

**DUKE AND NEW ORLEANS ONE YEAR AFTER KATRINA:
FROM RELIEF TO REFORM**

BY

**AMBASSADOR JAMES A. JOSEPH
CHAIRMAN
LOUISIANA DISASTER RECOVERY FOUNDATION
AND DUKE UNIVERSITY PROFESSOR**

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As a native of Louisiana and as Chairman of the Board of Directors of the Louisiana Disaster Recovery Foundation, I want to thank the MLK committee for keeping New Orleans and Katrina on the radar screen of those commemorating the life and legacy of Martin Luther King. Much has been written about how the events of the summer of 2005 stunned and shamed the nation, how Americans responded with the same generosity Alexis de Tocqueville once described as habits of the heart, and, of course, how Katrina exposed the many fault lines in the way we conduct the public business of our democracy. We are still stunned as we continue to learn more each day about how this was an avoidable catastrophe, more the fault of man than of nature. We are still shamed by the images beamed around the world of poverty and powerlessness in a nation founded on the principle of establishing justice and forming a more perfect union.

The work in which those of us at Duke and many elsewhere have been engaged, therefore, is more than simply a humanitarian gesture. It is part of the larger struggle for the soul of our democracy. And that is why I want to speak about the continuum in disaster response from relief to reform. The most frequent question I am asked about my work in Louisiana concerns the current state of recovery. A drive from the airport to downtown New Orleans with a visit to the famed restaurants, hotels and the French Quarter might at a cursory glance seem like New Orleans is back. But here is what the Brookings Institute's "Special Edition of the Katrina Index" reported just one year after the storm. "New Orleans is rebounding and stagnating at the same time, with much of the revival taking place in areas of the city that was not damaged too badly. The real estate market is beginning to show signs of recovery, but rents have spiked almost 40% and home prices have escalated, causing concerns about affordability issues. Many key public services, such as schools, public transportation, and utilities, are still operating at less than half capacity. While some new jobs have been created, driving a beginning revival of the economy, the number of jobless workers is still higher than it was in the days prior to Katrina." There is also the problem of the brain drain, the large number of professional people, including doctors, engineers, architects and others, who are part of the Diaspora dispersed around the country. Some left during the storm and never came back, while I have met some who came back, but soon gave up and got out altogether.

It is, thus, important that as we look at what remains to be done in New Orleans we understand that there are three distinct elements or stages in the response to a disaster - relief, recovery and reform - and that we must now consider carefully and strategically how best to respond to each.

- The first stage is the time when the disaster is most dramatic, the public attention most pervasive and the public response most immediate. Survival is at stake and there is an outpouring of public support to provide relief from suffering and also to maintain order. In the case of Katrina and Rita, the public contributed billions of dollars at this stage.
- The next stage in the disaster continuum is recovery, taking stock of what has happened, working together to return both private and public life to normalcy and reinforcing the need for prevention and mitigation of future disasters. The focus of the first stage is almost exclusively on people, on lives to be saved. The second stage leads to a concern with policy, why the disaster occurred in the first place and what policies are needed to ensure that it does not happen again or, if it does, that there is a well-coordinated plan and sufficient resources to deal with it. Jay Forrester, the inventor of systems dynamics, says "Almost every natural or social disaster arises out of a set of policies that created, or at least contributed to the disaster."
- The third stage, reform, shifts the crisis response paradigm not just to risk reduction, but to using the crisis as an opportunity to improve the conditions of those who

always bear the brunt of disasters – the poor. Support is needed to sustain the public’s attention to what needs to be done in the longer term, to ensure that the best ideas and the best experts are available to those responsible for recovery and reform and to ensure that those not normally included in public policy deliberation can have a voice. Herbert Hoover expressed the difficulty of this third stage following the 1927 floods in Mississippi. He said: “We have before us perhaps the most difficult and discouraging of all periods. No longer is there the excitement of catastrophe, the stimulation of heroism and fine sacrifice.”

