add up, then I will feel good. My son is the erratic, bright, shoot-from-the-hip—he has his own software company. If you get your things all fouled up, some vendor will say, hire Bob Zwick, and he will come in. I keep saying, the reason you are so good at this, Bob, is because you are smart, you are quick, and you are arrogant. He says, no, I am not. I am smart and I am quick, but I am confident. We spent two hours on arguing the difference between arrogance and confidence.

B: What are your future plans?

Z: My future plan is basically is to do what I think is fun. I have been reminded starting at sixty-eight years of age that I am getting pushed off boards. That is mixed emotions. I find them fun. I like to do them and really have more time than when they wanted me. But on the other hand, you got to get rid of the old folks and involve some new people into these organizations. I do not have any great problem with that. I do not like it. I fly out to California to advise a pension-fund mainly because it is fun. So what I am basically doing is what I think is fun. What I think is fun, you might think is a little perverse, but that is your problem. That is
your problem, not mine. That is basically it. While we are doing that, the farm is sort of working around. My daughter is a horse lover, so she is putting in some stables, fences and that sort of stuff. I am doing more or less private things at this point. I do not think I miss doing big public anything.

B: But it sounds like it is not that you do not believe in that process.

Z: No.

B: That there is still good reason to bring smart people together.

Z: I am just reaching a point where they say, gee, is he in a walker or...

B: Oh, that is not true.

Z: Well...I was talking to Cy Gelber. He was a judge when Landon was Miami Beach mayor. A great guy. I mean, he is really a delightful person, and sharp. When he finished and said I am not running anymore for mayor, he went out to FIU [Florida International University] and put some money together. I think it is fair to say that nobody wants to talk to him. He says, I give these lectures and nobody listens. I said, Cy, the thing that I have concluded is, telling the younger generation your great wisdom is not very productive. They are not interested. They are busy. Get out of my way. But if they have got a problem and you can help in solving the problem, they will love you. So what you got to do is find figure out places where people perceive they have a problem, and if you got something to say, they do not care how old you are. But you just cannot sell collective experience and wisdom.

B: So even though this report, one could say it was not heated, you still believe in the value of bringing people together.

Z: Ask our friend John DeGrove because I think that is who...John has watched this. He was in front of it...

B: He quotes this report a lot, so I think it is still being used and I think it is taught to Florida’s future planners, in fact.

Z: Well, that is right. As I keep kidding John, I am not sure whether he is part of the problem or part of the solution because these planners tend to be structured bureaucratic. And they frustrate me when they will not move fast enough. I think this was a worthwhile effort, and people still point to it and read it and think about it. In some sense, I think it is probably a better report than the...

B: Than the Everglades report?
Z: Yes. The Everglades report had too many recommendations, and I kept saying, come on guys, there are three or four points. That is when I developed the four points, which were, A, the current trends are not viable, B, there is plenty of water, C, we do not know how to manage it, and D, we got a lot of messy details like who goes first and who pays. That is all it is, folks. The rest of it is detail, and people can understand that. But no, now we got twenty-two action steps and fifty-four of this and that. That is the planning mentality, which is different. Or this one that just came. I just do not think it is going to do great things.

B: Alliance for Ethical Government, University of Miami School of Law?

Z: It is an internal thing, which I am a member of, and Gerald, the former state Supreme Court justice, is the co-author. There is a lot of good stuff in here. My forecast is that it will soon be forgotten. It just is not an action document. Now, if Kogan was here, he would probably disagree with me, but I think this is more valuable because it was fairly simple and pointed. The question is, when is somebody going to do something about it? I think we will have to have some sort of a crisis, a major recession, the canker disease knocking out the citrus industry, the melting of the Arctic ice cap. I do not know.

B: But that is how you think it will finally be heeded?

Z: I think finally there will be a crisis, and in the process of fixing the crisis, you are going to say, big hurricane, we need funds and we do not have funds, and you got to get funds. Somebody is going to say, why don’t you tax widows in wheelchairs, and they are going to say, great and they are going to tax widows in wheelchairs or something like that, and it will be done. You know, you do not start out by saying we need money and let us tax widows in wheelchairs. You start out with a problem that needs money thrown at it. Somehow or other, it seems harder to get that forward motion without a crisis.

B: Is there anything we have not talked about yet that you think might be important to people who study and care about Florida’s past and its future?

Z: No, I think we have done it twice over at least. A third time over, I might say it better but I do not think I am adding much to it.

B: Well, thank you. I really appreciate all this time.

Z: You are welcome.

[End of Interview.]