

# ***John C. Whitehead, Who Led Effort to Rebuild After 9/11, Dies at 92***



John Whitehead in 2005 with, from left, Michael Eisner, Gretchen Dykstra and Robert De Niro. Credit...Fred R. Conrad/The New York Times

By Douglas Martin  
Feb. 7, 2015

John C. Whitehead, for decades one of New York’s most prominent citizens, a veteran of D-Day who capped a lauded career on Wall Street and in the State Department by shepherding the first years of the city’s fractious effort to rebuild after the 2001 terrorist attacks, died on Saturday at his home in New York. He was 92.

Haverford College, from which he had graduated and where he served on the board of managers, announced his death, saying the cause was cancer.

The columnist Liz Smith once called Mr. Whitehead the “chairman of the establishment.” He helped pilot Goldman Sachs to the forefront of investment banking and led the boards of Harvard, the Asia Society and the Federal Reserve Bank of New York, among other institutions. As deputy secretary of state in the Reagan administration, he helped wean the countries of Eastern Europe from the Soviet Union.

<https://www.nytimes.com/2015/02/08/nyregion/john-c-whitehead-a-leader-in-finance-and-government-dies-at-92.html>

His connections were so broad, he said, that in 10 minutes of conversation with “just about anyone,” he could find “a mutual friend we both know well.”

Mr. Whitehead’s stiffest challenge came as he neared his 80th birthday, when Gov. George E. Pataki of New York asked him to be chairman of the [Lower Manhattan Development Corporation](#)<sup>1</sup>. A state entity, it was given the mandate to rebuild the shattered site of the World Trade Center towers and revitalize downtown Manhattan.

In his autobiography, “A Life in Leadership: From D-Day to Ground Zero” (2005), Mr. Whitehead recalled replying that he would be ancient by the end of the effort.

“I don’t think you want me down there a decade from now in my wheelchair, pointing my cane at some building and saying, ‘I’ll put this building here, not there,’ ” he wrote.

He decided to turn down what was then his city’s, if not his country’s, most momentous job. Then he changed his mind. As he had many times, he felt a call to duty. He concluded that he had no right to say no.

“When the fireman hears the bell go off, he’s off to the fire,” Mr. Whitehead wrote. “And I guess I heard the bell.”

The reality of the decision hit him after the news conference where Mr. Pataki announced his appointment. Mr. Whitehead had no staff, no money, not even an office.

“That moment in the car was probably the loneliest moment of my entire life,” he wrote.

For five years, Mr. Whitehead juggled the competing interests of local residents, business leaders, cultural groups, the city, two states, the Port Authority of New York and New Jersey and families of the victims of the attacks. His agency conducted 200 public hearings and produced a master plan that changed greatly but endured.

When plans for a memorial to rescue workers and victims foundered, he decided to head the foundation guiding the project himself, and quickly raised \$130 million.

When Mr. Whitehead resigned in May 2006, Mayor Michael R. Bloomberg said, “When New York City was experiencing some of the toughest times in its history, John Whitehead stepped up to the challenge and played an integral role in downtown’s resurgence and revitalization.”

John Cunningham Whitehead was born on April 2, 1922, in Evanston, Ill. When he was 2, his family moved to Montclair, N.J., where he attended public schools. His father was laid off by the phone company during the Depression, and the family scrimped and ate macaroni and cheese for many dinners.

The young Mr. Whitehead raised racing pigeons, sang in the church choir, rose to Eagle Scout in the Boy Scouts and learned to play the violin. In his book, he suggested that he had been motivated to

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<sup>1</sup> Lower Manhattan Development Corporation, <http://www.renewnyc.com/>

succeed by a secret his mother told him after he had gotten in trouble for stealing cookies from a bakery. She said she had had twins who died at birth a few years before Mr. Whitehead's own birth.

"Now, John, your father and I hope and pray every day that you will grow up to be a fine person and help us make up for the terrible loss," she said.

Mr. Whitehead wrote, "For the rest of my life, I did everything I could to make my mother proud of me."

He majored in economics at Haverford College, then an all-male institution. In 1943 it accelerated its graduation by a semester so that graduates could join the armed services to fight in World War II. (Haverford, in Pennsylvania, was a Quaker school, so many graduates served in noncombat roles.)

Mr. Whitehead paid for college with jobs like guessing people's weights at the New York World's Fair of 1939-40, and as a pinsetter at local bowling alleys.

He enlisted in the United States Navy, which assigned him to Harvard Business School to learn Navy accounting so that he could be a disbursing officer on a ship. Instead he became captain of a landing craft that ferried troops to Omaha Beach in the first wave of the Normandy campaign. He did the same thing in Southern France, at Iwo Jima and elsewhere.



Mr. Whitehead in 2005.  
Credit...Ozier Muhammad/The New York Times

After the war, he returned to Harvard Business School to teach naval accounting and was also accepted as a student there.

Mr. Whitehead was the only person [Goldman Sachs](#)<sup>2</sup> hired in 1947, starting him at the above-average salary of \$3,600 a year as a member of the bond-buying team. He wrote that Sidney Weinberg, a Wall Street legend and Goldman chairman, was awed by his dexterity with a slide rule.

