Chapter 11 – Public and Private Sectors

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Chapter Objectives

- Identify the key players and agencies in the public sector at the local, state and federal levels
- Describe the roles/responsibilities of public sector entities in the context of emergency management
- Discuss the importance of the private sector in the context of disasters and emergency management
- Describe the impacts disasters have on businesses
- Explain the importance of businesses preparing for disasters
Chapter Objectives (Cont.)

- Describe the activities businesses undertake in responding to disasters
- Discuss the relevance of the private sector to overall community recovery and mitigation
- Discuss the importance of public/private partnerships across all four phases of emergency management
Effective emergency management requires cooperation between:

- Public sector
- Private sector
- Volunteer sector

“Stovepiping” - common problem where people only communicate with their own organizations or sector.

The **private sector** is becoming increasingly relevant to emergency management; impacts it sustains from disasters and the roles it plays across the 4 phases.
The Public Sector

- The public sector is comprised of:
  - Local government
  - State government
  - Federal government
Local Government

- Elected officials
  - Highest official has (i.e. county judge and mayor) primary responsibility for emergency management decision making
  - Authority often given to Emergency Management Offices

- Emergency Management Offices
  - Often embedded w/in police or fire departments due to historical influences

- Local departments
  - Sanitation, water and sewer, parks and recreation, budget and finance, etc.
State Government

- Role of the Governor
  - Key emergency management *decision-making authority*
  - Declares state of emergency after disaster strikes
  - Makes formal request to FEMA regional office to initiate Presidential disaster declaration
  - Lobbies (President and Congress) for funding or changes in policy in order to assist states with disaster issues
  - Power to *mobilize National Guard* to assist with response
  - Sets *leadership example* and tone for developing intergovernmental relationships and partnerships.
State Government (Cont.)

- Emergency Management & Homeland Security Offices
  - Handle day-to-day operations of emergency management
  - Organizations are much more than response agencies
  - Provide training opportunities for local governments
  - Fund initiatives for local emergency management offices
  - Conduit for federal information and funds
  - Assist local governments in gathering data for disaster declaration applications, and provide the information FEMA
  - Promote effective and responsive emergency management
In the 50 states, Emergency Management Directors report to:

- Governor -12
- Adjutant General/Military – 18
- Homeland Security – 1
- Public Safety – 14
- State Police – 2
- Other – 3
Accrediting State and Local Governments

- Emergency Management Accrediting Program (EMAP) focuses - improve state and local capabilities
- Emergency Management Standard for state and local governments to become accredited was developed by NEMA, IAEMS and DHS, and consist of
  - Self assessment and documentation
  - On-site assessment by trained, independent assessors
  - A committee review and recommendation
  - Accreditation decision by an independent commission
63 specific criteria must be met to become accredited, including (EMAP 2010b):

- Specific emergency management office
- Budget and finance procedures
- Programs for activities (i.e. hazard Identification, risk assessment and hazard mitigation)
- Operational planning and incident management system
- Mutual aid
- Warning and communication
- Training and exercises
- Public education
Federal Government

- The Executive Branch
  - President derives power from the Constitution (i.e. Commander in Chief, expanded authority during crises).
  - 15 cabinet-level posts, including DHS, DOJ and DOD
  - FEMA - designated cabinet-level post under Clinton administration, but it was later placed under DHS; adding a new layer of bureaucracy for emergency management.
Federal Government (Cont.)

- Legislative Branch
  - Passes budgets which allow the executive branch to operate
  - Provides funding (i.e. grants and matching funds) to state and local governments for disaster projects and initiatives
  - President’s Disaster Relief Funds (Presidential Declaration)
    - Congress must approve the funding
    - To date, Congress has approved all needed funding
  - Congress may also provide emergency supplements to bills related to disaster needs
The Private Sector

- Importance of the Private Sector
  - Increased concern about the private sector is the growing awareness of the staggering financial costs of disasters
    - U.S. disasters (1975 – 1994); cost an estimated $500B
    - Worldwide disasters (1990s); average losses of $66B USD
  - Recent disasters have also highlighted the important role that the private sector plays in responding to disasters
    - Private ownership/operation of CI, including electricity, telecommunications, and transportation
  - Integral role in stimulating community recovery efforts
    - i.e. Sales tax revenues
Impacts of Disasters on the Private Sector

- **Direct**
  - Physical damage to the building
  - Forced closure of a business as a result of damage
  - Loss of utilities, including electricity, water and telecom

- **Indirect**
  - Employees being unable to get to work
  - Suppliers being unable to deliver necessary items
  - Declines in customers

- **Remote**
  - Result from globalization and increased interdependence
  - Multiply rapidly and span national boundaries
The Private Sector and the Lifecycle of Emergency Management

