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HURRICANE KATRINA:

WHERE DO WE GO FROM HERE?

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A G E N D A

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Moderator:

Panelists:

P R O C E E D I N G S

MR. STEINBERG: Well good afternoon, ladies and gentlemen. Welcome to Brookings and thank you for putting up with this rather unusual space for our briefing today. I know it's rather short notice, but it's good to see so many people here.

Like so many Americans, we at Brookings have been very taken not only on the professional, but on a personal level, by the enormous tragedy and experience that the people of the Gulf Coast are going through, and in addition to our own sense of personal commitment and the efforts that individuals are making here, one of the things that we recognized in reflecting on Katrina and its aftermath is that in an institution of the breadth of public policy analysis such as Brookings, we really have a lot of people who've done a lot of work on so many issues related to Katrina and how we think about both what happened and what we should do going forward.

And we wanted to begin to try to share with you some of our preliminary thoughts based on our own analysis and experience on a number of related areas, beginning today with the four panelists that you have today.

But I think you'll see in the days and weeks to come that there are a number of other aspects of Brookings work, and we hope to have several of these sessions over the next couple of weeks. And so while we've chosen a few of the topics in which Brookings is doing related work to discuss in our briefing today, there are so many others that we want to have a chance to discuss with you going forward.

So think of this as an appetizer rather than the full meal.

We're going to focus on a couple of issues today, trying very hard, for the most part, to look forward to what do we do from here, although, of course, in trying to understand what we need to do next, we have to have a little bit of understanding of how we got to where we got to.

Like everybody else here, we're not particularly interested in playing the blame game, but I do think that there needs to be some understanding of some of the problems that we faced and why the results have not been what everybody would have wanted them to be in order to understand what's necessary going forward.

We're going to begin by looking at this through the lens of what has happened in the government thinking about response to crises and events of great national significance in the post-9/11 environment with Richard Falkenrath, who was the—really the point man in many respects in the early years, the first term of the Bush Administration, in thinking about how both to reorganize the Federal Government and how to think about incidents of national catastrophe, looking through the lens not only of the post-9/11 environment, but the whole effort to think about the role of the Federal Government in addressing these questions.

And then turn to Pietro Nivola, the Director of our Governmental Studies Program—Governance Studies Program—to look at the broader implications for Federalism here. We've had a lot of debate in this country over

the last several days about the respective responsibilities of state, local, and federal government and what lessons this holds for our federal system.

Then we're going to turn to Michael O'Hanlon, who's going to focus on one particular dimension of the response, which is the question of what is and should be the role of the military, not only the National Guard and Reserve, but also the active duty military, which, as you've seen, has become more actively involved in the response in recent days.

And finally, we're going to turn to an issue which I think has gotten relatively little attention up 'til now, but I think will clearly be the focus of so much of what we see going forward, including a very dramatic set of issues around both funding and strategy, with Amy Liu, the Deputy Director of our Metropolitan Policy Program, on strategies for thinking about recovery and reconstruction.

So without further adieu, Rich, you can kick us off.

MR. FALKENRATH: Thanks, Jim, and—

MR. STEINBERG: Oh, sorry. I know I—needless to say, but have neglected to say, we'll finish with Tom Mann, who's going to reflect a little bit on the political lessons that Katrina holds and how this is going to affect the political landscape in the United States going forward. Sorry. Rich?

MR. FALKENRATH: All right. Thanks, Jim, and thank you, all, for coming.

There's a lot we don't know yet about what exactly happened in the response to Katrina, and so we need to sort of caveat our conclusions or our observations in that way.

But clearly, we have a lot to learn from this disaster and our response to it. And that learning opportunity is something that really we can't miss. The government needs to learn from it. The outside experts who follow these matters need to learn from them, and not just on how we responded to natural disasters, but also to certain types of terrorist attacks.

And I'm going to talk about that in a moment. From the outset, I'd like to say that I think this issue, Katrina and our government's response to it, should be looked at by an independent commission. It's the sort of thing where I really do believe you need to separate the fact finding and analysis from the actual individuals who were responsible for responding or for even funding the responders.

And the need for an independent analysis I think is especially clear because the distribution of responsibilities between the Federal Government and state and local government is in some respects at the heart of the issue. That distribution is confusing and often contested, and that's why I think we're seeing so much finger-pointing right now, both within the Federal Government, but also between the layers of government.

I think if there were a commission looking into this, they would probably break it down into three general categories of failures.

One, a very long-term issue, which is sort of flood control and reengineering and Mississippi Delta and the nature of the levees. I do think that has to be looked at. It is admittedly very long term, but it's a significant issue going forward in terms of our policy down there in this region; the budget that we put into it; the question of whether people who live in safe areas should be subsidizing those who live in unsafe areas. So this is important, and will need some attention.

The second category of issue that will need to be looked at is everything that happened prior to the land fall of the hurricane, and in particular the evacuation order and the strategy for sheltering people in place in New Orleans.

In my judgment, the one thing that separates this disaster from all the others that we've had in the recent past and mostly could happen in the near future is the fact that we had a stranded population in a flooded city that couldn't get out for four or five days, if not longer.

And that may put this disaster in a different category than we'd seen before. And so, therefore, we need to look very, very closely at our evacuation procedures and authority and capability.

The failures in this respect are going to be primarily state and local. It's mainly the governor and the mayor that have the authority to order an evacuation and execute it. And that's going to be a tough conclusion to bear for that area, since they're also the victims of this terrible calamity.

The Federal Government in this case is mainly guilty I think of failing to anticipate the failure at the state and local level, which is a real matter. It's a significant issue, but it's different than actually being responsible yourself.

A third general category that an investigation I think would look at is the post-land fall evacuation care and public order issues that continue to this day, as a matter of fact.

There's no question that the relative responsibility for the Federal Government here is substantially higher than it was pre-land fall. But it is not exclusively a federal responsibility. Again, it's still has this inter-governmental aspect that will need to be looked into.

This—a couple of implications that we see from this. I mean, obviously, our country is not as ready to respond for these sorts of über-catastrophes as we would like it to be, and as many people had hoped we be four years after 9/11.

To a certain extent, I think this is a bit of false advertising as to what the government has accomplished since 9/11. I was involved in some of that, and frankly wasn't as surprised that it went the way it did. But there are lots of people out there who clearly expected the government would be better at exactly this sort of thing.

The sort of disasters that could be this bad again are fortunately relatively few in number. I mean, there are not many disasters that can get this bad in the country. But there are a couple. There can be another Cat-5 or Cat-4

hurricane. There could be one this weekend. We're in hurricane season, and it's entirely likely another one is going to hit the U.S. coastline in the future.

It could be a hundred or 500-year flood that's about as bad as this. Both of those scenarios you'll have some notice that it's coming.

You could also have an earthquake or a tsunami—very, very bad, where you would have no notice. You could have the burst of a major dam above an urban area. You could have a really big terrible disease outbreak.

Those are in my opinion the sort of disasters that have the theoretical potential to become as bad as what we saw last week in New Orleans.

In addition, there are a few terrorist scenarios that could be as bad as well, theoretically. The only two that would have the same amount of physical destruction and loss of life that you—that we saw in New Orleans would be an improvised nuclear device set off in a U.S. city or the successful demolition of a dam above an urban area. There's really no other terrorist scenarios that get you this sort of comparable level of destruction.

There are two that would give you comparable loss of life, namely a biological weapons attack or an attack on a toxic industrial chemical like chlorine. But there you would not have the same destruction of the physical infrastructure in the area.

And in all these cases, of course, there would be no notice, no warning.

Now, why is it? The big question is why is it that we weren't more ready, more prepared, to deal with what happened in New Orleans and why is it

that we would have trouble dealing with the scenarios I just enumerated in the future.

I'd say there are four basic reasons.

One is just mobilization logistics. I mean to—the sort of response that we're talking about, the size of the assets, of the number of assets that would need to be brought to bear on an area affected by such a disaster is huge. I mean there's—you can hardly imagine how many different pieces need to move all at once to get somewhere.

And so this just takes a lot of time. The problem will be even worse if there is no notice. So this hurricane gave us some notice, somewhere three and six days, depending on when you start counting. Clearly, the mobilization started too late. It should have been sooner, but what we know is if there was no notice whatsoever, if this happened instantaneously, it would take even longer to get federal assets on scene than was the case in New Orleans. And that's just the reality of such operations.

The second major point is because this disaster combined loss of life with destruction of physical assets, you saw a sort of cascading failure of all the infrastructure systems that our agencies rely upon to conduct their operations. You lost the transportation system—roads and bridges, railroads, waterways. You lost the electricity and oil and gas systems; loss of communication systems, both wireless and wired; loss of sanitation systems; the food and water systems that people need to survive. All of that was wiped out by Andrew—by Katrina and what happened subsequently in New Orleans. And

what's clear is that not only affected the people living there; it affected the responders; and that our response assets were insufficiently prepared to deal with a situation in which all of the infrastructure that's normally there in a disaster is gone; is not available.

That—you know, we haven't had to deal with such a case in a long time. I mean even the cases of hurricane land falls in Florida—and the worst in recent memory being Andrew in '92—the roads were still there. You could still get in to a certain extent. None of the disasters experienced in the Bush Administration have had this sort of destruction to physical infrastructure.

Third major general reason why it's so hard to deal with these things is you have very limited governmental control over individual movement decisions. People and companies make decisions on their own about where to go, if to go at all. And that all aggregates into an enormous problem if you're conducting the response.

Finally, our system of responding to major disasters and preparing for them is intrinsically federal, and Pietro is going to talk about this, but no single layer of government has unilateral control over the response; and, hence, our response as a nation is highly interdependent. And if one layer of government or one agency within one layer of government gets this catastrophically wrong, the entire response will be handicapped as result of that.

