



## **KATRINA AND THE COMMON GOOD**

### **Progressive Actions for National Preparedness and Renewal on the Gulf Coast**

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August 25, 2006

*At the core of our national character is the belief that government should serve the common good and ensure the protection, prosperity and opportunity of all people. The federal government's response to Hurricane Katrina was profoundly disturbing and broke faith with that belief.*

*Americans and their government extended their hearts and wallets after the disaster, yet we are still in need of a serious national discussion to ensure that a calamity of this magnitude is better handled in the future and that the arduous recovery process is sustained going forward. Building on the principle of the common good, the Center for American Progress offers the following national actions to help ensure better preparedness and recovery capacity for natural disasters or attacks:*

- *Implement an effective emergency public health response system*
- *Invest more in disaster and climate change preparedness and planning*
- *Streamline federal and state relief benefits and break the logjam on federal funds*
- *Redouble our commitment to building and protecting critical infrastructure*
- *Create a rapid response housing voucher program to better shelter people during and after emergencies*
- *Ensure federal assistance in returning displaced children to school and finding teachers for devastated school districts*
- *Finance preparedness efforts through offsets in other areas, particularly from counterproductive spending and unfair tax policies*
- *Create an independent Federal Disaster Graft Protection Commission to ensure that taxpayer funds are not abused in any major disaster.*

In the aftermath of Hurricanes Katrina and Rita, both of which battered the Gulf Coast last year, commentators across the political spectrum expressed shock and dismay at the collapse of our nation's disaster preparedness and response apparatus. Leaders on both sides of the aisle pledged to spend whatever was necessary to ensure that levees would not fail in future storms, the displaced could return home, and the sick, elderly and vulnerable would never again be left behind in abject poverty and neglect. President Bush declared that he would lead "one of the largest reconstruction efforts the world has ever seen."

One year later, that commitment has been replaced by frustration, confusion and inertia. Dead bodies are still being recovered in destroyed homes. Hundreds of thousands of New Orleans area residents have yet to return. Entire blocks of the city and neighboring parishes remain scarred and unlivable. Crime and gang violence are on the rise. FEMA trailer parks and emerging tent cities dot the landscape. Federal funds for rebuilding have yet to arrive. Levee protection for the current hurricane season is uncertain. Graft and malfeasance continue to plague the procurement process. Public institutions from courts and hospitals to water service and other utilities have imploded.

Not all has been lost. Volunteer efforts from community, non-profit, and faith-based groups have been the lifeblood of neighborhoods across New Orleans and the Gulf region. Some residents have returned and houses are being gutted and rebuilt. Neighborhoods have begun real planning; job opportunities and tourism are growing; infrastructure is being restored; and businesses are reopening.

While New Orleans and the rest of the Gulf region tries to right itself on its own, however, the country and its political leaders have moved from post-hurricane empathy and action to indifference and distraction from a massive national commitment that must be sustained in order for millions of Gulf Coast residents to get back their lives.

What happened?

The list of failures and leaders deserving of blame is large and growing. The single greatest failure has been one of faulty vision. Individual acts of transcendence—as hopeful and inspiring as they are—cannot rebuild an entire city and region. Families, communities, the private sector and government must work in concert if there is any chance of producing a more vibrant and prosperous Gulf Coast.

National leadership is essential for this level of coordination to occur, but it is plainly absent. State and local officials in New Orleans and other hard hit areas are consumed with fixing street lights and water mains, opening schools, finding affordable housing for people, cracking down on crime and more generally trying to restore some semblance of order and stability to society and a torn public infrastructure.

State and local officials and citizens should have primary responsibility and accountability for driving the rebuilding process, but as with any massive reconstruction effort, they need the nation's help. The rebuilding and renewal of the Gulf Coast must be

seen as part of a collective, national project and not the sole responsibility of those immediately affected in the region.

Unfortunately, the nation's conservative leaders have utterly failed the Gulf region in terms of preparedness, response, recovery, and a vision for the future. But progressives at the national level are not without fault and must do far more to make the rebuilding and renewal of the Gulf, and future disaster preparedness, a national priority and a concrete reality.

