

Hurricane Katrina disaster shows the failure of the profit system

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The devastation in Louisiana and Mississippi in the wake of Hurricane Katrina will forever change the way broad masses of American working people look upon their government and society. The shock of the storm and the subsequent inundation of New Orleans have exposed the rottenness of the existing social order. It was not only the levees that failed, but the social and political institutions on which millions of people rely.

It is now being reported that as many as ten thousand human beings, fellow citizens, or even more, may have perished during the past week. They are dead because of the incompetence, negligence, and indifference of the government. They are dead because the United States is a country in which millions of people live in or on the brink of poverty. They are dead because this is a capitalistic society where the accumulation of vast personal wealth for a small percentage of the population is deemed more important than the welfare of the people as a whole.

With the full dimensions of the hurricane disaster still unclear, the Bush administration and the various state and local governments are engaged in an exercise in mutual finger-pointing, seeking to affix blame for the catastrophe. From the standpoint of the working class, however, they are all guilty: the Republican president, the Democratic governor and mayor, the legislators of both parties at every level. All of them uphold the profit system which is the root cause of the disaster.

American society is organized on the basis of the profit motive. In no other country are the economy, the political structure and the entire culture so completely subordinated to the principle that personal accumulation of wealth is the highest goal. The destruction of New Orleans, by a disaster that was predictable and came with ample warning, demonstrates that the principle of private accumulation is incompatible with a rational and humane society.

Modern society is mass society. Despite the reigning ideology of individualism—or, in the current terminology, “personal responsibility”—hundreds of millions of people in the United States rely upon complex social systems to provide them with the essentials of life: food production and distribution, water, electricity, heat, transportation, education, health care. Failure of these systems, particularly in a major urban area, quickly reduces the population to barbaric conditions.

Working people perform the labor which keeps the social infrastructure operating, but they have no decision-making power over it. These social systems are for the most part owned and controlled by giant corporations for whom profit, not human need, is the determining criterion. Those systems for which the various levels of government are responsible, such as the levees and canals surrounding

New Orleans, are likewise subordinated to profit interests, through the control of American politics by the wealthy.

The New Orleans region is a particularly critical nodal point in the US economy. Not only is it one of largest sources of oil and gas, both in terms of domestic production and imports, but it is a hub of transportation for the lower South and for freight shipments throughout the interior of the United States.

Now millions of working people are paying the price, not only in the mass suffering of the survivors of the New Orleans catastrophe, or those in the wider Gulf Coast region, but nationally, where the cost will be registered in economic losses, skyrocketing prices of gas and heating oil, and spreading economic dislocation.

Why was the disaster not prevented?

Why did the US political system prove incapable of allocating the resources necessary to prevent this catastrophe?

Press reports now indicate that the destruction of New Orleans and the deaths of thousands of innocent people could have been prevented by the expenditure of relatively modest sums. About \$2 billion was needed for immediate reinforcement and upgrading of the levees and canals, while \$14 billion was the estimated cost to restore the ecosystem of the Mississippi delta, which would provide longer-term protection against the impact of hurricanes. But the mania in Washington for tax cuts and deregulation made such expenditures, tiny compared to the cost of the disaster, politically impossible.

The Bush administration repeatedly cut funding for the maintenance and upgrading of the levee system, despite pleas by local and state officials, in order to uphold more urgent priorities: the enormous military budget, including the cost of the war in Iraq, now more than \$200 billion, and trillions in tax cuts for the wealthy.

It is symptomatic that as the levees collapsed, Congress was returning from its August break to take up, as its first order of business, a bill to extend or make permanent the virtual elimination of the estate tax, a measure which would funnel hundreds of billions of dollars to only a few thousand families, the richest of the rich.

This neglect of vital public works is the end result of three decades in which the American ruling class has sought to systematically dismantle the extremely limited elements of social infrastructure and a social safety net left over from the New Deal programs of the 1930s. These had been established under Franklin Roosevelt in response to the greatest social and economic crisis of the 20th century, which

included not only the financial collapse that produced the Great Depression, but an acute environmental crisis affecting the Great Plains (the “Dust Bowl”).

The New Deal created not only social welfare systems like Social Security and regulatory agencies like the Securities and Exchange Commission, but public works programs like the Tennessee Valley Authority, which built dams and levees to curb flooding and provide cheap and reliable electrical power.

