

The exploitation of Hurricane Katrina: remaking New Orleans for the rich

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14 September 2005

Even as the grim task of locating bodies and counting the dead continues, it is already clear that whatever reconstruction effort is mounted in New Orleans, it will be geared entirely to advancing the interests of the city's elite and the profits of corporations across the country.

Of the hundreds of thousands of displaced people—the estimates range from 400,000 to 1 million—who have lost their homes and their jobs, the majority will never return. The press has begun speaking of them as the new Okies, recalling the mass migration of small farmers and rural workers who were uprooted from the Plains states by the “Dust Bowl” drought of the 1930s.

The overwhelmingly working class and poor ranks of evacuees have been scattered around the country, in many cases shipped off to remote regions where they are cut off from friends and family. Such was the incompetence and indifference of the authorities that many of those flooded out of New Orleans were not even informed where they were being taken to.

What is being envisioned for a “new” New Orleans was summed up by Joel Garreau, an editor and reporter for the *Washington Post*, who published a comment on September 11, entitled, “A Sad Truth: Cities Aren't Forever.”

Garreau wrote: “The city of New Orleans is not going to be rebuilt.... The tourist neighborhoods? The ancient parts from the French Quarter to the Garden District on that slim crescent of relatively high ground near the river? Yes, they will be restored. The airport and the convention center? Yes, those too. But the far larger swath—the real New Orleans where the tourists don't go, the part that Katrina turned into a toxic soup bowl, its population of 400,000 scattered to the waves? Not so much.”

Garreau continued: “There are a lot of black and poor people who are not going to return to New Orleans any more than Okies did to the Dust Bowl.”

The hurricane and its immediate aftermath revealed in the starkest terms the social chasm between the wealthy few and the masses of working people that is the most essential feature of American society. It also revealed how completely the government—at all levels—functions as the instrument of the financial elite, starving the social infrastructure of resources, slashing wages and social programs in order to finance tax windfalls for the rich. The Hurricane Katrina disaster was a tragic result of the systematic plundering of society to further swell the coffers of the American plutocracy.

The same social dynamic is now at work in the so-called “reconstruction” of the cities devastated by Katrina. If anything, the descent of the American capitalist elite into manic greed and outright criminality is more grotesquely on display in this phase of the disaster

than in the first two weeks after the storm.

When not obliged to give out for public consumption declarations of sympathy and concern, not a few politicians and corporate movers and shakers are rubbing their hands and gloating over the prospects for turning the human calamity into a new source of personal enrichment—at public expense. Among themselves, they speak of the obliteration of Gulf Coast towns and the drowning of New Orleans as an opportunity to rid the region of the poor and turn it into a Mecca for wealthy residents and tourists.

The *Wall Street Journal* reported Friday that Representative Richard Baker, a 10-term Republican from Baton Rouge, Louisiana, told a group of lobbyists, “We finally cleaned up public housing in New Orleans. We couldn't do it, but God did.”

Baker's comments echoed those of Republican House Speaker Dennis Hastert, who declared on September 1, “It looks like a lot of that place [New Orleans] could be bulldozed.”

Brent Warr, the mayor of Gulfport, Mississippi, where the storm obliterated entire blocks and took scores of lives, was quoted in the September 12 *New York Times* as saying, “Property values are going to skyrocket here. All the unattractive stuff has been blown away.... We have an opportunity now to make it an absolutely unique place. God has come in and wiped the slate clean for us.”

Within storm-ravaged New Orleans itself, the class divide in America is seen in the contrast between the fate of the working class, and their treatment by the authorities, and that of the city's patricians. More than two weeks after the hurricane hit, and days after state and local officials announced a mandatory evacuation, not a few members of the city's elite remain camped out in their gated mansions, feasting, according to press reports, on jumbo shrimp and fine wine. Rifles and shotguns at hand, they are further protected by hired guards, including Blackwater mercenaries returned from stints in Iraq.

The US military, National Guard and police patrol their neighborhoods—not to roust them out, seize their weapons and arrest them, as is the practice with working class and poor holdouts in the city—but to guarantee that their property remains intact.

Describing the conditions of some of the rich who have chosen to remain in the city, the *Wall Street Journal* reported on September 8: “The power elite of New Orleans—whether they are still in the city or have moved temporarily to enclaves such as Destin, Fla., and Vail, Colo.—insist the remade city won't simply restore the old order. New Orleans before the flood was burdened by a teeming underclass, standard schools and a high crime rate. The city has few corporate headquarters. The new city must be something different, [James] Reiss says, with better services and fewer poor people.”

James Reiss, according to the *Journal*, is a “descendant of an old-

line Uptown family” who “fled Hurricane Katrina just before the storm and returned soon afterward by private helicopter.” He “helicoptered in an Israeli security company to guard his Audubon house and those of his neighbors,” the *Journal* notes.

