FEMA After Katrina

By PATRICK S. ROBERTS

FOLLOWING A DEVASTATING hurricane, the Federal Emergency Management Agency is in crisis. Should it be abolished? Should emergency management responsibilities be given to the military? Returned to the states? Consider the descriptions from a post-disaster report:

Prior to the hurricane, "relations between the independent cities . . . and the county government were poor, as were those between the county and the state. . . . After the disaster these relations did not improve, which impeded response and recovery efforts."

When the hurricane first made landfall, the country initially reacted with a "sense of relief" because the "most populated areas had been spared the full brunt of the storm." After a few days, however, it became apparent that flood waters would swamp both urban and rural areas, leaving thousands without power, food, water, or the possibility of evacuation.

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Compounding disasters — wind, floods, communications and power failures — led to catastrophe. While a large state might have had the resources to respond quickly, small states were overwhelmed. "They [small states] usually cannot hold up their end of the [federal-state] partnership needed for effective response and recovery."

The severity of the disaster called into question the entire enterprise of federal involvement in natural hazard protection. "Emergency management suffers from . . . a lack of clear measurable objectives, adequate resources, public concern or official commitments. . . . Currently, FEMA is like a patient in triage. The president and Congress must decide whether to treat it or to let it die."[1]

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The above criticisms pertain not, as one might expect, to FEMA's recent woes in New Orleans following Hurricane Katrina but to the agency's dilatory response to Hurricane Andrew, which devastated South Florida in 1992. After Andrew, Congress gave the agency an ultimatum: Make major improvements or be abolished. With the advice of the emergency management profession and an enterprising director, James Lee Witt, the agency underwent one of the most remarkable turnarounds in administrative history. In 1997, Bill Clinton called it one of the "most popular agencies in government." FEMA was well regarded by experts, disaster victims and its own employees. By 2005, however, the agency had once again fallen into ignominy.

Before issuing more cries for radical change at FEMA, reformers should look to the lessons of the agency's reorganization in the 1990s, which focused on natural disasters rather than national security. Its turbulent history shows that while the agency can marshal resources for natural disasters and build relationships with states and localities, it lacks sufficient resources to take on too many tasks. Today, FEMA faces a protean terrorist threat and an increasing array of technological hazards. To address contemporary threats, the agency must hone its natural disaster expertise and delegate authority for disaster response to states and localities. True, delegation runs the risk of returning to the days of ad hoc disaster preparedness, when government poured money into recovery without reducing vulnerability to disasters. Nevertheless, decentralizing response functions is the best way to prepare for an increasingly complex array of disasters, as the risks and strategies for recovery for different kinds of disasters vary so dramatically from region to region.

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[1] National Academy of Public Administration, *Coping with Catastrophe* (Washington, D.C., February 1993), ix, 87. Unattributed quotations can be found in Patrick S. Roberts, "FEMA and the Prospects for Reputation-Based Autonomy," *Studies in American Political Development* (Spring 2006).

The birth of emergency management

WHEN VIEWED AGAINST the history of emergency management, the success FEMA enjoyed in the 1990s was the exception, not the rule. For most of the century, states and localities rushed to the aid of disaster-stricken citizens, and the federal government helped overwhelmed communities with recovery. As a result, the federal government sent supplies, surveyors, and money to help rebuild the same regions over and over again. Federal involvement dates from at least the San Francisco earthquake of 1906, which registered an estimated 8.3 on the Richter scale and left 478 people dead and more than 250,000 homeless. The disaster came in two parts, one natural and the other a result of poor planning. The earthquake was unavoidable, but the fires that swept through neighborhoods stuffed with wooden buildings could have been prevented had San Franciscans used other materials or not built them so close together. President Theodore Roosevelt was alarmed by the disaster and pledged federal troops to help, but local officials, not federal authorities, were always in control, if unofficially. On their own initiative, Army commanders stationed in the area ordered troops to protect the Treasury and essential services during the chaos after San Francisco burned. The mayor, not the president, issued 5,000 handbills telling citizens that he had (illegally) ordered federal troops and local police to shoot looters.[2] (Few people were actually shot on this order.) Much later, the federal government directed aid to the Bay Area through the Red Cross.

The first broad and permanent legislation defining federal authority in disasters was the Civil Defense Act of 1950, which centralized programs for defense against nuclear attack. Civil defense programs might have helped to scare the Soviets into thinking that the U.S. was serious about nuclear war, but they would never have been much help during an all-out attack. The federal government's involvement in natural disasters, meanwhile, was mostly ad hoc and too little, too late. A series of ferocious disasters in the 60s and 70s caused great destruction: the Alaskan earthquake (1964), Hurricane Betsy (1965), Hurricane Camille (1969), the San Fernando earthquake (1971), and Hurricane Agnes (1972).[3]

Crisis, however, is routine in politics. As my colleague Scott Sagan says, things that have never happened happen all the time. Each of these disasters was proclaimed a crisis, and each spawned legislation meant to correct the deficiencies that were thought to have led to the disasters. Agencies were

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[2] Simon Winchester, *A Crack in the Edge of the World* (Harper Collins, 2005), 307–310; Doris Muscatine, *Old San Francisco: From Early Days to the Earthquake* (Putnam and Sons, 1975), 428.