So those are the general reasons why it's so hard to deal with a catastrophe on this scale.

Since 9/11, there have been a lot of changes in the U.S. government, as Jim noted, in how we try to deal with these sorts of problems. There's been a lot of additional money put towards what's called homeland security. The Federal Emergency Management Agency was put into DHS. The aggregate budget of all these agencies was increased. There's been additional plans written and presidential orders clarifying who's responsible for what. It has a pretty long history of what has been going on. It's pretty clear that most of that activity was not focused on major natural disasters of this sort, and was really focused more on the problems associated with terrorist attacks. And that is something that people are going be looking at as to why is this. Why was it that we didn't at the same time as we were getting better at dealing with terrorist contingencies, albeit small ones, were weren't also getting better at mass casualty or massively destructive natural disasters.

I was in the government for some of this time and have struggled myself for an answer as to why that's the case. I think it really has a lot to do with the experience of 9/11. The experience of 9/11 was this terrible terrorist attack on our country, but that really did not result in major destruction around the immediate Ground Zero of the attack in New York. The City of New York was intact after this attack with the exception of Ground Zero and lower Manhattan. And so this government, this Administration, never really experienced anything even close to this. The disasters we did experience were really managed, as they historically have been, and managed rather well. A series of hurricanes hit the southern coast of Florida. There were some really

bad tornadoes in the Midwest. The Shuttle went down. There was a big blackout in the Northeast two years ago. All those things were managed and they were sort of in the normal experience of disasters. Something like this was not. It was not anticipated, and, hence, not prepared for adequately.

Now, looking ahead, and then I'll turn it over to my colleagues. As I said, I think there does need to be an independent investigation into this. It needs to be very quick. It needs to get moving sooner rather than later because there will be lots of reforms beginning immediately.

I believe that the commission should be jointly commissioned by the U.S. Congress and the Louisiana State legislature. I mean the real issue here is trying to figure out who within the layers of our Federal Government was responsible for the mistakes that were made, and I don't believe a critique of the mayor of New Orleans or the Governor of Louisiana will be credible if it's coming from a federal commission. And so I think there is a need for the State of Louisiana and maybe also Mississippi, but really Louisiana to own this investigation as much as Washington and the Federal Government owns it.

And it should be composed of disinterested independent experts on disaster management, who I would like to be enjoined from doing television interviews until they were done with their study, unlike the 9/11 Commissioners, who were out there.

I think there is a need to reinvigorate what we call consequence management in the Federal Government. Our response to terrorism in the Bush Administration is—has a couple of different pillars: prevention, hardening of

targets, responding to attacks that occur. There is no question that prevention has gotten the highest priority in the Administration. I actually that makes quite a bit of sense, for reasons we can get into.

But the corollary is that consequence management, relative to at least prevention, has gotten less attention than it should. And that needs to be reinvigorated.

The planning process that we conduct for consequence management has to be extended down to the state and local level more effectively. I actually think at the federal level, it has worked fairly well. The real problem was inter-governmental in this case and getting the federal government to anticipate and deal correctly with state action or inaction. We need more and better and more realistic exercises and we need a better capability to model in real time what exactly will happen, given different disaster scenarios.

With respect to the Department of Homeland Security per se, I think there's no case for removing FEMA from DHS. I've seen no evidence that FEMA's inclusion in the Department of Homeland Security had anything to do with the ineffectiveness of the federal response. Maybe such evidence will emerge, but I haven't seen it yet.

Also I think it would be absurd to have two separate federal entities responsible for dealing with major disasters. FEMA and DHS separate make no sense whatsoever.

I do think, though, it's very important that Secretary Chertoff be allowed to continue and carry through with his internal reform process.

Many of you know he conducted a review of the Department's organization. That review wrapped up two months ago. He's asking Congress for legislation to allow him to enact his review. For him, personally, and getting his Department moving, this disaster could not have come at a worse time, because it has basically torpedoed his reform legislation effort. That is a major loss for the Department of Homeland Security and for the Administration, because he really needs to get his people in place with the normal structure so they can get to work. And the decisions that he's been postponing for the last nine months need to start being made.

And finally and here's my last comment: I think we need to look at a federal evacuation statute. The authority to order or a mandatory evacuation in the United States is vested in governors who can delegate it to the local level. Here what we clearly saw is in New Orleans was a delayed and ineffective evacuation order at the state and local level, for which the Federal Government ultimately has to clean up the mess. And so I think there needs to be some provision in U.S. law which allows the President in extreme and when the state and local agencies are failing to act with appropriate swiftness to order an evacuation and deal with a problem.

Currently, his authority to do so is extremely limited. Really, he has to declare an area of the United States in insurrection in order to order an evacuation. And I think Katrina shows us that there is a need to enhance the federal authorities when clearly the public expectation is that the Federal

Government will take care of this and be responsible for cleaning up after the event.

MR. STEINBERG: Just before I turn to Pietro, you said that the part of the problem may be that there was a public expectation of what we could do that was unmatched by the capabilities. I guess I'd like to push you a little bit on saying after this, as we look forward, what expectation should the public reasonably have and going to your point about this mix of prevention versus response. It's understandable in the debate about a human act of terrorism that you would focus on prevention, but obviously this shows that at least certain things which are inherently unpreventable, that is, natural disasters, that the response is the only thing and is so often said about terrorist attacks because they only have to succeed one in a thousand times; that no matter how good the prevention is you're never going to have perfect prevention.

So does this suggest that the public is right to demand quite a bit more in terms of response and that a significant reordering of priorities, or if not, less on prevention and a significantly greater investment on response—and response capabilities is needed.

MR. FALKENRATH: I do think a greater investment in response is needed and that the public is right to demand that in the aftermath of this event. But at the same time, we need to not suffer the illusion that we can master Mother Nature perfectly. I mean there will always be events that can overwhelm our most careful preparations and the most robust response assets. And there is nothing you can really do I think about the tyranny of a

mobilization timetable; that if you have assets—you can have a lot of assets deployed all over the country, and you need to get them moving and it takes time to get them moving. It's possible to get them on higher levels of readiness. There's no question I think that our assets should have been on a high level of readiness sooner in New Orleans, but I don't think you can have the equivalent of, you know, 82nd Airborne levels of readiness for national disaster response contingencies. It would be unaffordable and not really feasible.

So the basic answer is yes, the public has a right to demand more in level of effectiveness, but at the same time we need to be realistic about how much you can ever expect from a government that governs an area this big for which so many different kinds of events can happen so quickly.

MR. STEINBERG: Pietro, is this an example of the inherent limitations of the federal system?

MR. NIVOLA: Yes, it is, and I want to get to that in a minute. But before I do, I wanted to say just three quick observations about lessons not to learn from this crisis.

This debacle was not about the fact that a lot of the National Guard was deployed in Iraq. There were plenty of National Guard divisions around in the surrounding states to deal with this crisis.

The crisis was not about a lack of money. FEMA's budget has been up in recent years. The DHS budget has done well. Louisiana, under the Bush Administration, has actually gotten more money for Army Corps of Engineers projects than any other state. In fact, I was waiting all week long for the article

on this and finally it showed up just today's-front page article in the Post. Perfect. On target on that question.

Finally, with all due respect to the German Environment Minister, Katrina really has no clear connection to global warming. As a matter of fact, the frequency of major storms in the Gulf since about the late—the 1970s through the late 1990s has been lower than it was before, and, if anything, this contributed to the complacency.

So what is the crisis about? In my opinion, it's about a lot of top heavy bureaucracy and red tape, liability-driven passing of a buck, and perhaps above all this country's often dysfunctional system of our intergovernmental relations, AKA question of Federalism.

My take on American Federalism these days is that it's a system in which none of the levels of government know for sure what their primary responsibilities or functions are. In just about every respect, the Federal Government is in the business of micromanaging, and poorly at that, a lot of the minutiae of day-to-day local administration, while as state and local governments have really gotten themselves into the habit, I'm afraid, of waiting for Washington to take care of their every need and that includes even the most basic and traditional local functions, such as law enforcement. One striking example in the Katrina debacle was that the state governors in and around the storm area held off mobilizing the National Guard, waiting for assurances that FEMA would pay for the deployment through—by—through disaster relief to pick up the tab.

So how did we get ourselves into this sort of paternalistic mess, where the central government is expected to do it all and so does a lot of things rather badly instead of fewer things well, while state and local governments have grown, if not passive, at least confused?

The long answer to that would require a treatise on bureaucratic behavior here in Washington, on congressional politics and pork barrel, log rolling and also on federal judicial activism, by the way. But the shorter answer, in my view, is that state and municipal authorities in high risk areas might have done more on their own, both in the prevention stage and in the crisis management stage if they hadn't relied, as John Tierney put it so nicely in one of his columns last week, on the "bumbling White Knights from Washington;" that is, the Army Corps of Engineers, DHS, FEMA, throw in the Congress actually as well, and so on.

A prevailing paradigm in which FEMA is expected to ride to the rescue for every natural disaster and compensate everyone with federal tax dollars creates what we know as a moral hazard. Cities and states and the private sector are going to sit back and do less than they otherwise would.

Now, here is some near-term lessons from all this. I think Congress—the first order of business is for Congress to really try to clarify the Federal Government's role in disaster management. And the signal that it ought to go out to local governments is that the Federal Government will no longer be the agent of first resort for communities that are or that at least put themselves in harm's way, which is another way of saying that there should be no more

reimbursements for, for example, California homeowners who build houses on canyons where there are perennial mud slides and virtually—and very weak building codes, for example.

