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THE POLITICAL ECONOMY OF POST-KATRINA RECOVERY: Public Choice Style Critiques from the Ninth Ward, New Orleans

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THE POLITICAL ECONOMY OF POST-KATRINA RECOVERY: PUBLIC-CHOICE STYLE CRITIQUES FROM THE NINTH WARD, NEW ORLEANS*

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ABSTRACT This paper provides an account of the political economy critique residents and other stakeholders in New Orleans's Ninth Ward communities hold of the post-Katrina policy environment. Of particular interest are policies that restricted access and delayed delivery of municipal services to some Ninth Ward neighborhoods, the city-wide redevelopment planning process, and Louisiana's Road Home rebuilding assistance program. We argue that the criticism emanating from Ninth Ward communities is similar in significant ways to the public-choice critique of the state, particularly in its affinity with rent-seeking explanations for why government response has been so disappointing. The qualitative analysis presented here challenges the view that poor predominantly African-American communities devastated by post-Katrina flooding limit their explanations of government performance to race-based explanations alone. We consider why, despite the nuanced critiques of government inaction manifest within the interview data, so many respondents still held out hope that government policies and programs might bring about recovery. We argue that this puzzle is addressed, at least in part, by an overestimation of government's capacity (if not inclination) to successfully re-engineer societies from the ground up.

KEY WORDS: public choice, rent seeking, Hurricane Katrina, post-disaster recovery

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I. Introduction

The diverse scholarly literature assessing government's record of preparing for and responding to Hurricane Katrina has culminated in a view of the state that is, at best, unsavory. On the one hand, a wide array of social science and interdisciplinary literatures, including sociology, anthropology, political science and urban studies, have presented government response to the crisis as being driven by forces of institutional, structural, and historical racism. On the other hand, in their explanations of government failure, public-choice scholars have emphasized the motivations and consequences of rent seeking that plague political and bureaucratic processes ostensibly devoted to public safety, disaster relief, and rebuilding assistance. Though the paradigms and analytic tools differ significantly, both perspectives portray the state as being fundamentally devoted to something other than serving the interests of disaster victims.

Most of these accounts, however, do not explicitly consider what view of the state Katrina survivors themselves hold. We believe this to be an important gap in the literature, particularly as it relates to questions of post-disaster recovery. The expectations residents, business owners, and other stakeholders have about the prospects of recovery in a particular neighborhood are critical to the redevelopment process. These expectations, in turn, are informed by what people believe to be true about the state. Are political/bureaucratic actors, for example, actually motivated to help residents of a particular community return? Or is the real motivation to inhibit the return of some neighborhoods so as to ease pressure on local and state government to provide services to the poor? Is the redevelopment planning process designed to rebuild a city and get former residents back in their homes? Or is it designed to use state power to empty out poor black neighborhoods to make room for elite business interests to move in? Is the Road Home Program designed to entice people back home, or is it intentionally designed to be so complex that it locks people out who do not possess the "cultural capital" needed to navigate the bureaucracy? The way in which people answer these questions shapes their understanding of the post-disaster context and informs their own decisions about whether and how to engage in the recovery process.

And yet, the views ordinary people hold of government in the post-Katrina context is not well understood. As part of an ongoing project investigating post-Katrina recovery processes, we have conducted qualitative field studies in St. Bernard and Orleans Parishes, including Upper and Lower Ninth Ward neighborhoods.² Given the lackluster performance of federal, state, and local government agencies in the immediate crisis and in the long-term recovery process, it was not surprising to find that people were highly critical of government at all levels. And given survey analysis that finds black respondents are far more likely than whites to attribute government's failed response to the high percentage of blacks affected by the flood, it was not surprising that a high proportion of interview subjects in the predominantly African-American Ninth Ward had negative things to say about the government (Pew Research Center 2006, Herring 2006, Huddy & Felman 2006).

What was surprising, however, was that the views of government expressed in the Ninth Ward data went well beyond a laundry list of complaints, but instead constituted what we describe as a public-choice-style critique; not just observations of government failure, but explanation for why it happens. As will be discussed below, part of the critique echoes the institutional racism narrative presented in the post-Katrina social science literature. But the dominant narrative coming through in these data is one that aligns best with the public-choice critique of the state. In particular, criticisms of access restrictions and delayed provision of municipal services to Ninth Ward neighborhoods, the city-wide redevelopment planning process, and the Road Home rebuilding assistance program are framed in terms consistent with "the rent-seeking society" view of political economy developed within this literature. Following a review of the literatures addressing the nature of state action related to post-Katrina response and recovery and a brief description of our methodological approach, this analysis is developed in section IV.

Given the sophistication of their critique of government failure, a puzzle does present itself as to why interview subjects still held out hope that government policies and programs might nonetheless bring about recovery when their own analysis suggests that the state's interests are

not aligned with their own. The answer to this question is significant since such hope might be a reason for why so many still are waiting on the sidelines before beginning the rebuilding process. In the penultimate section of the paper we suggest that this inconsistency might be explained, at least in part, by an overestimation of government's capacity (if not inclination) to successfully re-engineer societies from the ground up, if only political and bureaucratic decision makers were motivated to do so. Section VI offers concluding remarks.

II. POST-KATRINA ANALYSIS OF GOVERNMENT FAILURE

The moment the New Orleans levees began to give way, the "Katrina Story" ceased being a tale about the weather and natural calamity and instead became a story about government's failure to respond in the moment of crisis and its potential culpability in creating it in the first place. It was not just government ineptitude, however, that has captured the attention of social scientists. When addressing the causes and consequences of government failure, historical and institutional racism has emerged as an influential lens,³ on the one hand, and public-choice analysis on the other.⁴ These paradigmatic frames differ in terms of perspective, analytic tools and, in some cases, the role attributed to race in explaining government response.⁵ But the view of the state that emerges from these disparate literatures does suggest some interesting points of intersection and compatibility.

Institutional racism was already a well-established frame for disaster research by the time Katrina made landfall in August 2005 (Erikson 1994, Klinenberg 2003, Peacock et al. 1997, Wisner et al. 2004). Scholars viewing the effects of Katrina through this lens point to a long history of racial segregation in public housing and private real estate markets that concentrated poor black communities in low-lying areas, rendering them particularly vulnerable to flood risks (Colten 2006, Dyson 2006, powell [sii] et al. 2006).6 Further, the physical isolation of neighborhoods such as the Lower Ninth Ward inhibited access to economic opportunity, leaving such communities less well-equipped to rebound in the wake of the storm (Barnshaw & Trainor 2007, Hartman & Squires 2006b).

