LIBERATING THE CITY: BETWEEN NEW YORK AND NEW ORLEANS¹

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Abstract: The paper develops a critical analysis of the intellectual project of the “new urban right,” highlighting the role of conservative and free-market think tanks in the formation, elaboration, and diffusion of market-oriented or “neoliberal” urban policy in the period since the late 1970s. The discussion is organized around a comparative analysis of the right’s narration of urban crises in post-1975 New York City and post-Katrina New Orleans, during which time welfarist modes of urban governance have increasingly given way to an alternative—but hardly stable—regime, based on the invasive moral and penal regulation of the poor, together with state-assisted efforts to reclaim the city for business, the middle classes, and the market. But there is a complex geography to this process of ideological diffusion and transformation. If the shift in the ideational climate was, for all intents and purposes, a slow, incremental, and somewhat endogenous one in New York City, it roared in from out of town, with violent intensity, in New Orleans. The neoliberal makeover of the Gulf Coast is being guided by an ideational program manufactured on, and managed from, the East Coast—a first-world form of structural adjustment. [Key words: think tanks, neoliberalism, Hurricane Katrina.]

INTRODUCTION: BEING RIGHT

The purpose of the Manhattan Institute, according to its tag-line, is “turning intellect into influence.” In the three decades since the founding of this pioneering free-market think tank, many of its ideas—in fields like welfare reform, policing, schools policy, race relations, local government restructuring, and culture—have gone from fringe obsessions to a kind of new urban orthodoxy. Free-market conservatives tiptoed only delicately into many of these “liberal” policy zones in the late 1970s, but the extent to which neoliberal innovations like workfare and zero-tolerance policing have become mainstreamed since this time is a measure both of the specific successes of the Manhattan Institute and the broader shift to the right in American politics. This shift represents a major ideational and ideological realignment. It is not without significance that many of the rationales and ruses in neoliberal urban policy were manufactured in New York City, which has been one of the epicenters of what Neil Smith has called “revanchist” urbanism, having served

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as a social-policy export platform for more than a decade (Smith, 1998; Wacquant, 1999). In fact, it has been argued that “the modern conservative movement had its birth in New York...a reaction to what some felt were the misguided excesses of midcentury liberalism, which was found most fully developed in New York City itself” (Shorto, 2005, p. 60).

While smoking-gun evidence is hard to come by in the realm of ideational climate change, it is difficult to dispute the contention that the “new urban right” has notched up some significant victories in the war of ideas—along the way, reframing the debate around America’s cities, their alleged pathologies, and their putative salvation. Even though, a generation later, conservative intellectuals continue to portray themselves as lonely voices of reason, as principled outsiders in a corrupt, distracted, and wrongheaded world, both their circumstances and their traction have certainly changed. The ideational shift toward free-market strategies—which, beyond simple “deregulation” or marketization, licenses new forms of state interventionism—has been a seismic one (Bourdieu, 1998; Micklethwait and Wooldridge, 2004; Harvey, 2005). In this context, attributing decisive and singular causal agency to the hired intellectuals of the conservative think tanks would surely be to go too far. At the very least, however, think-tank intellectuals have been prominent narrators of this transformation. And I will argue that they have also been active agents in this process, even if, of course, they have not been acting alone.

Focusing attention on the words and deeds of think-tank activists is also a way of exposing some of the strategic actors involved in the evidently political process of neoliberalizing urban governance. The analytical task of deconstructing neoliberal urbanism, in this respect, is not simply about deducing structural tendencies and restructuring imperatives; it also involves close interrogation of the political and governmental practices through which this project is (re)constructed, and of which it is substantially constituted (Larner, 2003; Mitchell, 2004). The situated interventions of think tanks—restlessly contesting policy orthodoxies in New York, aggressively filling the policy void in New Orleans—can be seen as important moments in this wider process. Likewise, in calling attention to some of the historically and geographically distinctive ways in which policies are made, the activities of think tanks speak to the transformed policy climate around American cities.

If the Manhattan Institute began life as a “speck on the margins of the city’s political landscape” (Kaplan, 1998, p. A4), by the 1990s it was pulling off the “improbable feat of helping change the course of the country’s most liberal city...challeng[ing] the rules by which New York was governed” (Scott, 1997, p. B1). The New York Post (2003, p. 26) went as far as to editorialize that the Institute “has literally changed the terms of the American debate on a host of social issues.... Its ideas and proposals formed the basis of Rudy Giuliani’s governing philosophy and his determination to challenge the long-accepted notion that New York City was simply ungovernable.” With a budget of around $10 million and a dedicated staff of about 60, the Institute’s scale is modest by public-policy standards, but this belies a significant record of influence. As conspicuous New York conservative Tom Wolfe, channeling Henry Kissinger, allowed himself to boast on the occasion of the Institute’s 25th anniversary, “it helped that we were right” (2004, p. 7).

Being right has been the Manhattan Institute’s method and mission since the late 1970s, a period that has witnessed a dramatic shift in both the character and the content
of the urban policy debate in the United States. If cities began this period as a policy
category-cum-beneficiary, they ended it as an often-maligned political target; if urban
policy once designated a set of programs for cities, conceived as centers of progressive
reform and policy innovation, today the dominant view is that it is cities themselves that
must be reformed. Charting some of the traces in this long transformation, the paper
examines the far-reaching ways in which America’s urban condition have been success-
ively reimagined by the ideational activists and policy retailers of the right—the
“organic intellectuals” of the think tanks. These efforts, it will be argued, have helped
facilitate a transformative rethinking of the city, both as an object and a subject of regu-
lation. After Gramsci, this intellectual project can be seen as one of the practical construc-
tion and successive reorganization of the ideological program of a new urban right, in the
vanguard of which sits a newly empowered class of “permanent persuaders” (Gramsci,
1971, p. 10; Peck and Tickell, 2007). Intellectual contestation, Gramsci argued, is at no
time more consequential than in moments of crisis, when ideational cadres rise to promi-
nence as fabricators and rationalizers of putatively transformative programs. This is a
vital clue to the “organic” function of think tanks, a new organizational form that rose to
prominence under just such conditions. The ascendancy of contemporary forms of market
reason was therefore produced, it did not just happen, and narrations of crisis have been
an especially important weapon in what has in part been an urban-ideological offensive.
It is in times and places of crisis that new and radical responses can gain traction. Such
moments of trauma are also analytically and politically significant in that they tend to
reveal, in especially stark form, both the character of the prevailing “commonsense” and
its incipient vulnerabilities.

The span of the analysis here is defined by two generative moments of urban crisis,
one old and one new: New York City after the fiscal crisis of 1975 and New Orleans in
the wake of 2005’s Hurricane Katrina. The think tanks, in this context, have not only
narrated urban crises, but also have acquired critical new roles as mediators of putative
policy solutions, suturing their favored “second-hand ideas” (as Hayek once called them)
to contemporary forms of urban governance. The neoliberal think tanks are not simply
peddling a new urban vision; their words, formulations, and policy frames both express
and put to work an increasingly pervasive governmental rationality. Functioning under
stress also helps reveal how this invisibly ubiquitous process of “permanent persuasion”
actually works. Correspondingly, the methodology of the paper is to focus on what the
new urban right says, where it says it, and to what apparent effect.3 The torrent of
conservative solutions” for New Orleans—in policy briefs, blogs, and editorials—was
not merely commentary. It was also, in important respects, constitutive of subsequent
policy responses. New Orleans’ incipient policy makeover—comprising a gentrified,
free-market city on top and the disciplinary reregulation of the poor underneath—came from somewhere. Granted, the Manhattan Institute and other conservative think tanks may have been paying no more attention to New Orleans than did the Bush Administration prior to Katrina but, within days of the hurricane, they were hyperactively engaged in managing the policy fallout—reining in spending commitments while getting the “right” policy response in place.

Borrowing the Manhattan Institute’s tag line, my concern in this paper is with how neoliberal think tanks “turn intellect into influence,” how they have worked to redefine urban “problems” and reconfigure urban-political practice. It is suggested that a form of “fast urban policy” has been manufactured, in which ideologically saturated policy frames and strategies circulate not only with increased velocity but also with intensified purpose. In this respect, there has been a rapid, and profoundly consequential, shortening of the “policy distance” between New York and New Orleans. As the editorial team of the Manhattan Institute’s house magazine, City Journal, argued in the wake of the hurricane, New Orleans has long symbolized “How Not To Do It,” Katrina having exposed a decadently corrupt, welfare-dependent, and murderously uncontrolled city, “a poster child for an unreformed town, stuck in a time warp before policy innovators sparked America’s urban renaissance” (City Journal, 2005, p. 5). New Orleans, in other words, had it coming. And the “storm-after-the-storm,” as the Wall Street Journal (September 8, 2005, p. A18) aptly called it, reveals both subtle and stark realities of postwelfarist urban policy-making in the United States, its complex circuitry and its structural orientations. To a substantial degree, the new New Orleans will stand as concrete testimony to the reach and potency of neoliberal urban-policy conventions. However, this is not simply a story of the flawless enactment of a new urban vision. While the neoliberal center has held for now, some of its underlying fissures are also revealed in what will likely be seen as a moment of supreme audacity, if not tragic overreach. In exposing the ideational networks of neoliberalism operating at full stretch, the paper also hints at some of the limits of the project of the new urban right.