[3] Peter J. May, *Recovering from Disasters: Federal Disaster Relief Policy and Politics* (Greenwood Press, 1985).

organized and reorganized. Administrators installed paradigms and mission statements to set emergency management on course. By the late 1970s, natural disasters and civil defense were handled by a jumble of agencies that sometimes worked at cross-purposes. The federal government provided for dual-use mobilization, or the use of national security equipment for natural disasters, but state and local leaders, frustrated by fragmentation at the federal level, called for the creation of a comprehensive emergency management policy to coordinate diverse federal, state, and local responsibilities.[4]

President Jimmy Carter responded to state and local leaders' demands by creating FEMA in 1979. The agency brought together more than 100 programs responsible for all kinds of disasters with those responsible for long-term preparation and quick response. Carter had the admirable goal of a centralized agency that "would permit more rational decisions on the relative costs and benefits of alternative approaches to disasters."[5] The reorganization process, however, frustrated attempts to rationalize and streamline disaster policy. Carter's authority was limited, and in order to create the new agency without congressional opposition he transferred staff, political appointees, and procedures from existing disaster organizations. As one participant in the reorganization process put it, "It was like trying to make a cake by mixing the milk still in the bottle, with the flour still in the sack, with the eggs still in their carton. . . ."[6] By all accounts the creation of a single FEMA improved disaster response by establishing a one-stop shop to speed communication between the White House, states, localities, the National Guard, and other agencies that might be called upon in a crisis.

FEMA lacked the capacity, however, to encourage states to mitigate disasters before they occurred and to arbitrate between groups who demanded relief money after disaster struck. Dauphin Island, Alabama, like other Gulf Coast communities, used federal relief monies to grow larger after hurricanes hit. In 1979, Hurricane Frederic flattened 140 homes and caused $3 million in damage on the island. Since then, it has been struck by five hurricanes, including Katrina, and has been rebuilt each time. With local officials controlling building and zoning codes, FEMA was powerless to redirect development.[7] Carter's recipe for centralizing disaster policy never achieved his original goals, and emergency management remained fragmented and broken.

As the Cold War intensified in the early 1980s, President Ronald Reagan gave FEMA a renewed civil defense mandate. The agency not only handled

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[4] "Domestic Terrorism," *Emergency Preparedness Project* (Center for Policy Research, National Governors' Association, 1978), 107.

[5] Jimmy Carter, "Message to the Congress Transmitting Reorganization Plan No. 3 of 1978" (June 19, 1978) in Public Papers of the Presidents (1978) I: 1128–1131.

[6] National Academy of Public Administration, *Coping with Catastrophe* (February 1993), 13.

[7] Roberts Sheets, "The National Flood Insurance Reform Act of 1992," Statement before Hearing of the Senate Committee on Banking, Housing, and Urban Affairs (July 27, 1992); Gilbert M. Gaul and Anthony R. Wood, "Uncle Sam, Insurer of First Resort," *Philadelphia Inquirer* (March 7, 2000).

flood and fire prevention programs as well as disaster response, but also led efforts at evacuation and warning against nuclear attack. Shelters were largely a thing of the past, but the agency still helped to run a secret 112,544-square-foot bunker under the Greenbrier resort in West Virginia intended to house Congress during a nuclear war. While it had security clearances and high-tech equipment, FEMA never had the resources to compete with the major defense and intelligence agencies; as a result, it overreached in national security affairs. For instance, it developed a secret contingency plan that called for a declaration of martial law that would turn control of the United States over to FEMA during a crisis. The agency also attempted to usurp Department of Justice responsibilities in preparing for a crisis at the 1984 Los Angeles Olympics. In both cases, other agencies — the FBI and the Department of Justice in particular — resented FEMA's ambitions for roles it was not equipped to play. FEMA Director Louis Giuffrida resigned in 1985 after becoming the subject of a federal investigation into alleged fraud and mismanagement.

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Meanwhile, the agency still had to face the usual slate of fires, hurricanes, tornadoes, and chemical spills. It responded adequately to routine disasters, but whenever it faced the unexpected, whenever a disaster compounded to become a catastrophe, it was overwhelmed. Politicians used the agency as a convenient object of blame when disaster response went awry. After Hurricane Hugo ripped through South Carolina in 1989, U.S. Senator Ernest "Fritz" Hollings called FEMA "the sorriest bunch of bureaucratic jackasses I've ever known." When disasters struck California the following year, Representative Norman Y. Mineta claimed that FEMA "could screw up a two-car parade." Dissatisfaction with FEMA came to a head in 1992 when Hurricane Andrew caused about $30 billion in damage in south Florida, leaving 160,000 people homeless.

FEMA owned technology that could have helped in 1992, but much of it was unavailable and restricted to national security uses. State-of-the-art satellite phones were controlled by the national security division, while FEMA's hurricane response team, with communications down, resorted to buying Radio Shack walkie-talkies.[8] FEMA kept asking the states and localities what they needed, and Florida officials kept saying that they needed everything, anything — yesterday. With the situation in chaos, President George H.W. Bush replaced the FEMA director and ordered Andrew Card, the secretary of transportation, to take charge of the recovery along with a

[8] Robert Ward et al., "Network Organizational Development in the Public Sector: A Case Study of the Federal Emergency Management Administration (FEMA)," *Journal of the American Society for Information Science* 51 (2000).

cadre of generals. FEMA lore holds that the agency's poor performance in response to Andrew was enough to cost Bush re-election.

