

KATRINA AND POWER IN AMERICA

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The Katrina disaster exposed the major fault lines of American society and politics: class and race. It offers lessons for urban scholars and practitioners. Katrina was a human-made disaster more than a natural disaster. The conditions that led to the disaster, and the response by government officials, were the result of policy choices. Government incompetence was an outgrowth of a more serious indifference to the plight of cities and the poor. As a result, the opportunity to reconstruct New Orleans as part of a bold regional renewal plan was lost. Whatever positive things happen in Katrina's aftermath will be due, in large measure, to the long-term work of grassroots community and union-organizing groups who mobilized quickly to provide a voice for the have-nots and who found allies among professionals to help formulate alternative plans to those developed by business and political elites.

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A few days after Katrina struck New Orleans, President George W. Bush told the press that the relationship between the federal, state, and local governments is “an important relationship, and I need to understand how it works better” (Bush 2005).

New Orleans Mayor Ray Nagin, desperate and frustrated, was a bit more straightforward in his assessment of how federalism works in practice: “I don’t know whether it’s the governor’s problem,” he said, “I don’t know whether it’s the president’s problem. But somebody needs to get their ass on a plane and sit down, the two of them, and figure this out” (“Mayor to Feds” 2005).

But long before Katrina hit the city, New Orleans residents—and their counterparts in other cities around the country—already knew that the federal government had abandoned them. The president’s response to the disaster simply put his indifference to the plight of cities in dramatic relief.

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NEW ORLEANS'S RACE AND CLASS FAULT LINES

Katrina was *not* an equal opportunity disaster. In *Heat Wave: A Social Autopsy of Disaster in Chicago*, sociologist Eric Klinenberg (2002) reveals how that city's economic and social divisions were reflected in who died and who survived in a severe heat wave in July 1995. The poor, people of color, and the elderly—those most likely to be socially isolated and without resources—were the most likely to die.

Likewise, in New Orleans, the poorest neighborhoods were hit hardest by the hurricane. The Bush administration apparently assumed that people would evacuate New Orleans on their own, without giving much thought to who these people were, what resources they had, or where they would go. They acted as if everyone had an SUV full of gas and family or friends (or a second home) waiting to take them in somewhere safe.

In late August, the Census Bureau released two reports (Fronzcek 2005; DaNavas-Walt, Proctor, and Lee 2005) revealing that Mississippi (with a 21.6% poverty rate) and Louisiana (19.4%) are the nation's poorest states. New Orleans (with a 23.2% poverty rate) is the twelfth-poorest city in the nation. Its median household income in 2000 was only \$27,133. Only 46.5% of its households own their own homes—one of the lowest big-city homeownership rates in the South. Of the city's African-Americans, 35% do not own a car, compared with 15% of Whites.

While most Southern cities gained population since the 1960s, New Orleans declined like a rustbelt city. It reached its peak population, 627,525, in 1960. Between 1990, when it had 496,939 people, and 2000, with 484,674, it lost 2.5% of its population, while Louisiana grew by 5.9%. By 2004, it declined another 4.6%, to 462,269. Despite declining population, murders increased from 158 (32.6 per 100,000) in 1999 to 274 in 2003 (56.5 per 100,000). ("New Orleans," n.d.)

From 1980 through 2003, New Orleans lost more than 50,000 jobs (from 339,953 to 279,056). During that period, oil and gas prices dropped. The city's port lost business to Miami and Houston. Several major companies with headquarters in the city left town. By 2000, only one Fortune 500 firm—the city's power company—remained. Tourism, a low-wage industry whose major employers, such as hotel chains, are headquartered elsewhere, increased its importance as a source of jobs. The New Orleans area saw a faster exodus of jobs, as well as middle-class and wealthy families, to the suburbs than in other metropolitan areas, exacerbating the city's fiscal crisis. ("Katrina: Issues and the Aftermath" 2005)

New Orleans is not only one of the nation's poorest cities, but also among the most ghettoized. Among the nation's 100 largest metro areas, it ranks

third in poverty concentration. In 2000, 23% of the poor in metro New Orleans lived in high-poverty neighborhoods (where at least 40% of the population live below the poverty line) (Pettit and Kingsley 2003).

Housing discrimination and the concentration of government-subsidized housing have contributed to the city's economic and racial segregation. Over two-thirds of New Orleans residents, but only one-fifth of suburban residents, are African-American. New Orleans ranked among the nation's most racially segregated urban areas. The metro area's dissimilarity index in 2000 was 69—meaning that 69% of Blacks would have to move to achieve an equal distribution of Blacks and Whites in every neighborhood (“Sortable List of Dissimilarity Scores” 2005).

INCOMPETENCE OR INDIFFERENCE?

Culturally, New Orleans is a unique city. But its economic and social conditions parallel those in most U.S. cities. Since World War II, federal housing and highway policies, the practices of private businesses (particularly developers, banks, and insurance companies), and local zoning and tax laws have combined to promote middle-class flight, racial and economic segregation, and chronic fiscal problems in America's cities. Federal assistance to improve urban conditions have fluctuated depending on who controls the White House and Congress, but even with Democrats in charge urban aid has been dwarfed by policies that subsidize and encourage the flight of employers and middle-class residents from cities (Dreier, Mollenkopf, and Swanstrom 2005).