"It is apparent that the private sector plays both vital and varied roles in emergency management. In fact, it is not an exaggeration to state that the contributions of businesses in mitigation, preparedness, response, and recovery activities have been woefully underestimated." (McEntire, Robinson, and Weber 2003, p. 453),
Preparedness

- Businesses are doing very little to prepare
- Business owners tend to undertake preparedness activities that are simple, inexpensive, geared toward life safety, and site-specific; that is, those that deal with direct impacts
- Preparedness levels are higher for larger businesses, those that own the building, those with previous disaster experience, and those in the financial sector
- Effective business disaster preparedness goes beyond life safety, takes into consideration indirect and remote impacts, and involves collaborations with other businesses and local governmental agencies.
Private Sector and the Lifecycle of Emergency Management (Cont.)

Response

- 1995 Oklahoma City bombing:
  - Natural gas and electric companies shut down the services and ensure the safety of the site
  - Telecommunications companies set up mobile equipment to facilitate the use of cellular telephones
  - Contractors operated heavy equipment to lift and clear debris for rescue workers to assist the City
Private Sector and the Lifecycle of Emergency Management (Cont.)

- Response (Cont.)
  - 9/11 attacks at the World Trade Center relied heavily on:
    - Private utility and telecommunications companies
    - Construction workers
    - Others to perform numerous critical tasks, including debris removal, technical software support, mass fatality management, sanitation services, perimeter security and fencing, donations management, infrastructure repair, and others (McEntire et. al. 2003)
Private Sector and the Lifecycle of Emergency Management (Cont.)

- Response (Cont.)
  - Private sector was also involved in response to Hurricane Katrina in 2005:
    - Particularly in debris removal, because of impact the hurricane produced enormous amounts of wreckage and debris (Mendonça and Hu 2006)
    - Private entities, including waste management companies, landfill operators and other contractors were involved (GAO 2008).
Recovery

- Business recovery stimulates overall community recovery
- Disasters create economic winners and losers
- Large businesses tend to fare better than others include:
  - Ones that are good financial shape before a disaster
  - Those whose market extends beyond the local level
  - The construction industry
- **Preparedness** and post-disaster financial aid are not always associated with positive recovery outcomes
Private Sector and the Lifecycle of Emergency Management (Cont.)

- **Mitigation**
  - Innovation, entrepreneurship and willingness to take chances, the private sector has enhanced the quality of life, creates jobs, performs critical services and provides opportunities for leisure and recreation.
  - Business activity can be risky, not just for the entrepreneur, but for society as a whole when things go wrong (i.e. oil spills and hazardous materials incidents).
  - Effective mitigation is for businesses and communities to pursue economic growth and development logically that avoid unreasonable risks and unnecessary harm.
Tools for Achieving Sustainable Hazards Mitigation

- Land-use planning and management
  - Types?
- Building codes and standards
- Insurance
- Prediction, forecasting and warning
- Engineering, design and construction
  - Thoughts about new WTC?
Enhancing Public and Private Sector Relationships

"There's no way government can solve the challenges of a disaster with a government-centric approach. It takes the whole team. And the private sector provides the bulk of the services every day in the community."

(FEMA Director, Craig Fugate, FEMA 2010a)
Enhancing Public and Private Sector Relationships (Cont.)

- Need to overcome barriers of “stove-piping,” different organizational cultures, different languages and terminology
- Need to facilitate communication, cooperation and coordination between and within sectors
Key dimensions of developing partnerships include (FEMA 2010a, verbatim):

- Sharing situational awareness
- Identifying available response and recovery resources.
- Memoranda of Agreement or Understanding.
- Joint Training and Exercises.
- Dedicated liaisons.
- Established communication protocols.
- Private Sector representation EOC
- Fully staffed business EOCs
IAEM endorses public/private relationships with the following:

- Utilities
- Transportation companies
- Engineers/engineering companies
- Building inspectors
- Communications
- Debris monitoring and management
- Temporary housing manufacturers
- Construction companies
- Food, water and ice retailers
IAEM endorses public/private relationships with the following (Cont.):

- Hardware retailers
- Health care facilities
- Temporary staff services
- Corporations
- Private security companies
- Private ambulance services
- General rental or supply outlets
- Restoration companies
- Warehouse space /temporary storage facilities
Working and Volunteering in the Public and Private Sectors

- **Public sector**
  - Police and fire
  - State, local and federal emergency management agencies and homeland security offices
  - Other governmental agencies that are not disaster-focused, but carry out disaster-related activities

- **Private sector**
  - Internships
  - Risk management, business continuity planning, crisis communications and preparedness coordination.
  - Additional credentials/certifications of certification emergency managers in the private sector