Second, I think that we ought to give serious thought to requiring full on private flood insurance to households and businesses that are—that live or move into high-risk areas.

Flood insurance is very expensive. The premiums are expensive, but that, in turn, higher premiums will force local communities to put pressure on their local politicians and local officials to add more precautions, such as upgrading and improving the levees around New Orleans.

To make a long story short, I think stakeholders have to have—have to contribute here. They have to pay, and my colleague Michael Hanlon, has written about this very principle in one of his books on homeland security in general.

Third point. Local authorities need to be freed from inordinate federal red tape. If there was a hero in this calamity, it was the City of Houston. My son actually is down there now as a volunteer at the Astrodome. The reason why he went to Houston is because the City of Houston was the only place that would answer the telephone when he volunteered. But one of the ironies of Houston, which has taken in about 200,000 refugees, one of the ironies of its efforts was that when it came to, for example, trying to distribute students around the city's public school system, the city feared it would run

afoul of the No Child Left Behind mandate and other federal education policy regulations. And this kind of thing is sheer madness.

At the federal level, the agencies that do best in crises like this are those that have the clearest sense of their missions—the U.S. Coast Guard, for example. Unlike the mélange of duties that have been dumped on the mega department, DHS, the Coast Guard knows exactly what its task structure is supposed to be, and knows how to do it well. And perhaps the moral here is that big amorphous bureaucratic reorganizations, like Homeland Security, don't necessarily get you that much value added in terms of dealing with disasters of all sorts.

Finally, a quick—a final quick comment. I think this country simply has to come to terms with its liability phobia. When every public agency, not to mention every private one, has to obtain approval from FEMA for every initiative it takes, and when FEMA itself lives in fear of being sued for whatever it approves, you get utter paralysis. And the New Orleans fiasco is full of horror stories of this sort about private households, for example, who volunteer to take in 1,400—I'm sorry—140,000 refugees, but got absolutely very little assistance from FEMA, if any, because FEMA was afraid of the liability concerns.

There was the incident of trying to evacuate infants from New Orleans and move them up to the Women's Hospital in Baton Rouge, which got mired in legal and bureaucratic rules and regulations, regulations that were again rooted in liability concerns.

So let me stop there.

MR. STEINBERG: Pietro, you talk about the moral hazard problem, and it's—a not uncommon observation in places like Brookings to think about making sure that responsibility lies on the actors who can do something about it and that they shouldn't be bailed out if they fail to meet their responsibilities, but, as Rich has suggested, at the end of the day, when people are suffering and tragedies like this take place, there's not going to be a lot of sympathy for the argument that said well, they—you know, it was really their responsibility to take care of them in the first instance.

So my question for you, as a long-time student of the process, is it—even though it may make sense from an analytic point of view to say well, you know, that's where the responsibilities ought to line. That's where they ought to take it. Is it realistic under those circumstances for the Federal Government to be able to step back and say, look, you made your bed and now you have to lie in it? Or, as Rich has suggested, ought we face the kind of inevitable recognition at the end of the day, we're going to bail these people out in any event and so if we're going to have to bail them at the national level, shouldn't the Federal Government step in more proactively to sort of shape the decisions that are taken in the first instance?

MR. NIVOLA: Well, my answer to that would be that when you—when the calamity reaches its current proportions, it's too late. Yes. There's no question that the Federal Government at this point is the only game in town

that's going to be able to deal with a catastrophe of these proportions once it reaches this stage.

But what I was trying to suggest is that over the years, there have been other incidents, lesser disasters, less grave situations in which the signal that should have gone out is, wait a minute. We're not going to go bounding in and bail everybody out. And I think that after this high water mark—no pun intended here—subsides, I think it's important for that kind of principle to go out loud and clear, from the Congress, from the President, and from other major players.

MR. STEINBERG: Like Pietro began by saying that the problem wasn't the lack of National Guard, but obviously the military has played a big role in this. It's one of the biggest roles the military has played in a non-conflict situation in a long time. How have we used the military? Have we used it well? What ought to be the strategy for the role of military capabilities?

MR. O'HANLON: Thanks, Jim. And thanks to Elana and Nina for helping us with these timelines and everybody else who helped and to all you who are here.

On that question, Jim, I wanted to pick up on a couple of points that Pietro and Richard had both made.

On the issue of preparation, I'm not too critical of DoD's role in preparation and getting off to a start early last week, because clearly NORTHCOM had to be taking its guidance from FEMA and DHS. And if FEMA and DHS hadn't figured the story out yet, it was hard to expect NORTHCOM to

have done so. And as Rich says, there was some ambiguity about when FEMA and DHS became the primary players.

But I will pick up quickly. I agree with Pietro. Force structure was not the problem here, available force structure. But if you think about what Richard said about the fact that state and local authorities have primary responsibility for carrying out evacuations. If you take away their National Guard, it doesn't make much sense to expect them to be able to carry out evacuation orders the way you might have in the past.

So this is not to disagree with Rich, but to pick up on his point that we need to rethink the federal role. And I think maybe above the idea of a presidential evacuation authority, we may need to acknowledge that the state and local authorities cannot be expected to carry out evacuations on their own in situations where half of their Guard is off in Iraq.

And so while I agree in theory, we have the force structure, and I've never supported turning the Guard primarily into a homeland security capability. I think if you're going to use a regional construct for how you use the National Guard to respond, the only authority that can plausibly invoke that regional capability is Washington, not the state capitol. So that would be my first observation, which would again argue for a stronger role for FEMA, DHS, and Washington in these kinds of problems in the future. And Rich may want to comment on that in the discussion. But that's an observation that I would want to begin with.

A second point—and here I am not so much critical of the military, but, again, in the spirit of looking forward, suggesting we have to learn from this and make sure we don't get caught unawares again—I think DoD and NORTHCOM, in their various preparations for dealing with terrorism, have not focused on this kind of scenario, where there was an urgent need to respond fast to save lives that were acutely at risk. In other words, yes, there are certain terrorist scenarios where there is that kind of urgent threat—chemical clouds spreading from a toxic plant or what have you. But often there, we've assumed that the first responder community would be the one that would be still intact and able to respond, which was not the case here.

In other cases, like classic hurricane relief, you assume that if you can respond in three, five, seven, 10 days, you're doing pretty well. And basically, as long as people can get water in that interim period and stay out of the way of the storm, they're not going to be in dire danger. And if respond within the space of a week, you're doing fairly well. And our military is good at that. They were good at that even before 9/11 and the creation of DHS and then NORTHCOM.

And so I think we have to add another concept to our framework, which is urgent response; not just fast response, but urgent response, where every hour counts. And I know in theory, we already try to respond as quickly as possible, where every hour counts. But we really are thinking more in terms of days than in terms of hours with most kinds of National Guard response. We need a new paradigm that also allows us emergency response.

And here, let me—in the spirit again of picking up on the very knowledgeable comments that Rich has made, but also maybe creating a topic for discussion and maybe even some debate in the future—let me partially agree and partially disagree with one comment he made about the 82nd Airborne standard of readiness. On the one hand, I think—and what he meant literally, and I agree I think—is we cannot expect a DH capability of several thousand people to be on call all the time, able to respond within 18 hours or what have you, the way one brigade of the 82nd is expected to.

But we should have our military able to go very quickly on alert and able to respond domestically within 18 to 24 hours, not just the 82nd, but a lot of other capabilities, and have plans in place to have the right pieces of the military activated on that kind of notice. So while it's not necessarily an expectation that you'd have a dedicated unit that would be in addition to the 82nd available for domestic contingencies, the planning needs to be good enough to tell us how to do that.

And when I think about most of the people in our military today, who are so bravely serving in Iraq and Afghanistan and more than willing to carry out a mission against a theoretical, potential future overseas threat, these people would be proud I know to interrupt their weekend or interrupt their training or interrupt anything else in their lives if told they were needed to respond to a hurricane in six hours. Most of these individuals that I know would be proud to do that.

And so I think the people in our military—the men and women of the Armed Forces—are willing to respond within a few hours notice.

We have to have, therefore, the plans that are capable of responding that fast, and the logistics to get them to where they need to be and their equipment needs to be ready to go. Now, that's a very daunting order, and, again, Rich is certainly, as on all things on this subject, much more right than wrong. And I'm not even sure where I'm disagreeing with him. He would disagree back. I mean this is sort of sharpening the—taking a different aspect of the question. But I think we need to think about how we can, for example, have 100 helicopters ready to fly in to any emergency zone in the country within 12 to 18 hours. And if you've had 24 to 48 hours of notice, you should be able to get 100 to 200 helicopters anywhere in this country within 12 to 18 hours. There is no physical reason we can't do that.

You may have to disperse some C-17 transport planes in advance to carry some of the helicopters. You may need to put some of the mechanics on call and let them know that they can't, you know, a certain number of them are going to be asked to stay close to home base until the storm has passed. You may need to have a certain number of helicopter pilots essentially on call in that period of time. And in some catastrophes, it may be easier to do this than others. Again, for those where you have a few days of warning, it's much easier to respond than for those that come completely out of the blue. In other words, we have people who are dedicated enough to respond within a few hours. We

have a country that, while big, is small enough that you can anywhere by air within a few hours. We can fly a lot of things by air.

And even though it would not have been enough to totally establish control in all of New Orleans, for example, we could have had many hundreds of helicopters and many dozens of amphibious vehicles within New Orleans by Monday of last week if we had done this optimally. And I'm not suggesting—again, this is not a criticism. I was not advocating this 10 days ago in an op-ed I wrote. I hadn't figured it out, and I'm sure I got a lot of the details wrong still.