Viewed through the lens of institutional racism, evacuation plans that assumed a middle class standard of automobile ownership were not just evidence of incompetent disaster management but a direct outcome of a historical pattern that has left blacks with fewer assets and middle class (mostly white) people at the helm when designing such plans (Hartman & Squires 2006b, and Lavelle & Feagin 2006). Viewed through this lens, the politics of recovery is seen as fitting in with and perpetuating a long history of displacement within the African-American community—a history that began with the international slave trade and continued through Jim Crow and urban renewal (Bosman et al. 2007). For example, Bosman et al. (2007: 21) argue that redevelopment planning initiatives continue a historical pattern in which "African-Americans have been pushed out of their homes, or forced off the land they once occupied" (See also Fullilove 2004 and Jackson 2006).

Given the difference in analytic tools and the anti-market critique that usually accompanies explanations of institutional racism, such accounts are not usually put in the same "camp" as public-choice analysis. And yet at points, this analysis sounds remarkably similar to arguments made within the public-choice literature. Stivers (2007), for example, argues that a principal way in which poor minority communities were hurt in the midst of crisis was that government agencies stringently adhered to the letter of formal bureaucratic rules, when creative discretion could have easily served the populations most in need. Though its emphasis is different, Stivers's analysis is compatible with Sobel & Leeson's (2006) public-choice argument that bureaucratic actors are much more likely to commit type two errors of over-cautiousness in their response in order to avoid bearing the full costs of a mistake.

Compatible with the vast literature on the rent-seeking society, scholars working from the perspective of institutional racism have argued that the primary beneficiaries of government relief have been private contractors like Halliburton and Blackwater Security (Lipsitz 2006). Similarly, Lavelle & Feagin (2006) point to the potential for political actors to use the 2005 US Supreme Court decision in *Kelo v. New London* to advantage local developers at the expense of poor property owners in New Orleans—a point that echoes public-choice scholars' response to *Kelo*.8 And like the public-

choice literature on bureaucracy (Tullock 1965 [2005], Niskanen 1971), the institutional-racism literature certainly harbors no romance for the bureaucrat or his intentions. In their criticism of redeveloping planning politics, Bosman et al. (2007) and BondGraham (2007), for example, argue that city planners intentionally make it harder for poor residents to return so as to externalize to other municipalities and states the costs of providing services to the poor and increase their own chances of serving a wealthy elite instead.

In short, these two very different paradigmatic frames seem to be converging in their view of the state as being systematically structured to advance the interests of political and bureaucratic decision-makers and well-connected private elites at the expense of the public.

What we don't know from this, however, is what perspective the average person engaged in post-Katrina recovery is. In particular, we don't know whether they believe the politics of recovery are aligned with or against their interests. And without understanding their view of the state, we are missing an important piece in understanding how people assess the chances of their community recovering.

Much of the post-Katrina literature that deploys explanations of institutional racism warns that the non-academic public possesses a relatively unsophisticated view when assessing government's response following the storm (powell et al. 2006, Henkel et al. 2006, Macomber 2007, Forman & Lewis 2006, Frymer et al. 2006). "The inability of Americans, both white and black, conservatives and progressives, to analyze the Katrina disaster in a way that would have rendered visible the central role of structural racism," as powell et al. (2006: 65) argue, stems from the public's naïve view that race only matters if political actors harbor and act upon bigoted motivations. Such narrow conceptions of how race matters, powell et al. (ibid) argue, hides from view "the ways institutions work together to perpetuate racial disparities." Or in other words, institutional racism scholars seem to be saying that while *they* see what is really behind the political economy of recovery, the public—even the public most directly affected by the flood and failed government response—is far less sophisticated.

The limited empirical research that does exist on how the general public perceives government response suggests that race is indeed a factor in how people perceive government action. An opinion survey conducted by Pew Research Center (2005) found that 77 percent of black respondents thought that the government response to the crisis would have been faster if most of the victims had been white, while only 17 percent of white respondents thought that this was the case. Herring (2006) shows that these results are similar among hurricane victims themselves. But by the nature of the survey methodology, such accounts cannot get beyond the subject's opinion to what their actual argument might be. Nor does the survey analysis allow respondents to articulate how race matters in their explanations. It may be that respondents assume political leaders have racially charged intent to do harm, or it may be that their argument reflects the more sophisticated academic arguments on institutional racism one finds in the scholarly literature. Or, as we discuss below, it may be that an alternative critique that includes but goes beyond the institutional racism narrative is in play. Unlike survey analysis, the interview methodology we deploy gives subjects the opportunity not only register their dissatisfaction with government rebuilding efforts, but also the opportunity to articulate explanations for why such programs have performed as they have.

III. METHODOLOGY AND CONTEXT

The analysis presented here is based on qualitative interview data collected in the spring of 2007 from residents and other stakeholders engaged in the rebuilding process. The interviews upon which the present analysis is based are part of an ongoing investigation of community redevelopment in the wake of Hurricane Katrina. To date, the research team has conducted and recorded 238 interviews in Orleans and St. Bernard Parishes, LA.

Fifty-seven of these interviews focused on rebuilding efforts in the Ninth Ward.⁹ For demographic detail on the interview subjects, see table 1. The Industrial Canal is the divide between the Upper Ninth (including the St. Claude and Florida neighborhoods) to the West and the Lower Ninth to the East. The Desire neighborhood is carved out by Florida Avenue to the south and Chef

Table 1: Demographic information on interview subjects

Total #					
subjects	57				
Gender		0/0	Homeownership		
Male	38	67%	#Own	41	72%
Female	19	33%	#Rent	8	14%
Race			#Living in Family home	5	9%
African-					
American	48	84%	#unknown	3	5%
Caucasian	5	9%			
Latino	1	2%	Resident/Non-resident		
Arab-					
American	3	5%	Ninth Ward Residents	35	61%
Age			Non-Resident Stakeholders	22	39%
< 29	4	7%			
30-39	10	18%	Stakeholders		
40-49	16	28%	Residents	35	
50-59	11	19%	Business Owners/Managers	12	
60-69	9	16%	Government/Social services	2	
>= 70	7	12%	Non-profit Directors/Managers/Volunteers	10	
			Church Pastors	7	
Neighborhood			Rental Property Owners	4	
Upper Ninth					
Ward (including					
St. Claude &	0.5	1.407			
Florida Areas)	25	44%			
Lower Ninth Ward	19	33%			
Desire	19	33/0			
neighborhood	13	23%			

Menteur Highway to the north. Residents made up the bulk of the Ninth Ward interviews (61 percent). Recognizing that functioning communities depend upon a wide variety of stakeholders, the interview team included non-resident stakeholders as well, including business owners and managers, church pastors, non-profit directors and managers, and rental property owners.