TOWARD POSTWELFARE GOTHAM

“Ford to city: Drop dead” read the now-infamous Daily News headline in October 1975, the day that President Ford declared that there would be no federal bailout of New York City. The fiscal crisis of the mid-1970s was a signature event for the new urban right, if not for the transnational project of neoliberalism more generally (Sites, 2003; Harvey, 2005). It necessitated a protracted period of budgetary restraint, but it also played a role as a potent symbol of the effective exhaustion of the welfarist status quo. New York City had become “ungovernable,” so the argument went, because together, the poor, programs for the poor, deliverers of programs for the poor, and political advocates of programs for the poor had suffocated the city with unsustainable financial and social commitments. Businesses and middle-class taxpayers would return to the city, the new conservative orthodoxy dictated, only if tax bills and the social state were simultaneously downsized. A preeminent task of the Manhattan Institute has been to narrate and reiterate accounts of this structural crisis, not in a fatalistic manner but in a fashion generative of free-market, conservative solutions—the purposeful flipside of these tales of urban failure.
The feds, Steven Malanga (2003b, p. 8) later argued, were quite right to refuse to bail out his “profligate city,” ensnared as it was in the “toxic vestige[s] of the New Deal.” But if this was the wake-up call, the task of governmental transformation proved to be a massive and prolonged one. As one of the key players in New York City’s recovery effort reflected more than 15 years later in the pages of *City Journal*, “we who were involved in resolving the crisis of the mid-1970s failed to define in any serious way the proper limits of city government’s activities,” the absence of structural reform meaning that “budget deficits…reappear every spring, each bringing with it a new round of service cuts and tax increases” (Berger, 1992, p. 54). These problems were seen to be exacerbated by an entrenched expansionist-Keynesian urban political culture, which Berger tartly summarized in two perverse principles: first, “no problem can be dismissed as outside the scope of city government,” and second, city government exists as “an elaborate system for dispensing benefits to service providers,” essentially as a form of sacrament to the all-powerful public-sector unions.

For Berger, the solutions to New York City’s recurrent “political tragicomedy” were, by definition, radical ones:

> Getting them won’t be easy. [None of the city’s political leaders] has shown the willingness to go beyond conventional short-term budget-cutting strategies, or to risk the wrath of entrenched interests that proposals for more fundamental change would provoke. Those who consider themselves realists will no doubt respond that, in New York’s current state of mind, sweeping changes in city government are not politically possible. But true realism now requires not only the recognition that there isn’t enough money to support the bloated government New York’s politicians have created, but that there never will be enough money. In the face of that reality, conventional ideas about what is “politically acceptable” become irrelevant. Measures that are acceptable in this sense are by definition inadequate…. What New York faces today is not just a fiscal crisis. It is, to borrow Arthur Schlesinger’s phrase, a crisis of the old order. We cannot afford to keep paying for New York’s governmental sprawl—nor should we want to. (Berger, 1992, pp. 54, 60)

The insistent message emerging from the Manhattan Institute and the pages of *City Journal* was that successive rounds of financial belt-tightening and tinkering reform were just short-term distractions—bankruptcy was a characteristic not simply of the municipal accounts but of the “old order” itself. The alternative “new urban vision,” Myron Magnet explained, “totally rejects the old municipal welfare-state ideology, whose decades of failed policies led the nation’s cities to the brink” (2000, p. 3). For too long, conservatives had been content with the “benign neglect” approach to “urban decay [which] was simply to spend less on the same old programs” (Barone, 2004, p. 48). While the recurrent threat of “fiscal Armageddon” in New York City might call attention to some of the underlying problems (Salins, 1990), the more strategic challenge facing the Manhattan Institute, qua think tank, was tirelessly to “expose the bad ideas of the 1960s and come up with better ones” (Barone, 2004, p. 49).
This meant taking the fight to the liberal defenders of the Keynesian urban settlement in terms of ideological principle, not just at the level of governmental practice or street-fighting over budgets. In contrast to many other conservative think tanks, most notably the combative Heritage Foundation in Washington, DC—which (not insignificantly) is located within walking distance of Congress—the Manhattan Institute spent much of the 1980s focused on “big ideas,” rather than the shorter-term challenges of policymaking and governmental reform. Their efforts have essentially set the terms and the tone for neoliberal urban policymaking in the ensuing period: supply-side economics and rolling tax cuts in place of reflationary, investment-based, or “tax-and-spend” Keynesianism; workfare in place of welfare; “broken windows”-style policing, restoring social order in the name of (potential) victims of crime, in place of overweaning social policies ostensibly addressing the causes of crime; the compassionate conservatism of private charity, faith-based interventions, and voluntarism, in place of government-led approaches and entitlement programming; privatization and choice in services like education and health, in place of municipal monopolies. As the following discussion will reveal, these interventions have incrementally shaped the worldview of the new urban right, borrowing well-established conservative and free-market themes but framing them into a practical governing philosophy in iteration with the ebb and flow of political opportunity. The transition to neoliberal urbanism may have been structurally induced in some respects, but the minoritarian intellectuals of the Manhattan Institute never seemed to see it that way. They were battling, as they saw it, on the outside.

The Institute has concentrated its energies on the production and promotion of orthodoxy-challenging books, sufficiently well written and engaging to attract commercial publishers. The results include some of the best-selling, and most fundamentally transformative, public-policy texts of the 1980s. The first major contribution of this kind, which was to sell more than half a million copies, was George Gilder’s (1980) \textit{Wealth and Poverty}, often credited with the distinction of bringing the theory of supply-side economics into wide currency for the first time (Bartlett, 1981; Reynolds, 1982). Gilder’s book anticipated many of the Manhattan Institute’s defining themes—the overriding imperative of sustaining economic growth, the costs of “confiscatory” tax systems, the corrosive effects of the welfare state, the virtues of entrepreneurialism and individualism. As Bartley and Shlaes (2004, p. 37) noted, the supply-siders’ radical challenge to the Keynesian orthodoxy might not have been so well received had it not been for the economic “disasters” of the 1970s, when the coincidence of unemployment and inflation so unhinged Phillips-Curve tradeoff assumptions that the two rates would instead be sacrilegiously added together as a “Misery Index”—peaking at 20.6% in 1980. New York City, it was argued, was suffering from its very own form of governmentally induced economic crisis, calling for a supply-side offensive against the municipal tax burden, its apologists and beneficiaries (Kudlow, 1991; Kagann, 1992; \textit{City Journal}, 1993).

If the principles of supply-side economics were to be promptly employed by the incoming Reagan Administration, the same could not be said of the Manhattan Institute’s next paradigm-shifting contribution, Charles Murray’s \textit{Losing Ground}. Murray’s (1984, p. 9) superficially compassionate but trenchantly anti-welfare argument was that, “We tried to provide more for the poor and provided more poor instead. We tried to remove barriers to escape from poverty, and inadvertently built a trap.” The attendant policy prescription—that the entire welfare system should be scrapped since it ensnared the ghetto
poor in a state of “dependency”—was allegedly too rich for the Reagan White House, which denied the underemployed political scientist a job (Miller, 2002). It is a measure of the long-run impact of Losing Ground, however, that Murray is now widely credited with shaping the welfare overhaul of 1996, his contention that welfare dependency, rather than poverty per se, represented the basic policy “problem” having been accepted by centrist liberals as well as conservatives (Albeda and Withorn, 2002). According to Myron Magnet (2005, p. 111), “Not only did Losing Ground have the distinction of being the ‘book that many people believe begat welfare reform,’ as the New York Times described it when the momentous bill passed, but Murray’s arguments also had the virtue of being right.”

If the Manhattan Institute’s agenda during the 1980s was focused on the critique and roll-back of antithetical institutions and practices such as entitlement programming and bureaucratic planning, the 1990s brought concerted attempts to stake out a new territory, often entailing the limited license of new forms of intervention. Gradually, the agenda of welfare reform morphed into the advocacy of alternative means of regulating the poor via workfare (Mead, 1991; Stern and Rosenberg, 1993; Mac Donald, 1997). But New York’s path to workfare has been a distinctive one: it is more oriented than most to public-sector placements, in part due to the weaknesses in the low-wage labor market, and in part as a means of facilitating a parallel conservative objective—the downsizing of the municipal labor force (Peck, 2001). The muscular companion to workfare, for which New York City would become the principal proving ground, was another Manhattan Institute product—zero-tolerance policing. According to the “broken windows” thesis of George Kelling, disorderly neighborhood environments serve as incubators for both fear and crime, the appropriate response to which is relentless, street-level policing of all forms of public disorder including prostitution, public urination, vandalism, fare-dodging, panhandling, and vagrancy (Kelling and Coles, 1996). While the thesis remains an intensely controversial one in criminological circles (Garland, 2001; Harcourt, 2002), the dramatic reduction in the crime rate that accompanied the program’s introduction in the mid-1990s positioned New York as a “textbook [case of] how to police any big city” (Bratton and Andrews, 2000, p. 70; cf. Wacquant, 1999). In turn, the falling crime rate is widely hailed by Manhattan Institute scholars as an essential prerequisite to the restoration of order and civility in the city.

For years, the nation’s inner-city neighborhoods were anarchies. The public housing projects would crackle with gunfire every night. Residents would eat their dinner sitting on the floor, because they were afraid of stray bullets coming in the window. They’d be afraid, and justly, to send their kids out for a loaf of bread, for fear of violence, and they’d often not take night courses to get ahead or not take a night-shift job for fear of crime…. Now, this is tyranny … the first of all civil rights [is] the right to be safe in your home and in the streets…. [W]hen formerly crime-ridden inner-city neighborhoods are policed [intensively] and order returns, civil society can begin to put forth shoots. Neighbors can watch the streets together—can begin to know one another—and so people can have a sense of being in control of their own lives. It’s astonishing, too, what a powerful economic consequence for cities as a whole, not just for poor neighborhoods, the restoration of public order has. When people aren’t afraid to go out at night, restaurants and movie theaters
flourish, and tourists aren’t afraid to come. So crime turns out to be a huge tax on urban economies, big enough to kill businesses, as we’ve learned from experience. (Magnet, 2001, pp. 20–21)

Myron Magnet’s (1993) The Dream and the Nightmare never won mainstream recognition at the time of its publication, though it was in its own way highly influential. Texas gubernatorial candidate George W. Bush was passed a copy by his political handler Karl Rove and it is said to have had a greater impact on the future president than any book after the bible (Miller, 2002; Brustein, 2003). An indictment of the if-it-feels-good-do-it culture of the 1960s, Magnet’s book is regarded as one of compassionate conservatism’s progenitive texts, its message being that the prevailing culture of permissiveness brought devastating consequences for have-nots, ensnaring them in a dysfunctional culture of poverty. Insisting that “[c]ompassionate conservatism is above all an urban agenda,” Magnet (2001, pp. 16, 22) makes the case for a bundle of neoliberal, neoconservative, and neo-Dickensian social policies including school vouchers, intensive policing, “restigmatizing illegitimacy,” liberal immigration policies, welfare, and behaviorally appropriate forms of support for the deserving poor, “mak[ing] sure that government doesn’t subsidize the unruly non-working poor to move to neighborhoods that the near-poor are … trying to keep decent and orderly.” Compassionate conservatives simply rebut the liberal argument that, in order to reduce crime, “government has to remove crime’s supposed ‘root causes,’ poverty and racism,” its no-nonsense position being that the (actual and potential) victims of crime must be protected (Magnet, 2001, p. 21).