But I think to go and not learn the lessons of this experience would be, as Richard said, a major mistake. So we've got to I think add a major category of planning to NORTHCOM's bailiwick and frankly to much of our force structure throughout the country, which is how do you get certain kinds of high mobility assets to a disaster zone very, very fast, when there is an urgent need to respond within hours not just within days.

In theory, you should have been able to do this much better. Now, I agree the right way to do it would have been to build the levees strong in the first place or to do the evacuation right in the first place. Prevention, as with DHS' mandate in general is always the better virtue here. But if you hadn't done those things and you had a warning as of Sunday, the 28th, that there was a likelihood of levee breach, you really should have at that point I think been activating this sort of a network; or at least next time around, we would be remiss if we were not ready to do so.

Am I suggesting this would have solved the entire problem? No. Am I suggesting that the casualties would have been down into the single, you know, individuals or even just the dozens? No? I'm sure we would have had a terrible catastrophe on our hands anyway. But I think that it is—from my very initial and I should have prefaced this by saying this is my first cut at the problem—my very initial thinking through the problem, we could have had a lot of capacity on the ground and really should have by Monday the 29th, when the firs levee was no longer able to hold water; certainly by Tuesday, the 30th. And it wasn't until Friday, September 1st—or 2nd, excuse me, that we really had much capacity in the way of National Guard or active military moving in to New Orleans.

Now, admittedly, we had some heroic action, and I'm proud of those helicopter pilots who got rebuked. I think they did the right thing; and other people who really acted in admirable ways. So, in no way, do I want to denigrate the efforts of anybody, especially people who were doing a lot more down there than I am up here for our ability to save lives. But as we think through the lessons from a planning perspective, we've got to add that urgent response mission to NORTHCOM's bailiwick and apparently it really hasn't been there in quite the way it has to be up until now.

MR. STEINBERG: Thanks, Mike. I don't whether, Rich, you want to respond? I have to say I'm sure from the perspective of the rest of the world when they looked at the way in which the U.S. military responded to the Pacific tsunami and saw the sort of the capabilities that we were able to generate over a

long distance, like to provide relief, that is has to have some resonance back here to think about whether they are, you know, a more organic function for CONUS-based forces that could play a role in this.

MR. FALKENRATH: Yeah, the image certainly suggests that. I don't know if the facts will bear it out. If we look at really the scale of the response to the tsunami and the time table, I don't recall precisely the time table—how many assets we had on scene in what time frame in the tsunami. There was a difference, though, which is that fairly promptly the government of Indonesia and the other governments asked for us to do that, which the Governor of Louisiana did not for quite a while. There was no request by the Governor of Louisiana to get National Guards there on Monday or active duty forces on Monday. And this is not a trivial matter. This is not just red tape and bureaucracy. This is like—it gets to the essence of our federal compact. The Federal Government does not lightly put troops into states, particularly southern states, without the request of the governor. It's a very big deal, if the President were to do that unilaterally. And there was no such request. And so, in a way, it's sort of counterfactual. I mean it's like—you know, the question—if she had asked on Saturday night get 'em here, right now, under your command and control, then there's an interesting question: how long it would have taken. The fact is that request didn't come in for a while, and it's not something that any administration does unilaterally lightly?

MR. O'HANLON: But should—I mean here's the question: should the President have called the Governor of Louisiana to talk about this and would

that conversation have been easier if it was Haley Barbour, a Republican, than the Democratic governor? You're right about the specific, but the question becomes the expectation about levels of government working together.

MR. FALKENRATH: I know there was a call from the President to Governor Blanco either Saturday or Sunday. I don't know what was said. That will be very interesting when that comes out. I mean I clearly—I think he should have been—the Federal Government as a whole should have been more forward leaning. But they also, though, would have been I think—it's okay for them to assume we shouldn't go unless asked and the State of Louisiana probably was using the assets that it had, which are non trivial. And there is a National Guard in Louisiana that works for the governor that goes wherever she tells them to go.

MR. STEINBERG: We'll get back to that very interesting dimension that Tom has just raised in a second. Looking particularly forward, Amy, this is—we've all learned about the extraordinary planning and social and cultural issues that were revealed by this disaster in terms of the history and the development of New Orleans. There's a lot of talk about should we bulldoze it? Should we start again? How do we think about recovery and what's your perspective on that?

MS. LIU: Thanks, Jim. And thank all of you. What I want to do today is talk about the future of the City of New Orleans and its families and what that means for next steps in our recovery and our rebuilding efforts.

And to start off, I want to just make sure that there is a common understanding of the community and the residents that we are talking about, and a lot of this has already been covered in the press. But despite all of the economic and cultural and physical assets of the City of New Orleans, the city that was struck by Katrina 10 days ago was a weak city, with high concentrations of poverty and a weak economic climate.

The City of New Orleans has the fifth highest concentration of poverty among the 100 largest cities in—large metros on the country. What that means is that one in five of their poor residents live in extremely poor neighborhoods. The situation is much more severe for African Americans. One in three African Americans, poor Blacks in particular, live in extremely poor neighborhoods.

The City of New Orleans also happens to have one of the most concentrated stocks of affordable housing among major cities. When you take a look at the low-income housing tax credit, which finances affordable housing for families that earn low to moderate incomes, so serving a more diverse set of families than, say, public housing, even among this kind of housing, in the City of New Orleans, tax credit housing is predominantly concentrated in the poorest neighborhoods.

So when you combine the concentration of poverty, when you combine this pattern of segregated housing, it's not a surprise that we have seen a flight of families from the City of New Orleans over the last couple decades, which, in part, explains some of the population loss we have seen in the city and

the metropolitan area. The city has seen a loss, a flight of the middle class over the last two decades, but even more starkly a loss of high and even middle- to high-income households.

More interestingly, the New Orleans metropolitan area is the only one that has actually seen four decades of out migration from African American families who have had the resources to leave.

When we look at race, again, all the images that we have seen in the media confirms the data or actually the data confirms the images, which is that New Orleans is a predominantly Black city. Nearly 70 percent of New Orleans is African American. When you look at the poverty numbers on top of that in 1999, we had 26,000 families in New Orleans that lived below the poverty line; 95 percent of those families were African American.

So again, when we think—it's really important to get this baseline understanding of the profile of the community and the demographics of the residents because that really informs the kind of recovery efforts we need to undertake.

Now, in the immediate term, what do we do?

We have already heard that Katrina has revealed a whole series of crises. There is an environmental crisis underway right now. There is an infrastructure crisis underway. Apparently, there's a bureaucratic crisis right now. But most fundamentally, there is a housing crisis underway in the aftermath of Hurricane Katrina.

There needs to be a concerted, focused effort on how we provide longer-term stable housing options for these families so they can begin to rebuild their lives. It is really difficult to look for a job, to place your kids in school, if you are living on a cruise ship, in a hotel room, in a stadium, and I think even for some of these families, these evacuations have been their second or even third locations.

So we really need to focus on longer-term housing options. And right now, obviously, FEMA has enormous amount of resources to provide short-term housing relief for these families, and we have seen that with all these short-term emergency shelters. They are providing really short-term rental assistance to these families—anywhere from two weeks in a hotel to a couple months. They're providing any short-term minor home repairs for some of the homeowners.

But in the end, FEMA really does not—is not equipped to really focus on the long-term housing needs of these families. And when you couple the discussion about the demographics that I just raised here that we're all aware of, HUD is really the best place where long-term housing assistance should be provided. And when you look at the stock of tools that HUD has, and what they have done in the past on disaster relief, HUD has really been the home for providing longer-term housing aid for renters, for low-income families, for families that live in apartment buildings and multi-family housing, not just single-family homes, and even for the elderly, who have been displaced from

their homes and really at this point mortgage assistance is not going to help them, because they've already made their payments.

These sets of families, again the predominant ones that have been most hit by Katrina really do rely on HUD aid. And up to now, HUD has really been sidelined in this conversation thus far.

I think even in the President's announcement of this $51 billion package, HUD's not even included in that bill.

What HUD has done so far is really I think a minimal kind of textbook response to what should be done in a disaster. They have provided some mortgage relief on mortgage loan and payments. They have provided some flexibility for localities to provide home repairs and community development repairs. But what they haven't done is they haven't really focused on this longer-term challenge.

What we desperately need is for HUD right now to be a really critical partner in this redevelopment effort. We need to have a full freight of HUD programs really put into use, and we really need to put the dollars behind HUD to be a full and equal partner.

Now, what does this look like? A couple things. And again, this is based on past experience. HUD should be issuing at this point tens of thousands of emergency rental vouchers for these families so they can begin to look for apartments or rental housing in the private sector marketplace. What these vouchers do is allow families to go—

[End of Tape 1, Side A; Start Side B.]

MS. LIU: [In progress.]—housing of their choice, whether it's in a nearby city in a suburb and so forth. And then the government helps them pay for rent for this housing. And some of these vouchers can—HUD can provide 12 month rental assistance or 18 month rental assistance, which has been in the case after the LA earthquake.

Another thing that HUD can do is really work aggressively with local leaders, mayors and even real estate industry to recruit apartment owners to accept, to take these families in and accept these vouchers.

In the past, apartment owners have been very hesitant to accept these housing vouchers, but I think, obviously, at this time we really need their partnership more than ever.

One of the things I was trying to— wanted to mention was that there is clear precedence for this kind of response. And there has been also a lot of studies that have been done on some of the past disaster relief efforts done by the Federal government and the LA earthquake being the one that's been most studied.

When the LA earthquake hit in January of 1994, it was considered at the time the most costly of natural disasters faced by the U.S., and even after the fact, considered one of the most decisive and quick responses from the Federal government to date.

In that case, the day after the earthquake hit, thousands of vouchers were released from the Department of Housing and Urban Development to

provide rent assistance for these families. We didn't have to worry about, to in addition some of the important short-term efforts, there was an option for these families to right away think about finding apartments in the private marketplace.