Given the sparse and unevenly distributed population within Ninth Ward communities at the time that the interviews were conducted, purposive sampling within particular neighborhoods and within particular populations was in order. The interview team identified potential interview subjects by the presence of a FEMA trailer in front of the residence or other signs of rebuilding activity. In

order to increase the team's exposure to renters (and people with fewer assets generally), we also solicited interviews in FEMA trailer parks and apartment buildings in the area. The team also distributed flyers in the community inviting people to participate in the study, offering an inducement of a \$25 gift check. Finally, many of the pastors we met offered to make our flyers available to members of and neighbors surrounding their church.

As part of our standard interview structure, we asked interview subjects to describe the challenges they faced in executing their plans to secure themselves and their property before and during the storm, how they managed to find food, shelter, and other provisions immediately after the storm, how they managed over the course of their evacuation experience, and how they developed and executed a strategy for returning to New Orleans. Because our principal interest in conducting the interviews was to investigate how people use (or fail to use) resources embedded within civil society, we asked interview subjects to identify what kinds of support they received from various sources (family, friends, charitable organizations, government assistance) during the crisis, evacuation, and return periods. After responding, subjects were then asked, "Was this support (or lack of support) what you expected? Why, or why not?" The interview team also wanted to identify key barriers in the return and rebuilding process and how people developed strategies to overcome these barriers. As such, interviewers asked, "What pieces had to fall into place before you could return?" and "What was your first priority when you returned?" and "What has been the biggest challenge since returning?" Largely, it is the responses to these lines of questioning that form the basis for what is discussed here.

IV. RENT-SEEKING EXPLANATIONS OF GOVERNMENT FAILURE

Though interviewers were trained to ask only neutral questions such as those described above, subjects' responses were anything but neutral, providing detailed criticism of government's culpability for and failure in responding to the crisis. Though interviewers did not point to government action as a potential inhibiting force in the return process, questions such as "What has been the biggest

challenge since returning?" triggered detailed descriptions by respondents of systematic barriers created by government policies and programs. Programs that were supposedly meant to help in the recovery effort, such as the New Orleans redevelopment planning process and the Louisiana Road Home program, were principal targets of such criticism.

In these explanations, what emerges is a particular view of the state that is neither naively romantic nor naively cynical. A naively romantic view—"the government is here to help us"—would leave the respondent bewildered by the government's failure to maintain the levees and its disappointing record of performance following Katrina. Respondents seemed to be anything but bewildered. Similarly, a naively cynical view, like that expressed by Kanye West when he quipped, "George Bush doesn't care about black people," should leave residents wondering why initiatives advanced under Mayor Ray Nagin's leadership seemed to be just as disappointing as state and federal relief efforts. Again, respondents expressed no confusion along these lines. Instead, respondents' explanations shared the core elements of a rent-seeking critique.

In arguing that subjects hold a rent-seeking view of state action, we are not claiming that they use this precise language or possess the specialized expertise of a trained public-choice theorist. Our claim is more modest. Our claim is that in their criticism of post-Katrina policies and programs, respondents demonstrate a pattern of understanding that is consistent with the basic elements of rent-seeking analysis, including, (1) an assumption that political and bureaucratic actors are self-seeking, or in other words, a "politics without romance" (2) a recognition that such actors are frequently in a position to bestow benefits and privilege to both public and private special interests, (3) a recognition of the ability of these interest groups to acquire disproportionate access and influence in the political process (4) the recognition that this activity comes at a cost that is principally born by a poorly informed and less influential public (5) that these forces inflict significant costs upon society¹¹ and (6) all these elements combine to provide the principal explanation for government failure (Buchanan 1979 [1999], Buchanan, Tollison & Tullock 1980, Downs 1957, Rowley, Tollison, & Tullock 1988, Tullock 1967, 1971, Olson 1965, 1982).

Before we describe these critiques, it is worth pointing out that by emphasizing the rent-seeking themes emanating from these interview data, we are not suggesting that references to race are absent from these narratives. Respondents frequently suggested that poor black communities were particularly vulnerable in the post-Katrina political context. But observations of how race matters in this context were intertwined with and in service to rent-seeking explanations. In describing the difficulties they had getting a city inspector to sign off on their electrical work, for example, Irene and Jordan Walker†12 contrasted their experience with that of family and friends who live in neighboring (predominantly white) St. Bernard Parish.

Irene Walker†: [In Saint Bernard Parish] they wanted those people to come back, so they make it so they can come back...Orleans Parish don't want their people to come back...not in the Ninth Ward, not in the Lower Ninth Ward.

Interviewer: People don't want the Lower Ninth Ward to come back? Why?

Irene Walker†: No, this [neighborhood] is black, black, black. They don't want us back.

Jordan Walker†: All these companies, the casinos and such, want this place for themselves, even before the storm. Now they wanna buy everything up...

Irene Walker†: It's not just black people. They want all the people gone, white and black, because [casino developers] want the property.

In this exchange, it is clear that the Walkers† perceive poor black communities as being particularly vulnerable, but this vulnerability is not attributed to racist intent alone. The overarching explanation for why their community is under threat is that political and bureaucratic decision makers are primarily motivated to serve their own interests, and the interests of well-connected private developers, not the interests of homeowners engaged in the rebuilding effort. And given the fact that real estate developers such as Joseph Canizaro were appointed to key positions in the early rounds of the redevelopment planning process, such concerns are not simply flights of conspiratorial fancy. As chairman of the planning committee of the Bring New Orleans Back Commission (BNOB), Canizaro was a principal advocate of using eminent domain to redevelop areas such as the Lower Ninth. And just as they were clear about who the beneficiaries of such maneuvers would be, interview subjects were also clear about which communities were the easiest mark when it came to

bearing the costs.

Liza Edwards†: See when the mansions flooded, [the government said,] "Oh, somebody gotta do something about them." So, you ever heard that expression, "Money talks? And bullshit walk." Money was talking. Somebody [in those neighborhoods] would fight back. Poor black people ain't got the money, ain't got the power to fight the government's ass. And not only that—they don't have skills to get together the knowledge and the knowhow to go after the federal government's ass. These white folks got the education. They got the money. They got the lawyers.

