

New York's ex-mayor Giuliani leaves a legacy of corruption and racism

Bill Vann
24 May 2002

He was lionized by a fawning media as "America's Mayor," the "hero" of September 11. With his relentless playing to the TV cameras and his celebrity tours of the World Trade Center disaster site in Manhattan, he projected his image worldwide, winning himself a knighthood from the Queen of England.

Now earning millions as head of a consulting firm as well as from speaking tours and an upcoming book, Rudolph Giuliani has made it clear that he intends to make another bid for political office. He will almost certainly be a star attraction at the next Republican convention, and has even been mentioned as a possible presidential contender.

In the midst of this elaborate image-making, however, a corruption scandal involving one of his prominent appointees has broken out, providing a glimpse into the reactionary politics, racism and social parasitism of the Giuliani administration.

New York City's Department of Investigation is conducting a probe of more than \$250,000 in travel, dining and entertainment expenses billed to the Housing Development Corporation (HDC) by its president, Russell Harding, during the three-and-a-half years he headed the agency.

Among the expenses was a combination TV-VCR and a DVD player that he sent to a man with whom he established a relationship through an Internet chat room. "Don't worry about the price," he wrote to the man, an Indianapolis resident. "I can put them both on an expense report at work. I do it all the time with s—t like that ... just one of the perks of being president."

In further cyber conversations with the man from the Midwest, Harding confided that he would like to "move to a conservative, all-white state like Idaho," and referred to African-American college students as "stupid monkeys."

The HDC, the agency that Harding led, was supposed to

provide low-interest loans for the building of affordable housing for New York's predominantly black and Hispanic low-income population.

Harding, 38, was a college dropout with no experience in either housing or finance when Giuliani tapped him for the post in 1998. He was, however, the son of Ray Harding, the politically influential head of the Liberal Party, who had helped elect the Republican mayor twice by placing him on the Liberal ticket.

"Russell Harding has done an excellent job for this administration," Giuliani declared when asked about the blatant patronage appointment. "This new job is something that he will do, I'm sure, with exceptional skill and ability. I don't hire people because of their father, and I don't hold anybody's father against them either."

A second Harding son, Robert, was picked as the city's budget director and was later promoted to deputy mayor.

Details of Russell Harding's spending spree first appeared in an article by *Village Voice* columnist Tom Robbins, who obtained expense records after filing freedom of information requests. The records showed that the bulk of the quarter-of-a-million in city money went to pay for trips taken by Harding and Luke Cusack, a close friend whom he hired as the agency's senior vice president.

During 30 long-distance trips that the two made together, Harding and Cusack stayed at the most luxurious resorts available, bypassing cheaper hotels that hosted the conferences they were supposed to be attending. On one trip to Las Vegas, the pair racked up \$17,000 in expenses, folding gambling losses and a helicopter ride into their hotel, restaurant and airfare tabs.

Other trips included city-paid visits to exclusive spas. Barely two weeks before he was to surrender his post to an appointee of the incoming Michael Bloomberg administration, Harding booked one final \$10,700 junket that was to have taken him to Singapore, Thailand and

Bali. The booking was canceled after being discovered by his replacement, but the city was forced to pay a \$500 penalty.

Harding billed the city for single meals costing as much as \$1,000. At the same time, he submitted receipts for reimbursement for the \$1.25 bagel he bought each morning, 60-cent cans of soda and the two packs of cigarettes he smoked daily. At the time he was drawing a salary of \$189,000, having awarded himself multiple pay increases, “overtime” pay and bonuses. During this same period, the Giuliani administration had imposed a two-year wage freeze on all city workers.

Copies of the cyber chat sessions between Harding and his Internet pal in Indianapolis obtained by the *Voice* revealed his contempt for the low-income New Yorkers he was supposed to be assisting, as well as his extreme racist attitudes.

Harding repeatedly introduced race into the conversations. Asked his opinion of the Clintons, the Giuliani aide expressed his hatred for Hillary Clinton, New York’s senator, describing her in obscene terms. He then turned to the former president’s decision to set up his office in Harlem. “He and the blacks were made for each other,” he wrote, “...nothing but trash, all of them.”

In a subsequent chat, the Indianapolis man mentioned that a college fair and football game was taking place in the city attended by African-American college students. “It’s like that thing they have in Atlanta,” responded Harding, “all damn black frats or something, who shouldn’t be allowed into school, period, just running around acting like the stupid monkeys they all are.”

Discussing the incoming Bush administration, the Indianapolis man commented that he thought Colin Powell was a good choice for secretary of state. “I don’t,” Harding exclaimed. “I think it was a horrible choice that he will come to regret soon ... he’s black and will just throw around that black ‘tude’ all of them have ... and be a big black ass in the long run, if you ask me.”

Just days later, the two were discussing a looming snowstorm in the Northeast, and Harding bragged about how quickly the city cleaned the streets in his well-heeled Manhattan neighborhood. “Manhattan is always clear,” he said, “... the other boros take a little longer ... but then all that lives in those areas are the low class white trash or blacks ... so no need to make things easy on them.”

Repeatedly, Harding referred to his job providing financing for the construction of affordable housing as building “low class apartments” for the “lower class.”

A lawyer for Harding declined to comment on the

conversations, telling the *Voice* only that it was “offensive” to reveal another person’s “ruminations” in an online chat room. The significance of these conversations, however, goes beyond the light they cast on Harding’s personal character. He was a prominent political appointee of Giuliani and the son of one of the former mayor’s closest friends and political confidantes.

His noxious views expressed the reactionary social outlook and class hatred that underlay the policies pursued by the Giuliani administration for eight years, and which are being continued under his successor, Mayor Bloomberg, albeit in a somewhat quieter fashion.

Giuliani constantly pontificated about his “tough love” approach to welfare and poverty and the need to break the “cycle of dependence.” Nearly a quarter of a million people—most of them women and children—were forced off the welfare rolls under his administration, the majority of them condemned to even deeper poverty.

During the same period that Giuliani carried out his massive cuts in public assistance to the city’s poor, New York’s wealthy elite of millionaires and billionaires saw their ranks swelled and their fortunes fattened by the Wall Street boom of the 1990s. The result is a level of social polarization unprecedented in the city’s history.

The Giuliani administration’s principal task was to police this yawning class divide, hiring the largest number of cops in the city’s history and unleashing them in ceaseless “quality-of-life” enforcement campaigns against the working class and the poor.

The aim was to keep the “low class white trash or blacks”—to use Harding’s phraseology—in their place, while lavishing tax breaks and privileges on the corporate elite. Identifying closely with the latter, those in the mayor’s inner circle like Harding clearly felt they too were entitled to a life of luxury at the city’s expense.

This was the real atmosphere of corruption, racism and class hatred that hung over City Hall under Giuliani. September 11 changed nothing in that regard. Should “America’s Mayor” and media-anointed “hero” of the World Trade Center return to political life, it will be to prosecute a war against the “lower class” which both he and his protégé, Russell Harding, hold in such contempt.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact