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DISASTER RECOVERY

The Role of the Federal Government in Megadisasters

Statement Presented in Bay St. Louis, Mississippi, August 27, 2009, at a Forum Commemorating the Fourth Anniversary of Hurricane Katrina

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Four years after Hurricane Katrina struck the Gulf Coast, it is hard to recall all that happened, including the speech that President George W. Bush delivered in Jackson Square in New Orleans one month after the storm. The president promised to “do what it takes,” that we “will stay as long as it takes to help citizens rebuild the communities and their lives.” “There is no way,” he said, “to imagine America without New Orleans ... this city will rise again.”

As the fourth anniversary of Katrina approaches on August 29, 2009, it is appropriate to reflect on what might have been — how this megadisaster could have been handled differently. We mustn’t wait for the next one. We should change the process now if it is deemed appropriate to do so.

The Federal Response

In the wake of Hurricane Katrina and Hurricane Rita, which hit the coast three weeks after Katrina, the federal government allocated \$117 billion for response and recovery. Even after adjusting for inflation, that is more than we spent on the U.S. Marshall Plan (\$93 billion in 2008 dollars) to rebuild Europe after World War II. Under the Marshall Plan, there was a strong, positive spirit about rebuilding. Most of the aid went for purchases of goods from the United States, initially food and life support supplies, and later on reconstruction materials. Bear in mind that as a percentage of the federal budget, the Marshall Plan was much

bigger (19%) compared to 1.8 percent for the Katrina-Rita response and recovery. Still, there are questions: Was the Katrina-Rita spending well planned and well targeted? Could a different approach, taking into account the promises made by the president, have accomplished more and done it in a better way?

In Mississippi, where communities on the Coast like Bay St. Louis experienced near-total losses in the hardest hit areas, the reconstruction process had to start from the ground up. Despite the special nature of this challenge, Mississippi Governor Haley Barbour said “communities and state government worked well with federal agencies.”¹ Nonetheless, Barbour added, “many elements of the Stafford Act (the federal law applying to emergency management) are simply inefficient and ineffective in a megadisaster like Katrina.”

Along with former Mississippi Governor William F. Winter, who heads the advisory group for this research, and Governor Barbour, we believe there is a need for re-thinking and clear thinking about reforming the Stafford Act in the case of future huge natural disasters like Hurricane Katrina. According to William Winter,²

You have to have something ready to go. To do that probably is beyond the capacity of a single community and certainly beyond the capacity of individual states where the damage is widespread. There has to be someone at the federal level in place in advance who is going to be responsible for that local coordination and communication in times of disaster.³

Four-Year Study

In collaboration with the Public Affairs Research Council of Louisiana, the Rockefeller Institute of Government, the public policy research arm of the State University of New York, has conducted a four-year study of governmental reactions to the Katrina and Rita hurricanes. This study, which includes the federal response, also includes field research in 37 governmental entities in three states — Louisiana, Mississippi, and Alabama.⁴

It became clear to us early on in this research that there was a serious lack of intergovernmental mutual respect, understanding, and coordination. An opportunity to fundamentally reshape the region was squandered. Despite the large investment from Washington, the region still suffers.

In New Orleans, the biggest city hit by Katrina, planning for flood protection, infrastructure repair, economic redevelopment, and homeowner assistance was not coordinated. Functional-area governmental stovepipes dominated. The state of Louisiana used the bulk of its federal recovery aid to assist homeowners to rebuild, often in the same place, despite the lack of adequate assurances that they would have flood protection or that the city would provide them with water, sewage, and other vital services. Some owners chose to rebuild despite the lack of these assurances.

Others did not. People in New Orleans referred to the resulting haphazard pattern of rebuilding as the “Jack O’Lantern Effect” — the darkness of abandoned houses and empty lots broken by lights from scattered beacons of restoration. Occupants did not know if their neighbors would return, if levees would be rebuilt, or if the city would provide transitional resources to sustain them, etc.

On the Mississippi Gulf Coast, the region’s economy was already changing pre-Katrina. A major challenge was its aging housing stock. Ambitious planning efforts were conducted post-Katrina, led by the state government. These efforts involved wide-ranging local groups and interests weighing in on concepts for a new future for the coastal region. In effect, this effort sought to turn the problem of the storm into an opportunity for a new future. Had a prominent federal official been in a position to participate in these deliberations and assess the development concepts and opportunities being presented, it is possible that national support for bold and decisive recovery plans could have been mobilized.

It was inevitable that rules about zoning laws and building codes, along with insurance costs, would come into play and slow new coastal development. So-called “Katrina cottages” to house workers turned out to be a large, demanding undertaking, which required extraordinary action, if the region was to meet housing needs that would enable new economic and recreational developments to occur.

Reform Needed

The magnitude of the damage caused by Katrina required commensurately large action, both to respond to immediate needs and to move beyond them to bring about recovery. Katrina caused an estimated 1,500 deaths and over \$80 billion in property damage across a 150-mile swath in Louisiana, Mississippi, and Alabama. Actually, there were two disasters. First was the immediate destruction wrought by Hurricanes Katrina and Rita; second was the inability of various levels of government to work together effectively in response. Whatever is done in the future, we believe it must be done in the context of the three-tiered federal system. It should involve new and better ways for federal, state, and local governments — working together — to create leadership from “Day One,” not weeks or months after a Katrina-sized disaster hits.