Consistent with public-choice analysis, interview subjects recognize that the costs of the rent-seeking society will be born by a relatively powerless and uninformed public. In the context of post-Katrina New Orleans, it is the residents of Ninth Ward communities who are likely to have the least ability to ward off such costs. Rather than seeing racialized explanations in opposition to rent-seeking explanations, interview subjects linked the two to one another in ways that left both explanations more nuanced and consistent.

Below we focus on three targets of critique that featured most prominently in the interview data: restricted access and delay in municipal services to Ninth Ward neighborhoods in the months following the storm, the citywide redevelopment planning process, and the Road Home rebuilding assistance program. Such criticism fits within an overarching rent-seeking narrative in which government action is geared not toward the redevelopment of Ninth Ward neighborhoods, but is instead aimed at inhibiting the return of Ninth Ward residents and businesses so as to make room for private interests; or what is colloquially known as a "push out."¹³

4.1 Restricted access and delays in municipal services

Concerns over an orchestrated "push out," particularly in the Lower Ninth Ward, first emerged in the months following the storm. While most residents were allowed to return to their homes by the first week of October, the residents of the Lower Ninth Ward were not permitted access, even to see their homes, until December 1st, and it wasn't until May 15, 2006 that the first Lower Ninth Ward residents were permitted to begin the rebuilding process. While fifty residents were allowed back at this stage (primarily in the Holy Cross neighborhood south of St. Claude Avenue), 350

applications for trailers could not be fulfilled because the area between N. Claiborne and Florida Avenues still had no electricity, water, or gas service and remained restricted (Corley 2006). Even once official permission was granted, residents were told by city officials not to expect municipal services such as police, fire and rescue, and trash pick up (though as residents were quick to point out, the city was still assessing taxes to provide these services).

The official reasons given for the extended time it took to open the Lower Ninth Ward was that homes, particularly above N. Claiborne Avenue, sustained structural damage from the surge created by the breach in the Industrial Canal levee. The continued search for cadavers and concerns over looting were offered as other reasons for restricting access.

While interview subjects acknowledged there were legitimate safety issues to be considered, they also expressed suspicion that these concerns were exaggerated so as to provide a convenient excuse to stall the rebuilding effort. The two-month delay before people could even survey their property meant the delay of insurance claims adjusters gaining access to the property. The "look and leave" orders that remained in place for many more months made it impossible for dislocated residents living outside of New Orleans to begin repairing their homes. Each day that passed meant that houses continued to decay from any remaining standing water. Drywall soaked with water continued to do structural damage to support beams, and the contents of homes continued to fester causing more damage to walls and floors. And far from protecting homes from looters, residents complained that restrictions that kept homeowners away from their property rendered empty neighborhoods easy prey for those looking to steal copper plumbing and anything else of value that remained.

To the extent that interview subjects saw some justification for limiting access in the first few weeks following the storm, the longer-term delays in service were the target of more direct criticism. By not providing basic services to Ninth Ward neighborhoods, the city could not guarantee the safety of residents, thereby justifying access restrictions. But the city used the fact that there were so few people in such areas as justification for not restoring municipal services, catching neighborhoods

like the Lower Ninth Ward in a vicious logic in which community redevelopment became an increasingly dim hope.

Robert Jackson†: Here in the city in particular, it seems to me that they purposely make it hard for people to be here. I mean it's crazy...Because [the neighborhood] was not officially open, there was no electricity, no services. They didn't want you to drink the water and all kinds of stuff. So they selectively allowed people back into certain areas only. That kept a lot of people away...[The city] said if you come don't call the police. If there's a fire, we don't have fire protection for you. We don't have police protection for you. The water is not safe to drink and so forth and so on and all that. So *that* kept a lot of people away. Well the longer they stay away the harder it is to come back.

The access restrictions and delay in municipal services was the first stage of what would become a prolonged waiting game—a recurring theme in the "push out" narrative expressed in the interview data. As interview subjects pointed out, without municipal services, FEMA would not deliver trailers to residents hoping to begin the rebuilding process. In turn, without customers to serve, businesses remained on the sidelines awaiting clearer signs that the community would rebound. And as Jackson suggests, each day that passed made it less likely that evacuees would return. Such concerns are affirmed by Wilson & Stein (2006), who found that as time passed, evacuees were less likely to make plans to return to New Orleans.

Further, the concerns over such delays are well founded given the role expectations play in collective action problems. As Schelling observed of post-Katrina New Orleans, "It essentially is a problem of coordinating expectations. If [residents] all expect each other to come back, [they] will. If [they] don't, [they] won't. But achieving this coordination in the circumstances of New Orleans seems impossible" (quoted from Gosselin 2005; See also Schelling 2006 [1960], 1978 and Olson 1965). As each day passed that residents were not allowed to return and that basic services were not restored, the expectations of evacuees waiting on the sidelines were more likely to become anchored around the idea that the community would not rebound, making the collective action problem all the more acute.¹⁴

4.2 The redevelopment planning process

From the perspective of Ninth Ward interview subjects, the city's redevelopment planning process has played a central role in the prolonged waiting game they describe and has confirmed suspicions of a government-sponsored "push out."

Early recommendations made by the Bring New Orleans Back (BNOB) Commission would have given the planning authority unprecedented reach in its ability to use eminent domain (Urban Land Institute 2005, 2006). Further, the BNOB recommended that neighborhoods be required to prove their viability (i.e., prove that 50 percent of residents either had returned or were planning on returning) before rebuilding would be permitted—a task made impossible by the delayed release of FEMA's Flood Insurance Rate Maps (FIRMs) that determine property insurability.

Ninth Ward residents were among those who fought back against the plan when it was presented in January 2006 (Allen 2006). By the following May, the BNOB planning process had been abandoned, but the uncertainty it spawned imposed significant delays in the critical first few months following the disaster when people were trying to assess the likelihood of their neighborhood rebounding (Chamlee-Wright 2007b). Though the entire city was affected by these delays, communities like the French Quarter, The Central Business District, and Uptown neighborhoods could move ahead with relative confidence. It was poorer and more outlying areas like the Ninth Ward communities that were disproportionately impacted by the uncertainty and delays.

Even with the abandonment of the BNOB Commission, the problems associated with the redevelopment planning process did not end. The series of plans that followed, including the Louisiana Speaks Long-Term Community Recovery Plan, the Lambert Plan (New Orleans Neighborhood Rebuilding Plan), the City of New Orleans Office of Recovery Management Plan, and the Unified New Orleans Plan (UNOP), perpetuated the delays and uncertainty as people waited to see which set of rules would apply to them. As one frustrated community organizer pointed out,

Renee Lewist: The plan we had was the framework for the plan that would be the plan to shape the plan that was going to allow us to plan for the plan that would be our instrument implementation plan and then we would plan on how to get the money in order to get the plan moved from plan to adoption to—and we haven't laid one damn brick. We haven't

turned on one streetlight. We don't have a single book in the whole library.