Eleven thousand families were served within two weeks of that disaster. So again, we have experience in issuing this kind of assistance in a short period of time.

Now in the longer term, what do we do about the redevelopment of New Orleans? One of the things that we want to stress is obviously the redevelopment of New Orleans is going to be a very, very complicated one. It's going to need a tight coordination between Federal, state and local partners and even non-profit leaders. But the redevelopment of New Orleans has to build on some basic principles. And one being that the future New Orleans obviously needs to build on the strengths of its past but it cannot replicate a lot of the mistakes thus far and primarily around this concentration of poverty.

We also need to make sure that the future of New Orleans and the plans for the future redevelopment of New Orleans really does rebound to the benefit of the long time residents of the city. And that includes the African American families.

So how do go about doing that? There are four things that we can think about, but again the rebuild effort in the long haul is going to be a very, very complicated one that's going to be very hard to sequence.

But again, there are four things that we can keep in mind. First is we really should help the city of News Orleans and many of its neighboring

communities to put in place right now a process to plan for—to put a planning process in place to create a local and regional vision for what this community is going to be in the future. And this process for planning the future of the city must involve a wide array of leaders, the civic leaders, the business leaders and the residents and particularly the African American leaders who have been so long rooted in the city.

Now, this is going to be obviously very complicated. But we really need to make sure that there are planning dollars in place to support these efforts. There are many cities right now that are scrambling to talk about the future of the city. So planning dollars to support these efforts are really critical.

What's also interesting and I really want to press upon this, is there's been a lot of stories and a lot of ideas and opinions right now about whether or not New Orleans should be rebuilt where it is, some of the challenges of where New Orleans is. I think it's really important to get a lot of this expert knowledge from around the country to inform this process. But again, the future of the city really needs to be rooted from a locally driven effort. It has to be based on a local and regional vision. And when we say regional, it's not just the city of New Orleans. It has to include the Jefferson Parish; it has to include the New Orleans region. And we can even expand the region to the whole Gulf Coast.

So in the end, a lot of the Federal and state efforts of rebuilding need to be done in the context of what local and regional needs are, obviously, with the help of all of the outside experts.

While that planning process is going on, the second thing that we need to really think about is what to do about all of this land that is now contaminated. Right now once the waters are receded, recede, we are going to see just acres and acres of contaminated land that needs to be cleaned up and put back into productive use for redevelopment. This is going to cost a lot of money. This is going to take a lot of process. This is going to take a lot of documentation of who owns what parcels of land.

But it's very critical that we get this land quickly cleaned up and put back into productive use so we can think about redevelopment right away.

One of the things that we would urge here as the cleanup begins is to treat all of these neighborhoods equally in the cleanup. There have been concerns from evaluations of past emergency disaster reliefs that low income neighborhoods are the last places were attention is paid when it comes to redevelopment.

Again, given where the most hard-hit places were in the city of New Orleans, given the demographics of this city, we need to make sure that the cleanup effort is done equally across all neighborhoods so that all neighborhoods have land that's available for leaders to really think about redevelopment.

Infrastructure investments, there is right now billions of dollars of infrastructure investments being poured into the city of New Orleans around levees, around the highways, around the bridges and so forth. And there will continue to be additional infrastructure investments around water sewers. They're already talking about the communications infrastructure. But also around school buildings, around local roads and other public facilities.

When we think about this infrastructure investments, we need to make sure that these infrastructure investments are not done in isolation, not done in isolation of good planning, not done in isolation of economic development outcomes, not in isolation of good social outcomes.

What we know in the past, in particular, is there is a wrong way to do infrastructure investments. We look at the way highway spending has been done in the past. Highway spending and infrastructure can really be centralized in a city and region.

In New Orleans, one of the best assets of the city is that it's compact. It's a charming city, and it has a great mass transit infrastructure. It's walkable, has historic buildings. We need to make sure that we think about these infrastructure investments, that we don't completely decentralize the city so that it becomes a sprawling community much like a lot of its others southern peers like Atlanta, like Charlotte and like Houston.

So again, infrastructure investments are really critical. We need to leverage these dollars in a way that really builds on the strength of the city, but also helps to remake it physically and economically.

And finally, I just want to say it's really critical that we end the concentrations of poverty in New Orleans, that we cannot replicate the kind of housing strategies that had been put in place in the city. We need to instead create more mixed income neighborhoods, more healthy neighborhoods that have access to good schools, to good services and to good quality housing.

And there are plenty of tools available to do that both within the Federal government and the state and local levels.

Just to name a few of them. As we mentioned, low-income housing tax credits right now are highly concentrated in very poor neighborhoods. They're certainly—the rules governing how these affordable housing units are built are governed by the states. The states—obviously, the need for affordable housing is going to be really great in the aftermath of Katrina. There is no reason for all of the affordable housing in the poorest neighborhoods. They need to relax those, relax the rules governing where those tax credit housing goes so we can put them throughout the New Orleans metropolitan areas where a lot of these families are going to be able to live and have access to again a broader set of good services.

HOPE VI (ph) is another program the Federal government has that has done a really good job of remaking public housing that's attractive mixed income communities. We need to continue to support that program. And unfortunately that program has been called for elimination by the Bush administration.

But finally, zoning rules for mixed income and more diverse neighborhoods, as the private sector starts to come in to New Orleans and starts to rebuild housing and starts to rebuild condos and starts to rebuild apartment buildings, New Orleans really has an opportunity right now to really ask every single one of those private developers to set aside a portion of their affordable housing, to set aside a portion of those units for affordable housing.

Again, and that onus then is put on the private develops. This has been done in many other places. Montgomery County is a great example of how the private developers have been really good partners in creating affordable housing wherever new development is going to take place.

So again, as we think about the long-term redevelopment in New Orleans, as we think about building on strengths, but not making the mistakes of the past, we need to ensure that all of these efforts rebound to the benefit of the existing residents, of the long time residents there, including the African Americans.

MR. STEINBERG: Thanks.

Tom, this being Washington, the most—well, the tentative (ph) game in town is thinking about the political consequences of all of these events. And you can't read the post over the last couple of days without seeing that the political arena is charged and a lot of punditry focusing on the question of what this means for the presidency and the future direction of the country.

MR. MANN (?): It seems—it's almost unseemly, you know, I get to roll my high-brow colleagues here take the high road and I take the low road.

What's the political fall out and so on? But I want to suggest to you that the political road isn't so low after all, that there are two critical dimensions here.

One is what we've been talking about, the public administration dimension in all of its aspects. And many important things have been pointed out, and there are some disagreements among us on aspects of that. But the political is important as well.

Yesterday, in his press conference Mark McClellan, I think, used the term blame game disparagingly nine times. It's clearly sort of part of the strategy. A blame game is a bad thing.

Now, another word for blame game is accountability. And I think it's important to just simply put that on the table and think through, because in all of our discussions so far, we haven't really asked many questions about our elected leaders and what our expectations were. Maybe they're low because the Federal government should be involved.

But it seems to me it's important to ask. Remember George W. Bush with the bullhorn at Ground Zero after 9/11? His ability to respond in an appropriate way resonated with a country traumatized, and I would argue, built the political leadership capital that gave him the means to make important decisions, including taking us into a war in Iraq, a very controversial decision, but one he made unabashedly and confidently.

So it seems to me if a president can gain from such actions, symbolic steps, then we ought to be willing to ask the same set of questions when he seems not to be as much on his game.

I think it's fair to say across the political spectrum, the general take is that the president wasn't on his game like he was after 9/11. He was late. His responses seemed inadequate and often times insensitive.

Now one of the questions is why. Why did that happen for as politically skillful a president as George Bush, with as sage of a political advisor as Karl Rove, how did that happen? And it may—that's worth reflecting on, because it may tell us something about, you know, about focus. The war in Iraq was very much the focus in the days before Katrina struck.

But it seems to be there are two important questions to ask about that. Did it make any difference? Where there substantive consequences to the way in which the President responded? And the second question is, what about the symbolic importance of how he responded? Does it say something about his values? Does it lead Americans to draw conclusions about, quote, "Whose side is he on?" Does it say something about his belief in the role of government? Does it say anything about the sort of relative priorities between the international and the domestic front? Is there some lesson about sort of design versus implementation? And are there parallels to be drawn between Iraq and Katrina?

It seems to me those are all questions, sort of worth contemplating over time. Obviously, not that in any way gets in the way of the recovery operation, but I think it's sort of very important that one ask those questions.

I was going through a little thought experiment, an historical counter factual. It may be a way to trying to get a handle on the answers to those questions. Imagine this had happened during Bill Clinton's term when Jamie Witt was director of FEMA. Would the response have been any different?

Well, we can only guess about that, but certainly the symbolic response would have been different. We're almost certain Clinton would have been down there in microseconds and that Jamie Witt—and would have been in regular contact with the governor of Louisiana before landfall of Katrina. And they would have been working this over.

FEMA had a very high priority in the Clinton administration. We can talk about budgets, but one indicator of it is importance is the quality of its leadership. FEMA is renounced in the governmental reform literature for being an example of reformed accountable government, with performance measures, all of the things we want. And one only look at the leadership of FEMA and the belief sets that they bring to it that suggest that it was a much lower priority.

I just wonder, and Rich can help me with this, but so much of the motivation early in the Bush administration was to do things different than Bill Clinton. That was true in North Korea. It was true in the way he ran very prompt, timely meetings, the way he made decisions, the way he organized things. But it also had a bearing on things that Clinton liked to do and the

emphasis he put on 'I'm going to do it differently.' And I'm wondering if that had some bearing on the centrality of FEMA through all of this.