Restoration and reclamation are the dominant motifs in the urban ideology of Myron Magnet and other Manhattan Institute scholars—the restoration of an unapologetically bourgeois urban order and a reclamation of the city for the (hard-)working and middle classes. Taking the city back, restoring what Vigilante (1991, p. 7) terms the “natural order of things,” meant attacking the institutions that produced these urban dysfunctions. As contributors to City Journal argue repeatedly, the fundamental challenge is to downsize urban government, reduce the tax burden, and refocus the public effort on a handful of priorities—policing and social order, choice and accountability in education, housing-market deregulation. This postwelfare urban fix is, in principle, within reach, since “our money worries arise almost entirely from the fact that New York is the only American city that is trying to run its own welfare state” (Vigilante, 1991, p. 10). The deceptively simple solution is for urban government to do a few (essential) things well, such as maintaining order, instead of many things badly, thereby simultaneously reconnecting with the middle class, lowering the tax burden, unshackling the dependent poor, and making space for economic growth.

The New Urban Utopia

The founders of City Journal presented themselves as exiles in Gotham, living a “vivid tension: to be in love and yet to be on the edge—poised for flight” (Editors, 1990, p. 2). On the one hand, celebrating the possibilities of the emergent new economy, on the other sensing that the city teetered at the “point of no return,” the new editorial board extended a worldly, half-ironic welcome to its anticipated audience of wonks, activists, journalists, and opinion (re)formers:
New York City needs to recover a basic insight: The common good is not a luxury item. [It] is the basic stuff of political debate. For too long now, along with working schools, bridges, and subways, New York City has lacked a working politics. [Our] goal is to restore to the city something it has lacked for decades: real debate about the city’s very real problems…. We are interested in fundamental reforms, not simply ways of coping. New Yorkers have coped with too much for far too long.

Many who enter the city abandon all hope. Not all of them leave. Some remain, carefully cultivating cynicism, wearing irony like a badge of honor. These voices of New York, despairing of making the city livable, have instead come to celebrate the unlivable, to wallow in the dirt and the drugs and the degradation, to call it “real,” “gritty,” “authentic.” A whole generation of New Yorkers have been offered only these alternatives: to flee or to shrug. To these people, and to every concerned citizen, [we offer] that rare commodity: hope. If in facing New York’s serious problems we occasionally sound grim, it is not because we are grim at heart. This is a labor of love. Like all labors, it begins in pain and ends, we hope, in the rebirth of America’s greatest city. (Editors, 1990, p. 3)

The stoical utopians of City Journal would occasionally wonder whether New York was afflicted with its own version of the “British disease,” a pervasive form of fatalism that chokes off innovation at its source (Siegel, 1993; McMahon and Siegel, 2005), but an abiding intellectual optimism has never been far from the surface. Locating themselves at the basic-knowledge end of the policy “supply chain,” they could hardly have been expecting immediate results, though clearly they hoped for gradual realignment of the intellectual climate. Rather than making “noise,” the Institute practices what its president, Larry Mone, likes with a Gramscian twist to call the art of “quiet persuasion”—cerebral, engaged, serious, respectful—with (in public at least) “no Hillary Clinton jokes” (quoted in Gupte, 2005, p. B14). But the ideological demeanor of the Manhattan conservative is a kind of inverted Gramscianism: there is a certain pessimism of the will or, at least, an abiding, weary sense that the city’s leadership lacks the resolve to confront “reality,” coupled with an optimism of the intellect, borne from a conviction that the better, more righteous ideas must win through in the end.

Recognizing that it would be self-defeating to preach to the converted, the Institute seeks to engage with the mainstream of elite opinion-makers. The aim is to “influence the influential … some people matter more than others. [So] that’s our constituency” (Larry Mone, quoted in Brustein, 2003, p. 2). Reflecting this aspiration, the high-design City Journal has a print run of around 10,000, most of which is distributed free to a “carefully chosen” list of current and would-be city leaders (Kaplan, 1998; Brooks, 2004). The range of opinion is somewhat heterodox—befitting the oxymoronic label New York conservative—encompassing libertarians, social conservatives, fiscal and market conservatives, right-leaning and centrist Democrats, “old-style aristocratic conservatives,” and various lost and/or mugged liberals, all of whom dissent, in one way or another, from the “New York establishment point of view” (Scott, 1997, p. B1). The Institute will often deny that it is even conservative, maintaining instead that it is committed to pragmatism—policies that work (Brustein, 2003).
Under the mercurial management of its founding president, William Hammett, the Manhattan Institute blended intellectual chutzpah and a maverick ethos with an anti-establishment stance. From the new urban right, Hammett castigated the city’s Republican leadership, for example, as “just a bunch of brain-dead assholes,” nor had he any interest in those “you see at the musty establishment get-togethers held by the Association for a Better New York or the New York City Partnership” (quoted in Siegel, 2005, pp. 60–61). While it is common for conservative intellectuals, especially members of think tanks, to portray themselves as outsiders, excluded from the universities, the liberal media, and even from mainstream intellectual life (Blumenthal, 1988), this sense of cerebral victimization is experienced with self-indulgent intensity in New York City. Appropriate, then, that when the city’s conservative moment eventually came, it arrived in the enigmatic form of Rudolph Giuliani, whose somewhat anomalous political character was powerfully shaped by the Manhattan Institute. An avid reader of City Journal, Giuliani was to be seen scribbling feverishly at the Institute’s events in the months preceding his successful campaign for mayor, actively participating in an internal seminar series, organized by his aides, with broken-windows guru George Kelling and arch-supply-sider Lawrence Kudlow, among others (Scott, 1997; Brustein, 2003; Siegel, 2005). Giuliani’s policy program, particularly in his first term as mayor (1994–1997) might almost have been downloaded from the City Journal web site—tax cuts, budget reform, zero-tolerance policing, workfare, public order. And the Mayor was generous in sharing the credit, acknowledging the journal for “spark[ing] a lot of the reanalysis, reinvention, reinvigoration of government [with its] provocative and very good ideas” (quoted in Scott, 1997, p. B1).

As if in reciprocation, the drumbeat of urban doom in the pages of City Journal almost stopped, and the refrain became one of the “opportunity city.” In this Halcyon period for the ascendant urban right, the crime rate plummeted and the economy boomed, tourists finally returned and Wall Street registered record highs. While clearly enjoying the ride, Manhattan Institute scholars sought also to maintain the momentum of reform, pressing the Mayor to enact further tax cuts, which for all Giuliani’s efforts remained stuck at “Canadian” levels (Stern, 1998), while creating more space for economic growth through deregulation, rezoning, and development incentives (Malanga, 2001a). In its Summer 2001 issue—as New York’s world was about to change dramatically—City Journal was engaged in what had become its usual business: pressing for radical hospital reform, attacking the teaching unions, debating urban race relations in the age of affluence, even finding time to reflect on “the greatest of all American urban disasters,” the San Francisco earthquake of 1906 (Page, 2001).

“When the Twin Towers fell, City Journal shelved almost all the stories that were to go into [the] Autumn issue and started over,” the result of which was a hastily assembled prospectus for rebuilding Lower Manhattan, including articles on terrorism, restrictive immigration reform, celebrations of “the civilization we are fighting to preserve,” and a specific plan for the redevelopment of the World Trade Center site (City Journal, 2001a). Dismissing the ruined structure, with more than a little post-Keynesian sangfroid, as “the quintessential New York–style centrally planned government-authority project—ill-suited to the marketplace and unsuccessful for years,” Steven Malanga (2001b, p. 2) reassured readers that the “terrorists hit a city that was at the top of its form:”
The fundamentals are in place for the opportunity city to recover and rebound. Nothing we decide to do must impede that recovery, fueled as it must be by the energy of free-market entrepreneurs. We must do nothing out of fear that our city is crippled or mortally wounded, needing some kind of government-funded life support. Such defeatism would be an admission that the terrorists won a victory. They did not. To clear the way for the city’s natural energies to reassert themselves, the first, most urgent task is to replace the 18 million square feet of modern office space lost in the attack. [This] means clearing away the choking jungle of impediments to private builders that New York has allowed to grow up over decades. It means, above all, getting government out of the way. (Malanga, 2001b, p. 2)

Now-objective conditions of crisis, Malanga insisted, should force a single-minded focus on the city’s most urgent problems: rezoning, development incentives (not subsidies), deep tax cuts, and a private-sector–led rebuilding effort, since “no government agency or authority, new or existing, should under any circumstances be put in charge of planning or executing the project” (Malanga, 2001b, p. 3). Nevertheless, Malanga maintained that the federal government must provide infrastructural investment, that it should finance the clean-up of the World Trade Center site, and that it might also fund a memorial to those killed—assuming any spending would be tightly controlled.