At the present writing, the UNOP stands as the official blueprint for how the city will be redeveloped, even though it is widely considered to be more wish list than plan. According to a report issued by the Bureau of Government Research, "The [UNOP] declines to create firm criteria for decision-making. The plan declines to be clear about timelines or priorities. The plan instead chooses to maintain the indecisive and confusing approach that has characterized New Orleans's recovery for a year and a half' (Bureau of Government Research 2007: 6).

Following the political heat generated by the early days of the BNOB Commission, city officials vowed to make the planning process more inclusive by inviting community members to the planning meetings and vowing to take neighborhood-generated plans into account. But far from seeing the planning process as participatory, Ninth Ward interview subjects saw it (at best) as an empty symbolic gesture and (at worst) designed to lock the poor out of the process. Interview subjects observed that residents of poorer communities could not afford the return trips from their evacuation cities to attend planning events and neighborhood association meetings. Neither were residents in poor communities likely to network with each other over neighborhood association websites as middle-income and affluent communities had done. In short, interview subjects expressed frustration that it was far more difficult for poor communities to demonstrate an organized presence in the redevelopment planning process.

This lack of presence mattered, not so much because of the planning that was going on at community meetings, but because of the political resistance neighborhood presence (virtual or actual) represented. The Broadmoor Improvement Association in central New Orleans, for example, successfully fought off BNOB recommendations to turn their community into green space by demonstrating their viability through online networking. The Vietnamese-American community in New Orleans East leveraged their greater numbers of early returnees to persuade Entergy to return electrical service to the area and to overcome city administrators' reluctance to approve a FEMA trailer site within the community (Chamlee-Wright 2007a). Policies that delayed the return of

residents reduced their ability to establish such a presence, leading to further delays in the return of municipal services and FEMA trailers, rendering them more vulnerable in the redevelopment planning process.¹⁵

One might point to the grandiose vision contained within the various redevelopment plans (which include a light rail system, and the creation of a theatre arts district) as a sign that the planning process was well intentioned and designed to help residents return to a new and improved New Orleans. Instead, residents saw the grandiosity as further evidence that the plan was not intended to bring people home.

Kenneth Stewart[†]: If there were effective planning, what we would have already been seeing is the basic necessities taken care of. Infrastructure, roads, lights, all of the basic necessities would have been provided, and these are not being taken care of. [We don't need] light rail or a Katrina memorial or a New Urbanist business district design. [Just] get the lights turned on. Get the sewers hooked up. Get the basic stuff done. Just get it done.

Many respondents pointed out that a city plan that includes every possible bell and whistle not only stalls the rebuilding process, it lines the pockets of government contractors and urban planners.

Further, interview subjects, particularly those who had paid close attention to the planning process, pointed out that the 394-page plan that emerged under UNOP is so confusing that it fails to provide answers to their most basic questions about which rules apply to their situation. And rather than seeing the convoluted nature of the plan as the benign outcome of a bureaucratic agency, residents frequently suggested that the plan was purposefully designed to be unhelpful.

Interview subjects identified the waiting game itself as an instrument being used against them. Respondents complained, for example, that the lack of a viable plan was used as an excuse to delay repairs of public schools, slowing the ability of families to return. When asked whether he would repair the damage done to rental properties he owned in the Lower Ninth Ward, Charles Cook† expressed interest in doing so, but he was told that he would not be issued a rebuilding permit until the citywide planning process was complete.

Respondents also observed that the waiting game imposed by the redevelopment planning process has created the justification the city needed to confiscate private property.

Eleanor Shawt: If [homeowners] don't come and do something with the property, [the city is] going to give them a deadline and all this type of thing...I think [the city] just wants to confiscate their property.

Interviewer: Why?

Eleanor Shawt: That's money. For instance my house here, if somebody can come along and confiscate my house. My husband and I have worked all our lives and spent money and deprived ourselves in order to have [this]. And then somebody is just going to take it? That's not right. And come time for taxes and what not, we paid taxes...And [the city says,] "you didn't take care of your property, so we're going to take it." Then [the city will] turn around and sell it for three times what I paid for it. And that's what's going to happen to the money.

Interviewer: Then what do you think will happen to the money?

Eleanor Shaw†: They're going to pocket it. What do you think is going to happen? It's not [like] they've done nothing worthwhile with it.

While interview subjects considered the health and safety issues associated with abandoned property to be legitimate concerns, they also pointed out that the redevelopment planning process has itself been a significant cause of the neglect. Further, at the present writing (two-and-a-half years after the storm), it is nearly impossible to discern the difference between abandoned property and property whose owners are awaiting clarity in the rebuilding process. But as the interview data points out, it is residents, not the architects of the redevelopment planning process, who get the official blame for this neglect. It is their status as legitimate and responsible property owners that has been called into question, and it is government failure that, in the end, legitimates the expansion of government power.

4.3 The Slow and Frustrating Road Home

While it is relatively easy to see how access restrictions, the delay of municipal services and the threatened use of eminent domain across entire neighborhoods fit within a "push out" narrative, one might assume that residents would have a harder time reconciling this narrative with Louisiana's Road Home program. As announced, the \$10.4 billion program would award homeowners up to \$150,000 in recovery assistance. The stated intention of the program was to bring the 300,000 evacuees who left the state back to Louisiana. By design, the highest Road Home awards would go to

those residents who repaired their damaged property (provided they retained it as their primary residence for three years after repairs had been completed) and to those who sold their home to the state and bought another home in Louisiana.

But contrary to the announced intentions of the program, Ninth Ward interview subjects saw Road Home as a principal barrier in the rebuilding effort. The slow pace by which assistance awards had been administered was the most dominant complaint to emerge in the interview data. Though the program was announced in February 2006, by February 2007 only 400 of the 180,000 applications had closed. By August 2007, only 18 percent of applications had closed (See table 2).

Table 2: Road Home Timeline		
August 2005	Katrina makes landfall.	
December 2005	Congress allocates \$6.2 billion to Louisiana through the Community	
	Development Block Grant (CDBG) under the Department of Housing	
	and Urban Development (HUD).‡	
May–June 2006	HUD approves \$4.2 billion for Road Home. Contractor ICF	
	International is selected to administer Road Home.‡	
August 29, 2006	Road Home begins accepting applications.	
January 29, 2007	0.2% of applications closed.§	
August 2007	Congress allocates an additional \$3 billion to make up for Road Home	
	funding shortfall. 18% of applications closed.#	
February 2008	54.4% of applications closed.	