Our experience with Katrina is that private donors provide billions of dollars for relief and the government provides billions for recovery but neither sector provides very much for reform. That is why the Board of Directors of the Louisiana Discovery Recovery Foundation decided on a grantmaking strategy that includes not just relief and recovery, but support for community organizations that seek to ensure: 1) that disparate community voices are heard; 2) that new jobs and opportunities will be shared fairly; 3) that new housing will serve all income levels and sustain the integrity of all communities; 4) that the costs of development is shared fairly; and 5) that the need for leadership renewal, community healing and reconciliation are also addressed.

The question that all of us should be asking about New Orleans is to what extent is the overall federal, state and local governments not just rebuilding the New Orleans region but remaking it better than it was before. To quote the report by the Brookings Institution on Building a Better New Orleans, “The nation’s massive public investment in that region should not simply put New Orleans back together as it was before – as a racially divided, physically vulnerable, economically struggling region. Instead, federal, state, and local leaders should use this rare opportunity to rebuild New Orleans as a better version of itself: one that is inclusive, sustainable and prosperous.”

Before calling on the three students to talk about their experiences, I want to say a word about the opportunities for universities to use their vast reservoir of intellectual capital to empower local nonprofit groups with the information and analysis they will need to reform public policy and promote systemic change.

Low and moderate income New Orleans residents have become more organized and now insist that they be included in the public discourse about what kind of city should be rebuilt in the aftermath of Katrina. Embedded throughout this new citizen activism is the belief that while government is key and must play a central role, it can not rebuild New Orleans alone. So the process of rebuilding New Orleans presents a special challenge: how can rebuilding efforts be planned and implemented that results in local control, local support, and local capacity.

There is thus an opportunity to work with policymakers and established opinion leaders to ensure both excellence and equity. However, there is also a great need at the grass roots level to work with organizations and advocacy groups representing those traditionally without a voice and outside the mainstream of public life. They need help in navigating the maze of information, organizations, governing bodies, legal requirements and advisory groups now competing for their attention.

We know from experiences elsewhere that in order to be effective, grass roots citizen engagement must include the identification of key resources, the gathering and synthesis of key information and data about the neighborhood context as well as an understanding of public policies that must be altered and public opinion that must be changed. To paraphrase Thoreau at Walden Pond, many nonprofits, especially small neighborhood organizations, build castles in the sky and then

seek to put foundations under them. They need help in developing the ideas, skills and networks necessary to be effective and to sustain their involvement in the rebuilding process beyond the planning phase.

So let me shift gears and identify a few policy areas where the collection and dissemination of knowledge and the analysis of options can be most helpful.

Housing

The first is housing. More than 205,000 homes were destroyed or severely damaged by Hurricanes Katrina and Rita, displacing 123,000 homeowner households and 82,000 renter households. Government funds to meet housing needs is just beginning to flow through the Road Home Housing Assistance Program, but these funds are primarily for former home owners and not renters. Contrary to popular belief, a lot of low income people in New Orleans owned their own homes, but it is still true that a large number were renters whose earmarked benefits accrue to developers and landlords and not to individual households. Private developers and landlords will only build rental units if they are assured that this is a market where significant profits can be assured. The nonprofit housing groups need help in identifying additional resources, public policy impediments as well as incentives for the provision of affordable rental housing to serve a full range of low income and working families while enabling them to live in healthy, economically-integrated neighborhoods.

Those of you who read Bob Herbert's column in the New York Times last Tuesday know that this can be done. He reported on an initiative by the National Housing Partnership Foundation to rebuild 3,000 affordable rental apartments in and around New Orleans at a total cost of \$300 million. I chair the board of the foundation so I know that the staff had to be very creative in mining the public policy waters in order to successfully put together grants, low interest loans, tax credits and conventional financing. The NHP Foundation has thus demonstrated that with a little imagination, significant intellectual capital and a strong commitment to the public good the challenge of providing affordable high quality rental housing in economically integrated neighborhood and commitment can be met.