City Journal’s palpable fear of government overreach was only compounded by anxieties associated with Mayor Rudolph Giuliani’s imminent departure at the end of his second term. Significantly, 9/11 cemented Giuliani’s reputation as a visionary urban “crisis manager” without equal (Podhoretz, 2005). If his successor should drift back to deficit spending, Malanga (2001b) warned, the state governor should immediately place the city’s finances in the hands of the Financial Control Board—the body that imposed what Ken Auletta called “fiscal martial law” in the mid-1970s (Auletta, 1979; Brustein, 2005; McMahon and Siegel, 2005). City Journal emitted an unambiguous “Bravo” on the occasion of Giuliani’s exit from office, pronouncing him New York’s greatest mayor and living proof that “history is made not by ineluctable forces but by men, sometimes even great men” (2001b, p. 5).

In contrast, incoming Mayor Bloomberg—nominally the GOP candidate but a “life-long liberal”—was extended only the most muted welcome in an article bemoaning the lack of small-government Republicans in “one-party” New York City (Malanga, 2002). In the post 9/11 Bloomberg years, City Journal reverted to a subdued version of its pre-Giuliani posture: the city’s fiscal problems, structural as they are, remain chronically untended; the quality-of-life record is decidedly mixed; and the man the magazine likes to sarcastically call “the businessman mayor” seems to lack both the spine and the sensibility to do what is necessary (Malanga, 2005c; McMahon, 2005). Damned with the faintest of praise for competently managing the city’s day-to-day finances, Bloomberg has been faulted for his tax hikes and his reluctance seriously to tackle “out-of-control spending”—now portrayed as the city’s most pressing problem since Giuliani’s war on crime (Gelinas, 2005a). Malanga (2004, 2005a) goes further, implicating Bloomberg in the city’s post 9/11 economic malaise, dramatized as a return to an urban form of stagflation followed by a tax-induced stall-out of economic growth. Under “let-them-eat-cake” Bloomberg, Malanga (2005a, p. 50) gloomily concludes, “New York is slipping back into an all-too-familiar pattern” of slow growth, slack spending, and high taxes. No-one could
have missed the message in City Journal’s redux storyline: “Bloomberg to city: drop dead” (Malanga, 2003a).

DROWNING THE BEAST

Tropical Depression 12 formed over the Bahamas on August 23, 2005, triggering a sequence of events that would result in a most unnatural urban crisis. When Hurricane Katrina made landfall in Louisiana some six days later, the city of New Orleans was bracing itself for what Mayor Ray Nagin had called the “storm most of us have long feared” (quoted in Snadowsky et al., 2005, p. 2). The Mayor had ordered the city’s first mandatory evacuation, but it was known that many of New Orleans’ poorest and sickest residents had been unable to evacuate. Although the eye of the storm narrowly missed the city itself, a series of catastrophic breaches of the levee system on August 29 inundated four-fifths of the urban area with several feet of toxic floodwater. If the level of preparedness for this long-anticipated disaster was lamentable, the management of the subsequent emergency was tragic. A dangerously slow and poorly coordinated response from the Federal Emergency Management Agency (FEMA) compounded the problems faced by state and local agencies, whose limited organizational capacities were quickly overwhelmed. The abject failure of the evacuation effort was captured in searing media images of tens of thousands of displaced New Orleanians crowded, in unsanitary and dangerous conditions, into the city’s Convention Center and Superdome. Lacking adequate food, water, and medical supplies, these “refuges of last resort” were not themselves fully evacuated until September 3 and 6, respectively. Yet more shocking, for many commentators, was that in the days after the storm, the city’s social order apparently ruptured: the police lost control of the streets as looting and violence ensued, all of which was broadcast, in occasionally hysterical form, by the global media.

The scale of the human, environmental, and social catastrophe wrought by Katrina may, quite literally, never be known. The official death toll currently stands at over 1,800, with as many people still unaccounted for. One-and-a-half million people were displaced by the storm, one-third of whom may never return to the Gulf Coast. Damage estimates, quickly politicized, range from $40 to $120 billion, while the bill for the reconstruction effort could be as high as $250 billion. The “recovery” of New Orleans, a city now slowly repopulating, is expected to take years—without exaggeration “the greatest urban renewal project in American history” (MacQuarrie, 2005, p. A1). The form of this renewal project, currently taking shape, reveals a lot about the new urban orthodoxy in the United States, and the elaborate political circuitry that undergirds it. If the emergency response to Hurricane Katrina was lethally tardy, the ideological response was not. As the Bush Administration floundered, both institutionally and politically, in the days following the flood, the conservative think tanks did not hesitate to wade in. The initial reactions of these ideological first-responders were occasionally off key, but before long they were acting in concert. Working off a series of well-established scripts, many of them crafted in New York City, the think tanks were within days constructing a “principled response” to Katrina, predicated upon fiscal restraint and “offsetting” budget cuts in Washington, DC, but extending to what amounts to a new urban agenda for the Crescent City, enlarging the role for private enterprise through market-led development, governmental outsourcing, and city governance; selective institutional roll-backs focused on the social...
state; redoubled crime control, making the city safe for tourists and gentrifiers; and an interventionist program of “moral reconstruction” aimed at those stranded in the storm’s wake.

The Fall of New Orleans

“No American city has ever gone through what New Orleans must go through,” wrote Manhattan Institute analyst Nicole Gelinas (2005d, p. 9) in the midst of the inundation, since notwithstanding the immediate crisis, no city has had to contend with “flight of its most affluent and capable citizens, followed by social breakdown among those left behind, after which must come the total reconstruction of economic and physical infrastructure by a devastated populace” (p. 9). Gelinas confessed in a New York Sun editorial that “The truth is that even on a normal day, New Orleans is a sad city” (p. 9).

New Orleans can’t take care of itself even when it is not 80 percent underwater; what is it going to do now, as waters continue to cripple it, and thousands of looters systematically destroy what Katrina left unscathed?… The city’s government has long suffered from incompetence and corruption…. On television this week, the mayor has shown no clear inclination to take charge and direct post-Katrina rescue and recovery efforts for his population, as Mayor Giuliani did in New York on and after 9/11…. New Orleans teems with crime, and the NOPD can’t keep order on a good day…. Socially, New Orleans is one of America’s last helpless cities.

(Gelinas, 2005d, p. 9)

The underlying explanation for New Orleans’ “helplessness” here is the city’s subjection to an accelerated and hypertrophied form of the American urban condition as it has been characterized in the pages of City Journal: the breakdown of social control triggers a middle-class exodus, leaving behind a welfare-dependent underclass whose proclivity to cultural dysfunction and economic disconnection then goes unchecked; and a complicit and corrupt municipal administration is unable—by definition, since it is part of the problem—either to read the causes or manage the consequences. Having traveled further than most down this spiral of self-fulfilling decline, New Orleans may now lack the capacity even to save itself: “Sure, the feds must provide cash and resources for relief and recovery—but it’s up to New Orleans, not the feds, to dig deep within itself to rebuild its economic and social infrastructure,” Gelinas (2005d, p. 9) counseled. Yet her sense was that this would take nothing less than “a miracle. New Orleans has experienced a steady brain drain and fiscal drain for decades, as affluent corporations and individuals have fled, leaving behind a large population of people dependent on the government” (p. 9, emphasis added). In order to avert a still greater urban crisis, the only hope, Gelinas felt at the time, lay with an injection of Giuliani-style leadership. New Orleans Mayor Nagin, visibly reeling in the face of his city’s destruction, would have to manage first himself and then the crisis: “He must not waver, or a priceless city will be borne by the waters into Newark, 1967” (p. 9).

The following day, as media portrayals of the city’s descent into chaos began to focus on reports of violence and looting, Gelinas’ (2005b) analysis turned yet more pessimistic.
In what had become a “perfect storm of lawlessness,” the New Orleans “criminal class [had] taken over the stricken city” (p. 1).

Katrina didn’t turn innocent citizens into desperate criminals. This week’s looters … are the same depraved individuals who have pushed New Orleans’ murder rate to several multiples above the national average in normal times…. Today may not be the best day to get into New Orleans’ intractable crime problem, but it’s necessary, since it explains how this week’s communications and policing vacuum so quickly created a perfect storm for the vicious lawlessness that has broken out…. On a normal day, those who make up New Orleans’ dangerous criminal class—yes, likely the same African-Americans we see looting now—terrorize their own communities…. Failure to put violent criminals behind bars in peacetime has led to chaos in disaster…. Now, no civil authorities can re-assert order in New Orleans. The city must be forcefully demilitarized, even as innocent victims literally starve. (Gelinas, 2005b, pp. 2–4)

If American think tanks are often criticized for their tendency to rush to prefabricated policy prescriptions (McGann, 2004), a somewhat different dynamic seems to have been at work here. Perhaps reflecting the Manhattan Institute’s role as a supplier of basic ideational resources for neoconservative/neoliberal policymakers, as opposed to quick-fire policy formation, Gelinas was (re)presenting her own form of causal interpretation. Recirculating staples of underclass analysis, she confidently drew distinctions between the behavior and motivations of the “core criminal class” and the hapless group of benign dependents (“impoverished women, children, and elderly folks”) who had trudged *en masse* to the Superdome and Convention Center “expecting their government to take care of them” (Gelinas, 2005b, p. 1). Like Charles Murray’s imaginary inner-city couple, Harold and Phyllis, these segments of the underclass were seen to be behaving rationally, if dysfunctionally, within a perverse universe of governmentally engineered incentives. And echoing the broken-windows thesis, untended lawlessness is intrinsically degenerative, spawning an endemic culture of urban crime. While the new urban right has developed responses to these entrenched problems—reform the poor with systemic welfare reform and zero-tolerance policing; bring back the middle classes with tax breaks and reformed schools—these are not, realistically speaking, short-term policies. Hence the undercurrent of weary fatalism in these initial dispatches from New York. *City Journal* stalwarts Theodore Dalrymple and David Brooks reflected this sentiment, Dalrymple (2005, p. 24) expounding on the “thin line” separating civilization from “barbarism and mob rule,” while Brooks (2005, p. 11) detected not a tipping but a “bursting point,” from which New Orleans had emerged as an “anti-9/11 [in which] nobody took control.”