This requires a shared set of goals and principles for what is needed going forward. In order to meet this common task, the Center for American Progress has tried to make a candid assessment of what has and has not been accomplished this year. Based on this review, we suggest that from this point forward preparedness and recovery efforts be based on the following progressive principles:

1. The renewal of the Gulf Coast must be viewed as a central domestic priority for the executive and legislative branches of government and a primary concern of all citizens. The guiding principle of progressive politics is that when any one of us is down, all of us are down. The people of New Orleans and other areas are still down. We should do whatever is necessary to get people back on their feet. If a Katrina-like disaster or terrorist act had happened anywhere else in America, we would expect the same level of commitment from others.
2. Rebuilding and renewal requires a multi-year effort and long-term national leadership. Individuals, families and local communities cannot do this on their own. Allocating limited federal funds and block grants to states and localities for recovery is not enough. The Gulf region needs national-level authority and leadership to help break bureaucratic jams, coordinate planning and rebuilding efforts, and move additional funds, expertise or resources where needed.
3. All displaced citizens have a fundamental right to either return home or receive assistance in starting a new life somewhere else. The people of New Orleans and other affected areas in the Gulf should be treated as displaced persons—not left to fend for themselves—and accorded requisite respect and assistance. For those who want to return, they should be given paths to move back and reestablish their lives. For those who are displaced and want to start anew, they should be fully assisted in their transition.
4. The sick, poor and vulnerable should be given priority and treated with dignity. Moral decency and our nation's heritage require us to serve and uplift the least fortunate among us. While we must help all citizens equally, the poor and disadvantaged require extra protections and assistance to ensure adequate shelter, clothing, medical care, transportation and job opportunities.
5. Health care, housing and education should be of paramount concern in the recovery process. Although multiple areas of the social, economic and political system in the Gulf region require repair, health care, housing and education must be given priority as essential components of human autonomy and economic

- opportunity. These foundational needs should be viewed as non-negotiable requirements for anyone in the region to rebuild and create a meaningful life.
6. Renewal of the Gulf Coast should ensure that all affected citizens get a chance at better living and working conditions than existed prior to the disaster. The concept of renewal implicitly means providing people with new opportunities to live out their dreams and aspirations. The status quo for many Gulf residents—concentrated poverty, substandard housing, underemployment, poor education—is unacceptable. Out of this disaster, we have an historic chance to provide people with the tools they need to advance and to devise innovative means for alleviating economic hardship and depredation.
  7. Federal, state and local governments should ensure full accountability and criminal prosecution of any contractor or individual actor engaged in fraud, mismanagement or corruption in the recovery process. As federal funds for rebuilding come available, we must demand strong government vigilance to ensure that taxpayers and communities are not cheated and manipulated out of funds as they were during the emergency response phase. This applies to government contractors and individual recipients of government aid alike.
  8. The federal government must learn from its failures in handling Katrina and become far more proactive in preparing for and mitigating future disasters. Katrina did not catch federal officials by surprise. The hurricane took days to roll up to the Gulf coast; FEMA and other federal agencies had predicted and supposedly prepared for a storm of this magnitude for decades. As flood waters rose, federal officials debated whether the levees had actually breached or just been topped. The entire operations center for the new Department of Homeland Security failed to adequately comprehend and manage the federal response and consequently, hundreds of people needlessly died in their homes and temporary shelters. DHS now has hard empirical evidence that its systems and lines of authority are wholly inadequate for protecting the nation. There is significant overlap between the response and recovery to a disaster, regardless of the cause. If DHS continues to fail in the aftermath of Hurricane Katrina, it will also fail if we are once again attacked by terrorists. These lessons must be turned into real changes and proactive efforts to ensure that Americans are protected during times of national emergency.

The Center for American Progress offers the following federal policy ideas to help focus national attention on future preparedness and renewal efforts and to help ensure that rebuilding in New Orleans and other affected areas brings real hope, protection, and economic opportunity to affected citizens. Specific actions for the next year and beyond include:

### **Implement an effective emergency public health response system**

As the public health crisis in New Orleans and the Gulf region clearly shows, the federal government must do far more to ensure health care readiness during times of distress. The last thing a hard hit area needs after a disaster or attack is a residual public health

crisis that leaves people hurt or dying and encourages the spread of disease. To start, Congress needs to grant Medicaid permanent emergency authority during federal disasters and other public health crises. Medicaid has the available payment systems to ensure rapid and comprehensive coverage and treatment options for those most likely to need assistance, no matter where they seek care.

