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Repairing the Red Cross

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We are cheered to see that the American Red Cross is making a concerted effort to reform itself. The organization has been criticized for its checkered response to Hurricane Katrina. But the United States relies on this charitable institution to be a key pillar in our nation's disaster-relief plan. It is in all our interests to see the Red Cross fix its problems.

Reducing its unwieldy 50-member board to no more than 20 members is the right step -- although we would prefer it happen before the proposed 2012 deadline. Congress, which oversees the organization, should approve this and other governance changes when it returns from the election recess.

The proposed changes would help to modernize management and oversight. The 125-year-old institution has a convoluted structure, which includes nearly 800 local chapters and 35 regional divisions for handling the country's blood supply. Such a complex organization needs strong leadership. Right now it is not clear who is in charge. The Congressional charter refers to the chairman -- a presidential appointee -- as the Red Cross's "principal officer." That undercuts the ability of the chief executive -- a professional manager -- to lead.

It is probably no coincidence that the Red Cross has been without a permanent chief executive since last December. The proposed reforms would clarify the lines of authority and empower the chief executive, by removing the chairman's "principal officer" designation. The chairman and board should instead focus on oversight and long-term strategy.

After Hurricane Katrina, critics faulted the Red Cross for its often slow reaction and its inability to anticipate basic needs. While these governance changes would not directly affect its disaster response, they would help attract the kind of leadership that could make operations run more smoothly.

Had the federal government's response to Katrina been more competent, the Red Cross's missteps would have been less noticeable and less worrying. Americans believe in the Red Cross. Donors sent over \$2 billion to the organization for relief efforts tied to last year's destructive hurricane season. It needs to do more to merit that trust. And it needs to repair itself quickly. No one knows when or where the next major disaster will strike.

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