As the Bush Administration fumbled and local administrators reeled, the post-Katrina policy vacuum sucked in prefabricated conservative diagnoses of the American urban condition—the usual cocktail of race, crime, and dependency—but even professional opinion-shapers seemed initially at a loss how to construct much more than a rhetorical response. It was as if, in a period in which the governmental system itself temporarily lost traction, the most persistent critics of the misinterventionist state also momentarily lost their bearings. And nowhere was the vacuum more profound than at the federal level, where the White House appeared paralyzed, successively, by indifference, incomprehension,
and indecision.\textsuperscript{4} Returning from vacation in Texas, President Bush took an aerial detour over the flood zone to assess the damage for himself. Acknowledging that New Orleans’ recovery would be a “difficult road,” the President reaffirmed his confidence in the ill-fated Michael Brown, then head of FEMA, as the Administration’s point man in the stricken region, praised the “armies of compassion” for their charitable responses, and appealed lamely for better coordination of the emerging relief program. While his Administration contemplated a “comprehensive relief effort,” Bush symbolically underlined the absence of federal control of the situation by standing in the Rose Garden and reading out the Red Cross emergency number, 1-800-HELPNOW (President outlines Hurricane Katrina relief efforts, White House, Office of the Press Secretary, August 31, 2005). One of his Administration’s few decisive acts of the day was to open up the Strategic Petroleum Reserve in order to relieve pressure on the nation’s gas prices.

Initially, at least, the response of the Washington think tanks was almost as flat-footed. Even the Heritage Foundation, the most closely attuned to the daily rhythms of the political cycle, had its attention focused elsewhere at the beginning of the crisis. With harrowing images of corpses floating in New Orleans floodwaters dominating the media, Heritage’s opening salvo in the post-Katrina policy debate was to warn of the perils of price controls, including a meditation on the “disaster” of governmental intervention in the oil market during the 1970s (Lieberman, 2005a).\textsuperscript{5} This rather discordant tone continued the next day, when Heritage researchers alternately pressed for both Arctic drilling and the deregulation of emission controls as means of easing post-Katrina gas prices (Lieberman, 2005b); offered reassurances that, fortunately, the economy was in good health—aided by the continuing “disintegration” of the AFL-CIO and the “bravery” of Congress for refusing to raise the minimum wage for a seventh straight year (Kane, 2005); and indulged in some uncharacteristically inconclusive handwringing about the scale of the catastrophe in the Gulf (Carafano, 2005). Not until veteran fiscal hawk, Ronald Utt, joined the fray did a more self-assured Heritage response begin to take shape. Having praised private and charitable responses to the disaster, Utt (2005b, p. 2) rhetoric ally asked if members of Congress would also be prepared to make a “sacrifice”—recognizing this “higher purpose” by renouncing “frivolous pork barrel spending” in the recently enacted highway bill. Impishly, Utt proposed that the funds earmarked for the now-infamous “bridge to nowhere” in Alaska (Clarren, 2005) could be reallocated to the Gulf Region, perhaps for a bridge reconstruction project gifted by “the People of Alaska.” This metaphor for politically indefensible spending (a.k.a. “pork”) would become a staple for fiscal conservatives in the following days and weeks. Codifying a theme that reverberated across the conservative blogs and letters-to-the-editor pages, Heritage posted a set of “instructions for writing an op-ed” on the members’ section of its web site, echoing the

\textsuperscript{4}Among the torrent of (largely scathing) media commentary on the federal government response to Katrina, see Marek (2005), Mulrine, (2005), Davis (2005), Parenti (2005), and Elliston (2005). See also Schneider (2005), and for a comprehensive, yet still damning, analysis from a Republican perspective, Select Bipartisan Committee (2006).

\textsuperscript{5}This was by no means a fluke. The American Enterprise Institute was initially preoccupied with just the same issues, issuing level-headed reminders of the laws of supply and demand, indeed celebrating the “positive side of price-gouging and greed” (Lott, 2005)—markets work!
message that essential spending for Katrina recovery efforts should be clawed back from the “fiscally reckless” highway bill.6

Consistent with the view of think tanks as the ideological “outriders” relative to mainstream political discourse (Peck and Tickell, 2007), Washington’s conservative intelligentsia were actively engaged, during this time, in stretching the envelope of the politically palatable and the governmentally feasible. This involved constantly redrawing a series of fiscal lines in the sand, offering occasional encouragement to budget hawks—particularly members of the Republican Study Committee (RSC), the inheritors of the Contract with America project on the right of the party—while castigating or ridiculing moderates. While think tanks often take pride in their intrepid exploration of the “unthinkable” reaches of policy (Cockett, 1994; Edwards, 1997), in the immediate aftermath of Katrina this extended into saying the unsayable. While mainstream politicians quickly learned that contemplating anything less than a complete reconstruction of New Orleans was practically unacceptable,7 think-tank scholars pondered much more freely the possibly “doomed” fate of New Orleans, the city’s long-standing cultural association with death, its possible loss “to the forces of nature,” indeed, the very “improbability” of the place, which—like Venice—“was created in defiance of the forces of nature” (Dale, 2005, p. A21; Ledeen, 2005).

Framing New Orleans

Less than two weeks after Katrina’s strike, by September 12, Heritage was ready to announce a full package of “principled solutions” to the rebuilding challenge. Presenting a tightly framed small-government strategy, a team of senior Heritage researchers outlined the following guidelines:

1. The federal government should provide support and assistance only in those situations that are beyond the capabilities of state and local governments and the private sector. State and local governments must retain their primary role as first responders to disasters. The federal government should avoid federalizing state and local first response agencies and activities.

2. Federal financial aid, when necessary, should be provided in a manner that promotes accountability, flexibility, and creativity. In general, tools such as tax credits and voucher programs, which allow individuals and families to direct funds, should be utilized to encourage private-sector innovation and sensitivity to individual needs and preferences.

3. Consistent with genuine health and safety needs, red tape should be reduced or eliminated to speed up private-sector investment and initiative in the rebuilding of

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6Congress should redirect highway pork to the Katrina relief effort, accessed at www.heritage.org, September 9, 2005.

7When Republican Speaker of the House, Dennis Hastert, candidly mused that the rebuilding of New Orleans might not “make sense,” he was forced, within hours, to retract the statement (quoted in Taylor, 2005, p. A1).
facilities and the restoration of businesses. Regulations that are barriers to putting people back to work should be suspended or, at a minimum, streamlined.

4. Congress should reorder its spending priorities, not just add new money while other money is being wasted. *Now is the time to shift resources to their most important uses and away from lower-priority uses.*.... It is critical that America focus on building capabilities for responding to a catastrophic disaster, not on catering to the wish lists of cities, parishes or counties, states, and stakeholders.

5. *Private entrepreneurial activity and vision, not bureaucratic government, must be the engine to rebuild.* New approaches … such as enhanced choice in public school education should be the norm, not the exception…. The critical need now is to encourage investors and entrepreneurs to seek new opportunities within these cities. Bureaucrats cannot do that. The key is to encourage private-sector creativity—for example, by declaring New Orleans and other severely damaged areas “Opportunity Zones” in which capital gains tax on investments is eliminated and regulations eliminated or simplified. (Meese et al., 2005, p. 1, emphasis added)

The comprehensive plan developed by Heritage deployed what would become a keyword in the subsequent reconstruction debate—offsets. Any new federal spending commitments, Meese et al. (2005, p. 2) argued, must be “offset by reductions in other spending,” since under no circumstances must there be “mission creep” into uncompensated spending, new programs or, worse still, “any entitlement expectations for disaster relief.” But with the “principled” plan came a potpourri of staple conservative demands: rolling back the Clean Air Act and restrictions on oil drilling; removing tariffs; accelerating tax cuts within the “Opportunity Zone,” including voucher schemes for healthcare, education, and job training; incentives for private providers and faith-based organizations across these and other policy fields; expansion and ret owing of the National Guard; capping Medicaid entitlements; streamlining FEMA while rolling out a network of regional offices for homeland security, managed by political appointees; and the repeal of the Estate (or “death”) tax. Pressing a broad package of conservative proposals, the Vice President of Heritage editorialized in the *Los Angeles Times* against “reflexively pouring money into the Gulf” through Congressional displays of “checkbook compassion” (Butler, 2005, p. B13).

On the other hand, “unexpected” events, like hurricanes, must not, under any circumstances, disrupt the defining programmatic element of the neoliberal agenda: tax cuts. In a less than subtly titled intervention entitled “New Orleans vs. New York?” just two weeks after the storm, the Manhattan Institute’s Steven Malanga (2005b, p. 1) pointed out that New Yorkers had “already done their share to lend aid” to the victims of Katrina; his more serious concern was that a “post-Katrina mindset in Washington” might lead to a postponement of the scheduled extension of dividend and capital-gains tax cuts, badly needed for Wall Street’s continued recovery. By mid-September, with President Bush about to give a major speech in New Orleans on the reconstruction effort, the drumbeat of offset spending had intensified to the point that real pressure was being exerted on the Republican leadership. Former House Leader Tom DeLay’s remark that “there is simply no fat left to cut in the federal budget” had caused consternation among fiscal conservatives
(de Rugy, 2005a; Riedl, 2005; Utt, 2005a). Among the think tanks, the customary appeals for federal restraint and fiscal responsibility now had a more insistent edge.