During the second half of the 1990s, economic and social conditions improved, due largely to an unprecedented national economic expansion, reinforced by federal policies that reduced unemployment, spurred productivity, lifted the working poor out of poverty (such as the Earned Income Tax Credit and a minimum wage increase), and targeted private investment (stimulated in part by stronger enforcement of the Community Reinvestment Act) to low-income urban areas. Since 2001, the indicators of urban revival—such as reductions in unemployment, poverty, crime, the number of families without health insurance, and the number of families paying more than they can afford for housing—reversed direction (Dreier, Mollenkopf, and Swanstrom 2005).

It is not difficult to understand why Bush has paid so little attention to New Orleans (before and after Katrina) and to urban America in general. In 2000 and 2004, Al Gore and John Kerry beat Bush among urban voters by wide margins. Bush's first Department of Housing and Urban Development

(HUD) Secretary, Mel Martinez, told the *Washington Post* that “Housing issues are predominantly local issues The solution to meeting the nation’s affordable housing needs will not come out of Washington” (Broder 2002, p. B7). Testifying before Congress in 2004 to justify proposed cuts for housing assistance, Bush’s next HUD Secretary, Alphonso Jackson, claimed that, “being poor is a state of mind, not a condition” (Washington 2004, 5A).¹ Both comments reveal the Bush administration’s underlying view that urban problems are not really federal responsibilities and that poverty is due primarily to character flaws among the poor.

Conservative pundits and politicians have characterized Bush’s mishandling of the disaster as the inherent inefficiency of “big government.” But government—whether big or small—can be competent or incompetent. In fact, the federal government has a reasonably good track record of responding to so-called “natural” disasters like earthquakes, floods, and hurricanes. Remnick (2005) described how President Lyndon Johnson quickly and competently responded to Hurricane Betsy, a major hurricane that struck New Orleans in September 1965. More recently, the Clinton Administration significantly professionalized and improved the Federal Emergency Management Agency (FEMA), appointed an experienced administrator (James Whitt), increased its budget, and developed close working relationships with governors, mayors, and their disaster management agencies. The Clinton Administration’s success in overseeing relief and reconstruction after the 1994 Los Angeles earthquake suggests that the federal government can act effectively and efficiently in times of crisis (Dreier and Rothstein 1994).

The Bush administration’s actions might better be characterized as indifference rather than incompetence. It was a natural outgrowth of its fundamental hostility to government itself. A central tenet of conservative ideology is that government interferes with individual liberty, is less efficient than the private sector, and in many cases is simply unnecessary. Even so, many contemporary conservatives argue that (with the exception of military spending) we need to “starve the beast,” mostly by reducing taxes (especially for the wealthy) so much that government in general, and the federal government in particular, will be virtually paralyzed (Krugman 2003).

As Americans saw on TV, Katrina revealed that when needed most, government was paralyzed.

We do not know the magnitude of the Bush administration’s blunders and misjudgments, or their cost in human lives and property damage. What is clear is that its indifference toward New Orleans began long before Katrina struck. It cut the budget for FEMA and the Army Corps of Engineers. It folded FEMA into the Department of Homeland Security, diminishing its role as an emergency planning and relief agency while viewing it as simply

another part of the administration's "war on terror." It failed to invest adequately in the infrastructure needed to prevent severe hurricane damage in New Orleans and Mississippi. The Bush administration was extremely slow in providing relief after the hurricane struck. In late October—two months after Katrina struck—at least 20,000 public school students from Louisiana (mostly from New Orleans) who were uprooted by the hurricane were still not attending any school. About 200,000 evacuees remained in hotels, while only 7,308 temporary trailers and 10,940 housing units had been occupied by victims in the three affected states. Many Medicaid recipients were unable to get benefits in their new locations (Lipton 2005).

CRONY CAPITALISM AND DISASTER PROFITEERS

Bush has been justly faulted for his failure of leadership and his mishandling of the nuts and bolts of the Katrina relief effort. But on several matters involving posthurricane reconstruction, Bush was exceedingly decisive. The administration's failure to adequately prepare for Katrina, and then its botching of the evacuation and relief effort, was not simply a matter of hiring the wrong people for the job. Indeed, Bush used the Katrina disaster as a pretext for the administration's crony capitalism, corporate agenda, and disregard for the urban poor.

Post-Katrina, the Bush administration sought to enact conservative policies that it could not get through Congress under normal circumstances. Bush dusted off several free-market approaches—such as a "Gulf Opportunity Zone" (tax breaks for small businesses)—that have failed in the past (Vieth 2005). It lifted the requirement that contractors have affirmative-action plans. It proposed allowing the Environmental Protection Agency to waive environmental regulations, including provisions of the Clean Air Act, during the rebuilding. It promoted the use of school vouchers for children of Katrina evacuees. It rescinded rules governing the number of hours truckers can work.²

Many Republicans in Congress demanded that any supplemental funds to provide relief to Katrina's victims—now likely to cost more than \$100 billion—be offset with budget cuts rather than tax increases. Only a few weeks after Katrina hit, Congressional Republicans called for over \$50 billion in spending cuts, most from programs for the poor, such as Medicaid, food stamps, child care support, the earned-income tax credit, and Supplemental Security Income. Even so, Bush and the GOP leaders in Congress, including majority leader Senator Bill Frist, still want to adopt a \$70 billion tax cut, mostly for the very rich (Sanger and Andrews 2005).

