

Recovery after Disasters: New Orleans, Paris, and Memphis

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Social learning in non-market settings can be difficult because people receive feedback that is opaque compared to the profit-and-loss signals that emerge from formal markets. For this reason, recovery doesn't always follow disaster. When it does, it is sometimes slower than we might like or expect. The destruction wrought by Hurricane Katrina left what Chamlee-Wright (2010) and Chamlee-Wright and Storr (2009) call a "civil society vacuum" in New Orleans, and the apparently botched attempt to help the citizens of New Orleans recover from Hurricane Katrina stands out as a conspicuous example of government failure. In *The Cultural and Political Economy of Recovery*, Emily Chamlee-Wright identifies the causes and consequences of civil society vacuums and looks at how people in New Orleans and the surrounding area as well as government actors filled those vacuums for good or ill. We summarize and evaluate Chamlee-Wright's contribution and apply her insights to some of the aspects of two other disaster scenarios: the Yellow Fever Epidemic that rocked Memphis in 1878 and the Great Flood of 1910 that soaked Paris.

Cultural and Political Economy in New Orleans

As Chamlee-Wright argues, uncertainty was the major constraint on post-Katrina recovery (Chamlee-Wright 2010: 32-33). Americans have not always taken it for granted that disaster assistance was part of the Federal Government's job. After the Mississippi River flooded in 1927, President Coolidge sent then-Secretary of Commerce Herbert Hoover to assist with the relief efforts. Hoover summarized his role in his memoirs: "[t]hose were the days when citizens expected to take care of one another in time of disaster and it had not occurred to them that the Federal Government should do it."² The steady assumption of disaster-assistance responsibilities by the Federal Government was by no means an unambiguous change for the better. As we saw in New Orleans after Katrina, intervention led to what Robert Higgs

(1997) has called “regime uncertainty” and what Chamlee-Wright (2007, 2010) has called “signal noise.” FEMA and other agencies blocked or actively altered the signals that would have been sent via the social capital bonds of the recovering communities. Instead of relying on local knowledge and the learning mechanisms that had emerged in the communities in question, assistance agencies tried to impose “by the book” recovery from the top down.³

Chamlee-Wright documents some of the resulting chaos, but she also documents the successful cases of on-the-ground recovery efforts initiated by local civic leaders and social capital entrepreneurs like Father Vien Nguyen, a priest at the Mary Queen of Vietnam Catholic Church. She shows how the recovery of the neighborhood surrounding the church, which was initiated by a local social capital entrepreneur and realized through the ties that bound the community together, stands in sharp contrast to the checkered recovery of the Lower Ninth Ward.

Citing Stivers (2007) and Sobel and Leeson (2006), Chamlee-Wright and Storr (2008) point out that the top-down attempt to reorganize the Lower Ninth Ward exposed the region to two of the central problems of bureaucratic approaches to recovery. First, bureaucrats are likely to be overly cautious. Since they did not have private incentives to avoid being overly cautious, it was in their best interests to take a “better safe than sorry” approach even though their safety caused the sorrow of those they were ostensibly there to serve. Second, they do not have the locals’ unarticulated but essential knowledge about “the particular circumstances of time and place,” to use Hayek’s (1945) phrase.

Residents of the Lower Ninth Ward were caught in “a vicious logic in which community redevelopment became an increasingly dim hope” (Chamlee-Wright and Storr 2008: 13). They were not allowed to move back to their neighborhoods, and the fact that the neighborhood was not repopulating was given as a reason for not restoring some services (Chamlee-Wright and Storr 2008: 12-13). Uncertainty about whether residents would be allowed to move back to the neighborhood and a series of conflicting “rebuilding” plans hobbled the recovery (Chamlee-Wright and Storr 2008: 14).

Yellow Fever in Memphis, 1878

We can explore and elaborate on the cultural and political economy of recovery by considering additional examples. Yellow Fever had struck Memphis in 1828, 1855, 1867, and 1873—and it would strike again in 1879—but the most spectacular episode was in 1878 (Caplinger 2009). Troesken (2004: 65) describes the 1878 yellow fever epidemic as “the single most

important event in nineteenth-century Memphis” apart from the Civil War. It was “the worst epidemic (of any disease) ever to strike an American city,” and it killed “1 out of every 8 Memphis residents” (Troesken 2004: 65). Troesken documents how the epidemic led to important innovations in the development of municipal water management.

Memphis was a hub of the Mississippi river trade that connected the plantation hinterlands and the lower Mississippi with the grain belt of the modern Midwest. In 1870, Memphis was the second-largest city in the South, behind New Orleans, with a population of 40,000 (Crosby 2004: 19). The city’s population was decimated by the yellow fever epidemics of the 1870s; in the 1878 epidemic, some 5,150 people died (Caplinger 2009). This was “nearly a third of the population that remained in August of that year” (Crosby 2006: 74). The epidemic cost the South “hundreds of millions of dollars” (Blum 2003: 798).