Despite the howls of Roosevelt’s enemies within the ruling class, these measures were not socialistic. They sometimes infringed on the short-term profit interests of particular groups of capitalists, or even of the entire capitalist class, but only to forestall a social upheaval from below that would threaten the profit system as a whole.

Today, by contrast, the US political system is dominated by a frenzied drive to destroy all barriers to the accumulation of personal wealth. Taxes have been virtually eliminated on the principal sources of income of the super-rich, such as capital gains and other forms of financial speculation.

The driving force of the shift to the right in the politics of both major parties, the Democratic as well as the Republican, is the economic polarization of American society. The vast majority of the population has been proletarianized, working from paycheck to paycheck for corporate employers, large or small. The sizeable property-owning middle class of Roosevelt’s day—the family farmers and small businessmen—has been largely absorbed into the working class, which now comprises the vast majority of the population. Even the best-paid workers face mounting insecurity, living on the edge, facing the danger that a layoff or serious illness could plunge them into the abyss.

At the other pole of society, there has been an accumulation of wealth in private hands on a scale unmatched in history. In the richest country in the world, less than one percent of the population owns over 40 percent of the wealth. Excluding housing, this privileged elite owns close to 90 percent of the wealth—stocks, bonds and other financial assets, as well as commercial businesses. It is this class which controls both the Democratic and Republican parties and the government at every level—local, state and federal.

The political consequences

Under different circumstances, and with a different political system, the abysmal performance of the Federal Emergency Management Agency and other federal agencies would call into question the survival of the government. Certainly, governments have fallen from power for far less.

But the US political system, more than any other nominal “democracy,” is thoroughly insulated from the sentiments of the masses. The only “public” that counts for the Democratic and Republican parties, for the media pundits and the rest of the political establishment, is the ruling elite and its hangers-on among the wealthiest sections of society. With incomes in the high six figures and above, and massive personal assets, they are divided from the working people by an unbridgeable social gulf.

This was reflected in the expressions of scorn and contempt for the working class families who would not or could not leave New Orleans before the storm hit. The political and media establishment cannot

conceive of the conditions of those who either had no car, had nowhere to go, or no money to spend, or who were waiting for an end-of-month check.

Even if Bush were to resign the presidency tomorrow, he would be replaced by Cheney or some other Republican or Democratic politician, and the system would go on as before. No serious alternative for working people can emerge in such a fashion. Nor would the replacement of the Republicans by the Democrats in the 2006 congressional elections or the 2008 presidential election make a significant difference.

There is no simple or easy answer to the crisis facing the working class, because the issues are so fundamental. It is necessary for working people to draw basic conclusions about the nature of the social and economic system which has produced imperialist war, attacks on democratic rights, growing inequality and now complete breakdown in the face of a natural disaster.

Mankind has entered the 21st century with science and technology that are continuously being revolutionized, and which carry with them the potential for abolishing poverty, hunger, disease and all other social ills. But this is impossible so long as society is constrained within an economic framework and class structure that developed in the 18th and 19th centuries: the private ownership of the productive assets of society by a small minority of capitalists, whose sole concern is their individual profits.

The choice before the American people is to cling to an anti-social and egotistical individualism, obsessed with the gluttonous accumulation of personal wealth, or to form a new political movement based on the struggle for social equality and the commonweal.

For the working class, this means recognizing that the great questions confronting American society require a struggle for political power. It is not a matter of pressuring the ruling elite, or replacing one section of that elite with another. The working class must organize itself as a political force and make itself the master of society. This requires the creation of a new political party of the working class, independent of and opposed to the Democrats and Republicans, and based on a socialist program.

The majority of the people must decide, not merely the name of the next president—after the ruling elite has carefully vetted the two “choices” to be placed on the election ballot—but how society is to be organized. Workers must ask themselves what the priorities of society are to be: the social interests of the many or the accumulation of personal wealth by the privileged few? Why are hundreds of billions available for a war for oil, but nothing to maintain public services that have proven to be literally a matter of life and death for tens of thousands?

A new political road must be found. The vital next step in this struggle is to build the Socialist Equality Party and expand the readership of the *World Socialist Web Site*. We call on all those who now see the need to build a powerful political movement of the working class, within the United States and internationally, to contact and join the SEP.



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