Emergency management is a relatively new public function. It has grown in recent decades and become complex and bureaucratized. All levels of government devote personnel and resources to deal with natural disasters — big and small — be they floods, forest fires, blizzards, or hurricanes. This function of America’s governments often works against what is vital in a disaster — fast action. The immediate response cannot wait for meetings, plans, and intergovernmental agreements. The need is to rescue

endangered and injured people; identify and collect the bodies of people killed; and restore power, water, electricity, transportation, and other public services. As in Katrina, this immediate response has to be predominantly local, with sirens sounding and police, fire, emergency medical, and other rescuers (including many wonderful volunteers) on the job right away. The Katrina story is full of good examples of brave, fast, and skillful responses.

Amending the Stafford Act for the Recovery Phase

Based on our research and consultation with a government of-
ficials and experts, our emphasis in this statement is on amending
the Stafford Act — particularly as it involves the recovery phase
of emergency management. Two months after Katrina came
ashore, President Bush appointed an official, Donald E. Powell, to
coordinate federal support for the recovery and rebuilding of the
Gulf Coast region. Powell did not report directly to the president
or have a charter to help federal officials, let alone state or local
officials, overcome their differences.

We recommend amending the Stafford Act to enact stand-by
legislation to authorize the president immediately to appoint an
officer-in-charge who would report to the president and the Con-
gress within a prescribed period of time on whether extraordinary
national action is needed, and if so what it should be. This official
would also be called upon to mobilize the federal establishment
and, by virtue of doing so, would be in a position to assist state,
local, and private sector institutions and organizations in working
collaboratively with federal agencies as well as with each other.
The official should have automatic, discretionary authority to
disperse up to \$100 million for emergency purposes.

Defining a Megadisaster

For the purpose of establishing such a national decision-and-
action mechanism, a definition is needed of conditions under
which such a capacity would be brought into play. Otherwise, a
special mechanism to respond could risk becoming a new form of
moral hazard. Governors and congressional delegations would be
tempted to pressure the president to declare their hurricane, fire,
or blizzard eligible for special status in the hope that an extraordi-
nary procedure would produce more financial and other aid than
would be obtained through ordinary channels.

Unfortunately the hurricane severity ranking system of the
National Hurricane Center (NHC) does not differentiate
megasized hurricanes from those that are less severe. Because this
ranking system is based primarily on wind speed, the NHC
ranked Katrina, the most destructive storm on record in terms of
dollar-level damages, as a category 3 hurricane. Hurricane
Camille in 1969, which did much less damage, was assigned the
highest rating, category 5. Typically, hurricane damage comes
from the storm surge and the water impelled ashore. But storm
surges cannot be measured on the basis of wind strength alone.

Their severity is also influenced by the slope of the continental shelf: the shallower the slope, the greater the surge that is likely to occur. The NHC categorization does not account for the steepness of the continental shelf, nor does it include a measure of the geographic area affected by a surge. Camille's wind speeds upon landfall were higher than Katrina's but the winds had a range of 75 miles, whereas the Katrina storm surge ranged over 100 miles.

The damage done by a hurricane depends not only on the force and scope of the storm, but also on the population size and the density of the affected area. The more buildings and homes hit, the greater the devastation likely to occur. In addition, damage levels depend on the adequacy of flood protection. Buildings and homes that are elevated may escape surge-related damage even from a very large storm. Also, New Orleans might have escaped most of the damage it suffered if levees and canal walls protecting the city had not given way.

Because of the variables affecting storm-related damage, an interagency damage-assessment process should be established under the auspices of the NHC. It could be activated in advance of an oncoming hurricane that might be expected to reach category 3 level. Hurricane Katrina inflicted almost twice the damage of Hurricane Andrew, the worst prior hurricane. Andrew was assessed by NHC to have inflicted damages of \$43 billion, and this was almost three times the level of the next worst case, Hurricane Charley, which inflicted damages of \$15 billion. Hurricane Andrew should serve as the benchmark. If a storm is assessed as likely to inflict more than \$43 billion in damages, an officer-in-charge could be appointed by the president. Similar definitional groundwork may be needed pertaining to other kinds of large-scale disasters.

Conclusions

The proposal advanced here for an officer-in-charge should trigger fast-action and enable expedition. Such authority could be based on federal government precedents like those for international trade agreements, and, at the discretion of the officer-in-charge, could enable the recommendations of the officer-in-charge to be considered *en bloc* by the president and the Congress, as is done in the case of base-closing commissions. Neither procedure would infringe on the legitimate authority of elected officials to reject recommendations of the officer-in-charge, nor would they infringe on the powers of officials at the state and local levels. *What such a law would do is to provide the officer-in-charge with the capacity to facilitate, collaborate, and help chart new directions.*

Endnotes

- 1 See his statement in the folder for today's event.
- 2 See Governor Winter's statement in the folder for today's event.
- 3 See Melissa Scallan, "Former Gov. Supports Single Agency for Storms" *Sun Herald*, June 27, 2009.
- 4 The reports from this study are available at www.rockinst.org/disaster_recovery. See also the list with links in the folder for this event.

Richard Nathan is co-director of the Nelson A. Rockefeller Institute of Government; Marc Landy is a professor of political science at Boston College. We thank Mayor Les Fillingame of Bay St. Louis for hosting this event and Jack Norris, Governor Barbour's director of emergency recovery, for his assistance.