People fled en masse, with some 25,000 Memphians leaving the city over five days in 1878 (Crosby 2004: 47). “The city collapsed” as business slowed and wealthy political leaders left town (Crosby 2004:46-48). The population fell from 47,000 in July of 1878 to 19,000—17,000 of whom had yellow fever—in September of 1878 (Crosby 2004: 47). Ordinary citizens were left to pull the city through troubled times. A Citizen’s Relief Committee was formed to assume the role of civil leadership and “for handling the needs of the general public” such as setting up refugee camps and shelters (Ornelas-Struve 1982: 68, 70). It was made up of “two white members and one black member from each of the city’s ten wards, plus two at-large members”; it consisted of “merchants, bankers, and professional men” who had stayed behind to brave the fever (Ornelas-Struve 1982: 68).

The Howard Association—a group of mostly young local business leaders who had formed the association “specifically for yellow fever epidemics in New Orleans and Memphis” (Crosby 2006:48)—provided doctors and nurses to the stricken community.⁴ The Howard Association had been formed in New Orleans in 1837 (Blum 2003: 802), and the Memphis group had been organized after the 1867 Yellow Fever epidemic (Ornelas-Struve 1982: 68). Together, these were substitutes for crumbling government infrastructure: “the Citizen’s Relief Committee assumed the role of civil leadership as city government collapsed” and “the Howard Association took over medical leadership when the Health Board became inactive” (Ornelas-Struve 1982: 77). The way Memphis citizens organized themselves and ministered to the needs of the city was not merely a heroic gesture. It schooled them in municipal leadership. Their new knowledge and firsthand experience would prove to be valuable resources during the rebuilding that would take place during the period after

the epidemic when the city was no longer legally a city, but a taxing district after giving up its charter (Ornelas-Struve 1982: 77).

By October 1878, the epidemic had ended and Memphis was nearly deserted and bankrupt. Fever would again hit the city in 1879, but it was less devastating (Capers 1866: 199). Remarking on the three yellow fever epidemics of the 1870s, Gerald Capers writes, “it is remarkable that Memphis did not become like Randolph, a forgotten village on the banks of the Mississippi” (Capers 1966: 199). It was the decisions made by the citizens who stayed behind to rebuild their city that changed the fate of Memphis, a city “seemingly doomed to death and debt” (Ornelas-Struve 1982: 84).

After the epidemic, “some pundits claim[ed] that no city should stand on the site at all, that Memphis should be burned to the ground and that its people should move elsewhere” (Humphreys 1999: 100). The city’s businessmen refused to give up on Memphis, however, and they organized an Auxiliary Sanitary Association in May 1879 (Humphreys 1999: 100, 102). By the following month, they “had purchased disinfectants, garbage carts, and draft animals for the city board of health” (Humphreys 1999: 103). In late 1879, leading businessmen met in Saint Louis and agreed that new taxes would be worthwhile in order to pay for a new sewer system (Humphreys 1999: 103-104).⁵ According to Humphreys (1999: 104), a newspaper reporter who interviewed downtown Memphis merchants found that “over three-quarters of them determined to bear the expense if only the new sewers would truly solve the city’s public health problems.”

Some of the banks also remained in business during the epidemic and were optimistic about a re-birth of the city in the 1880s. The leaders of banks like the Bank of Commerce “considered Memphis their home” and “determined to see their city recover and grow” (Crawford 1993: 47).

And rebuild they did, as the city was reborn in the 1880s and 1890s. Memphis’s population jumped from 33,592 in 1880 to 102,320 in 1900.⁶ The value of the city’s annual trade nearly tripled from \$72,000,000 to \$200,000,000 (Capers 1966:216-218); this represented a real gain as the Consumer Price Index was actually lower in the early 1890s than in the early 1880s. Shipments increased, and businessmen invested in new infrastructure that linked people to Memphis from as far away as eastern Texas and northern Alabama (Capers 1966: 215). Memphis was reborn as a vibrant commercial center (Ornelas-Struve 1982: 100).

Memphis’s recovery after the 1878 epidemic shows the importance of clear signals to potential returnees in the wake of disaster. Memphis business owners immediately reclaimed Memphis as “their” city. They knew the beliefs and principles the previous government institutions were built upon, and they used their knowledge of the cultural and social infrastructure that had been in

place before the epidemic to guide the city toward recovery. They played an important role in cleaning up the city and providing municipal services that reduced the spillover costs of poor wastewater management. Their commitment to rebuilding the Bluff City was essential to reestablishing investor confidence after the epidemic.