Bush decisively suspended federal rules to allow FEMA and the Army Corps of Engineers to extend no-bid contracts to corporations engaged in rebuilding. Companies with close political ties went to the front of the line. Bush then sweetened these contracts by suspending the federal Davis-Bacon Act, which requires federal contractors to pay local “prevailing wages” on construction projects. (In late October, after enormous public criticism of these actions, Bush reversed both decisions.)

Even Jack Kemp, the conservative HUD secretary under the first President Bush, criticized Bush’s approach: “There has to be some federal leadership here,” Kemp said. “Laissez-faire, Darwinian capitalism is not going to work. Markets do work, but they need the direction of government in situations like this” (Gosselin 2005).

Katrina is a disaster for the people of the gulf region and for the nation’s economy. About 400,000 Americans will lose their jobs, according to the Congressional Budget Office (Gruber 2005). But for some companies, especially those with political connections, Katrina—like the war in Iraq — is a bonanza.

The reconstruction of New Orleans and the Gulf Coast unleashed a feeding frenzy of government contracts. FEMA and the Army Corps of Engineers (ACE) quickly suspended rules in order to allow no-bid contracts and speed up reconstruction.

Three companies—the Shaw Group, Kellogg Brown & Root (KBR, a subsidiary of Haliburton, whose former CEO is Vice President Dick Cheney), and Boh Brothers Construction of New Orleans—quickly scooped up no-bid ACE contracts to perform the restoration. Bechtel and Fluor (also with close GOP ties) also reaped huge contracts. The Department of Defense has been criticized for awarding Iraq reconstruction contracts to Haliburton and Bechtel without competition (Broder 2005).

As the *New York Times* reported, “From global engineering and construction firms like the Fluor Corporation and Haliburton, to local trash removal and road-building concerns, the private sector is poised to reap a windfall of business in the largest domestic rebuilding effort ever undertaken” (Broder 2005: A1).

According to the *Los Angeles Times* (Miller and Silverstein 2005), lobbyists representing energy, transportation, and other corporate sectors dominated the task forces created by Louisiana Senators David Vitter (a Republican) and Mary Landrieu (a Democrat) to advise them in drafting the Louisiana Katrina Reconstruction Act. The legislation included “billions of dollars’ worth of business for clients of those lobbyists” (Miller and Silverstein 2005: A1).

Bush's first FEMA director, Joseph Allbaugh, resigned in 2003 to head New Bridge Strategies, a firm whose Web site boasts it is "a unique company that was created specifically with the aim of assisting clients to evaluate and take advantage of business opportunities in the Middle East following the conclusion of the U.S.-led war in Iraq." Allbaugh used his connections to help his clients, including KBR, win post-Katrina contracts, including a U.S. Navy contract to, according to the *Houston Chronicle*, "restore electric power, repair roofs and remove debris at three naval facilities in Mississippi damaged by Hurricane Katrina" and to "perform damage assessments at other naval installations in New Orleans as soon as it is safe to do so" ("Around the Region" 2005: 3).

Compounding this crony capitalism, Bush suspended the Davis-Bacon law for Katrina-damaged areas of Alabama, Florida, Louisiana, and Mississippi. Enacted in 1931, it sets a minimum pay scale for workers on federal contracts by requiring contractors to pay each region's prevailing wages. The prevailing wage for a carpenter is about \$12 an hour in New Orleans and \$7 an hour in Gulfport, Mississippi, both far below the national average (Eisenbrey 2005).

The Bush administration, Congressional Republicans, and their corporate allies have long opposed the Davis-Bacon law. During the 2004 election cycle, the construction industry donated \$71 million to candidates for the White House and Congress. According to the Center for Responsive Politics, a nonpartisan watchdog group, 72% of those contributions went to Republicans ("Your Guide to Money in U.S. Elections" 2005). They used Katrina to impose their agenda through the back door.

The suspension of Davis-Bacon was an open invitation to employers to pay low wages to people desperate for jobs. The Gulf Coast and New Orleans—which prior to Katrina had a tiny (3.1%) Latino population—saw an influx of Mexican and Central American immigrants, many of them undocumented, lured by the boom in construction work and service-sector jobs previously filled by residents who had evacuated the region. Most employers pay them far below prevailing wages; some failed to pay at all. Many of these immigrants had to live in overcrowded conditions.

WHO WILL RULE THE NEW NEW ORLEANS?