I can't answer whether it would have made any substantive difference. It might have saved some lives. There might have been a quicker response. I doubt if it would have prevented the levees from breaking and much of the disaster to have occurred. But I think it's a worthwhile exercise, not just a nasty lowbrow political exercise. That's what democracies are about.

Now, immediate impact. The President's major legislative agenda is off the table for the rest of this year. And the question becomes how much of it returns. There seems to be a disconnect between what Americans now see as the primary issues and problems and the agenda of the president's Social Security reform, his ideas about making tax cuts permanent, the broader ideas of an ownership society.

I think many of those elements didn't have much promise before this. Now they're off. We are now seeing a scramble to spend as much money as possible to rehabilitate the political standing of the president and the Republican majority in Congress. And that is going to occupy virtually all of the attention. They'll be lucky if they get the defense authorization through. I just don't see much happening at all.

In fact, there are reconciliation instructions that expire at the end of September, as I recall, that include both $70 billion of tax extenders and some reductions in some mandatory spending programs. And right now, the politics

argue very much against that. So it's a dramatic change in the short term. We'll set aside the long term.

The President's public standing, as you know, it had been on a sort of steady decline since his re-election, largely associated with the war in Iraq, with gasoline prices, with his Social Security reform, with Terri Schiavo. But I've looked at the sort of four or five surveys done since then and the public had higher expectations for the Federal government and the president. And it has over the course of the week taken a more negative view of the job the President is doing.

CBS has the latest report here and it's 38 percent approve and about 59 disapprove of the job he's done in dealing with Katrina.

The question is, we live in a polarized polity of the President and his advisors have also assumed a certain floor of public support from Republicans. It was initially thought to 45 percent. It may well go lower than that. Whether it's fair or not, that's the initial reading.

Democrats feel emboldened in a way they weren't after 9/11 to criticize the President. They may have their arguments wrong. Their ideas may be lousy, but in fact that kind of criticism is what leads and shapes public opinion.

The absence of dissent among elites leads to sort of consensual responses by the public. When they're arguing, then it produces something very different. And we've begun to see some erosion in Republican Party unity that has been so remarkable during the President's time in office.

Again, whether the administration can hold on to that remains to be seen.

A couple of last points on the longer-term consequences. Can the initial impressions of President Bush in Katrina be reversed? Are first impressions lasting ones?

Well, we know 9/11 lasted a good long while, but eventually over time was overtaken. The question is, there is now a major effort. The President is devoting basically full time to this issue, as is his cabinet. There will be no shortage of funds, as I said.

Pietro, I'm guessing, we're going to be up to $200 billion right quickly. And so whatever the wisdom of Federal investment, we are going to see one hell of a lot of it and it's going to be led by a unified Republican government. There won't be any opposition there whatsoever.

But you know I don't know if it will work because there are sort of contrary voices coming in because people had a week or more of television images and commentary. You had a media that was more, much more critical than after 9/11. So it's very hard to tell.

I think the real conditions will make a difference. The recovery, the resettlement, and the rebuilding, how it goes, whether in fact this proves to be an energy shock and producing lasting increases in gasoline prices and what the impact on the economy.

These are real conditions that will shape the future of George Bush's goal to build an enduring Republican majority.

Finally, will this become one of those civic moments? We don't have many. Some of us thought 9/11 would be it. It proved not to be, in which public attitudes toward public life and government undergo a sort of fundamental change in which the animating public philosophies of the two political parties are scrutinized in a very different and more attentive way.

I don't know what to say about that. The worst time to gauge long-term political impact is right in the middle of events and they're unfolding. And we could look back in a year and find it's been overtaken by something else.

My gut tells me there's such profound differences between 9/11 and Katrina, both what came before, the nature of it, and the response afterward, that this is likely to have a more enduring impact and one that will likely frustrate the President's ambitions to move steadily toward a majority Republican Party in this country.

MR. STEINBERG: Tom, sort of to push you a little more on a couple of aspects of that last observation. And one of the things that we've touched on a couple of times, the differences between this and 9/11, one of the things that always struck me as being quite extraordinary about 9/11 is that while there were victims' families who were profoundly touched, that it was a black and white situation, which is that people either died in 9/11 or essentially there were no people who were scarred by it but didn't—here we have, we don't know the number of people who died, but it's clear that the deaths in comparison to the people who are being displaced, their lives are being disrupted, wholly different situation.

And so you have this constituency in the public now, maybe millions or at least a million, and there's a lot of discussion about the question of whether this sort of reveals poverty, that reveal the plight of the disabled, the elderly and the like.

And so as part of the civic moment, do you see any chance that this will lead to a more sustained look at some of the issues that Amy talked about?

And second, on the peer report level, our good friend, Dan Balz, observed today in the Post, he said that both Republican and Democrat strategists said yesterday that the opposition party is in danger of overplaying its hand and giving the President a break to recover from but perhaps not very favorable images of the first few days.

And so on the political level, do you think that's right?

MR. MANN: On the overplaying the hand, my impression was they jumped immediately. Then they set back for a few days as criticisms came on TV sets from the media and among a number of Republicans. And now in the last couple of days in response to the campaign that's been modeled by the President, they have responded in kind.

I think it's fair to say that whatever criticism one levels at Democrats, it wouldn't be for being too aggressively critical of the President. That is to say they've been timorous. Just like the Congress has been relatively weak and supine, the Democrats have been timorous. And therefore, I would say, yes, there's always a risk if it's truly unreasonable, they're asking for ridiculous policies and so on.

But my take thus far is they've managed it in a way that helps keep this alive as an issue of accountability, but doesn't subject them to a counter-reaction from the public.

On the issue of civic moment, across John Edwards is trotting out his two Americas campaign theme. It was sobering, I think, to all of, to see that 95 percent of the faces coming out of the Gulf were black, especially New Orleans. And I do think that was a riveting moment for the country as a whole and certainly creates a market. The question is how politicians and parties then try to respond to the market in the way of developing policies and trying to build interest.

The President has made some efforts to reach out to socially conservative African Americans and Latinos. But his broadest strategy has been to dig deeper, that is within the Republican base. He has not been a unifier as a President. He had an opportunity after the initial 2000 election, after 9/11. This is the third, and once we get beyond the spending binge, the question will be will he change his sort of style and substance of governing partly in response to what you have raised, Jim.

I don't know the answer to that. The odds are no.

MR. STEINBERG: Thanks Tom.

We're going to turn to questions now. As always, we have mikes. And I'm going to ask you to identify yourself first before you ask your question.

Just two quick observations before we begin. Many of you will have had this handout, but for those of you who don't have it or who are reading

the transcript or watching the webcast, on the Brookings website is a Hurricane Katrina timeline which addresses some of the questions of who did what when that we've been discussing today.

And just another quick note, Peg (ph) [inaudible] oral (ph) observations about what not to conclude mentioned the issue of climate change. As in all things with Brookings, there are multiple viewpoints here. And in some of the future sessions we plan to dig. Sam Long (ph), who does some of our work on this issue, I think, has some observations which are perhaps—I see a little bit more of a connection.

So I'll just drop that in there for the purposes of debate.

So let's begin with questions. If you'd raise your hands, and we'll start right here.

QUESTION: I always listen to David Sandalow, I would urge you. I'm Mark Sandalow—

[Laughter.]

QUESTION: — with the San Francisco Chronicle. And I guess my question, I guess mostly for Rich and Mike, but anybody else.

Four years ago the priorities of the Federal government changed pretty dramatically after September 11th. And I'm wondering, and you've touched on it a little bit, but how much has the focus on terrorism made us either more vulnerable to this or been the wrong priority? And there's been an awful lot of criticism not just about the troops in Iraq but also about the focus

of emergency response being on terrorism rather that. And I was wondering if you could address that.

MR. FALKENRATH (?): My personal opinion is that the focus on terrorism hasn't made us any more vulnerable. But you haven't seen the sort of rise in our capacity respond to natural disasters that a lot of people expected given the enormous attention to homeland security.

So I haven't seen any area where we've robbed the capacity in disaster response to pay for increased capacity in homeland security or counter-terrorism. Maybe a careful investigation will reveal one, but I haven't seen it.

MR. O'HANLON (?): I agree. I guess the only thing I would add, and Tom alluded to this earlier, imagine the thought scenario or experiment if Bill Clinton had been President, would it have gone any better? Well, maybe through sheer force of Clinton's personality but not because of institutional preparation. There would not have been any better capacity then and perhaps even a little bit less.

So I agree with Rich, that most of the preparation since 9/11 has not been towards this set of issues. But there probably has been a little bit of benefit here and there. So if anything, we're probably incrementally better institutionally. Of course, we've also taken some of that capacity to Iraq and Afghanistan. So on balance, it's about a wash.

And so again, if there was going to be any difference, it would have been through Clinton's sheer doggedness and personality, not because of institutional capacity.

MR. STEINBERG: Let me just go a little further on this one. I mean, when you were thinking about developing the response piece of the post-9/11 plan, did you see differences between strategies for dealing with natural disasters and strategies for dealing with terrorists? I mean, what might have lead to, you know, a response strategy that was [inaudible] would be different or not, additive to natural disasters?

MR. FALKENRATH (?): The biggest difference was not terrorism versus natural disasters. It was response versus recovery. And FEMA has got a great reputation under the Clinton administration. And clearly FEMA performed very badly with Hurricane Andrew in 1992. And James Lee Witt in the Clinton administration got a lot of credit for getting it on its feet.

But even at the end of their tenure, FEMA was basically a recovery organization, meaning after the disaster hit and 72 hours passed, they'd show up and would mostly write checks to pay for things that the government needed to do. Response, that is what Mike was talking about—sort of urgent, on the ground, boots there ready to help out—was never something FEMA really did even in the '90s.