The main task facing the free-market think tanks in the run-up to Bush’s New Orleans speech was to influence the principles and, if possible, the price-tag of what would clearly be a massive rebuilding effort. In this latter respect, there was a high degree of consonance in the positions of the free-market think tanks. Like Heritage, the American Enterprise Institute (AEI) was pressing for emergency assistance tied more to people than places, and based on short-term loans, vouchers, and temporary provisions; yes, there should be a concerted effort to repair the damaged infrastructure but, ultimately, “it’s important to let markets decide how fast New Orleans springs back” (Hassett, 2005, p. 1). An AEI colleague, James Glassman (2005, p. 2), likewise insisted that the “revival should be as spontaneous as possible.” But since New Orleans was never a city that “worked” in the first place—“the world got a taste of that dysfunctionality … during the storm…. [C]orruption, squalor and stupidity do not equal charm” (p. 2)—then a radically new approach would be called for:

> The inevitable commission that will oversee the rebuilding must realize that the world’s best designers, developers and innovators will be drawn to the city only if they are relatively unrestricted. New Orleans could become a laboratory for ideas like tax-free commercial zones and school reform. This is the ultimate libertarian city and the last thing it needs is top-down planning…. I’m optimistic. New Orleans has a unique chance to make a fresh start and, in fact, become more like cities that do work (Chicago and Phoenix come to mind) while retaining its spirit of mystery, absurdity, beauty and decadence. (Glassman, 2005, p. 2)

At least some of this optimism was well founded. When President Bush addressed the nation from New Orleans’ Jackson Square two days later, he promised that an entrepreneurial city would rise from the floodwaters, assisted by a package of tax-breaks, short-term loans and guarantees for small businesses branded the “Gulf Opportunity Zone” (GO Zone); there would be temporary jobs and short-term extensions to unemployment benefits, and evacuees would not have to travel great distances or navigate bureaucracies to get the benefits that are there for them; there would be an Urban Homesteading Act to encourage homeownership and Worker Recovery Accounts to help individuals reenter the workforce; the federal government would join forces with the “armies of compassion—charities and houses of worship, and idealistic men and women” in the rebuilding effort; the flood protection system would be rebuilt “stronger than it has ever been” (absent specific commitments); and there would be a “team of inspectors general reviewing all expenditures” in order to ensure that the taxpayers’ money was being spent honestly (President discusses hurricane relief in Address to Nation, Jackson Square, New Orleans, Office of the Press Secretary, White House, Washington, DC, September 15, 2005).

If the free-market think tanks were quietly satisfied with many aspects of the Administration’s proposals—indeed they were uncredited originators of several of them—there was considerable unease with what would become the headline-generating line from Bush’s speech—“we will do what it takes, we will stay as long as it takes.” Fearing an open-ended spending commitment, Cato reflexively warned of an impending
“budget disaster” (Weisman and VandeHei, 2005, p. A1). For their part, Heritage scholars were somewhat more circumspect, working feverishly through less public channels but also highlighting “dangers” in aspects of the Administration’s plan. While welcoming the announcement of the GO Zone—practically a Heritage creation—Butler et al. (2005, p. 3) reiterated their demand for offsets (a word Bush did not use once in his speech), citing the apparent reluctance of Congress to make tough choices, and forecasting that “local officials [will] see this as an opportunity to put forward an extensive wish list.” The concern here was with the real and imminent menace of “Big Government Conservatism,” Bush-style. As the president of Heritage editorialized, just after the Administration’s plans for the Gulf region had been announced:

At some point, a hurricane is downgraded from a crisis to a problem…. But as lawmakers scramble to throw money at the problem, it’s worth remembering that no level of government has distinguished itself in the last several weeks…. [We] shouldn’t respond to government failures by making the government larger and still more unwieldy. The best way to rebuild New Orleans will be for the government to get out of the way. Congress and state governments can do this by eliminating or reducing regulations and allowing communities to decide for themselves how best to rebuild…. Let’s make sure that in responding to the temporary problems of Katrina, we don’t simply create the permanent problem of ever more—and ever more expensive—bureaucracy. (Feulner, 2005a, p. B5)

Similar concerns were generously amplified by the Wall Street Journal’s editorial page, which for some time has had a symbiotic relationship with the free-market think tanks. Under the headline “Hurricane Bush,” the Journal (September 15, 2005, p. A20) bloviated to the effect that, “The people who couldn’t flee the storm were not ignored by ‘small government conservatism,’ as if that still exists outside Hong Kong. The city’s poor have been smothered by decades of corrupt, paternal government—local, state and federal.” The Journal concluded that, “It was certainly a collapse of government, but more accurately of bureaucracy and the welfare state” (Wall Street Journal, September 15, 2005, p. A20). A week earlier, the Journal’s deputy Washington editor, David Wessel, had gloomily proclaimed that “The era of small government is over. Sept. 11 challenged it. Katrina killed it”—a statement that reverberated widely around the think-tank community (Wessel, 2005, p. A2; Cato Policy Report, 2005; Franc, 2005a; Niskanen, 2005). Illustrating the tight nexus between the financial press, the free-market think tanks, and fiscal conservatives in Washington, the Republican Study Committee had been meeting at the Heritage Foundation to hatch their own version of the rebuilding plans, producing a “sea of conservative ideas” that were subsequently published by the Journal. Parroting Heritage’s reconstruction blueprint (Meese et al., 2005), the RSC’s chair, Representative Mike Pence, declared that, “We want to turn the Gulf Coast into a magnet for free enterprise. The last thing we want is a federal city where New Orleans

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8A few days earlier, then House majority leader, Tom DeLay, had told reporters, “Bring me the offsets, I’ll be glad to do it. But nobody has been able to come up with any yet” (quoted in Weisman and VandeHei, 2005, p. A1).
once was. [We want] a flat-tax free-enterprise zone” (quoted in Wilke and Mullins, 2005, p. B1; see also Franc, 2005b; Toner, 2005).

One week later, the RSC launched “Operation Offset,” proposing more than $71 billion in cuts from the 2006 federal budget to cover the costs of Gulf Coast reconstruction, while pressing for a much wider and deeper program of “savings” (totaling more than $500 billion) over the ensuing decade (RSC, 2005a). Not surprisingly, Heritage warmly welcomed the package, much of which had been hatched in its own offices, while at the same time presenting the initiative as an outcome of “grassroots energy” (Acosta Fraser and Muccio, 2005; Franc, 2005b). The Wall Street Journal also voiced its support, declaring the White House’s position on Katrina spending to be “irresponsible and even insidious” (Wall Street Journal, September 21, p. A26), having previously accused members of Congress of getting “in the way of this natural economic recovery by exploiting Katrina to spend like they’re back on Bourbon Street” (Wall Street Journal, September 8, 2005, p. A18). A parallel effort was also beginning to gain ground in the Senate, led by spending hawks John McCain and Tom Coburn, who called on the President to present his own package of offsets and rescissions. This initiative was loudly trumpeted on the conservative/libertarian blog, Porkbusters, which was established on September 18, 2005, to fight the cause of offset spending cuts, post-Katrina.

The mood in Washington was already beginning to shift, then, prior to the presentation of the Louisiana delegation’s $250 billion reconstruction package in early October—the “extensive wish list” that Heritage had predicted on the day of Bush’s Jackson Square speech. The President immediately called a press conference to declare a subtle but critical shift in policy: “The heart of America is big enough to be generous and responsible at the same time…. As the federal government meets its responsibilities, the people of the Gulf Coast must also recognize its limitations.” Bush emphasized that the recovery effort would be private-sector led, going on to promise to “work with members of Congress to identify offsets, to free up money for the reconstruction efforts” (President holds press conference, Office of the Press Secretary, White House, Washington, DC, October 4, 2005). The chair of the RSC, Representative Mike Pence, immediately issued an obsequious press release, calling attention to the President’s new-found commitment to the principle of offsets (RSC, 2005b). And the fiscally conservative think tanks dutifully reiterated the same line, also crediting the Administration’s far-sighted embrace of offset budgeting.

The PELICAN (Protecting Essential Louisiana Infrastructure, Citizens, and Nature) Plan was immediately besieged. Heritage characterized it as a “breathtaking display of parochial self-interest,” favorably citing statements by RSC stalwart, Representative Jeff Flake, in the Wall Street Journal, that “we risk setting … an unsustainable precedent that it is the responsibility of the federal government to ensure that the victims of natural disasters are made whole” (Franc, 2005c, p. 1). PELICAN was similarly dismissed by the AEI as “pork gumbo” (de Rugy, 2005b, p. 1), resident scholar Newt Gingrich stepping

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9The President also made the case that post-Katrina realities called for an extension of the Patriot Act and increased oil-refining capacity: “The storms that hit our Gulf Coast also touched every American, with higher prices at the gas pump.”
into the fray to portray the funding request as deficit-busting audacity from a cabal of local lawmakers historically prone to corruption:

While we all feel for Louisiana’s residents, there are limits to what American taxpayers can—and should—be asked to contribute on top of their already large tax bill. More worrisome, too much federal largesse can have negative consequences on behavior. What are the odds, for instance, of more responsible behavior by state and local officials when the federal government picks up all costs? And will private individuals and businesses make sound decisions—purchasing insurance to cover risks, for example—when Uncle Sam bails out poor choices? (Gingrich and de Rugy, 2005, p. A19)

Compassion fatigue, it seemed, was now extending beyond the tight network of fiscally conservative activists. But more importantly, a conservative position on New Orleans had now stabilized, with the aid of insistent incantation from the think tanks via briefings, blogs, editorials, and daily policy memos. The dominant motif or policy “frame” (Lakoff, 2002) was that of responsibility: fiscal responsibility in Washington; personal and local (government) responsibility in New Orleans.

Borrowing a metaphor often used in think-tank circles, a tipping point had apparently been reached: the Washington version of “behaving responsibly,” it now seemed, was defined by sending less, not more, money to the Gulf Coast. And more than this, the twin cases of Katrina spending and the Alaskan bridge provided an object lesson in the determination of legitimate federal responsibility and spending. The spontaneously choreographed challenge, to which all the free-market think tanks would rise, was to intensify the drumbeat on the need for offset spending, to brand all nonessential forms of spending as “pork” and, as the AEI put it, “to get the federal government out of the disaster-relief business [in order] to promote responsible behavior on the part of individuals and businesses” (de Rugy, 2005c, p. D1; see also John, 2005).