James Lee Witt and reorganization

THE AGENCY'S STRING of poor performances was certainly enough to have some members of Congress calling for radical reform and others demanding its abolition. In 1993, the General Accounting Office summed up the conclusions of numerous expert reports: "The response to Hurricane Andrew raised doubts about whether FEMA is capable of responding to catastrophic disasters." Though state and local officials would always be the first to react to the initial stages of a disaster, the national agency was blamed for the poor response. It would be more accurate, however, to blame FEMA for failing to prepare states and localities for the great demand for food, water, transportation, medical care, and law enforcement in the initial aftermath and for failing to reduce the vulnerability of the dense south Florida population.

Unlike the emergency management crises of the 1970s that spawned haphazard changes, Andrew led to a comparatively comprehensive reorganization. Academics and emergency management professionals suggested a battery of reforms that were adopted by the agency's new director, James Lee Witt, who successfully lobbied Congress and the president for patience and support. Chief among the changes was the elimination of the agency's national security functions, and with it many of the appointed positions that had made FEMA a dumping ground for political appointees with little emergency management experience. Congress streamlined its oversight accordingly, easing the agency's relationship with relevant committees. As Witt trimmed FEMA's Cold War inheritance, he built the foundation for a legacy of his own of hazard mitigation and crisis management.

Witt was, on the one hand, one of the many "friends of Bill" who accompanied Clinton from Arkansas to the White House. While previous FEMA directors might have struggled for time with the president, Witt was invited to the White House for movie nights. On the other hand, Witt was a Southern Democrat with emergency management experience and extraordinary political skill. He never attended college, but he made a career as a construction-company entrepreneur and was elected to a county judgeship at age 34.

Upon taking office, Witt asked Clinton for the authority to make changes. During his first months on the job, he spoke to the chairs of the 20 committees that had a stake in FEMA's reorganization. He convinced skeptical members of Congress that FEMA could work to their advantage if it provided constituents affected by disaster with an immediate and effective response for which politicians could receive credit. Witt followed bold promises with bold actions. He brought in deputies with experience responding to disas-

ters, and he adopted the recommendations of two expert reports that counseled a more streamlined approach to natural disasters.

The "all hazards, all phases" approach was the intellectual centerpiece of the reorganization. FEMA was a small organization with limited resources and an awesome task — preparation for and response to a range of natural, industrial, and deliberate disasters. "All hazards" gave priority to programs that could be used for a range of disasters rather than a single type and thus ensured that resources would go farther than they had in the past because they could be used year-round. In some years, hurricanes posed the greatest threat, while catastrophic earthquakes and oil spills occurred more frequently in others. FEMA had to prepare for all of these, but it could not know which threat would be preeminent in a given year.

Practically, the "all hazards" approach deemphasized the agency's national security responsibilities, where much of the federal money tended to flow. The 1993 reorganization eliminated the national security division and created a smaller office to handle programs that would preserve government functions if the federal government were ever attacked. During the reorganization, over 100 defense and security staff were reassigned to other duties, and nearly 40 percent of FEMA staff with security clearances had their clearances removed. Practice reflected the organizational changes. While responding to floods in the Midwest in the summer of 1993, FEMA used mobile communications vehicles that had previously been reserved for national security programs.

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Before the all-hazards regime, the agency operated according to "dual use mobilization" — the idea that federal resources devoted to civil defense and national security could be used in the aftermath of a natural disaster to help communities recover.[9] In theory, this would allow the government to assemble national security equipment and personnel to be deployed for any type of catastrophe. In practice, states and localities could not penetrate the red tape in time to get much federal help before or during a major disaster. The federal government resorted to sending ever greater amounts of money to disaster-stricken communities after a disaster occurred.

The "all phases" portion of the concept attempted to involve the federal government before a disaster occurred in order to reduce vulnerabilities. It emphasized all four stages of the disaster timeline, including mitigation, preparation, response, and recovery. The agency formalized the concept when it developed federal response plans to coordinate duties in different disasters. States and localities outlined plans along the same lines, essentially

[9] See, for example, National Security Decision Directive 47, "Emergency Mobilization Preparedness" (July 22, 1982).

sidelining national security responsibilities and bringing natural disasters to the fore.

FEMA's reputation had hit bottom because of its poor performance during Andrew's immediate aftermath. Not surprisingly, one of Witt's first acts was to ensure that FEMA could respond more quickly. He interpreted statutes and secured agreements allowing the agency to put people and equipment into place before a disaster struck. Response, too, improved as the agency cut much of the red tape.

Witt's tenure was best known for his emphasis on mitigation. A new Mitigation Directorate was intended to reduce loss of life and especially damage to property by encouraging people to reduce risk and vulnerability before disaster struck. The "Flood Safe" program, for example, persuaded some homeowners in flood-prone areas to buy insurance against losses. It also delivered federal money to states and localities, which pleased constituents and their political representatives.