The executive branch should also create a national-level inter-agency coordinating council to spearhead the federal government's response to emerging public health crises. The council could be headed by the Department of Health and Human Services and include other agencies such as the Department of Homeland Security and the Office of Management and Budget. Public health emergencies require strong lines of authority and coordination in order to assist people immediately hurt or injured and to protect public health in the weeks or months after major catastrophes.

The government should consider building a public health reserve fund that can serve as a means for fast and flexible funding to address unforeseen public health problems as they arise. Although there are multiple funding and payment opportunities within existing agencies, the notion of a reserve allows for rapid response and targeted funding to help contain or reduce public health problems.

The need for this, of course, would be lessened by creating a health care infrastructure that guarantees affordable, quality care for every American.

### **Invest more in disaster and climate change preparedness and planning**

Planning is the backbone of an effective, proactive preparedness and response apparatus at the national and state levels. Currently our planning and infrastructure to respond to natural disasters is inadequate and, with more frequent and severe disasters predicted from the effects of global warming, this capacity will be increasingly tested in years to come.

To be ready, national and state governments must fully fund and coordinate disaster and climate change preparedness plans. These plans will clearly identify known and potential threats to major areas across the country and outline specific governmental actions and lines of authority for carrying out these plans. This is particularly important as the potential natural disasters associated with global warming—drought, coastal flooding, stronger hurricanes, and extreme temperature changes—become more frequent and devastating in their human and economic impacts.

Had effective planning—backed by the resources necessary to carry out those plans—been fully engaged and funded prior to Katrina, the scope of the human hardship and economic damage would have been greatly reduced in the Gulf region.

The government and the private sector should also consider instituting disclosure requirements for businesses and homeowners who build or reside in areas prone to potential emergencies from extreme weather and other global warming-related disasters. Citizens and shareholders alike should be fully aware of the risks and exposure that cities and businesses face in certain areas. The federal government should marshal its data and

scientific resources from across its agencies (including FEMA, the National Oceanic and Atmospheric Administration, the U.S. Department of Agriculture and U.S. Geological Survey office) to institute a national assessment and scorecard of state and regional disaster vulnerability and resilience and to track state level preparedness, planning, and infrastructure investments.

### **Streamline federal and state relief benefits and break the logjam on federal funds**

As the recovery process has proven, the structure of federal emergency benefits for everything from health care and food to housing and direct assistance programs is painfully fragmented. Katrina made clear that the existing system does not address the situation in which large numbers of people—both poor and non-poor—are displaced (many to other states) for an extended period of time.

The length of assistance turned out to be inadequate. There was no overall framework to ensure that the federal government bore the costs rather than the receiving states. The level of help offered to people depended on the state to which they were relocated. And the benefits were not coordinated in an overall assistance strategy. Displaced residents, already facing numerous hurdles to recovery, had to contend with myriad rules and requirements and staggered eligibility requirements for emergency aid and benefits.

In the context of a disaster of the magnitude of Katrina, the government should implement system-wide requirements for benefits that ensure that citizens needing help receive up to 18 months of necessary assistance. The notion that citizens can restart their lives within one year is clearly misguided. Facing uncertain job, housing and education prospects, displaced residents with little or no financial capacity to weather the storm cannot be expected to get back on their feet within a few months.

Similarly, while large sums of federal money have been allocated for the crisis and the recovery process, the delays in getting rebuilding money to affected citizens and homeowners is having a devastating impact on the region. In the future, federal assistance, working through state recovery boards such as the Louisiana Recovery Authority, must ensure that federal funds are not held up by the difficult and complicated process of community planning. The government is right to protect taxpayer funds by insisting on hard plans and oversight, but homeowners need the funds in order to make wise decisions about whether and how to rebuild.

The government should also consider providing more direct assistance to help localities restore public institutions like hospitals and schools. In the aftermath of disasters like Katrina, cities like New Orleans lack the capacity to fund their activities due to the large decline in property and sales taxes. Existing federal channels, including the Department of Health and Human Services and the Department of Education, should be better utilized for direct support to localities like New Orleans to facilitate direct funding of services and infrastructure in future rebuilding efforts.

### **Redouble our commitment to building and protecting critical infrastructure**

The U.S. must take seriously its need to commit dedicated resources for public infrastructure protection and enhancement in the emerging environment of greater risk

from natural and climate change-related disasters and from terrorism. Like funding for roads and highways, we need a dedicated fund that would support ongoing homeland security readiness in the following areas: levee construction and wetlands protection; evacuation and transportation needs in the event of major disasters; a more efficient and resilient energy infrastructure; better land use and management; and advanced communications capacities for emergency responders. These are common needs that require shared costs and mutual sacrifices if we are to ensure that problems in certain parts of the country do not spiral into national crisis.