Sources: #'Research Works," October 2006, November 2006, US Department of Housing and Urban Development. Merle, Renae "Louisiana Officials Criticize Delays on the 'Road Home': ICF of Fairfax Claims Progress in Helping Residents Rebuild" Washington Post Monday, January 29, 2007; Page D01, #Pike, Jennifer (2007) Spending Federal Disaster Aid: Comparing the Process and Priorities in Louisiana and Mississippi in the Wake of Hurricanes Katrina and Rita, Gulf Coast Reports, (New Orleans, LA: September). MRoad Home Program Update February 2008

But such criticism was not just framed in terms of government inefficiency; rather, it was part of the overarching view that the politics of recovery are aligned against the interests of people trying to rebuild their homes and communities. A frequent explanation interview subjects gave for this slow pace was public corruption of state officials and/or ICF International, the private contractor administering the Road Home program.

John Murphy†: Right here [in the Ninth Ward] we're not even 25 percent back here yet.

Interviewer: Why is that, do you think? Why is it taking that length of time?

John Murphy†: L'argent...Everybody's getting their hands on the money. Road Home. The Road Home [Program] is run by...the state. It's politicians...They all want a piece of the

pie.

The fact that the rate of closings increased in the spring of 2007 only fueled suspicion that ICF had been deliberately dragging its feet until the pressure of public scrutiny began to mount. As we discuss below, the complicated design of the program was the more likely culprit in slowing the pace of administering the program. But it is worth noting that in referencing problems of public corruption, interview subjects seem to be in search of explanations that reconcile self-seeking motivations on the part of public officials and contractors with government's apparent failure to deliver on the promise of swift and robust recovery assistance.

Echoing the critique of the redevelopment planning process, many Ninth Ward respondents saw the slow pace of Road Home assistance as part of a deliberately imposed waiting game intended to stall the recovery effort. This similarity is no mere coincidence, as the Road Home program had created another *de facto* redevelopment planning bureaucracy. Road Home was not only designed to compensate disaster victims for their loss, it was designed to engineer a "tipping point" in favor of return migration and the repair of damaged housing stock (Pike 2007, Norcross & Skriba 2008). But as Pike (2007) and Norcross & Skriba (2008) point out, the options, penalties, and requirements put in place to engineer such a tipping point might well have worked to the exact opposite effect as people put their rebuilding plans on hold as they waited for Road Home assistance.¹⁶

While the slow pace and confusing structure of the Road Home program affected all Louisiana homeowners seeking assistance, Ninth Ward interview subjects suggested that it was poorer communities like theirs that were particularly disadvantaged. First, the costs of the delays were not neutral. Interview subjects observed that with fewer assets and more limited borrowing capacity, their Ninth Ward neighbors were more inclined to put off the rebuilding process, particularly with the promise that a generous Road Home award would eventually come.

Further, some interview subjects pointed out that because award calculations were based on pre-Katrina home values, the maximum payout of \$150,000 were never meant to apply in communities like theirs in which home values were considerably less. Nonetheless, it was the

maximum award that was most often referenced by public officials describing the program, not the \$60,000 which has been the average award. This meant that there was a great deal of uncertainty about what the actual award would eventually be. The few people we met who had received Road Home awards in the spring of 2007 registered surprise at not only how little they had received but by how uncertain the process had been right up to the closing.

Gary Price†: Homeowners [are] supposed to get up to \$150,000 to compensate for what they lost, but the program is just taking so long to get money to people who don't have any, it's just ridiculous. [They said] to us, "We're going to give you \$120,000." Then you get to closing, [and they say] "Oh, we brought it down to \$60,000." And we're like, "Oh. Wait a minute. I'm not signing that."...Because if I take \$60,000 you're telling me I got to stay in my house for five years. ¹⁷ I can't rent it or nothing. What if I find me a better deal down the line where I can rent this house? I can make that \$60,000 back and not have no ties. So it's all that kind of situation. It's chess and not checkers.

But, as was so often pointed out, the skills and resources needed to successfully navigate such a process are not randomly distributed. Or, recalling Liza Edwards't observation, when it comes to winning such chess games, it is "white folks [who] got the education. They got the money. They got the lawyers."

Thus, rather than seeing the Road Home program as helping residents rebuild their communities, Ninth Ward respondents charge that it has perpetuated the waiting game and uncertainties initiated in the early rounds of the redevelopment planning process. While residents within poorer communities delay the rebuilding process in anticipation of Road Home assistance—assistance that is likely to be less than anticipated—Ninth Ward neighborhoods remain relatively empty and the prospects for robust recovery become more remote.

V. A POTENTIAL MISSING PIECE

To this point, we have argued that Ninth Ward interview subjects possess the basic elements of a rent-seeking critique of recovery politics. And yet, the level of sophistication contained within the critique emanating from Ninth Ward communities poses a puzzle. Given this critique, why do people then have any hope that government programs and policies might eventually lead to successful community rebound?

This is not a question about why people perceive the need for rebuilding assistance or why people choose not to rebuild in the absence of such support. The lack of material resources in Ninth Ward communities pre-Katrina is enough to understand why people might not rebuild. The principal assets most Ninth Ward residents possessed were the homes that were destroyed. And without accurate information about the flood risk posed by levee failure, these assets were systematically underinsured (Chamlee-Wright 2007b, Norcross & Skriba 2008).

The question we are raising here is why, despite the clarity with which people understand that the politics of recovery are not aligned with their interests, they still hold out hope that government planning initiatives and rebuilding assistance might solve the problems associated with rebuilding post-disaster communities. Given the sophisticated cynicism that exists in these communities, why would residents and other stakeholders ever expect genuine help to come?

Conservative pundits have advanced welfare dependency as a potential explanation for why people wait for government support—that people have lost the ability to "pull themselves up by their own bootstraps." But within the interview data discussed here we find very little evidence of such attitudes. Far more prevalent is a willingness to take on significant costs to return and rebuild, despite limited resources and significant political obstacles. Further, there seems to be no obvious pattern of pre-Katrina rates of public assistance and the rates at which neighborhoods have rebounded. The Vietnamese-American community that returned so quickly is situated in Village de L'est, which had a pre-Katrina rate of public assistance income of 10.4 percent, while the pre-Katrina rate of people receiving public assistance income was 8.3 percent in the Lower Ninth Ward (excluding Holy Cross) and 4.3 percent in Holy Cross (Greater New Orleans Community Data Center, http://www.gnocdc.org/prekatrinasite.html).