To Americans watching events unfold on TV or by reading newspapers and news magazines, the Katrina disaster revealed the meltdown of New Orleans's local government. Mayor Nagin appeared angry but helpless. Many of his police department's officers failed to report for duty,

undermining the city's ability to protect lives and property. A handful of cops were even seen looting local retail stores. Patients at the private Tulane University hospital were quickly removed, while patients at the municipally run Charity Hospital were left for days to fend for themselves (Sternberg 2005). The city government had no evacuation plan in place before the disaster struck. While the White House and the federal EPA disagreed about whether the region's water was safe to drink, Nagin first urged people to return, then told them to stay away. To the casual observer, New Orleans's municipal government fit the worst stereotypes about urban politics.

In truth, no municipal government has the capacity to handle a disaster of Katrina's magnitude. Only the federal government has the resources to deal with the prevention, rescue, and rebuilding of areas faced with major disasters. For certain, the city government had a role to play. But New Orleans, even more than most cities, faced chronic fiscal problems, because so many of its residents are poor and so much of its economy is based on low-wage jobs. Because Louisiana is a right-to-work state, New Orleans lacks a strong local labor movement, which is often a key player in municipal politics elsewhere.

Occasionally, inchoate class conflicts surface in the political arena. For example, in 2002, New Orleans ACORN (a community organizing group) and the Service Employees International Union (SEIU) waged a grassroots campaign to get the city to adopt a municipal minimum wage that was \$1 over the federal level, and would apply only to businesses with over \$500,000 in revenues. The referendum passed with support from 63% of the voters. The law would have benefited about 70,000 low-income workers, mostly African-Americans, mostly employed in the tourism industry. After the vote, however, the region's business groups, which had led the opposition to the proposal, successfully filed suit in Louisiana Supreme Court to uphold a state law, passed a few years earlier, to pre-empt local minimum wage ordinances, overturning the people's will (Finch 2002; Pollin, Brenner, and Luce 2002; Yerton 2002).

In the wake of Katrina, class and race struggles will again rise to the surface. Which local stakeholders will play important roles in how federal funds are allocated for rebuilding the city, who will receive the funds, and how those funds will be used?

Although the Bush administration would prefer to circumvent state and local government (both run by Democrats) as well as local community and labor groups, and make most of these decisions without their input, Bush cannot simply ignore local players. National corporations and local businesses with close ties to the Bush Administration (and, in Mississippi, to Governor Haley Barbour, former Republican National Committee head)—as

well as with the Congressional delegation, the governor, and the mayor—will have an advantage in shaping the agenda and getting federal reconstruction funds.

The *New York Times* (Rivlin 2005a and 2005b) profiled several such players. One is Joseph C. Canizaro, a major New Orleans developer who had been a big Bush fundraiser, is close to Mayor Nagin, and in 2000 created the Committee for a Better New Orleans (CBNO), which brought together more than 100 business and civic leaders to address the city's problems. Canizaro played a key role in helping Nagin pick the 17-member blue-ribbon task force to make recommendations on rebuilding the city. Another task force member, Donald Bollinger, is head of Bollinger Shipyards (based in nearby Lockport, Mississippi), is close to Bush and other Republicans, served as chair of the local United Way, and was president of CBNO.

Who speaks for New Orleans's poor, the people whose neighborhoods were hardest hit, who lost their jobs and their health insurance, and who are not represented on Mayor Nagin's commission?

One problem in answering this question is that more than one million New Orleans and Gulf Coast residents fled the region and now live in Baton Rouge, Houston, Jackson, and elsewhere. Many of their New Orleans houses and apartments may be uninhabitable. Their neighborhoods may be toxic health hazards for some time. Their old jobs may no longer exist, at least in the short-term.

How will the state and city deal with displaced voters? Will they retain their right to vote as Louisiana and New Orleans residents, even if they do not return for six months or a year? Or will state and local politicians try to remove them from the voting rolls? Even if they remain on the voting lists, will the local politicians make a serious effort to find them and provide them with absentee ballots? Will there even be a public debate and struggle over these issues?

The Katrina exodus could dramatically shift the balance of power in Louisiana and New Orleans. Governor Blanco's 2003 election victory and Senator Mary Landrieu's (D-Louisiana) 2002 reelection win had margins of fewer than 60,000 votes. Overwhelming support from African-Americans constituted much of those margins (Fletcher and Hsu 2005).

Mayor Nagin and the entire City Council is up for re-election in February 2006. As the *Washington Post* noted: "The election will be one of the most important in the city's history, with the winners set to play a pivotal role in deciding how the city will be rebuilt. But with only a smattering of the city's 484,000 residents back home, it will also be an election in which voters will be difficult to find and residency hard to prove, leaving candidates unsure of how to campaign" (Fletcher and Hsu 2005: A7).

Public officials will focus primarily on the concerns of businesses and the affluent unless the poor and near-poor are mobilized to make demands and participate in elections. The major media have generally portrayed New Orleans-area residents as helpless victims, grateful for any handout from the Red Cross, FEMA, or other charities and government agencies.

The mainstream media virtually ignored the efforts of several community-organizing groups to mobilize residents of New Orleans, as well as among the evacuees living in Houston, Baton Rouge, and elsewhere, to gain a voice in the post-Katrina deliberations. The three national organizing networks—ACORN, IAF, and PICO—immediately began sending their local organizers to the Superdome in New Orleans, the Astrodome in Houston, and other emergency shelters, talking with evacuees about their immediate and longer-term needs. They worked with churches, unions, community groups, and their own local members to find survivors and help them find emergency relief, housing, jobs, and other basic needs (Blumenthal 2005; Casey 2005; Hall 2005; Klein 2005; Riccardi and Zucchini 2005; Stiles 2005; Tisserand 2005).