"Disasters are political events"

WHILE THE 1993 reorganization focused and improved FEMA's capacity to address natural disasters, it neglected other responsibilities. It was precisely FEMA's celebrated focus on all hazards that caused the agency to put civil defense and terrorism on the back burner. As one longtime FEMA employee put it, "Some will say he introduced all hazards. I say he reduced the importance of some hazards at the expense of others." In shifting resources to programs that could be more generally applied to natural hazards, Witt scaled back the agency's national security role and left it ill-prepared to combat the emerging terrorist threat. Between 1998 and 2001, the Hart-Rudman Commission looked for a cornerstone for a new domestic security effort but found FEMA's culture and capabilities insufficient for taking a lead role in counterterrorism.[10]

While the agency was applauded for its quick response to natural disasters, some of its acclaim came from people who simply received more money for recovery under the Witt regime than they had before. The president declared more disasters per year after 1993, including "snow emergencies" for which previous administrations had refused aid. Disaster funds were more likely to flow to politically important districts where the president or members of FEMA's oversight committee faced a competitive election.[11] Large disasters always received federal aid, but political interests determined whether smaller ones would receive federal dollars or states would be left to make do on their own. In 1994, for example, Bill Clinton refused to pro-

[10] Frank G. Hoffman, personal e-mail correspondence (December 11, 2003). FEMA's witnesses before the Hart-Rudman Commission were Lacey Suiter and V. Clay Hollister. Notes of their briefing do not exist.

vide recovery aid after floods caused $6.7 million in damage on the south side of Chicago. Illinois was considered a solidly Democratic state and therefore not critical to Clinton's reelection efforts. A year later, Clinton provided aid to help residents of New Orleans, where a flood had caused $10 million in damage. The difference was that Louisiana was deemed a competitive state. Most of the federal money went to rebuild the city, not to better prepare it for future floods.

FEMA made a trade-off: It gave more aid more quickly to disaster-stricken areas in exchange for loosening procedures for accountability and oversight. As a result, recovery and mitigation programs helped more people but also served a political purpose. The programs delivered resources to devastated communities that turned to the federal government for help and then rewarded public officials during elections. Witt acknowledged the political nature of emergency management when he told a Senate subcommittee in 1996 that "disasters are very political events." He claimed he was the "eyes and ears" of the president during the recovery of the bodies of victims of TWA Flight 800. Before 1993, it appeared that natural disaster agencies would never have sufficient resources because disasters lacked the durable constituencies that supported such other agencies as the Social Security Administration or the Department of Education. The 1993 reorganization proved that citizens would support an effective natural-disasters agency and that politicians could use the agency to serve their constituents.

Hurricane Katrina

HURRICANE KATRINA SHOWED that by 2005 the link between political support and speedy disaster response had been severed. Like any president, Bush would have been best served by a FEMA that could respond effectively to natural disasters. But his administration wanted to take the agency in a new direction after 2001, subjecting its spending to greater accountability and including it in a larger organization devoted to security and terrorism preparedness. What caused FEMA to deteriorate so soon after having made a remarkable turnaround?

With so much blame to go around, the Katrina catastrophe was overdetermined. Some sections of New Orleans-area levees had been poorly con-

[11] Garrett and Sobel note both that from 1991 to 1999 states politically important to the president had a higher rate of disaster declaration by the president and that disaster expenditures were higher in states that had congressional representation on FEMA oversight committees. They also find election-year impacts for disaster aid, controlling for the true size of a disaster measured through private property insurance claims and Red Cross assistance levels. Thomas A. Garrett and Russell S. Sobel, "The Political Economy of FEMA Disaster Payments," *Economic Inquiry* 41 (2003). Other studies have found that the president's decision to issue a disaster declaration is influenced by congressional and media attention. See Richard T. Sylves, "The Politics of Federal Emergency Management," in Richard T. Sylves and William H. Waugh Jr., eds., *Disaster Management in the US and Canada* (Charles C. Thomas, 1996).

structed because of poor planning and botched contract work.[12] State and local agencies had failed to plan adequately for the transportation, housing, and security that would be needed during an extended crisis. Once the hurricane bore down on New Orleans, local officials waited too long to issue an evacuation order that failed to account for the poorest residents, and state and federal agencies were too slow to provide rescue and recovery resources.[13] When help finally arrived, it was poorly coordinated. Even at the height of FEMA's power under James Lee Witt, Katrina would have been a costly disaster. And yet from 1993 until 2001, FEMA was far better prepared to handle a catastrophic natural disaster than it was in 2005.

The agency had lost many of the elements essential to its turnaround of a decade earlier. Politically appointed emergency managers, including Witt, were replaced by appointees with little disaster experience, including, most famously, director Michael Brown, whose previous position had been with the International Arabian Horse Association. By 2003, departures, early retirement, and job dissatisfaction had sapped the agency's career force.[14] The all-hazards, all-phases idea, too, was weakened when preparedness granting programs were moved out of FEMA into a separate office in the Department of Homeland Security. Turf wars put distance between the preparedness, response, and recovery offices.

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Though FEMA could have used an infusion of experienced professionals, simply repeating the Witt recipe for reorganization would not have addressed the challenges of the twenty-first century. Career FEMA employees, like civil servants across government, began to retire in droves. At the same time, oversight committees began to worry that programs for mitigation and recovery lacked proper procedures to ensure that money was being spent wisely. Terrorism posed the greatest challenge. Witt initially had refused to take on more responsibility for terrorism pre-

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[12] Audrey Hudson, "'Malfeasance' cited in Katrina flooding," *Washington Times* (November 3, 2005). Also see the October 2005 Social Science Research Council Forum, "Understanding Katrina: Perspectives from the Social Sciences."