Making Post-Katrina Urban Policy

When Senator John Kerry (quite plausibly) observed that the Republicans’ plans for the Gulf Region would transform it “into a vast laboratory for right-wing ideological experiments … recycling all [the conservatives’] failed policies and shipping them to Louisiana” (Franc, 2005b, p. 1). Heritage immediately countered that the root cause of the problems facing the region were those Great Society programs in the fields of welfare, housing, education, and job training that had, in effect, left the poor defenseless. Since it was the welfare state that placed the poor in the path of the storm, so the argument went, so it would be no less than perverse to pour money into programs that destroy work ethics and encourage illegitimacy. Neumayr (2005, p. 50) railed against those New Orleans residents whom he alleged had “no intention of leaving,” since the criminally inclined foresaw a “target-rich environment” while the passive majority were “just waiting for

10The “rainbow in the aftermath of Katrina,” as Heritage President, Ed Feulner (2005b, p. A21) put it, was that the “tipping point” had arrived, “Now excessive spending is on everyone’s mind.”
their welfare checks at the beginning of September.” Like Harold and Phyllis, they had submissively followed the rules, stayed put, and drowned. Had “chronically craven and indolent” local officials had the wit to announce that the next round of welfare checks would be issued in Baton Rouge, then no doubt “people would have somehow found a way to get out” (Neumayr, 2005, p. 50).

There had been more than a little unease, in free-market think-tank circles, with the President’s conspicuous acknowledgment, in his Jackson Square speech, of “deep, persistent poverty [with] roots in a history of racial discrimination,” and with what he characterized as a “legacy of inequality” (President discusses hurricane relief in Address to Nation, Jackson Square, New Orleans, Office of the Press Secretary, White House, Washington, DC, September 15, 2005). The Bush Administration’s achievements in the area of welfare reform were also regarded as modest, if not tokenistic—more funding for a compassionate conservative program of “marriage incentives,” but little else. The Heritage Foundation’s welfare guru Robert Rector, among others, thought that the time had now come to “experiment boldly.” Lecturing the dependent residents of New Orleans “how not to be poor,” Rector contended that the root cause of the city’s poverty was neither racial discrimination nor an absence of job opportunities, but derived from the collapse of the nuclear family coupled with low levels of parental work—both trends that have disproportionately affected the Black community. The falling marriage rate was fueling welfare dependency among Blacks, while propagating the dysfunctional “culture of the underclass: drug abuse, promiscuity, and violence”; and the appropriate response should be “moral renewal” (Rector, 2005, p. 28). Striking his trademark tone, Charles Murray, now W. H. Brady Scholar at AEI, informed the readers of the Wall Street Journal that the conventional repertoire of policy responses simply would not work for the underclass, whose defining characteristic is “behaving destructively.” The underclass, he cautioned, should not be confused with the responsible poor, who work and get married; rather, they are the “looters and thugs” and “inert women” for whom conventional policies simply fail:

We already know that the programs are mismatched with the characteristics of the underclass. Job training? Unemployment in the underclass is not caused by lack of jobs or of job skills, but by the inability to get up every morning and go to work. A homesteading act? The lack of home ownership is not caused by the inability to save money from meager earnings, but because the concept of thrift is alien. You name it, we’ve tried it. It doesn’t work with the underclass. (Murray, 2005, p. A18)

It was this brand of argumentation, of course, that first made Murray’s name more than a quarter century ago at the Manhattan Institute. And it has been one that his followers have pursued with gusto. “For a while it looked like Hurricane Katrina would accomplish what the NAACP [National Association for the Advancement of Colored People] never could,” City Journal contributing editor Kay Hymowitz (2006, p. 29) reflected, “reviving civil rights liberalism as a major force in American politics,” a moment of retro-liberalism that “only lasted about five minutes.” Now, it was down to conservatives to respond to the real problem: the breakdown of the nuclear family, together with its racially and socially uneven consequences. Hymowitz’s colleague, Nicole Gelinas (2005c, p. 16) dismissed as “amorphous talk” the President’s evocation of racism, poverty, and inequality in the
aftermath of the hurricane. What New Orleans really needed, she contended, was improved levee protection, since “civil engineering actually works, unlike the social engineering that Bush has invited with his lament about urban Southern poverty.” With the physical infrastructure appropriately fixed, then it might be possible to deal with New Orleans’ “immutable civic shame, before and after Katrina,” the city’s “culture of murder.”

After documenting in gruesome detail the city’s pre-and post-Katrina “murder rampage”—together with images of Black men caught in the commission of ostensibly illegal acts, in one case in the gunsights of a White police officer—Gelinas (2005c, p. 22) argued that the problem is a supply-side one, since “New Orleans’ legions of weak, female-headed, underclass Black families supply generation after generation of … ‘lightly parented’ young men to fuel the carnage.” In the short term, there will be no revival of New Orleans until public safety can be assured, she argued, which in turn calls for the importation of both Rockefeller-style drug laws and NYPD-style policing.

Day in and day out, Katrina or no Katrina, New Orleans is America’s most dangerous city…. But New Orleans’s long history of street carnage is not a topic for polite discussion in Katrina’s aftermath. Pols and pundits have a million solutions for the city, from building more affordable housing to ensuring better schools to creating an incubator for the nation’s “creative class” to offering tax credits for resettlement. But none addresses the city’s most obvious, and intractable, problem, the one that has kept New Orleans from thriving for years…. Evacuees—and businesses—know that even Cat-5 levees can’t protect them from the day-to-day mortal fear of living in New Orleans…. Only when New Orleans can assure safety can it begin to make up some of the losses it has sustained over a generation of mismanagement. Only then can it build a real private economy and robust public institutions that will attract a thriving middle-class population. (Gelinas, 2005c, pp. 21, 24–25)

Writing in AEI’s monthly magazine, The American Enterprise, Joel Kotkin moved to cement this solidifying conservative orthodoxy, detailing his vision of post-Katrina urban policy. Announcing that the storm had torn “the lid off a virtual Superdome of liberal illusions,” Kotkin launched a scathing attack on “rotten administration” at the state and local level, and the “collapse of responsibility and discipline” that in his mind was a function of New Orleans-style urban welfarism:

By becoming mass dispensers of welfare for the unskilled, playpens for the well-heeled and fashionable, easy marks for special interests, and bunglers at maintaining public safety and dispensing efficient services to residents and businesses, many cities have become useless to the middle class, and toxic for the disorganized poor. Today’s liberal urban leadership across America needs to see the New Orleans storm not as just a tragedy, but also as a dispeller of illusions, a revealer of awful truths, and a potential harbinger of things to come in their own backyards. Look beyond the tourist districts. Few contemporary cities are actually healthy in terms of job growth or middle-class amenities. Most are in the grips of moral and economic crisis. If we are lucky, the flood waters of Katrina will wash away some of the ’60s-era illusions that fed today’s dysfunction. Honest observers will recognize
that this natural disaster, which hit the nation so hard, was set up by the man-made
disaster of a counterproductive welfare state. (Kotkin, 2006, p. 29)

Fundamentally, the agenda of the new urban right is about setting the “ground rules”
for appropriate behavior in cities, largely modeled on middle-class norms; establishing
the preconditions for economic growth, largely through the kinds of minimalist supply-
side interventions metaphorically represented, in this case, by the Cat-5 levee; and
maintaining social order through ruthless application of the force of law, facilitated by
zero-tolerance policing. This, clearly, is anything but a noninterventionist program, but
its interventions are profoundly selective. It represents a form of revanchist neoliberalism
practiced at the urban scale (Smith, 1998; Brenner and Theodore, 2002). The neoliberal
face of this program caters explicitly to business, taxpayers, and the middle classes, for
whom the restructured city must be made safe and welcoming. Meanwhile, the program’s
revanchist face justifies a new round of socially invasive interventions directed at a crim-
inalized, feckless, and morally bankrupt class of the urban poor, from whom preferred
citizens must be shielded at all costs. This is a form of urban policy not so much for cities,
or even in the interest of cities, but one that is applied to them—imposing bourgeois
urbanism by way of a postwelfare policy corrective.

CONCLUSION: URBAN INVOLUTION

While a handful of pioneering urban think tanks like the Manhattan Institute can be
traced to the 1970s, it was during the following decade that “Conservatives … realized
that the battle of ideas [was] increasingly being waged at the state and local levels”
(Moore, 1988, p. 2455). By the end of the 1980s, there were 12 market-oriented think
tanks working on state and local issues; today, there are more than 50. New Orleans,
however, was one place that remained largely impervious to these developments, perhaps
partly a function of its history of left-leaning political leadership, no doubt also due to the
city’s long-running social and economic decline. The market showed little interest in
New Orleans; the free-market think tanks apparently followed suit. Like New York City
and many other cities, New Orleans was alien territory for conservatives. But in marked
contrast with New York City, there has until recently been little to fight for, or over, in
New Orleans. Before Katrina dramatically raised the stakes, it was seen as one of urban
America’s lost causes, an outpost of disfigured welfare statism, rotting from the inside.
Fatefully, then, when New Orleans did fall,

it fell from within. The chaos after Hurricane Katrina did not cause a civilizational
collapse; it simply exposed and magnified one that had already occurred…. A
strange admixture of upper-class decadence and underclass pathology, New
Orleans has long been a stew of disorder and dysfunction, convincing many New
Orleans residents, years before Hurricane Katrina, to evacuate what they regarded
as an increasingly unlivable city…. The squalor and crime in the Superdome repre-
sented nothing more than the squalor and crime transferred from New Orleans’
legendarily hellish housing complexes [and the] countless images of stranded
women, children, and elderly were explained far more by the absence of fathers
than by the tardiness of FEMA. (Neumayr, 2005, pp. 48, 50)
From this perspective, “the city’s fall was inevitable,” a predestined outcome of the orgy of welfare dependency, crime, family breakdown, and corruption that preceded the storm, conditions that rendered the city socially, economically, and morally defenseless—and then both “nature and human nature ran amok” (Neumayr, 2005, p. 50). When they looked at the devastation of New Orleans, conservatives saw a “hurricane of entitlements” (Franc, 2005a, p. 1). The fall of New Orleans was for the conservative intelligentsia a governmental-assisted cultural implosion, merely brought on by the hurricane. This historic process of urban involution created the vacuum subsequently filled by the Gulf Opportunity Zone and the accompanying panoply of postwelfare urban policies. Yet the package of neoconservative/neoliberal ideas that dominated the post-Katrina policy debate did not prevail simply because it was “out there.” It was aggressively and effectively peddled by a network of “organic intellectuals” with close connections to the levers of conservative state power. Their influence can be read in the changing posture of the Bush Administration, from defensiveness and disorientation in early September 2005, through cautious and ultimately confident containment of the “Katrina problem” by the year’s end. By the time of the 2006 State of the Union address, New Orleans barely rated a mention. No longer was the rhetoric about “doing what it takes”; by the new year, Bush was snippily retorting at a press conference, “I want to remind the people in that part of the world, $85 billion is a lot” (press conference of the President, White House, Office of the Press Secretary, January 26, 2006). Meanwhile, evidence of the Administration’s evasion and unfulfilled promises in the Gulf reconstruction program continued to grow (Hsu, 2006).