That the outlook expressed by Reiss is shared by Democratic as well as Republican officials is underscored by Reiss’s role as chairman of the New Orleans Regional Transit Authority in the administration of Mayor Ray Nagin, a Democrat. Nagin, a former executive at Cox Communications, is a representative of the small and wealthy elite within the black population of New Orleans.

Already, real estate developers, construction firms and speculators have descended on New Orleans like vultures. They are securing choice no-bid, cost-plus government contracts and exploiting the pool of cheap labor guaranteed by President Bush’s suspension in parts of the South of the Davis-Bacon Act, which requires federally financed employers to pay the prevailing local wage to their workers.

Those companies reaping the fattest contracts include Halliburton, formerly headed by Vice President Dick Cheney, and others with close links to the Bush administration. Even the bourgeois press has noted the similarity between the profiteering and cronyism already evident in the “recovery and reconstruction” effort in New Orleans and the massive corruption that has characterized the so-called “rebuilding” of Iraq.

Former Republican Speaker of the House Newt Gingrich has been brought forward to appear on television news shows and argue in the press for the establishment of a “Zone of Recovery, Reconstruction and Prosperity” in the storm-hit region. He echoes the calls in the *Wall Street Journal* and other organs of big business to turn the region into an “enterprise zone” where business will be freed of all regulations and allowed to make super-profits on the basis of the super-exploitation of workers.

All of this will be financed with public funds, and there have already been calls from within Congress for allocations for the Gulf Coast to be offset by cuts in other federal programs.

The analogies to the Okies and the Dust Bowl in the press implicitly raise social issues with vast repercussions. The profound historical and political questions are almost universally ignored in the media accounts.

A comparison of the two mass migrations says much about the present state of American society. Beginning in 1930 and lasting until the early 1940s, a massive drought plagued much of the Southwest in the US, leading to a series of dust storms that forced hundreds of thousands, and perhaps as many as 2 million, to flee their homes and farms. These migrants became known as Okies because many were from the state of Oklahoma, where 15 percent of the population left.

The Dust Bowl was part of a social disaster that fed into the Great Depression. The economic breakdown compounded by natural disaster discredited capitalism in the eyes of millions of Americans, and precipitated a massive political radicalization and the eruption of explosive class struggles.

In the 1930s, this led, under the administration of Franklin Delano Roosevelt, to a series of federal initiatives—public works, the Tennessee Valley Authority—and benefit programs such as Social Security. Fearful of the threat of social revolution—which had been realized in Russia less than two decades before and was foreshadowed in the radicalization of the American working class—the section of the American ruling class represented by Roosevelt saw the need to make certain concessions to the demands of workers in order to contain class antagonisms.

But American capitalism, even in the depths of the Depression, was in a far stronger position to pursue such a policy than it is today. Then, the US was the dominant industrial and financial power in the world, and there was a certain constituency—although a minority—within the ruling class for a policy of social reform.

Today, the global economic position of American capitalism is immensely weaker than in the heyday of American-style mass production. The US is beset by economic contradictions for which it has no answers. It is the world’s largest debtor nation, and continues to pile up huge budget, trade and balance of payments deficits.

The collapse of the anti-flood system in New Orleans and the utter incompetence of the government response have revealed to a shocked world the enormous decay in the underlying physical and social infrastructure of the United States.

The decline in the global position of American capitalism has been accompanied by a vast political, intellectual and moral decay within the ruling elite itself. The most backward, predatory and criminal elements have risen to the top. The breakup of the Soviet Union and the collapse of the trade unions have created conditions in which the American oligarchy feels itself unconstrained. It sees a window of opportunity to roll back and destroy all of the social gains made by the working class over the previous century.

Nor is there any significant liberal intelligentsia that criticizes the profit system and seeks to rein in its worse excesses.

Hurricane Katrina has exposed the disastrous consequences of decades of policies pursued by both parties in the United States: deregulation, the dismantling of programs to shore up the infrastructure and deal with social problems, the funneling of vast amounts of money to plutocrats whose fortunes surpass anything seen in previous modern history.

In the wake of the disaster, the overwhelming response from the ruling elite is to continue its policy of economic plunder—indeed, to exploit the tragedy to establish new beachheads for its own enrichment.

These experiences will have a deep and lasting impact on public consciousness, leading to a new period of mass social struggles. What is essential is that the working class draw the central lessons of Hurricane Katrina. The failure of all of the official institutions of American society in the disaster is rooted in the failure of the profit system itself.

The new point of departure for the struggles of the working class must be the building of a mass, independent political movement that fights for the socialist reorganization of society.



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