[13] Historian and New Orleans resident Douglas Brinkley provides the first and most thorough book-length account of the failures of leadership at the federal and, especially, state and local levels during the hurricane. See Douglas Brinkley, *The Great Deluge: Hurricane Katrina, New Orleans, and the Mississippi Gulf Coast* (William Morrow, 2006).

[14] FEMA ranked last in worker satisfaction among large agencies in a 2003 survey. In 2005, the Partnership for Public Service and the Institute for the Study of Public Policy Implementation ranked the Department of Homeland Security, which absorbed FEMA, next to last among agencies (twenty-ninth out of 30) as "best places" to work in government. Stephen Barr, "Morale Among FEMA Workers, on the Decline for Years, Hits Nadir," *Washington Post* (September 14, 2005); *Federal Emergency Management Agency: Status of Achieving Key Outcomes and Addressing Major Management Challenges* (GAO-01-832, July 9, 2001).

paredness because he thought the threat was too unpredictable for the agency to be able to address effectively. After 9–11, the country had no choice but to consider terrorism.

Most attempts to assign blame for Katrina focus on the Bush administration or poor state and local government response. While there is plenty of blame to go around, such a focus is misdirected. Reformers must attempt to understand FEMA's shortcomings in an effort to retool for the future.

The agency dug its own hole in the decade leading up to Katrina because of ever-greater public expectations for disaster relief, ever-greater specialization of preparedness and mitigation programs, and confusion about how terrorism fit into the all-hazards model. People had not always looked to the federal government for help during disasters, but during the twentieth century the level of assistance expected from the federal government before and after a disaster ratcheted upwards. The media broadcast images of FEMA agents rushing to disaster sites and FEMA relief workers helping communities rebuild, all of which reinforced the public's belief that the federal government owed the disaster-stricken public. Stories of federal relief were far more widespread than stories of investors and local governments choosing to invest in hurricane- or flood-prone areas, gambling that the federal government would bear the cost of rebuilding.

The media showed images of FEMA *agents rushing to disaster sites and helping communities rebuild.*

Terrorism complicated FEMA's efforts to respond to natural disasters, not by seizing resources formerly directed to natural disasters, but by adding new considerations to preparedness efforts. The numbers and amounts of grants devoted to emergency preparedness and natural disasters increased slightly from 2001 to 2005.[15] Authoritative federal response plans invoked the all-hazards language, but the language was not reflected in organizational structures at lower levels of government. Enough resources flowed to natural disaster preparedness, but not enough attention was devoted to reconciling the different threats posed by terrorism and natural disasters, especially at the state and local levels. In a terrorist attack the FBI and law enforcement agencies take the lead because the disaster is a crime scene. In a natural disaster, however, the sole focus is rescue and recovery, tasks best left to emergency managers. When Katrina struck, states and localities had been crafting plans and procedures for terrorist attacks but in many cases had failed to refine plans for natural disaster response.

Meanwhile, as states and localities were struggling with how to address new concerns about terrorism, FEMA's success in developing mitigation and preparedness programs contributed to the unraveling of the all-hazards, all-

[15] Patrick S. Roberts, "Shifting Priorities: Congressional Incentives and the Homeland Security Granting Process," *Review of Policy Research* 22:4 (July 2005).

phases principle. Over the years, FEMA had gained responsibility for increasingly differentiated grant programs, from the massive U.S. Fire Administration program to specialized grants for urban preparedness. But planning for floods requires a very different kind of expertise from the kind required for planning for fires or chemical spills. Increasingly specialized programs were given to more and more organizations with expertise in the relevant areas. The legislation creating the DHS scattered even more disaster preparedness granting programs throughout the department. As a result, Homeland Security Secretary Michael Chertoff moved grants for states and localities into a "one-stop shop" outside FEMA in the department. Granting programs became so specialized and organizationally separate from FEMA's response and recovery duties that emergency managers no longer thought in terms of "all hazards, all phases."

Most of the dead in New Orleans were elderly people who were never given a chance to leave town.

The Katrina disaster exposed the disconnect between preparation and response. Though the possibility of a catastrophic hurricane and flood was a staple of local lore and expert reports, New Orleans failed to plan for Katrina with the urgency and specificity that the response required.[16] Plans were made but never thoroughly rehearsed. To take one example, the National Response Plan, adopted in December 2004 with great fanfare, gives the DHS broad authority during a catastrophe to deploy "key essential resources" such as medical and search and rescue teams, shelters, and supplies even without a request from state authorities. In the event of a catastrophe on the scale of Katrina, the plan notes, "A detailed and credible common operating picture may not be achievable for 24 to 48 hours (or longer) after the incident. As a result, response activities must begin without the benefit of a detailed or complete situation and critical needs assessment."[17] The secretary of homeland security possesses the legal authority to bypass normal disaster procedures to begin rescue missions and to deliver aid. The Katrina response, however, did not follow the spirit of the plan. Despite federal authority to deliver resources soon after or even before a disaster, federal officials complained that they were slowed because state and local leaders did not request resources soon enough. At each level of government, leaders failed to hash out their differences beforehand. As a result, officials ran into communications roadblocks that should have been uncovered before the disaster struck.