So who framed New Orleans? Lakoff (2002) has argued that the political efficacy of the conservative movement in the United States is substantially rooted in the capacity of politicians and intellectuals of the right to “frame” issues and problems in ways that have facilitated their ideological objectives, by supplying the language and the supporting arguments for the radical reframing of issues like tax cuts (“tax relief,” the “death tax”) or welfare retrenchment (“welfare reform,” “dependency”). If conservatives were initially placed on the defensive by Katrina—having manifestly failed to provide basic security and protection, having publicly demonstrated both ineptness and indifference—they responded by “filling the framing gap so quickly and so effectively that … they may be able to parlay this disaster into an even greater power grab than they made out of September 11” (Lakoff and Halpin, 2005, p. 1). The outpouring of conservative commentary, editorializing, and detailed policy advocacy, particularly from the think tanks, does indeed seem to have been decisive in substantially reframing the issue of New Orleans’ fall and reconstruction. But for all its prefabricated nostrums, the new urban right took some time to establish a relatively coherent post-Katrina policy stance, which in turn called for significant interventions on the part of the class of “permanent persuaders” in the think tanks. None of this was easy and nothing about it was inevitable. The Washington think tanks, led by Heritage, went to work almost immediately on the challenge of managing the costs of the reconstruction, deploying the frame of fiscal responsibility to contain and corral the Republican-controlled Congress and White House. Meanwhile, the Manhattan Institute and its sundry followers labored to (re)construct their portable model of urban transformation for the inhospitable setting of New Orleans, advocating what amounts to a shock-therapy program of moral reconstruction, social control, and economic
discipline. In the space of a few months, these interventions helped fashion a gradual realignment of the post-Katrina debate.

First, initial accusations of abject governmental failure disproportionately impacted the party with complete control over federal institutions, and the Bush White House in particular; but, with growing intensity, the roots of the problem were subsequently portrayed as state and local ones—a function of the “craven and corrupt” governance of New Orleans and of incompetent leadership at the state level—both of which happened to be under Democratic Party control. Meanwhile the question of federal political responsibility soon morphed into an(other) indictment of federal bureaucracy. So contained, this narrative of governmental failure actually serves neoliberal ends: the “solution” becomes one of downsizing, reforming, and/or retasking government, outsourcing further functions to corporate contractors and faith-based organizations. Party-political responsibility is also conveniently localized in a characteristically partisan fashion.

Second, the enormous financial cost of the recovery effort—which not only exceeds state and local fiscal capacities but also challenges a federal government overextended by an unsustainable program of tax cuts, military commitments, and deficit spending—was effectively translated into a debate about fiscal responsibility, prioritizing “higher purposes,” and “offset” spending reductions. In a reworking of the “starve the beast” strategy developed in the Reagan era, the necessity of Katrina-related expenditures (themselves minimized through processes of delay and obfuscation), became translated into imperative budget reductions, initially directed at indefensible “pork” but quickly more ominously focused on the historic target of entitlement programs. In this manner, an urban catastrophe that disproportionately impacted the poor, the infirm, and the elderly perversely resulted in the paring of programs designated for precisely these groups.

Third, early narratives emphasizing victimization, particularly along race and class lines, were progressively displaced by a familiar discourse of individual responsibility, even personal culpability. Most egregiously, this is exposed in the portrayal of New Orleans residents choosing to disregard evacuation orders in anticipation of beginning-of-the-month welfare checks and post-hurricane opportunities for looting. It was therefore not a lack of resources, private transportation, or out-of-town support systems that placed some of the most-needy New Orleans residents in the storm’s path; it was the long-run consequences of urban welfarism—and its racialized cast of supported characters including the workless, the feckless, the lawless, absentee fathers, inert mothers, and criminalized youths.

It is these narrations of the post-Katrina crisis that now dominate both the discourse and (more unevenly) the practice of reconstruction. They have helped transform what began as a “decidedly unnatural disaster” into a malformed reconstruction program that blames, and morally re regulates, the most vulnerable victims, while setting in train “[w]holesale gentrification on a scale unseen in the United States” (Smith, 2005, pp. 3, 5). This is about as far from a “people’s reconstruction” (Klein, 2005; Mann, 2005) as one could imagine—a program of contracted-out urban structural adjustment designed in Washington and New York. Among other things, it has helped redefine (and recalibrate “down”) what remained of a federal commitment to America’s cities. The process of urban abandonment that began in the 1970s has now achieved its most scopic form: federal responsibilities are to be tightly circumscribed even in the face of “extreme events,” like hurricanes, and need only be dispensed when complemented by “‘bottom-up’
preparedness from individuals and communities” (Meese et al., 2005, p. 9). Meanwhile, the Heritage Foundation feels free to sermonize (from its offices in Washington, DC) that, “The worst thing that the U.S. could do is try to run disaster response out of an office in Washington” (Butler et al., 2005, p. 5). For all the rhetorical faith that the neoliberal think tanks place in responsive and responsible “local communities,” their idealized bourgeois-urban world seems only to be populated by utilitarian abstractions (atomized rational actors), privileged social forms (“traditional” nuclear families), and surrogate institutions (private contractors and faith-based deliverers), an awkward fact revealed in the apparent paucity of both deserving recipients and reliable compradors in New Orleans. What, then, could New Orleans expect but a form of shock-treatment urban policy imposed from the outside and designed by ideational technocrats on the East Coast?

There is a tragic truth in the ways in which Katrina “laid bare” the operating model of American neoliberalism, its inequities and limitations (Bakker, 2005; Braun and McCarthy, 2005; Davis, 2005). But by the same token, the relentless political management of the hurricane’s protracted aftermath exposes the continuing grip of this project, manifest in what has been a forceful display of orchestrated ideological recoil. The only partly hidden hands of think-tank protagonists were feverishly at work in fashioning this “free market” response. These new cadres of organic intellectuals are more than mere “orators;” they also construct, organize, and give direction to state projects (cf. Gramsci, 1971, p. 10). As such, their strenuous and concerted actions in the wake of Katrina again reveal the essential truth that, in as far as the neoliberal project demonstrates unity, this is very much a constructed unity. It is also a contradictory unity. Beneath the veneer of common purpose, there are sharp—and potentially fatal—differences in the means and ends of small-government fiscal conservatives and big-government social conservatives.

Even though the new urban right was ready with a prefabricated crisis narrative when Katrina struck, the subsequent performance of the free-market think tanks reveals not only the potency but also some of the incipient limits of this postwelfare doxa. The bourgeois urban vision of the Manhattan Institute, just like the truncated, small-government federalism of the Heritage Foundation, did not emerge through a simple process of historical succession, as a singular and ready-formed alternative to Keynesian-welfarist urbanism. Rather, this project of neoliberal urbanism has been constructed incrementally, albeit in the context of a radical and overarching vision, as a tendentially consonant hybrid of a range of conservative, libertarian, pro-business, anti-statist, neoliberal and “post-liberal” ideological arguments, claims, propositions, and “second-hand ideas.” What might be characterized in retrospect as a (formidable) neoliberal project or even a hegemonic “market order” was, of course, a socially constructed one, the product of several decades of ideological investment and intellectual entrepreneurship, all facilitated by a favorable political-economic climate.

While the speed and force with which neoliberal nostrums filled the post-Katrina void can be read as a somber commentary on America’s contemporary realpolitik and the circuits of power and persuasion that sustain it, at the same time the tensions and differences that were exposed along the way represent manifestations of the problematically hybrid character of the market revolution. For example, the post-Katrina debate reveals that fiscal constraint is evidently easier to preach than to practice; that the morally interventionist impulses of compassionate conservatives routinely try the patience of libertarians, just as they alarm budget hawks; that wholesale contracting out risks
compromising fiscal accountability; that small-government conservatives find it increasingly difficult to trust big-government conservatives; and so on. In principle, the exhaustion of the neoliberal project might just as easily result, therefore, from internal ideological fractures—or for that matter from various forms of social, political, and fiscal overreach—as from external contestation. There may also come another “tipping point,” when outrage at some of the consequences of reckless government withdrawal translates into problems at the ballot box for the Republicans. It is far from certain, however, that a change in party-political leadership would result in anything more than a form of intra-neoliberal “regime change.”

For now, if the fast-policy relays between New York City, Washington, and New Orleans tell us anything, it is a story of continuing neoliberal hegemony, for all the project’s shaky foundations and flawed realization. Only for a relatively brief moment did the manifest urban tragedy of New Orleans—the likes of which has never been seen before in the contemporary United States—disrupt business-as-usual neoliberalism. Within the space of a few months, if not weeks, it had become clear that the longer-run outcomes of Katrina would not be a reversal of, or even a midcourse adjustment in, the process of neoliberalization but, in fact, an acceleration of its extant programs of social regression and market governance. The neoliberal project, of course, was never guaranteed to roll onward, but on this occasion, at least, it has. When the long history of neoliberalism is written, where will New Orleans be placed? At the beginning of the end, or the end of the beginning?

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