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<sup>2</sup> Goldman Sachs, <https://www.goldmansachs.com/>

Mr. Whitehead became a Goldman partner in 1956. He persuaded Mr. Weinberg to set up a business department, as Goldman led the way in making managing mergers a regular service. In the early 1960s, he drafted [12 business principles](#)<sup>3</sup>, stressing effort and ethics, that the firm continues to use, with two additions.

When Goldman's chairmanship became vacant in 1975, he and [John L. Weinberg](#)<sup>4</sup>, Sidney Weinberg's son, assumed the job jointly. They soon turned Goldman into a global business and saw profits increase each of the eight years they headed the firm.

Mr. Whitehead resigned in 1984, surprising the investment industry. He was "getting worn down," he wrote.

The Wall Street Journal at the time quoted industry executives as saying that he and Mr. Weinberg had "set the standard against which many other Wall Street firms measure themselves."

Several months later, Mr. Whitehead was at Goldman's office working on a book tentatively titled "The Social Responsibilities of Business." The phone rang, and because his secretary had already gone home, Mr. Whitehead answered it himself.

George P. Shultz, the secretary of state, came right to the point: "Can you be in my office in Washington at 8 tomorrow morning?"

Mr. Shultz said he could not discuss the subject over the phone, but Mr. Whitehead guessed that he wanted to speak to him about the economies of Brazil and Argentina, which were at perilous junctures. A young assistant librarian was working late and hastily assembled envelopes full of economic and political information about both countries.

When Mr. Whitehead arrived in Mr. Shultz's office, the secretary said, "We're going over to see the president."

In the Oval Office, President Ronald Reagan asked Mr. Whitehead to be deputy secretary of state, the No. 2 job in the State Department.

As a diplomat Mr. Whitehead worked with the Communist nations of Eastern Europe, offering trade and investment inducements in return for improvements in human rights. He developed a reputation for making nondiplomatic comments.

When asked in 1986 if the United States was considering "non-peaceful" action against Libya, he replied, "Yes." Bernard Gwertzman, the longtime diplomatic correspondent for The New York Times, wrote that the correct State Department answers were "leaving open that option" or "not ruling it out."

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<sup>3</sup> Goldman Sachs, Investor Relations, Corporate Governance, date of link - 2015.

<https://web.archive.org/web/20151010004302/http://www.goldmansachs.com/investor-relations/corporate-governance/corporate-governance-documents/revise-code-of-conduct.pdf>

<sup>4</sup> John L. Weinberg, Obituary, August 9, 2006, recovered from archive 2015,

<https://web.archive.org/web/20151102235652/http://www.nytimes.com/2006/08/09/business/09weinberg.html>

<https://www.nytimes.com/2015/02/08/nyregion/john-c-whitehead-a-leader-in-finance-and-government-dies-at-92.html>

In testimony before the House Foreign Affairs Committee in 1986, Mr. Whitehead began a sentence with the phrase, “I hate to disagree with my president, but ...” His eligibility to use the White House tennis court soon mysteriously ended.

During his Goldman years, Mr. Whitehead devoted a third of his work time to nonprofit organizations he considered “noble.” After he left the State Department in 1989, he gave these groups most of his attention, heading the Andrew Mellon Foundation, the United Nations Association, the New York Boy Scouts, Haverford College, the Brookings Institution, the National Gallery of Art and the International Rescue Committee.

In 1995, he donated \$10 million to Harvard Business School to start the John C. Whitehead Fund for Not-for-Profit Management. In 1997, Seton Hall University in New Jersey, with Mr. Whitehead’s financing, opened the John C. Whitehead School of Diplomacy and International Relations.

Mr. Whitehead was chairman of the Federal Reserve Bank of New York from 1995 to 2000. During his tenure, which was unpaid, the bank helped orchestrate the bailout of Long-Term Capital Management, a hedge fund.

Mr. Whitehead lived in Manhattan. His marriage to the former Helene Shannon, known as Sandy, ended in divorce, as did his marriage to the former Jaan Chartener. His third wife, Nancy Dickerson, the television news reporter, died.

He is survived by his wife, the former Cynthia Matthews; his daughters, Anne Whitehead and Sarah Whitehead; his son, J. Gregory Whitehead; two granddaughters; seven stepchildren; and 18 step-grandchildren, said Barry Zubrow, a close friend of more than 40 years.

For nearly 20 years, Mr. Whitehead was part owner of the [New Jersey Devils](#)<sup>5</sup> of the National Hockey League. In his later years he collected art, particularly Impressionist paintings.

After returning from Washington, he was also chairman of AEA Investors, founded by the Rockefellers and other wealthy investors to buy midsize companies, improve their sales and then sell them.

Mr. Whitehead summed up his life in the last line of his memoir: “From first to last, I have been thrilled to be in on the action.”

***Correction:*** Feb. 8, 2015

*An earlier version of this obituary misstated the given name of a friend of Mr. Whitehead’s who provided a list of survivors. He is Barry Zubrow, not Barrow.*

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<sup>5</sup> New Jersey Devils, <https://web.archive.org/web/20150809101121/http://devils.nhl.com/club/index.htm>

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