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[16] Experts predicted that New Orleans would flood and publicized their warnings in the popular media. *The New Orleans Times-Picayune* published a series in 2002 on the danger the city's weak levee system posed to the city, compounded by the erosion of the coast's natural defenses. In addition, a 2001 *Scientific American* article predicted that the city would be devastated by floods. Mark Fischetti, "Drowning New Orleans," *Scientific American* (October 2001).

[17] National Response Plan, Department of Homeland Security (December 4, 2004), CAT-3.

Officials might have overcome roadblocks had they completed the Hurricane Pam training in 2004, a fictional exercise to prepare for a category 4 hurricane in New Orleans. The five-day exercise included emergency officials from 50 parish, state, federal, and volunteer organizations. But $850,000 into the exercise, FEMA's funding for Pam was cut, and the key decisions that would vex authorities in Katrina had not yet been made. No one had walked through how to handle communications failures, and there was no plan to organize evacuation or transportation and medical care immediately after the hurricane. The 121-page plan that emerged from the aborted exercise left many issues "to be determined."

If done well, completing the exercise might have forced Louisiana and New Orleans officials to have backup plans when communication broke down and federal help failed to arrive. The Pam exercise — in its early stages, at least — made disaster management seem too easy because the federal directions seemed so clear and certain. Walter Maestri, the emergency manager for Jefferson Parish, recalled in an interview with PBS *Frontline* (November 24, 2005) that federal authorities gave him blithe assurances after the exercise: "'This is what we're going to do. This is what you're going to do. This is what this one's going to do.' And the problem here that developed in Katrina is that the locals accepted that."

The Pam scenario corresponded closely to the events of Katrina. Pam predicted that the 100,000 people who would fail to evacuate would be the most vulnerable to the storm. In New Orleans the majority of the approximately 900 dead were elderly people, many of whom lived in nursing homes and were never given an opportunity to leave town.[18] In one such home, the staff had not expected the hurricane to be so severe and had ignored evacuation plans. When it was too late to transport the patients to safety, the staff fled for their lives, leaving 34 elderly patients to die in the floodwaters. More thorough preparation might have prevented these deaths and established lines of communication between nursing homes and emergency management coordinators. Local officials will always be the first responders, but federal agencies can help ensure adequate preparation before a disaster strikes by setting standards, funding preparation for rare events, and providing expertise.

FEMA's national role

After 1993, FEMA reversed course and showed that it could be both effective and popular. The agency jettisoned its civil defense legacy and crafted a focus on "all hazards, all phases" emergency

[18] As of February 2006, 39 percent of the 824 victims identified at the St. Gabriel Morgue were 75 or older, and the majority were over 61. Louisiana Department of Health and Hospitals, "Vital Statistics of All Bodies at St. Gabriel Morgue" (February 23, 2006).

management that in practice emphasized natural disasters. When forced to address new concerns, however, from terrorism to the need for more accountable disaster relief, FEMA fell short. Emergency management has become too complex for a FEMA federal agency to coordinate. Only states and localities are able to weigh many-faceted concerns about a range of disasters and develop appropriate strategies. New Orleans, for example, faces far different hazards from those facing a northeastern industrial city with a similar population and demographics. In the wake of Katrina, reformers should resist the all-too-easy temptation to centralize control in the national bureaucracy and instead grant more power and responsibility for disaster preparedness, response, and recovery to agencies further down the federal ladder.

FEMA and state and local homeland security offices are not suited for intelligence and law enforcement functions.

Still, decentralization poses the risk of returning to the days when emergency management was ad hoc and the federal government provided too much, too late to communities after a disaster struck. Disasters are, by definition, rare events that overwhelm the capacity of normal public institutions and practices. States and localities have little incentive to prepare for 100-year floods, yet such floods occur with alarming frequency in the United States.

Disaster management poses a paradox: If states and localities are to take more responsibility for disaster preparedness and response, the federal government must also take more responsibility for disaster preparedness. FEMA is best equipped to assemble best practices and encourage their adoption through the granting process so that communities reduce their vulnerability before disaster occurs. Reforming emergency management should proceed along three lines: focusing FEMA's tasks on emergency management, reviving the "all hazards, all phases" process, and giving states and localities more responsibility for disaster preparedness and response.

Stick to emergency management. Neither FEMA nor state and local offices of homeland security are suited for intelligence and law enforcement functions. The FBI and state police have the most sophisticated tools and the best training for gathering intelligence and making arrests, especially in diffuse white-collar crime and terrorist organizations. International experience with terrorists suggests that they engage in organized crime and illegal trade to finance their operations. We should expect similar things from domestic terrorists in the future. The state and federal police have the best chance of success against domestic criminal organizations.

FEMA has a history of poor planning and even worse public relations when it attempts sensitive intelligence and law enforcement tasks. In the early 1980s, the agency was criticized for developing crude plans for detaining African-Americans in guarded camps during riots. If FEMA were given

the responsibility for keeping the peace at disaster sites, from the 9–11 attacks to Katrina, could we expect similarly ill-conceived plans? As late as the 1990s, the agency deemed homosexuals security risks and attempted to compile a list of suspected gays and lesbians working there.[19] Critics are fond of pointing to the FBI's excesses and operational failures, but FEMA has performed much more execrably the few times it has engaged in similar tasks. Homeland security agencies should leave the difficult tasks of intelligence gathering and law enforcement to the agencies best trained to navigate between concern for civil liberties and the need for swift action.