ACORN, which has chapters in 75 cities around the country, organized the Katrina Survivors Association to give residents, including those who fled to other communities, a voice. Soon after Katrina hit, ACORN—whose national headquarters was located in New Orleans—began contacting members in over 35 cities who had escaped Katrina. It held meetings of survivors to distribute recovery information and began making demands on government officials, winning a number of important victories. In Dallas, for example, ACORN members marched on the mayor's office to protest the city's refusal to work with FEMA to provide housing for evacuees. After two weeks of public pressure, FEMA developed a plan to provide housing directly to survivors. On October 15, ACORN members staged a caravan into the Lower Ninth Ward to claim their right to return, posting "Do Not Bulldoze" signs on homes. In October, New Orleans ACORN, the Louisiana AFL-CIO, the Louisiana NAACP, and SEIU locals organized a march and rally in Baton Rouge to demand a resident voice in rebuilding. A delegation of ACORN's Katrina survivors traveled to Washington, D.C., where they met with Congressional leadership, held a rally at FEMA, and joined Senator Ted Kennedy in introducing the Rebuild and Respect Act, which embodies many of the rebuilding principles they have been fighting for. In November, ACORN organized a meeting at Louisiana State University that brought together its leaders, staff, and two dozen planners, housing developers, and economists to develop a comprehensive plan for post-Katrina reconstruction.

Soon after Katrina struck, Houston Mayor Bill White immediately invited The Metropolitan Organization (TMO), a well-regarded community-organizing

group affiliated with the Industrial Areas Foundation, to participate in the city's efforts to deal with the tens of thousands of new residents in terms of health care, housing, education, and other needs. TMO's organizers and leaders organized meetings in local churches where survivors voiced their complaints and made demands in front of local officials, including the mayor, FEMA, and the Red Cross. TMO formed its own organization of residents and gathered thousands of signatures among evacuees to demand better treatment, especially for children, the elderly, and those in need of medical help.

The PICO organizing network sponsored a meeting of 1,000 refugees from New Orleans held in Baton Rouge in early October. Governor Blanco came and signed PICO's "reconstruction covenant."

WHAT KIND OF RECONSTRUCTION?

While the rescue and resettlement of Katrina's victims was just beginning, government officials and business leaders were already formulating reconstruction plans. The federal government approved more than \$100 billion for hurricane relief and repair, the largest urban (and rural) renewal program in memory.

Will these funds be used primarily to provide a financial bonanza to politically connected corporations and developers? Or will they be used to help create strong and healthy communities that will do more than restore what was there before but will improve economic, social, and environmental conditions for the people who live and work there?

The answer to these questions depends in large measure on whether the residents of the region have a strong voice in shaping the rebuilding process. Through their community organizations, religious congregations, labor unions, and civic groups, residents should play a central role in determining how and where the money is spent. Many residents worry that the Bush Administration, the governors, and the mayors will be influenced primarily by corporate powerbrokers, bankers, and builders.

The Gulf Coast has half of the nation's oil refineries. About 60% of oil imports come through Gulf ports. Within weeks of the disaster, repair of these facilities was underway. People also hope that much of the city's cultural life—its music venues, the French Quarter, its charming neighborhoods—can be restored. But what about the rest of the city and region? The people who return will need jobs, homes, and public services. The area will need to rebuild hospitals, health clinics, parks, playgrounds, and schools.

Should the federal government simply subsidize the reconstruction of the city's low-wage economy—its hotels, casinos, and other tourist and service

industries? If a major hotel chain or casino is going to get millions in federal aid, should there be some *quid pro quo*—like requiring them to pay a living wage or provide other community benefits?

Should the federal government provide homebuilders and landlords with millions of dollars in federal funds to reconstruct apartment buildings without any guarantees that rents will be affordable to the families who need them?

In rebuilding New Orleans and its suburbs, should policy makers avoid isolating the poor in ghetto neighborhoods? In reconstructing the city's infrastructure, should they link where people live, work, and shop through improved public transit?

Political constituencies will have to be mobilized—nationally as well as in the Gulf Coast region—to ensure that New Orleans is eventually a more livable place than it was before, especially for its poor. If post-Katrina reconstruction is to proceed as a two-way street—bottom-up as well as top-down—government policy makers should take into account some guidelines and principles learned from previous successes and failures of urban and metropolitan policy.

Public health. Much of the region is now a huge toxic brownfield that could contaminate children, workers, and the elderly, producing permanent damage. Will the Bush administration resist pressures from big business, developers, and some residents to start putting shovels in the ground as soon as possible? Should construction of homes, schools, businesses, and other facilities occur before a comprehensive environmental and public health assessment has been done, to evaluate which areas are safe and which will require extensive environmental clean-up? Should toxic areas that endanger public health be declared Superfund sites and federal funds allocated to decontaminate them before people are permitted to live and work there?