Flooding in Paris, 1910⁷

Chamlee-Wright (2010: 18) writes of the importance of shared identity and cultural heritage. The Seine River flooded Paris on January 21, 1910 and brought the city to a standstill as some 24,000 homes were flooded (Jackson 2010: 205). On January 28, “the Seine was almost twenty feet above its normal level” (Jackson 2010: 119). The flood did 400 million francs (2 billion dollars) worth of damage and required another 50 million francs in disaster assistance (Jackson 2010:205). In 2010 dollars, this was some \$53,300,000,000 in damage and assistance.⁸

The civil society vacuum that Chamlee-Wright identifies in New Orleans in 2005 did not emerge in Paris in 1910. As the streets of the city flooded, Parisian officials and others built an array of wooden walkways that made the city passable (Jackson 2010: 55). Parisians of all walks of life opened their homes and wallets to help one another through the flood. Charitable organizations opened shelters throughout the city, and posters were hung throughout the city requesting donations (Jackson 2010: 75-79). Parisians referred to this use of local social capital and cooperation as *Systeme D*, or “the belief in the power of people to get themselves out of a scrape or difficult situation” (Jackson 2010: 56). *Systeme D* was part of the cultural and social infrastructure of the Parisians. It had emerged from their “tumultuous history” and gave them the fortitude to deal with a difficult situation (Jackson 2010: 56). It echoes the resources on which the citizens of the neighborhood surrounding Mary Queen of Vietnam Catholic Church in New Orleans relied in order to weather the literal storm and rebuild their community after Hurricane Katrina.⁹

Municipal workers had the flexibility to act as they saw necessary to assist other flooded Parisians. City workers in charge of keeping the city’s gas lamps burning quickly bought smaller oil lamps when the gas lamps were rendered inoperable (Jackson 2010: 50-51). The police department worked to prevent looting of abandoned properties; “(p)olice in some of the most devastated areas had orders to shoot looters on sight” (Jackson 2010: 114). To convey a sense of national unity, the National Assembly continued to meet and conduct business on the floor of the Palais Bourbon (Jackson 2010: 72-73). Parisians

were able to foster local knowledge and a strong sense of national and civic identity to band together and fight the flood.

As the waters receded, people cleaned up. In contrast to the uncertainty about the cleanup and resettlement of parts of New Orleans, Parisians were given disinfectant and told to clean and sterilize their property (Jackson 2010: 184). Even after the travails of the flood, Parisians celebrated Mardi Gras on February 8 (Jackson 2010: 186). Inspections gave the directives teeth, but the distribution of disinfectant and the apparent willingness of local government to let people re-settle stand in sharp contrast to the uncertainty emanating from places like the Lower Ninth Ward after Hurricane Katrina. There were signals from both the private sector and the public sector, but these signals were much clearer than those characterizing post-Katrina New Orleans.

Conclusion

Some of the themes that Emily Chamlee-Wright discusses in *The Cultural and Political Economy of Recovery* are apparent in the examples of Memphis in 1878 and Paris in 1910. In non-price contexts, civil society generates social learning as individuals “identify, reconfigure, and deploy socially embedded resources” to aid in recovery and overcome complex social coordination problems in the absence of social systems (Chamlee-Wright 2010: 174). After Hurricane Katrina, residents and business owners in the Lower Ninth Ward were kept from returning to their homes. Government’s subsequent policies and plans have done little to restore confidence even now, six years after the devastation.

Residents of Memphis, Tennessee had no such trouble after the yellow fever epidemic of 1878. Since many politicians had fled during the onset of the epidemic, influential business leaders and community leaders filled the civil-society vacuum and led the city through the epidemic and into a “new Era” of Memphis. Parisians were able to resist recover by “deploy(ing) socially embedded resources” during and after the 1910 flood. Parisians’ cultural belief in *Systeme D* brought unity throughout the region, allowing them to keep the upper hand in fighting and recovering from the flood.

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Notes

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² Quoted in Lohof (1970: 698).

³ See Chamlee-Wright (2010: 94-96) for an example; cf. (Landy 2008).

⁴ See Crosby (2006:48, 60, 63, 78) and Ornelas-Struve (1982: 68ff) for more on the role of Howard Association doctors in Memphis.

⁵ See Troesken (2004: 65-74) and Crosby (2006: 87-90) for more details on the construction of sewers in Memphis.

⁶ Population numbers are from Haines (2006), series Aa854. See also Capers (1966: 216).

⁷ Details on the Paris flood are drawn from Jackson (2010).

⁸ Calculations were made using the online calculator at www.measuringworth.com. The figure is based on changes in the consumer price index.

⁹ See Chamlee-Wright (2010: 69) for a discussion.

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