Revive "all hazards." With law enforcement duties out of the picture, emergency management agencies can begin to revive the all-hazards model. Done well, this can incorporate many different kinds of threats into a seamless process. It is not a single mission but an organizing concept that prioritizes a variety of tasks so that actors at all levels of government and with many specialties can agree on a larger goal of preparedness for disasters of all kinds. The concept functions something like Toyota's much-heralded system of lean production.[20] In the 1980s, Toyota obliterated its American competition through a more efficient production process built on employees' understanding of their jobs. Initially, American companies believed that Toyota's success was due to technological advantages. General Motors, for example, wasted billions on robots in an attempt to match Toyota. Billions spent on homeland security technology may prove similarly futile.

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Toyota's success lay in its ability to treat automobile production — design, procurement, and assembly — as a seamless process rather than as separate functions located separately. A host of innovations followed from putting workers into teams and giving them more authority. Those workers built lines of communication with suppliers, and each took responsibility for the quality of the product. When a worker noticed a problem, he or she had the authority to suggest changes that might influence other parts of the production process. Buzzwords such as "total quality management" and "just-in-time production" were coined to describe Toyota's team-based process.

Similarly, "all hazards" improved coordination in the disaster management process by giving emergency managers a sense of the whole. State and local managers knew that FEMA was a part of the process, and vice versa.

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[19] Patrick S. Roberts and Robert Bateman, "The Roots of Extreme Practice in Crisis Management," paper presented at the Race and U.S. Political Development conference, Eugene, Oregon (May 12, 2006).

[20] Michael Porter, Hirotaka Takeuchi, and Mario Sakakibara, *Can Japan Compete?* (Macmillan, 2000); John Micklethwait and Adrian Wooldridge, *The Company* (Modern Library, 2003), 134–135.

Bureaucrats responsible for assisting communities with flood recovery, for instance, could suggest changes in mitigation programs intended to reduce flood damage. In practice, disaster relief was not always so seamless, but "all hazards" provided a structure for emergency management that caught on among civil servants and was reflected in the separate but connected FEMA divisions of mitigation, preparedness, response, and recovery. Refashioning the program to include terrorism and inculcating a new generation of emergency managers at all levels of government would go a long way toward improving coordination among the multiple organizations responsible for preparedness.

Give states and localities more authority over the National Guards. Emergency management is too complex to address through a simple hierarchical organization in Washington, D.C., but states and localities will improve only if they both bear the costs of being ill-prepared and possess the resources to take the initiative in disaster response.[21] States require more control over resources than they have now, and the National Guard offers the most convenient and tested source for personnel and equipment that can be activated during a disaster.

The first step in improving disaster response is restoring the legal authority states once had over their National Guards.

The first step in improving disaster response is to restore the legal authority that states once had over their National Guards. Guard units are typically under the direction of a governor and the state's adjutant general unless called for national service by the Department of Defense. The Guard has not always been so closely tied to the Department of Defense, but after Vietnam it lobbied to be included in the force structure. Guard leaders hoped that by becoming more like the other armed forces they would be given better missions and become a first-class military service.

With the advent of the all-volunteer force, the Department of Defense was happy to have another source of personnel. By the 1980s the Guard and Army reserve were being trained to meet the needs of the Army as a whole rather than individual states. While this increased the Army's efficiency, it complicated disaster relief. A small state might have fighter-bomber units on its Guard base, but after a hurricane it might need the construction battalions and military police units several states away. Rather than rely solely on reciprocal agreements between states, governors and adjutant generals should have more of a say about the makeup of their Guard forces.

The National Guard was essential to the Katrina response, and it could have been even more effective if states had had more authority over deploy-

[21] One of FEMA's strengths is its regional command system in which ten regional offices coordinate preparedness efforts with state governments.

ment. The Louisiana National Guard, like other Guards, had sent 3,000 of its approximately 11,000 soldiers to Iraq at the request of the Department of Defense. Even so, the disaster would have been far worse without the Guard. Three hundred Guard soldiers patrolled the New Orleans Convention Center in horrific conditions — the dome became a giant sauna with temperatures over 100 degrees, and the smell of human waste filled the air. Guard soldiers kept the Superdome's residents nourished and hydrated, with water and two military rations a day. The *New York Times* reported (September 11, 2005) that New Orleans police, by contrast, had only 90 officers at the Convention Center.

State Guards have not reached their potential because of problems with recruitment and retention. Hurricane-ravaged Alabama's Army National Guard had a strength of 11,000 troops — or 78 percent of the authorized number, according to a report in the *Washington Post* (August 31, 2005). If states had more control over their National Guards, they could appeal to recruits who wanted to serve the Guard's distinctive state-focused mission, recruits who might not otherwise consider military service. The military reserves, meanwhile, could continue to recruit for the Pentagon's needs. For additional help, states could turn to the underutilized state defense forces, small volunteer militias under the command of a state adjutant general or homeland security director.[22]

Even before Katrina struck, Michael Brown, exhausted by turf wars at the Department of Homeland Security, planned to resign.