Alternatively, it may be that people simply see no other option. Even though the politics of recovery are not in their favor, the only path is to work with the system of redevelopment planning and rebuilding assistance that is in place. After describing in vivid detail the disappointing and frustrating experiences she had participating in the redevelopment planning process and Road Home

program, the interviewer asked Renee Lewis† why she was still willing to engage with policy makers and local political leadership. She responded,

Renee Lewist: We are like a folks at a Mardi Gras parade. We have to stand in line and throw our hands up at every float that passes in hopes that we catch something, because surely if we don't go to the parade, we don't get nothing. What we mostly get is junk. But if we're not at the parade, we miss the party. We can't miss the party. We've got to go.

But in addition to such sentiments of resignation, we also find evidence of an unrealistic expectation of government's *capacity* to rebuild a city "if only it wanted to."

Janice Morgan†: I see how these kids come in, these college students, they can come in and take a week of their time and gut out these houses, and they can...come up with a plan to get something accomplished. And the government can't do that because? I think if the government would've said, "Okay, we have all these...billions of dollars...we're gonna take a thousand soldiers and put them in New Orleans, and let them build 100 houses—redo a hundred houses a month...The \$10 billion they done spent probably would've only cost them \$1 billion. A whole lot less money and a whole lot more would've been accomplished. To me, they're not trying to do anything. They're not trying to come up with a plan of something that's gonna work....The government can do anything they wanna do really. They are the government, they make the rules. They break the rules, make the rules...The government could get something done if they really wanted to. They go rebuild those third world countries all the time. And who does it? The military. They bring skilled people over there and let them rebuild the third world countries. Why can't they rebuild their own?

The rent-seeking critique provides the logic of why government hasn't been more effective, but this critique alone leaves open the possibility of effective government action in the rebuilding process "if only" incentives were well-aligned. Or to put it another way, respondents seem to possess one-half of the critique. They possess the rent-seeking half of the critique which explains why the interests of political and bureaucratic decision-makers are usually not aligned with the interests of the general public. But they do not possess the "knowledge problem" half of the critique that says, "even if political decision makers were motivated to rebuild communities, they can never possess the knowledge they would need to do so" (Hayek 1948a, 1948b, 1948c, 1988).

This gap in understanding is hardly limited to residents of Ninth Ward communities. Morgan'st observations are suggestive of what might be a broader consequence of government promises to rebuild countries (e.g., Iraq) and cities (e.g., New Orleans) from the ground up, or in the words of

President George W. Bush as he addressed the nation from Jackson Square, "we will do what it takes."

This same theme is echoed in much of the scholarly literature on post-disaster recovery. Marcuse (2006: 272), for example, calls for a "massive planning effort...to deal with both the causes and the consequences of the disaster that followed Katrina." Marcuse assures his readers that such a plan does not have to follow the familiar pattern of catering to a monied, mostly white, (and presumably politically connected) elite. If such a plan were guided by the right motivations and principles, Marcuse (ibid) asserts, New Orleans has the potential to be "a model of what American communities should and could be." (See also Boseman et al, and Fullilove.)

The critical gap that seems to be missed here is the chasm of difference between government achieving discreet outcomes like the delivery of key services and the redevelopment of entire social and economic systems from the ground up. Because the field study under consideration here was not designed around answering the question of why people still wait on political processes they strongly suspect are aligned against their interests, further analysis is warranted. But the interview data do provide some hints. Despite the otherwise critical lens people deployed to make sense of state action, there appears to be an overestimation of the state's capacity to engage in effective rebuilding if only it were motivated to do so.

One possible reason that the knowledge problem critique does not appear in the data is that it is overwhelmed by a consistent demand for and an expressed belief in social justice. From this perspective, a government that can spend billions rebuilding other countries, a government that some believe is responsible for the scale and scope of this catastrophe, a government that has promised that it will do what it takes to ensure that these communities rebound, owes it to its displaced citizens to help them rebuild their destroyed homes. The positive analytical question of whether the government can rebuild a complex modern city seems to be bypassed when the emphasis is immediately placed on the normative question of what social justice demands the government should do.

Angela Gray†: [New Orleans] is like a vast resource here, and it would behoove our government—our national government—to take care of Louisiana....We produce so much here. Take care of us. Don't let us slide into the ocean or into the Gulf. Take care of us, because we're producing so much that the United States needs...So come on, get help to us. Get help to us. If you don't think the mayor's going fast enough—if you don't think [the Road Home program is] going fast enough, then you come here and say, "do this, that and the other." But somebody should be watching. Somebody should be doing.

Gray's† argument that the citizens of Louisiana have fulfilled their end of the "social contract" and that, consequently, the government should "take care" of them was echoed by several other interviewees. Residents also pointed to the federal government's post-disaster efforts in other parts of the country. Edward Williams†, for instance, contrasted what he saw as the favorable treatment Florida residents received after Hurricanes Frances and Jeanne in 2006 with the treatment that New Orleans residents received after Katrina. Others referenced the large sums being paid by the U.S. to rebuild Iraq and the vast sums that went to the New Yorkers who suffered after 9-11.

The implicit claim seems to be that justice demands that New Orleanians receive at least the same treatment. And it may be this perspective that shrouds the question of whether the government has the capacity to rebuild New Orleans. Of course, this is not definitive. The explanation for the belief that government *could* rebuild New Orleans (if only it wanted to) might very well lie elsewhere and assessments of how well the federal government has treated Americans after catastrophes in other contexts and the presumed success of the US military in its post-conflict reconstruction efforts could certainly be overstated. The data, however, suggests that along with their trenchant critique of government failure, interview subjects maintain a strong commitment to "social justice." And it may be this commitment that precludes knowledge problem considerations from filling out what is otherwise a relatively sophisticated public-choice critique.

VI. CONCLUSION

Caplan (2007) has convincingly argued that voters and economists have radically divergent views of the economy. As he shows, we have reason to believe that their beliefs on a number of key issues are simply wrong. False beliefs, he points out, lead voters to support policies that are, at best, suboptimal

and, quite likely, plain bad. The data discussed in this paper, however, suggests that, at least when it comes to critiquing government failure post-Katrina, Ninth Ward residents and economists can find much room for agreement. We have argued here that the view of the state emanating from post-Katrina Ninth Ward communities is neither naively romantic, nor naively cynical. As if counseled by Buchanan (1979 [1999]) himself, Ninth Ward residents have avoided the fallacy of assuming that political and bureaucratic actors are guided by something other than self-seeking motivations. Further, the post-Katrina environment has provided a context in which people have focused their attention on identifying the various interests who stand to benefit from the politics of recovery and have connected this political logic with what they identify as widespread government failure to deliver on its post-Katrina promises.

