

# Did New Orleans Catastrophe Have to Happen?

The impacts of neoliberal spending policies

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Even though Hurricane Katrina has moved well north of the city, the waters may still keep rising in New Orleans late on Tuesday. That's because Lake Pontchartrain continues to pour through a two-block-long break in the main levee, near the city's 17th Street Canal. With much of the Crescent City some 10 feet below sea level, the rising tide may not stop until it's level with the massive lake.

New Orleans had long known it was highly vulnerable to flooding and a direct hit from a hurricane. In fact, the federal government has been working with state and local officials in the region since the late 1960s on major hurricane and flood relief efforts. When flooding from a massive rainstorm in May 1995 killed six people, Congress authorized the Southeast Louisiana Urban Flood Control Project, or SELA.

Over the next 10 years, the Army Corps of Engineers, tasked with carrying out SELA, spent \$430 million on shoring up levees and building pumping stations, with \$50 million in local aid. But at least \$250 million in crucial projects remained, even as hurricane activity in the Atlantic Basin increased dramatically and the levees surrounding New Orleans continued to subside.

Yet after 2003, the flow of federal dollars toward SELA dropped to a trickle. The Corps never tried to hide the fact that the spending pressures of the war in Iraq, as well as homeland security — coming at the same time as federal tax cuts — was the reason for the strain. At least nine articles in the Times-Picayune from 2004 and 2005 specifically cite the cost of Iraq as a reason for the lack of hurricane- and flood-control dollars.

Newhouse News Service, in an article posted late Tuesday night at The Times-Picayune Web site, reported: "No one can say they didn't see it coming. ... Now in the wake of one of the worst storms ever, serious questions are being asked about the lack of preparation."

In early 2004, as the cost of the conflict in Iraq soared, President Bush proposed spending less than 20 percent of what the Corps said was needed for Lake Pontchartrain, according to a Feb. 16, 2004, article, in New Orleans CityBusiness.

On June 8, 2004, Walter Maestri, emergency management chief for Jefferson Parish, Louisiana; told the Times-Picayune: "It appears that the money has been moved in the president's budget to handle homeland security and the war in Iraq, and I suppose that's the price we pay. Nobody locally is happy that the levees can't be finished, and we are doing everything we can to make the case that this is a security issue for us."

Also that June, with the 2004 hurricane season starting, the Corps' project manager Al Naomi went before a local agency, the East Jefferson Levee Authority, and essentially begged for \$2 million for urgent work that Washington was now unable to pay for. From the June 18, 2004 Times-Picayune:

"The system is in great shape, but the levees are sinking. Everything is sinking, and if we don't get the money fast enough to raise them, then we can't stay ahead of the settlement," he said. "The problem that we have isn't that the levee is low, but that the federal funds have dried up so that we can't raise them."

The panel authorized that money, and on July 1, 2004, it had to pony up another \$250,000 when it learned that stretches of the levee in Metairie had sunk by four feet. The agency had to pay for the work with higher property taxes. The levee board noted in October 2004 that the feds were also now not paying for a hoped-for \$15 million project to better shore up the banks of Lake Pontchartrain.

The 2004 hurricane season was the worst in decades. In spite of that, the federal government came back this spring with the steepest reduction in hurricane and flood-control funding for New Orleans in history. Because of the proposed cuts, the Corps office there imposed a hiring freeze. Officials said that money targeted for the SELA project — \$10.4 million, down from \$36.5 million — was not enough to start any new jobs.

There was, at the same time, a growing recognition that more research was needed to see what New Orleans must do to protect itself from a Category 4 or 5 hurricane. But once again, the money was not there. As the Times-Picayune reported last Sept. 22:

"That second study would take about four years to complete and would cost about \$4 million, said Army Corps of Engineers project manager Al Naomi. About \$300,000 in federal money was proposed for the 2005 fiscal-year budget, and the state had agreed to match that amount. But the cost of the Iraq war forced the Bush administration to order the New Orleans district office not to begin any new studies, and the 2005 budget no longer includes the needed money, he said."

The Senate was seeking to restore some of the SELA funding cuts for 2006. But now it's too late.

One project that a contractor had been racing to finish this summer: a bridge and levee job right at the 17th Street Canal, site of the main breach on Monday.

The Newhouse News Service article published Tuesday night observed, "The Louisiana congressional delegation urged Congress earlier this year to dedicate a stream of federal money to Louisiana's coast, only to be opposed by the White House. ... In its budget, the Bush administration proposed a significant reduction in funding for southeast Louisiana's chief hurricane protection project. Bush proposed \$10.4 million, a sixth of what local officials say they need."

Local officials are now saying, the article reported, that had Washington heeded their warnings about the dire need for hurricane protection, including building up levees and repairing barrier islands, "the damage might not have been nearly as bad as it turned out to be."

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