Mitigation, which is reducing the risk of communities to certain kinds of catastrophic disasters, was emerging in the late '90s as something FEMA would do but they didn't really make a huge amount of attention. And Pietro alluded to that when he was talking about some of our perverse incentives for people to continue building in disaster zones, which still exist.

So what we saw, and I must say this hasn't really been enacted, but when the President proposed the Department of Homeland Security and put FEMA in it, if you went back and read what he wrote about it, was a hope that FEMA would become not just a recovery organization, and not just one focused on natural disasters, but a true, full-service national response agency that could do the sort of urgent, on-the-ground very proactive sorts of response that we believe are necessary since 9/11.

And I must say that particular idea, which appeared out of the White House in 2002, hasn't gone that far in implementation. It was a relatively subtle one, and I think was sort of just lost in the shuffle. And FEMA under the Bush administration is basically stayed at the same level of capacity, in my judgment, as it was in the Clinton administration.

I think, you know, James Lee Witt and the Clinton administration didn't have to deal with any disaster even close to this. And the types of disaster that they had to deal with at the time were of the scale and type that the Bush administration had to deal with in the last 4.5 years and managed them about as well.

MR. STEINBERG: But let's just, I mean because we are trying to look forward, would you now say that that concept is the right one? That, you know, we had all of the debates right after the 9/11 and the anthrax episode about quote, "who was in charge." I mean, should FEMA or the Secretary of HHS assert in a situation like this that "I'm in charge and I'm going to have both

the planning and the capacity and the authority to be in charge, to give that kind of response."

MR. FALKENRATH: I think the Secretary of Homeland Security should assert himself in that and FEMA, that asset should be his operating arm and should support him. But the job is bigger than a FEMA job. FEMA is a relatively small agency. It's like 6,000 employees. You know, you're talking about the entire power of the Federal government, including half the discretionary budget located in the Defense Department and HHS and FBI and the intelligence community and the Department of Transportation. They all have roles to play, and HUD. And it requires a first tier cabinet member, cabinet secretary, to do that, not someone who the president decides to invite the cabinet meeting as a member, you know, as James Lee Witt was in 1996. It requires one of the—first among equals, a senior cabinet to really do that job.

And I do believe that is the direction they should now try to charge further.

MR. O'HANLON: Can I just add a footnote to that? Richard just said most of what I wanted to say, but yes, FEMA has gone from an agency that strictly was, its mission was relief and recovery to one that's now doing at least two missions, prevention work as the relief part.

And it's doing this, by the way, without, with some significant vacancies at the mid-level management level. And in many ways, that is a more serious problem than problems of top management because it's the middle guys who have to do this the grunt work of real coordination and real measures.

MR. STEINBERG: If you could just wait for the mike and identify yourself. Yes.

QUESTION: My name is Peter Hart from Governing Magazine. The number of people in this town who care about intergovernmental relations would fit very comfortably in this room right now. There are a few former governors and Congress does seem to have some interest. But aside from that, there is very little. Do you think that this disaster might change that?

MR. STEINBERG: Pietro, you're—

MR. NIVOLA: You're one of those people. It's a world of wishful thinking. You know, people have been trying to sort out the competencies of levels of government in this country for a couple of hundred years. And we're not—we haven't made—we're not making much progress, much headway in that.

It is possible that this will trigger more of a debate about who should be doing what and what a sensible division of labor should look like.

It's conceivable, but I'm not holding my breath.

QUESTION: I'm Stuart Powell (ph) with Hearst Newspapers. I wanted to follow up on this presidential evacuation order. Presumably it has been considered already in the administration for chemical and biological attacks. I just wanted to see if other people might have some thoughts about how you would achieve that, whether it's politically feasible, whether it would actually work on the ground.

MR. FALKENRATH (?): Well, I guess I'm on the hook for that since I suggested it.

My understanding is the President has three authorities right now where he can order an evacuation without the concurrence of the governor—three statutory authorities. One is the Insurrection Act, two is the Public Health Act, which referred to epidemiological, you know, infectious disease situations that you can do in certain circumstances. And three is a Chemical Security Act.

In addition, you could probably assert an authority to do it under his inherent powers under Article II of the Constitution.

My point—these are quite limited authorities. And properly motivated, Office of Legal Counsel could probably find justification for just about any order you wanted if they wanted. But they really aren't good enough to be clear.

In my personal judgment, aside from happened in Louisiana as the flood waters were coming, it's entirely possible we would need such authority in a biological weapons attack and the destruction of a chlorine tanker and nuclear weapons attack, where local and state capabilities would be instantaneously overwhelmed. And so it would be good to get this one sorted out.

Not ever state needs it. You know, many states would resent it mightily. But I think what Louisiana has shown is that in extremist (ph), the President really should have this.

And this, in my personal opinion, is a sort of substantive change in the authorities and powers of the Federal government that might actually make a difference. The cosmetic things like moving FEMA out and making it an independent agency, I think are just window dressing. But this really gets at the

heart of what the Federal government is expected to do, and what is it capable of doing when there is a serious situation developing.

I'm not aware that any one in the administration or the Congress is working on this at this time.

MR. MANN (?): I'm not aware of any dispute that actually took place between the President and the governor on this. There was a sort of question of sort of control of National Guard at one point. But on the big issue of sort of the evacuation and the Federal government involvement in it, I think it just didn't come up. And so the question is, do you increase the likelihood of doing that by having a Federal statute and capacity on the books or are you really better off in this inter-governmental system of having the expectation that the President will be on the horn with the relevant governor and talk through what makes the most sense as early as possible.

MR. FALKENRATH: On this question, there is chatter in the blogs and elsewhere of a dispute between the Federal government, both the President who talked to the governor and the head of the National Hurricane Center, talked to the mayor the day before the mandatory evacuation order. I don't know the facts exactly. That needs to come out. But what's clear is if you go on the Web and you read New Orleans own hurricane response plan, this evacuation should have begun 72 hours prior to land fall. And it was not begun until 24 hours, and that's according to their own plan.

MR. STEINBERG (?): I mean, I think there are two justifications for thinking about the necessity for this authority. One is one that I hinted at in

our earlier dialogue, which is that I think at the end of the day, a major catastrophe of this sort, the Feds are going to have to pick up the pieces. And if you're going to have to pick up the pieces, you need the authority to take the steps that are going to reduce the likelihood that those pieces are shattered into tiny little fragments.

And so I think that while it ought to be exercised lightly under those circumstances, I think that, you know, after dialogue and if you think that there's simply an inadequate response on the local level, I think it's a political decision, but I think the President ought to have the power to do that.

The second, which I have to say is, at least now, raising under this area, that worries me greatly are these interjurisdictional situations. I mean, I have enormous respect for how hard COG (ph) is trying to work this problem and how the port authorities and other in the New York and New Jersey, but honestly, there's just too many jurisdictions. It is not possible to get this done without lines of authority. And you know, again, coordination is good. It should be exercised cautiously.

But if you look at some of the planning and exercises that's going on to think about catastrophe in the Washington metropolitan area, I just think ultimately you need to have the Federal authority to be able to act in these circumstances that is the equivalent of the circumstances in which you thought about marshal law in the past, but doesn't have the same suggestion of somehow purely militarizing the problem. Not that the military can't be an asset, but simply saying that there's certain circumstances in which the intergovernmental

mechanisms that we have are inadequate to deal with urgent, massive, integrated efforts, where you need to have a plan which can be consulted intergovernmentally, but most be decided ultimately. And when the time comes to execute, there is an individual who is accountable. The flip side of Thomas Mann (ph) gave, one, you have somebody to do it. You have to have somebody you can blame. That means it has to be somebody in charge.

And I think that is ultimately is something that is as consequential as a major natural disaster like this or WMD-type terrorist attack that people simply are not going to understand it in terms of these niceties of federalism to say that when the balloon went up, that there wasn't somebody saying, "I have the plans, the capacity and the authority to take the measures that are necessary to meet those."

Right in front here.

QUESTION: Alan Madian, LECG. It seems to me that one of the key missing elements, which hasn't yet been discussed that manifested itself in New Orleans, but it also manifested itself in the heat wave disaster in France, is necessary intelligence. You have a major problem in New Orleans, obviously when people did not have the transport means or because they were ill.

The question then is if we are going to have successful evacuation, what are the data needs for that evacuation? How would we handle the data needs given the concern about personal privacy and who is delegated to have that information so that when we are ordering an evacuation we can do it effectively?

MR. FALKENRATH: That's an excellent point, and you're right, if the federal government were to really assume this responsibility that Jim just outlined, you would need really good information on what was going on on the ground, and currently situational awareness on the ground across America is far better at the state and local level than it is at the federal level as we saw in New Orleans.

MR. : In some ways it's scary because this is the easiest test of that case because the fact is that we had all the intel we needed. There was a stunningly high probability that this was going to be a Category 4 or Category 5 storm that was going to stress. There's this debate about whether it's just going to over top the levees, but this was not an intelligence or information failure. It was failure of judgments as well as capabilities about how to respond to that information.

QUESTION: I think different level of information—people who need help getting out is not a question of—

MR. STEINBERG: That is a very good question. I hope in subsequent panels we'll talk about this more. There have certainly been suggestions, and if you want to comment on this, that part of the problem was not simply that people didn't the information or even that the resources to get them there, but that given the life circumstances that they were so tied to place, the need for a disability check, the need for all these things that made it very hard for them even if they had the opportunity to leave to make that decision. Here it's a cultural as well as an informational thing.