Infrastructure. In New Orleans, much of the physical infrastructure—sewers, utilities, levees, and roads—was outdated and crumbling even before Katrina struck. In much of the rural parts of Louisiana, Mississippi, and Alabama, infrastructure was primitive. Before homes, businesses, and public facilities are constructed, should the federal government invest in infrastructure to ensure that the next hurricane does not destroy the region? Key to making conditions more livable is developing a *regional* plan for public transportation that includes bus, trolley, and automobile to limit congestion and to provide options for families without cars.

The federal government must rebuild the city's levee system to withstand Category 5 hurricanes. Insurance companies, lenders, and builders will be reluctant to invest in New Orleans—and especially its flood-prone low-income neighborhoods—if they think the levees are not strong enough. Or, if

they do invest in New Orleans, they will charge outrageous premiums to consumers.

Any rebuilding effort in the region must take into account the erosion of the wetlands. Policies that allowed developers to build in the wetlands exacerbated flood conditions, harming the environment, making Louisiana's cities and towns more vulnerable to hurricane devastation.³ The rebuilding of New Orleans needs to complement the rebuilding of the Louisiana coast, which used to act as a land buffer to slow down and weaken hurricanes as they came onshore. This is no longer the case, because much of Louisiana's coastline has sunk into the Gulf of Mexico.

Public facilities. The region's schools, nursing homes, hospitals, health clinics, and child care centers need to be rebuilt. These institutions are critical to a community's social fabric. Louisiana, Mississippi, and Alabama are among the nation's poorest states. Their schools were already among the most underfunded. Their populations ranked among the lowest in access to health insurance, a situation exacerbated by the disaster, because many people are now jobless, and the Bush administration proposed to deny Medicaid to many Katrina victims.

Housing. More than a million people were forced to flee New Orleans and the Gulf Coast. Many of their homes were destroyed or became uninhabitable and need to be razed. The *New York Times* reported that as many as 50,000 (out of 180,000) New Orleans homes may have to be demolished (Nossiter 2005b). Many New Orleans residents were evacuated to "temporary" trailer parks in Baton Rouge and elsewhere. Most want to return, but under what circumstances? Post-Katrina provides an opportunity to learn from past mistakes and create stronger communities and neighborhoods.

Among the poor, many homes were already physically substandard. It makes no sense to rebuild the region's residential areas just as they were before Katrina. In New Orleans, for example, federally subsidized housing for the poor was concentrated in a few areas, isolating the poor in economic and racial ghettos. Instead, neighborhoods should include homeownership and rental housing, market-rate homes and homes affordable to low-income and middle-class families.

In September, Bush proposed giving away federally owned land to families by lottery if they were willing to build new homes on the sites, under an "urban homesteading" program (Chen and Curtius 2005). There is not enough federal land to make this plan practical. But even if there were, rebuilding the region one house at a time would be wasteful and inefficient. Entire neighborhoods need to be rebuilt. Experienced nonprofit and for-profit developers should be enlisted in this effort, guided by plans created by local residents.

Homeownership counseling by knowledgeable nonprofit community groups is critical. Otherwise, people could become unwitting victims of unscrupulous and predatory lenders and contractors, who prey on desperate people, do shoddy construction, and charge excessive fees. This would lead to large-scale foreclosures in a few years, as we have seen in other cities.

In areas of New Orleans, Baton Rouge, Houston, and elsewhere where there still may be housing vacancies, HUD can provide Section 8 rental vouchers to evacuees.

But something must be done to restrain the greed of speculators, who within days of Katrina were buying up properties throughout the region to take advantage of the housing shortage and of the federally subsidized bonanza. To limit price gouging during this emergency, we need temporary rent control or a freeze on real estate transactions until a rebuilding plan is in place. Soon after the hurricane hit, Governor Blanco announced an emergency ban on evictions for tenants who had fled their homes. But under pressure from the Greater New Orleans Apartment Association, Blanco lifted the ban less than a month later (Nossiter 2005a).

The state of Louisiana could create a nonprofit building supplies and materials cooperative to negotiate with suppliers and purchase building materials (lumber, tools, cement, bricks, even home appliances) at a discount. The cooperative would have enormous leverage over building suppliers, using the economies of scale of large-scale purchasing. It could make these discounted building supplies available to designated developers/contractors for reconstruction. Without such an entity, the competition for building materials will lead to enormous increases in costs, making residential reconstruction much more expensive. In this way, savings would focus on building supplies, not labor.

Jobs. The decade-long rebuilding of New Orleans and the Gulf Coast—plus the addition of new schools and other facilities in Houston, Baton Rouge, and elsewhere to accommodate their local population explosions—will generate tens of thousands of jobs, particularly in the construction of homes, roads, infrastructure, schools, hospitals, and businesses. Who will get those jobs and will they pay a living wage? Should local residents be given priority for jobs rebuilding their communities? Should federal funds be targeted to competent nonprofit organizations that have experience in job training so that people will have permanent skills?