Contrary to the cautions articulated in the institutional racism literature, Ninth Ward residents also seem to avoid the naively cynical view that a poor record of government performance is primarily due to bigoted motivations of government leaders. In fact, much as we see among public-choice scholars themselves (e.g., Congleton 2006 and Shughart 2006), it is the rent-seeking view of the state that steers interview subjects away from "racist intent" as the principal explanation behind government failure. That said, interview subjects do inform public-choice analysis by insightfully suggesting that it is poor black neighborhoods that are the easiest target upon which to impose the costs of rent seeking. It is residents in these communities who are the least likely to be connected to sources of political power, and the least likely to have the information, resources, and cultural capital necessary to successfully sway the outcome of recovery politics.

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¹ See Thomas Schelling's remarks on the importance of expectations coordination in post-Katrina New Orleans in (Gosselin, 2005).

² For an overview of the project, see Boettke et al 2007.

³ See for example Dyson 2006, edited volumes Brunsma, Overfelt & Picou (2007), Hartman & Squires (2006a), Natural Hazards Center (2006), and special issues of *Du Bois Review* vol. 3, no. 1, and *Cultural Anthropology* vol. 21, no.3.

- ⁴ See, for example Boettke et al. (2007), Congleton (2006), Leeson & Sobel (forthcoming), Shughart (2006), Sobel & Leeson (2006), and the forthcoming special issue of *International Journal of Social Economics* on the political-economy of Hurricane Katrina.
- ⁵ Both Congleton (2006) and Shughart (2006), for example, argue that racism is a less convincing explanation for poor government performance once public-choice considerations are taken into account.
- ⁶ It is important to note that such accounts raise questions about how to reconcile an institutional racism perspective with the poverty and flood risk found in predominantly white communities such as St. Bernard Parish. We do not pursue such questions here, but instead focus on the view of the state that has emerged from the various post-Katrina literatures.
- ⁷ Haney, Elliott & Fussell (2007) argue, however, that most of the people who stayed behind did so, not because of lack of transportation but because they wanted to protect their property and avoid losing time at work. Further, previous experience had taught most New Orleans residents that the storm would not put them in danger. In other words, most of the people who were left behind thought they were making a responsible decision.
- ⁸ See Lopez & Totah (2007) for a summary of the immediate response to *Kelo* by various scholars. Lopez & Totah go on to argue that *Kelo* may have had the unintended effect of strengthening private property rights in that state legislatures have sought to constrain government's use of eminent domain in the wake of the Supreme Court decision.
- ⁹ Technically the Ninth Ward includes the area known as New Orleans East, but colloquially "Ninth Ward" tends to refer to the area bounded by the Mississippi River on the south, the boundary between Orleans and St. Bernard Parishes on the east, Florida Avenue to Alvar Street on the north and northeast, to Chef Menteur Highway to the north, and the west boundary created by Peoples Avenue south of Chef Menteur, merging into Almonaster and Franklin Avenues toward the Mississippi River. It is in this area that we focused our interviews.
- ¹⁰ NBC Concert for Hurricane Relief, September 2, 2005 http://www.youtube.com/watch?v=zIUzLpO1kxI
- ¹¹ The more precise articulation of this element is that the costs of rent seeking exceed the benefits of the rents being transferred. As any teacher of undergraduate economics can attest, it is extremely rare that a member of the lay public can articulate the precise version of this point, at least at the outset of their economics training. That said, and as will be discussed below, subjects within this field study clearly drew a connection between rent seeking behavior and widespread social costs in the form of a slowed recovery process.
- ¹² Whenever possible protect the identity of the interview subject. Subjects names marked with "†" are pseudonyms.
- ¹³ Without being asked directly, XX% of interview subjects expressed concern regarding this threat for at least some part of the Ninth Ward, with many explicitly using the term "push out" in their description of government intentions toward the Ninth Ward.
- ¹⁴ The significance of access restrictions is illustrated by those communities that ignored permit restrictions and city planners' recommendations to undergo "significant study" before they began the rebuilding process (Urban Land Institute 2005:16). By returning en masse before municipal services had been restored, for example, the residential community surrounding the Mary Queen of Vietnam (MQVN) Catholic Church in New Orleans East broke the cycle before it had time to lock people in place in their evacuation cities. The MQVN community had several things working in its favor. First, whereas the National Guard forces could secure the access points to the Lower Ninth Ward, the neighborhood surrounding the MQVN church was more easily accessible to residents. Further, the MQVN community could rely upon the coordinating capacity of the church (to which almost every member of the community belonged) to orchestrate the en masse return (Chamlee-Wright 2007a).
- ¹⁵ Founders of the non-profit relief organization Common Ground recognized the importance of establishing such a presence. Common Ground set up a distribution site in a brightly painted house in the Lower Ninth Ward, long before residents had returned or water and electrical service had been restored. Volunteers posted hand-painted signs that read "People Live Here," and "Eminent Domain for Who [sii]?" But without the presence of residents themselves, such efforts did not achieve the early political resistance observed in neighborhoods like Broadmoor and New Orleans East.
- ¹⁶ Further, the complicated formula deployed by Road Home required a myriad of adjustments. Many of these changes, such as eliminating the requirement that homeowners pay for home repairs before being reimbursed from an escrow fund, were necessary in order to move the process forward. But changes such as these and continuing debates about conflicting rules governing elevation requirements and eligibility for FEMA flood mitigation assistance continue to create uncertainty on the ground (Hammer, 2007) Apparently, the shifting

rules caused confusion not just among applicants but among the people administering the program. Interview subjects frequently complained that the answers they received would change as they were transferred from one Road Home representative to another. As one respondent joked, "the process that they said was a standard process, changed four times in the course of the morning."

¹⁷ The rules required the homeowner to remain in their property for three years, not five. The confusion demonstrated here is indicative of how important details can be mis-communicated and/or misunderstood by Road Home representatives and grantees.

¹⁸ Hayek (1976) has critiqued notions of social justice. And, admittedly, the rent seeking critique that interviewees advanced is inconsistent with the view that federal government is likely to act "justly" in this or any instance.