## A Proposal for the Reconstruction of the Gulf Coast and New Orleans by the Institute for Work and the Economy Peter A. Creticos and Members of the Board of Directors

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The devastation brought about by Hurricane Katrina has forced the displacement or closing of thousands of businesses, idling many thousands more of workers. Rebuilding the Gulf Coast and New Orleans will be a monumental task and will require billions of dollars in aid and infrastructure. While no good comes from the death and destruction that was visited upon the region, we believe that its reconstruction, if well conceived and designed with long term vision, can address the chronic conditions of unemployment, under-employment and poverty that have contributed to the significant losses of life and crisis conditions that were found in Katrina's wake.

In order to gain a sense of the scale of the challenge, consider this:

- O Total employment in New Orleans-Metairie-Kenner, LA in May 2005 was 596,000, with a civilian labor force of 626,000.
- o In Gulfport-Biloxi, MS, May employment was 112,000 with a civilian labor force of 120,000.
- o Roughly, the two hardest hit areas employed just over 700,000 and had a civilian labor force of 738,000.
- There are no reliable numbers as to how many of these workers are unemployed, are likely to want to remain in the area, or the likely duration of their unemployment. However, if one third are out of work in one form or another and wish to remain in the area, the scale of the crisis is staggering: approximately 230,000 people were working only last month and now will be idle for an indefinite period.

Our national leaders have voiced their commitment to rebuild southern Louisiana, Mississippi and Alabama. The reconstruction of our Gulf Coast and New Orleans will require a massive infusion of resources – both human and financial. The pace of reconstruction will be determined in large measure by the capacity of people, technology, organization and equipment. It also will be determined by the sense of mission felt by those given the task of leading this effort.

America has a choice as to how we go about this task. We can move people and other resources to the affected areas and rebuild devastated communities for those who lost everything. In doing so, we accept the idea that those who suffered from the destructive powers of Hurricane Katrina are now, and will for the long term, be viewed as its victims, unable to take care of their own needs. They will live as evacuees within their own

country for months, perhaps years. The other choice is provide the same people with the tools and resources to restore and resurrect their own lives and communities. This requires us to understand that while people displaced by the hurricane want and need the help of the country, the path to recovery is one that must be led primarily by those who initially suffered. We also know that the money that will be spent on this effort will be in the tens of billions. The task is to spend these dollars in a way that does not simply accept the conditions of poverty and unemployment existing prior to August 29, but serves as a foundation for new opportunities and growth. If New Orleans, and by extension, the Gulf Coast, is the soul of America, it is the people of the area who collectively embody that soul. And, in any crisis of the soul, it is the people who comprise that soul who must also restore it, albeit with the help of others.

We propose that the cornerstone of the massive reconstruction of the Gulf Coast and New Orleans is a comprehensive, publicly supported jobs initiative that blends work with training. The initial stages of this initiative should focus on the basics of rebuilding and should gradually expand to address the needs of a robust, diverse economy. It should be designed to accommodate different work strategies as well as learning needs. It also should be designed to help families remain intact and retain their pride and sense of self-worth

The following are our ideas for such an initiative:

## Purposes:

- Support recovery and renewal: human, economic, social, cultural
  - Human: Provide the means for people to accomplish their own recovery and renewal; enable them to be active participants in community reconstruction
  - Economic: Enable rapid re-start of economic activities that have not suffered substantial damage; maximize the retention of outside investment and reconstruction transfers
  - Social: Help keep families intact by assuring family-supporting wages through constructive work
  - o Cultural: Re-build from the grassroots

## Basic elements:

- Publicly supported employment in critical areas during the initial reconstruction phase:
  - Construction (including demolition)

- Health care (health care assistants, basic technical roles, home health care, etc.)
- o Clean-up (toxic and routine custodial)
- o Child-care
- Warehousing and distribution
- o Transportation
- Security
- o Waste management
- Communications
- o Business support (bookkeeping, administrative support, etc.
- Education and training
- Employment methodologies should be flexible
  - Private sector employment with the assistance of subsidies from public and non-profit sources: private employers hire and train workers with the assistance of these subsidies
    - Employers that lost their workforce and need to rebuild with new workers
    - Outside contractors that are part of the reconstruction effort
  - Direct public sector employment operated by local, state and federal agencies for those who remain in their homes or are able to find alternative housing (e.g., relatives, FEMA provided housing, etc.)
- Flexible residential models for those displaced from their homes and unable to find alternative housing:
  - o Traditional residential jobs programs, e.g., Job Corps
  - Comprehensive work and family campuses (family-oriented housing, similar to military communities, with onsite schools, retail, etc.)
- o Program management should be flexible:
  - National contracts and coordination to large service delivery organizations and reconstruction contractors
  - O Direct allocations to local and state workforce agencies for local contractors and service delivery organizations and for direct public sector employment
- o Program management and delivery should use the expertise existing nationally
  - Local workforce leaders and practitioners in the public and private sectors in communities facing natural (fires, floods, hurricanes, earthquakes) and man-

made disasters have extensive knowledge and experience in meeting local workforce needs and in prioritizing the development and delivery of services

- Integrate and embed training that is certificated and accredited during ramp up and throughout continued operation:
  - Employment should be tied directly recovery and renewal and should not contribute to additional injuries or deaths. Consequently, workers must be able to function safely and effectively.
  - As renewal progresses, the sophistication of the work rises and the technical skills required to perform that work increase
- Permanent work will be a legacy of the catastrophe. People should be positioned to retain that work.
- Use established training systems and people who are expert in job based training efforts adjusted to meet the urgency of the crisis.
  - o Apprenticeship systems, especially in construction: unions, employer-based
  - o Technical training systems: technical training schools, community colleges, vocational training programs, employer-based
- Use a variety of education and training strategies and technologies to maximize learning speed and comprehension by matching these strategies and technologies to individual learning styles, competencies and knowledge
- Keep in mind the **long term** human resources needs of a diverse and renewed economy by establishing an employment network that gives priority to new opportunities based on individual reconstruction experiences: e.g., individuals working on the restoration of wetlands may also be exposed to landscape design, civil engineering, etc.
- Determine the long term effects of the hurricane by tracking the work histories of all who lived and worked in the affected areas, regardless of whether they stayed or relocated to another part of the country.