The regular armed forces have the capacity to help out in a truly catastrophic disaster, but the lines of authority between the Pentagon and states and localities remain blurred, recalling the red tape of the days of dual-use mobilization. In Katrina, some commanders reported that they were forced to wait for authorization from the Pentagon before sending aid. The Department of Defense should allow local military commanders to fulfill civil authorities' requests for help during a catastrophe without seeking prior approval from the Pentagon.[23]

Integrate granting processes and stop the turf wars. Even before Katrina struck, Michael Brown planned to resign from FEMA. He was exhausted by turf wars within the Department of Homeland Security. Against his advice, billions of dollars' worth of preparedness grants as well as responsibility for the creation of a national disaster response plan were moved from FEMA into a separate agency within the DHS. Brown warned that the changes

[22] James Jay Carafano and John R. Brinkerhoff, "Katrina's Forgotten Responders: State Defense Forces Play a Vital Role," Heritage Foundation Executive Memorandum 984 (October 5, 2005).

[23] There is precedent for this approach. The Department of Defense issued a directive to this effect in 1993. Department of Defense Directive 3025.1, "Military Support to Civilian Authority" (January 15, 1993).

would "fundamentally sever FEMA from its core functions," "shatter agency morale," and "break long-standing, effective and tested relationships with states and first responder stakeholders."[24]

Department leaders had moved the many disaster-preparedness tasks into a single organization in order to improve accountability and planning. The move was intended to, among other things, prevent the poor coordination that occurred prior to Hurricane Katrina. PBS *Frontline* reported that in 2003, New Orleans and seven surrounding parishes won a $7 million federal grant to build an emergency communications system. The system would have connected first responder radios and telephones on a single network, but it was never installed. Absent federal guidance, the mayor's office could not navigate competing proposals from technology companies.

Federal disaster granting programs became so numerous that department leaders were right to organize them into a single structure in order to improve management. Ideally, the federal government would fund the most promising granting projects, and important ones, such as the Louisiana emergency communications network, would never stall. Civil servants responsible for preparedness need not be located in the same physical space as those who handle response, as long as both groups maintain communication and understand their tasks as part of the same enterprise. Preparedness, though, must not be walled off from other parts of the emergency management process, including disaster response and long-term recovery efforts. Brown defended FEMA's turf when he should have been defending the integrity of the emergency management process.

The challenge of decentralization

FEMA'S FIRST MAJOR organizational challenge was to transform itself from a civil defense agency into a natural disasters agency. The agency faces a similarly formidable task today as it attempts to improve its natural disasters capability while not shortchanging the terrorist threat. While the agency can learn from the past, the solutions that worked in the 1990s do not translate directly to the present dilemma. FEMA faces the challenge of handing more responsibility to states and localities while taking a greater role in preparedness and mitigation than it has ever assumed.

FEMA's dilemma is a textbook case in Organization Theory 101. The increasing danger posed by an ever-greater variety of disasters threatens to overwhelm the United States' capacity for effective response. FEMA has three options. It could increase its oversight of disaster programs at the federal, state, and local levels. This would be the hierarchical approach to orga-

[24] Michael Grunwald and Susan B. Glasser, "FEMA, Brown Lost All the Turf Wars," *Washington Post* (December 26, 2005).

nization, an attempt to arrange emergency management functions in a clear and strict hierarchy. Attempts at top-down organization, however, come at a price that economists call hierarchy cost. Oversight of those further down the hierarchy takes time, effort, and resources. Even after paying these costs, there is no guarantee that organizations at the bottom of the chart will do what those at the top direct. And even if those at the bottom of the chart were obedient, there is no guarantee that the organization's leaders know best.

Rather than build hierarchy, FEMA could choose to enter into formal agreements with other federal, state, and local agencies and with private companies. In this instance, FEMA would be on the same level with its partners, having made discrete agreements with particular agencies for particular situations. Such agreements were an important part of building disaster response capabilities in the agency's early years, when government organs were accustomed to working in isolation and often duplicated efforts or, worse, left crucial tasks undone. To extend and multiply these agreements, however, imposes transaction costs, or the costs associated with exchanging and enforcing agreements. Building consensus and rehearsing and revisiting plans requires time, attention, and money — demands that grow exponentially as organizational relationships become more complex. The resources required to maintain an expanding array of agreements are more than FEMA can afford.

Fortunately, FEMA has another option with far lower hierarchical or transaction costs. With the kind of leadership displayed during the 1990s, the agency can refocus emergency management agencies around the process of "all hazards, all phases" disaster management. Emergency management's greatest challenge is improving coordination among its parts as the number of disaster-related organizations grows along with the kinds of hazards, including terrorism and pandemic disease in addition to natural and industrial disasters.

Understanding emergency management as a process will be key to reform if two groups can be given more responsibility. First, states and localities must invest more in planning and in reducing vulnerability. The federal government can provide incentives for planning through the granting process, and it can provide disincentives for poor planning by making states and localities bear more of the cost of disasters. Second, if individual emergency managers understand their jobs as part of an "all hazards, all phases" process, they might make decisions based less on turf claims and more on a desire to reduce the damage that disasters wreak on citizens who deserve better from their governments.