LESSONS FOR URBAN SCHOLARS AND PRACTITIONERS

The Katrina disaster could have triggered a bold social experiment. In its wake, policy makers could have applied the lessons, learning from both successes and failures, of past urban policy to help rebuild New Orleans and the Gulf Coast region. More than \$100 billion in federal funds alone will be targeted to the city and the region for housing, schools, infrastructure, parks, commercial districts, and transportation. Under different political circumstances, this could have been a remarkable moment for urban and regional planning and policy practitioners to work collaboratively with government officials, community groups, civic leaders, unions, and business to rebuild the New Orleans region as a more livable and sustainable area. The missing ingredient, however, was political will on the part of those with power—the Bush administration, the heads of Congressional committees, and key business leaders—to develop a common vision for the region’s future that involved the residents and their organizations.

Some urban scholars, policy practitioners, and community activists hoped that the Katrina disaster would catalyze a renewed interest in urban policy, poverty, and racism. Indeed, for a few weeks after Katrina struck, these issues were back in the news. Newspaper and magazine articles highlighted the race and class fault lines exposed by the hurricane (Alter 2005; DeParle 2005; Connolly 2005; Brownstein 2005a; Brownstein 2005b; Maggs 2005; Henninger 2005; Keyssar 2005; Altman 2005; Kelman 2005).

But the public debate quickly faded as media stories began to focus on the finger-pointing between the federal, state, and local governments and the Bush administration’s mishandling of evacuation and relief efforts. Exaggerated news reports of looting by New Orleans residents reinforced the conservative “blame the victim” stereotypes about urban problems.

It is instructive to compare the Katrina aftermath with the similar dynamic that occurred after the April 1992 Los Angeles riots. For years, urban scholars and activists had warned that our cities were ticking time bombs, waiting to explode. When the riots erupted—the worst civil disorder in American history—many hoped that it would catalyze a major national commitment to revitalize the cities—an urban Marshall Plan. The timing seemed perfect. The riots coincided with the end of the Cold War. When the Berlin Wall fell, and the Soviet Union collapsed, there was much public discussion about the prospects for a “peace dividend” to reorder national priorities and address long-unmet domestic needs. Moreover, the riots occurred in the midst of a national election for President and Congress. For a few weeks following the riots, America’s urban crisis became a hot topic (Dreier 1992 and 2003). But

soon the plight of America's cities returned to political obscurity. Pundits and politicians were divided between conservatives, who blamed the victims for their plight, and liberals, who called for modest increases in federal assistance to cities and the poor.

Many urbanists hoped that Bill Clinton's victory in November 1992 would usher in a new era of hope for the nation's cities. His victory was viewed as a mandate for a more activist government. But Clinton was elected without a majority mandate. He received only 43% of the overall vote. Equally important, his own Democratic Party, while capturing a majority of the seats in Congress, was deeply divided, with many members closely linked to big business interests who oppose progressive taxation, Keynesian pump-priming, and social spending. Early in the Clinton administration, Congress thwarted the president's efforts to enact a modest public investment plan, universal health insurance, and even a child immunization program. The Republican takeover of Congress in November 1994 exacerbated the political isolation of cities, symbolized by Clinton's proposal a month later to dramatically cut the HUD budget. Although urban conditions improved during the Clinton years, the plight of our cities has not been a prominent issue in presidential campaigns since then.

We cannot expect a major disaster—whether the Los Angeles riots or the Katrina disaster—to trigger a national debate over cities. Disasters, accidents, scandals, and other unexpected events such as Watergate, Enron, and the Santa Barbara oil spill often expose the things we take for granted (Molotch 1970). They force us to hold a mirror up to society and see it as it really is. The public is often shocked at the human consequences of such events. They tell pollsters that government officials need to “do something” to address the problem. They often lead to a shift in public opinion. But these events are rarely, on their own, catalysts for social change or major policy shifts. The immediacy of the tragedy soon recedes and people return to business as usual. The media soon loses interest when the political drama fades and the mundane tasks of recovery take over. The root causes and the chronic human suffering get pushed aside by stories about government turf battles and bureaucratic bungling, undermining public confidence in the capacity of government to solve problems (Dreier 2005).

What generally brings about positive change—especially for poor and working-class people—is the slow, gradual, difficult work of union organizing, community organizing, and participation in electoral politics. To the extent that Los Angeles is a better city today than it was ten years ago, it is due to the grassroots activists—and their allies among foundations, media, clergy, and public officials—who have worked in the trenches pushing for change against difficult obstacles (Gottlieb, Freer, Vallianatos, and Dreier

2004). Likewise, whatever positive things happen in the aftermath of Katrina will be due, in large measure, to the long-term work of grassroots community and union-organizing groups who mobilized quickly after the disaster struck to provide a voice for the have-nots and who found allies among urban planning, engineering, and community-development experts to help formulate alternative plans to those developed by business and political elites.

The debate over post-Katrina reconstruction is not about “big government” versus “small government.” It is about “big government” for whom? Will the main beneficiaries of federal funds be those with deep pockets and political connections? Or will federal funds focus on the needs ordinary people and help them to rebuild their homes, neighborhoods, jobs, and lives? Unless those people have a voice in the decision making from the start, and unless the rebuilding follows the principles outlined above, the new New Orleans will look very similar (although perhaps smaller in population size, somewhat whiter, and more gentrified) to the old New Orleans. And public trust in government will sink even more than the levees.