MS. LIU: I think in terms of what has prevented a lot of the full evacuations from the city in this particular case, as you mentioned, part of it is probably information barriers, but I also think that there is just a pure resource capacity.

There are a couple of multiple factors and the stories coming out explain that. One of the things that is very true is that the majority of the residents there, particularly the black families, did not have access to a car. In fact, there were four times more African Americans in New Orleans without a car than white families. That really does make it difficult for them to get out quickly compared to some of the other households.

The other issue I think that is really that has come up is maybe related to this issue but also related to the future rebuild of New Orleans is that as Jim sort of alluded to, there is a rootedness to place not just because of their economic circumstances or social circumstances, because they just are long-time residents of this community and they don't want to leave.

Louisiana has the highest nativity rate in the country. About nearly 80 percent of the residents in the state were born in the state. They love their community. They have lived there for generations. They have lived in the same home for over 25 years. This is the only home that they know, and they are going to be committed to it and they're not going to abandon it.

MR. : I just want to say I would not be surprised to see in future situations of this sort that the school of hard knocks effect will have taken hold and that you will see a lot more state and local governments once

they issue mandatory evacuations actually sending people out house to house to get people out of their residences.

MR. : That's what the better states do. Florida manages to evacuate people, including poor people, and they have officers from Florida Emergency Management knocking on doors to get it done.

It is harder to move poor people, limited mobility people, but there is no evacuation problem that can't be solved with time. You can't do it on 24 hours' notice, but you can do it in 72 hours by getting them buses and the rest.

MS. RIPLEY: Amanda Ripley at Time magazine. When you were saying earlier about the need for clearer lines of authority is something we keep hearing from our reporters who have been in Baghdad and who are now down there with some of the same units they were with in Baghdad. They keep saying this over and over that it's very confusing who's in charge, but that is what we're supposed to come up with in December with DHS's National Response Plan as you mentioned.

I spent the last day reading that and it's possible I'm just not smart enough, but I cannot figure out, and I'm serious, I really would like some help in figuring out when if ever authority passes from local and state officials to DHS because it does appear that DHS is the one who's in charge here.

When does it pass? Does anyone know? Is it when it's declared an incident of national significance which I believe happened on Tuesday? Is it when it's declared a state of emergency? Any advice would be helpful.

MR. : There is no short, quick answer, and we're running out of time to do it. In a formal sense, the authority, the sovereignty of the state, never really passes to the federal government. The state governments and the local governments can temporarily cede operational control of their units to a federal entity of some kind or another, and their willingness to do so varies with the situation and where it is.

So there is nothing in the National Response Plan, the Homeland Security Act or in the Presidential Directives related to this that create unilateral federal capacity to order state assets around. All the federal paperwork does is get the federal act together as best it can. The state and local act is basically at the pleasure of the political leadership of the state and local governments and if they don't want to play and are not prepared to play, then there will be no coordinated national response.

So you can I think fairly hold the President and the administration to count for failures of command and control at the federal level, an uncoordinated response, and there have been some reports of that which should not occur.

It gets much more complicated though when you start talking about an intergovernmental response where these assets are never owned by the President or any of his subordinates, they're owned by the governor or the mayor or whomever.

MS. RIPLEY: I guess the question is not just who's controlling which assets, but who is making decisions, like who is deciding the overarching

strategy and is looking at all the moving pieces of which there are so many as we are reminded? That's what's confusing to me, and I wonder do you think there should be a unilateral control from the federal government or an option for that?

MR. FALKENRATH: You can't turn the rheostat completely in that direction. We've suggested here a kind of careful turning of the rheostat.

The other thing we know about disasters is if the federal government had really gotten its act together on the relevant time frame, the state and local governments and the private sector would have been much more likely to go along with what was happening. But as the situation developed there was a vacuum for 3 days it appears at the time, and in that circumstance it's very hard for the federal government to come in and assert order. So the ground work really had to have been laid earlier.

I can describe to you in the federal government how it's supposed to work. It goes from the President to the Secretary of Homeland Security and then all the different Cabinet agencies who have assets, allow him to coordinate the response nationally. He then appoints a principal federal officer out in the field who does the same thing at the regional level, and that's the diagram.

It actually has worked okay in some exercises and in smaller national disasters. It appears to have struggled in this case.

MR. PHILIPPE: My name is Jamet Philippe from the Embassy of France.

I remember that a few days and even a few hours after the tsunami even, orders of magnitude of the casualty were issued and in a situation definitely where it was very difficult to assume comprehensive data as to provide these figures.

How is it that today that so far we haven't got any proper order, even an order of magnitude, of the casualties that may be brought in the New Orleans and Gulf areas? What is your interpretation about the unwillingness or the inability of the administration to provide such evaluations?

MR. NIVOLA: Can I just take a wild guess here? The tsunami came and went, the water came in and then it went out, so the bodies were all there easy to see and you could just trip over, I guess.

In this case, there's a lot of debris and poisonous water still flooding the city. The structures are still there. It's just very hard to make a count. You'd have to go around in row boats or something to do a body count. So once the city dries out, it's going to become a lot clearer how many corpses there are.

MR. FALKENRATH: I do think we know the order of magnitude. It's thousands. It appears it's more than hundreds. Maybe it will climb to tens of thousands, but I personally doubt it, and so we at least know the order of magnitude.

MR. STEINBERG: I'm not sure as a matter of fact. My recollection is that the numbers kept climbing very dramatically over a period of several weeks in assessing the tsunami. I don't think there was a sense of the

hundred thousand plus that it quickly got to, but it was as the people started getting to places that weren't accessible, just like the houses here aren't accessible, people began to learn more.

We have time for two more questions.

MS. GOODMAN: I'm Susannah Goodman. I'm from Common Cause. This is a question for Richard and Michael.

Richard, you just started talking about this vacuum, a 3-day vacuum, or leadership in the federal government. Given the current legal structures and given the capacity of the federal government, how could it have gone much better so that people could have been evacuated or at least taken out of the Superdome faster; at least they would have known about folks in the Convention Center.

If you're going to write the movie and you want the President to look like the hero and the federal government to look like the hero, how could it have gone better?

MR. FALKENRATH: The most important thing that had to happen is there had to be a lot fewer people in New Orleans when the storm hit. If there were one single thing that really would have changed the character of this disaster, that would have been it. We've had 200,000 or so in New Orleans, maybe more, maybe less, anything that could have been done to get them out sooner.

As I said, you would have had the mayor or the governor declare a mandatory evacuation very early in that process, like Saturday, and then make a

request for urgent federal assistance to bus them out and to get them out. After that, now they're stuck there once the flood water rises and the storm passes over.

As Mike said, why did it take so long to get helicopters and buses in there to start getting them out? There what you would have had to have done is get the logistics as he said close in and ready to go as soon as the storm conditions permitted them to start moving through the flooded city. That would have taken a couple of days to build up and get ready, so they would have had to start on Friday or Saturday.

MR. HAROLD: Scott Harold, Brookings Research Fellow.

I want to ask of Amy and Tom, you've mentioned the racial aspect of the crisis in particular with respect to New Orleans. I'm sure you're aware, many of you, that the Chicago hip hop artist Kanye West has made a well-publicized remark that George Bush doesn't care about black people. It went out over national television.

My sense is that a lot of the images coming out are feeding into a discussion about the Republican Party and race and I wonder if you can speculate going forward is this going to be a continuing aspect of this tragedy that's going to gain traction? Is it going to be something that reshapes Americans' sense of our community and how we relate to each other? Or is this something that very quickly will pass?

MS. LIU: I'll take a first shot at that. I am not going to comment on the merits of that statement, but there was an interesting dialogue earlier

about the civic lesson coming out of this tragedy. I think one of the most compelling civic lessons is that through the television set, the general public, the political leadership, have been given a 24-hour classroom tutorial about the fact that really deeply entrenched poverty and particularly that black poverty still persists in many of our older cities today.

This is an image and a reality that I think many leaders and many of the public still deny exists. So I think that has been what's so compelling about what has happened thus far.

What's interesting about that though at the same time is there has been a lot of outpouring of public support and public generosity to support these families and to support this effort in New Orleans and in Biloxi and many of the communities along the Gulf Coast.

What we hope, what one might hope, is politically maybe or just at least in the public dialogue that there would be over time more public support and maybe political support and interest for reversing a lot of these patterns that we see in a lot of our older cities.

I think as there has been a lot of interest about the rebuild and the future of New Orleans, there's a lot of discussion about what kind of city is it going to be, I think that's going to continue over the next couple of months and even over the years, and I think that might also put a lot of national spotlight again on city renewal, urban redevelopment and what it means for all these families.

MR. MANN: In a purely political partisan sense, the politics of African Americans has been quite stable for some time. It's basically 90-10 Democratic or Republican versus Republican. Ken Melhman, the Chair of the Republican National Committee has really been reaching out to socially conservative black communities, and the President did a little bit better at the margin nationally, a percent or two; in Ohio, substantially better than that, and that was the critical swing state this time. It was built mainly around social conservatism. My guess is this will set it back and we'll probably fall back into where we were, which isn't much different—you know, roughly 90-10. But I don't see any sort of harsh racial politics coming out of it.

Amy is right that—I mean the same is true in other areas. We are becoming a more socially liberal society. When it comes to sort of acceptance and tolerance of differences, you know, when folks get ahead, say same-sex marriage, there's a withdrawal, but now there's a majority in favor of civil unions. When Vermont moved in that direction a few years ago, I thought there would be an insurrection.

So, no, I see a cooling of racial tensions and the possibility of these issues being somewhat higher on the public policy agenda.

MR. STEINBERG: Okay, well, thanks to all the panelists and thank you all, and more to come.

[Applause.]

[END OF TAPED RECORDING.]

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