It is also worth considering the establishment of local energy grids powered by renewable energy, which could be brought back on line quickly in the event of natural disasters, and which could help increase resilience in the event of disruptions to our regional or national energy infrastructure. These grids would provide on-site and local energy production—generated through renewable means—to ensure stability during times of crisis or emergency. If electricity or natural gas goes out, these “micro-grids” would help to keep hospitals, police and fire houses, pumping stations and other emergency needs in touch with one another and capable of responding to emergencies.

### **Create a rapid response housing voucher program to better shelter people during emergencies**

Unused FEMA trailers sit around New Orleans and the Gulf region today, the result of serious production and delivery delays in getting the trailers to the affected area. That's unacceptable. The national government should consider developing a more humane and cost-effective form of temporary housing during natural disasters and emergencies.

As Bruce Katz and Amy Liu of the Brookings Institution argue, the Department of Housing and Urban Development is far better positioned than FEMA to deal with housing needs through existing funding authority for so-called Section 8 vouchers. Their analysis shows how expanded Section 8 vouchers were put to great use in housing affected residents after the Northridge earthquake in 1994.

By reserving funds for emergency Section 8 vouchers and expanding their use in emergencies, displaced residents could more easily get into safe and stable apartments or houses across a state or region, foregoing the painful process of having to deal with trailers or emergency centers. Expanded vouchers would also give the most economically pressed citizens a chance to start a better life in a new neighborhood should they desire to leave their affected home.

### **Ensure federal assistance in returning displaced children to school and finding teachers for devastated school districts**

Katrina revealed the enormous challenge of getting displaced children back into school and into stable environments for learning and social development. Thousands of children from New Orleans and the region are either not in school or facing uncertainty about which school they will attend and under what conditions. The psychological and academic effects on these children could have long term consequences in terms of their own education and the ability of the affected areas to recover economically.

Similarly, although many New Orleans schools have reopened, the unexpected number of returning students is overwhelming the system. Teachers are in short supply and difficult to bring in given the larger uncertainty with the rebuilding process. The Department of Education should fully assist the states of Louisiana, Mississippi and Alabama in coordinating the movement of displaced children back into school and help its school districts to recruit, train and retain teachers across the region.

**Finance preparedness efforts through offsets in other areas, particularly from counterproductive spending and unfair tax policies**

Preparedness costs are foreseeable and can be budgeted for and offset. The federal government spent nearly \$28 billion dollars on unauthorized federal earmarks in 2005. The Government Accountability Office estimates that offshore tax havens for the wealthy cost the U.S. Treasury anywhere from \$40 billion to \$70 billion annually. Billions of dollars in taxpayer funds are wasted every year on federal subsidies to huge corporate agri-business or on out-dated Cold War weapons programs that do nothing to help us fight terrorism. And conservative leaders continue to push for permanent extension of tax cuts and repeal of the estate tax for the wealthiest that could ultimately cost us more than one trillion dollars.

There is more than enough money already in the system to sustain a multi-year national commitment to disaster preparedness, response, and rebuilding efforts in the Gulf and in other areas. It is simply a matter of priorities and political will. The taxpayers have done their part; it is time for our political leaders to do theirs.

**Create an independent Federal Disaster Graft Protection Commission to ensure that taxpayer funds are not abused in any major disaster**

As the botched reconstruction efforts in Iraq and the Gulf region plainly show, we must do far more to stop disaster profiteering and fraud in future reconstruction processes. This oversight must be independent of Congress and the president if it is to be effective. It is worth considering a new federal graft protection commission to assume these duties and monitor public funds over the multi-year recovery periods following disasters. Similarly, the government must take more proactive steps to stop price gouging by energy and financial services companies and abuses by the insurance sector in the aftermath of disasters like Katrina.

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The process of rebuilding and renewal on the Gulf Coast, and better preparation for future disasters or attacks, is one of the most pressing moral and strategic challenges the country faces today. Only through serious national leadership committed to a basic notion of securing the common good for all citizens can we rectify the massive failures of vision and competency that continue to adversely affect hundreds of thousands of residents in the Gulf region.