In contrast to conservative ideology, the Katrina disaster reveals how much we need government to provide things that individuals and the private sector cannot. It is needed to build the public infrastructure necessary for a civilized society, protect people from health, environmental, and disaster risks, help relieve the immediate suffering, build dams, levees, bridges, roads, and public transit as well as schools, parks, and playgrounds, and help people and communities restore some level of normalcy and decency.

Katrina also highlights the importance of having *competent* government run by well-trained people. There were plenty of competent public servants who, given the opportunity and resources, could have prevented the disaster and/or dramatically limited its consequences. Katrina was a failure of will by high-ranking government leaders, not incompetence by middle-level managers and front-line staff in the military, FEMA, and other agencies.

The Katrina disaster has triggered the nation’s largest population movement in memory. Some will return to their previous communities, but many will remain where they have relocated. These cities are now faced with enormous challenges. Where will these people live and work? Where will their children attend school? How will they get health care and nursing home care?

Should the burden for addressing these human needs and economic realities fall on the localities, or be left to the private market? Or should Washington play a significant role? Will the Bush administration and Congress view this resettlement the way it views immigration from abroad, forcing those cities and states with the vast majority of new immigrants (especially California, Texas, New Mexico, and Arizona) to provide for them?

Wherever they move, the evacuees from New Orleans and Mississippi are mostly poor. They will need jobs, housing, and health care, among other things. But so do millions of other Americans, including the 37 million who are poor, the 45.8 million without health insurance, the even larger number who pay more than they can afford to put a roof over their heads (DeNavas-Walt, Proctor, and Lee 2005). Why help the victims of Katrina but not the victims of government policies and business practices that have undermined the American Dream for so many people?

The Katrina disaster begs the larger question: What responsibility, if any, does the federal government have to provide Americans with decent housing, access to health care, and opportunities for work that pays a living wage? Should government help people cope with the vicissitudes of the business cycle, the inequities of the market economy, and just plain bad luck?

Building majoritarian support for a renewed federal effort to help cities is possible, but we cannot expect an event like Katrina to substitute for the hard political work that is necessary. The United States is now a suburban nation. More than half of all voters in presidential elections are suburbanites. We need to forge coalitions between urban voters and sectors of the suburban electorate that can win elections in a majority of Congressional districts. This requires reframing the way we think about cities as parts of metropolitan areas. It requires developing a national policy agenda that addresses issues such as public education, housing, transportation, the environment, health care, and others in ways that build common ground between cities and sectors of suburbia.

Both suburban sprawl and concentrated urban poverty are economically inefficient, socially unfair, and environmentally wasteful. Of course, we cannot turn back the clock. But just as we spent trillions of federal dollars to lure people and jobs to the suburbs, we must develop an equally ambitious plan to improve the fiscal condition of our cities and older suburbs, to limit the economic competition between municipalities (for the latest shopping mall or Wal-Marts, for example) that fuels further sprawl, to reduce widening economic disparities between the rich and poor, and to help lift the poor out of poverty with decent jobs, adequate health care, wellfunded schools, and access to public transit and affordable housing outside ghettos and barrios (Dreier, Mollenkopf, and Swanstrom 2005; Rusk 1999).

Katrina unveiled the human disaster at hand as a result of several decades of the ascendancy of right-wing ideas and corporate domination of the federal government, which extols market forces, individualism, and private charity over public responsibility and the common good. It underscores the need to reorder national priorities.

NOTES

1. Jackson also triggered a controversy after Katrina struck when he said that parts of the low-lying Ninth Ward, a mostly African-American and low-income area, may never be rebuilt. “Whether we like it or not, New Orleans is not going to be 500,000 people for a long time,” he said. “New Orleans is not going to be as Black as it was for a long time, if ever again” (Fletcher and Hsu 2005: A7; Havemann 2005: A14; Axtman 2005: 1).

2. President Bush’s behavior is consistent. In the wake of the 9/11 tragedy, Bush used concerns over national security as a pretext for undermining workers’ rights. His legislation sought to strip 170,000 federal employees being transferred to the new Department of Homeland Security of various workplace protections, including civil service regulations and collective bargaining rights. Similarly, the legislation federalizing about 56,000 airport screeners exempted them from union protections. Soon after 9/11, Bush also established a quota requiring government agencies to outsource at least 425,000 (later upped to 850,000) federal jobs to private contractors (many of which, it turns out, had contributed to his campaign). In December 2001, Bush also revoked rules prohibiting companies with a track record of violating federal labor laws—as well as environmental, consumer protection, civil rights and tax laws—from signing outsource employment contracts with federal agencies.

3. The *New Yorker* (Mayer 2005) reported that, according to Carol Browner, who ran the Environmental Protection Agency (EPA) during the Clinton Administration, Senator Trent Lott of Mississippi fought EPA’s efforts to limit construction of gambling casinos on Mississippi’s environmentally sensitive wetlands. Will, in the wake of Katrina, the developers and their political allies heed those warnings?

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