Education

A second critical area in need of policy reform is education. One scholar and educational professional characterized pre-Katrina public education in New Orleans as a system suffering from "aggressive neglect." A majority of schools previously run by the local school district have been placed in a recovery school district run by the Louisiana State Department of Education. A few others for some reason have not been transferred and are run by a shrunken and under resourced Orleans Parish School Board. Meanwhile, Charter School advocates and their supporters in the national Department of Education have rushed into New Orleans to persuade parents that they should abandon public schools in favor of this new private model.

While there were few policies to ensure equity and excellence before Katrina, education in the aftermath of the hurricane has become a mass of complexity and confusion with all sorts of free-floating schools and educational carpet baggers peddling their wares. In the midst of all this, the charter schools are flourishing for those fortunate enough to have resources, but the students and communities most vulnerable before the hurricane have seen their needs neglected and magnified in its wake. It is unclear how those who have chosen to intervene in education in New Orleans plan to level the playing field across poor and more advantaged communities. Parents and community groups need tools and information to help them monitor the emerging systems and educational models and to hold them accountable.

Economic Development

A third area in need of public policy intervention is economic development. Income more than unemployment, has traditionally been the foremost economic challenge for the state of Louisiana. The economy before the storm had been relatively better at generating a decent number of overall jobs than at creating an adequate number of positions with decent wages, good benefits, or stable employment. Many jobs in tourism and hospitality, construction or agriculture are part time or seasonal, leaving many families with employed heads of households below the poverty line or a pay check away from financial disaster. If it was bad before the hurricane, it is even worse now. According to a recent study, about 60% of the businesses in New Orleans before the storm have not yet reopened. Louisiana is a state that has not had a culture of strategic planning or a collective vision for its economy. A number of plans are now being vetted, but there are few analytical tools and even less knowledge of what is needed and what is possible by those most affected by the decisions that will follow. Success in economic development will depend on both the private and public sector embracing policies and practices that are both equitable and sustainable.

Health Care Delivery Systems

While there are many more areas where public policy will be key to the kind of recovery that is needed in New Orleans, I want to conclude with a word about the health care delivery system. New Orleans has been the epicenter of medical commerce for the state of Louisiana. So when the floodwaters damaged the health care delivery infrastructure, including the seven hospitals in the city, the destruction incapacitated health care in the whole state, including those communities not affected directly by the hurricanes. Health care planning and systems redesign have now taken on a life of their own. Health care providers, planners, consultants, and government officials alike are spending inordinate amounts of time and energy in the frenzy of planning. This is laudable on the one hand in that they seek to involve the appropriate stakeholders, but constrained on the other by blistering deadlines and urgent need.

Mental health needs are at the top of the chart in the aftermath of the disaster. The immediate stress and trauma experienced by many individuals are now manifested in the form of depression and anxiety disorders. A survey conducted of evacuated families still in Louisiana documented nearly half of the parents reporting behavior or emotional problems observed in their children after the storm. Add to this the mental health needs of the parents themselves and the tripling of the suicide rate and you get the picture of a health care delivery system under siege at a time when half of the health care providers are among the displaced professionals who have contributed to the cities brain drain. The immense challenge a little more than a year later is to not simply rebuild but redesign the health care delivery system in the face of extraordinary circumstances.

You should now have a picture of both the magnitude of the challenge and the opportunities for intervention at the level of public policy. The challenges ahead are enormous, but New Orleans can be rebuilt. I am optimistic that it will be. When Maya Angelou, the great poet, author and playwright, reflected on the tragedies in her early life, she wrote that the spring of hope is often immersed in the winter of despair. "You see a young boy, fourteen, fifteen years old, semiliterate. Maybe third generation on welfare... But he walks down the street as if he has oil wells in his backyard. If I had come from Mars or Pluto, I would look at people on the planet like him, and I would say, 'Who are these people?' Who are they? How dare they hope, with their history?' There is something so irresistible about the hope they embody." The same thing can be said about the people of New Orleans.