

# New Orleans: a scene of devastation and blight

## Hurricane Katrina two years on—Part 2

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*The following is the second in a series of articles on the second anniversary of the Hurricane Katrina disaster. “Part 1: New Orleans—A city in social and economic distress” was posted on August 29. Future installments will deal with the state of the levee system, profiteering in the Gulf Opportunity Zone and other issues.*

*“Hurricane Katrina: Social Consequences & Political Lessons,” a pamphlet from Mehring Books that brings together articles and statements posted on the WSWs in the immediate aftermath of the Katrina disaster, is also available for purchase online.*

Hurricane Katrina destroyed more than 200,000 homes and displaced two million people from the Gulf Coast in 2005. Two years later, the city of New Orleans, having borne the brunt of this social disaster, remains devastated.

While the tourism industry and more affluent French Quarter have the appearance of a marked recovery, working class neighborhoods of New Orleans languish. Particularly in the devastated Lower Ninth Ward and St. Bernard parish, where most of the pre-Katrina populations have not returned, infrastructure is in shambles.

Fewer than 1,000 of the 19,000 Lower Ninth Ward residents have returned. The area has no functioning gas lines and no grocery stores. In St. Bernard, residents struggling to rebuild still wait for phone lines and cable connections, the area has no hospital, and sewage is pumped out of the still shattered pipes by trucks.

“The amount of damage to the city, damage I saw most abundantly in poor neighborhoods, was unbelievable,” Nicole, a displaced New Orleans resident, told the *World Socialist Web Site* after working in rebuilding efforts in July. Some houses remained in massive piles where they stood two years ago, still full of smashed belongings. “That was the wretched detail I remember,” she said, “the amount of trash from all the destruction and seeing children playing in those areas. It cannot be safe.”

Public transportation remains crippled. “It was very difficult to get around the city,” Nicole said. Where she stayed in the Upper Ninth Ward, the bus began running the same week she arrived, for the first time in two years. “The streets are so torn up that it’s dangerous in some areas.... Someone told me there was a pothole so big that her car got stuck in it and the city wouldn’t pay for damages. You can’t even drive the legal speed limit on a lot of streets.”

But even for neighborhoods lauded as success stories, progress is fettered by “market-driven” recovery, bureaucratic ineptitude and indifference. The economy of Lakeview, another neighborhood submerged by flooding, is described as “booming” by the Associated Press—“banks, restaurants, even a Starbucks” have cropped up on the main strip after two years.

Meanwhile, only 47 percent of Lakeview residents have returned. Many of these residents are living in extremely cramped temporary trailers beside their houses. In general, financially better-off working-class neighborhoods have been able to rebound only to the extent that residents have been able to pay out-of-pocket for repairs.

Overall, US Postal Service figures indicate the current New Orleans population has grown to about two-thirds its pre-storm level. Yet the population recovery varies drastically from one parish to another. Only one in three residences in St. Bernard parish, for example, were actively receiving mail as of June 2007.

The wealthier St. Tammany parish, on the north side of the metropolitan area, is the only parish that has actually grown above pre-Katrina population levels. In part, this is due to the arrival of residents from severely damaged areas, particularly St. Bernard.

As a newly published survey of the displaced conducted by the Louisiana Family Recovery Corps makes clear, the majority of low-income households want to return to their neighborhoods but cannot. Difficulties securing housing and the expense of relocation were by far the most often cited reasons for not returning, both for those desiring to return and those planning to stay where they had been relocated.

Housing prices in the city have soared since Katrina, especially in sections that escaped the most severe damage. In St. Tammany, home sale prices increased by a quarter in the last two years. The western section of Jefferson parish saw a similar jump.

By contrast, home prices fell in areas badly affected by flooding, where homes were put on the market in as-is condition—guttered, rotting and irreparable. Overall, more than 11,300 homes are for sale in the metropolitan area, with over 4,000 for sale in Orleans parish alone. Not surprisingly, prices along the east bank of New Orleans have dropped by 20 percent from two years ago. St. Bernard parish home sale prices have fallen to 40 percent of 2005 values.

Homeowners have had little choice but to bear a great deal of the

cost and labor of rebuilding. Religious and humanitarian groups have driven much of residential reconstruction throughout the region. For instance, 30,000 volunteers with the Lutheran Social Services Disaster Response have repaired 9,000 homes on the Gulf Coast. Habitat for Humanity's 49,000 volunteers have cleaned out 2,400 damaged homes in the region and built 1,100 new homes in New Orleans.

The status of rebuilding would certainly be much worse without the perseverance, persistence, and good will of ordinary people. By contrast, even after two years, federal funds have barely trickled down to the population through bureaucracy, corruption and corporate opportunism.

Underscoring the utter indifference and negligence of the Bush administration is the fact that President Bush's visit to the region this week is only his second since the one-year anniversary of Katrina last August.

On August 24, federal Gulf Coast reconstruction coordinator Donald Powell called for "heroic leadership at the local level" in New Orleans rebuilding efforts. Speaking at a luncheon at the upscale French Quarter Sheraton hotel last week he pontificated, "Federal resources can rebuild a house, but they can't rebuild a home."

Indeed, federal resources have rebuilt little of either. Most of the thousands of homeowners who were denied insurance coverage after the storms continue to wait in Federal Emergency Management Agency trailers for governmental assistance.

The federal government pledged \$116 billion toward Gulf Coast reconstruction. Of that figure, the Institute for Southern Studies estimates that \$35 billion has been appropriated for long-term rebuilding, less than half of which has been spent. Moreover, barely any of this has been spent in New Orleans.

As of July 2007, 70 percent of the \$16.7 billion Community Development Block Grant remained unspent. Up to March 2007, only \$1 billion had been spent, mainly in Mississippi.

Road Home—the federally created, privately administered aid disbursement program for Louisiana—is already set to run a deficit of \$5 billion. In two years it has only awarded a quarter of its 180,000 applicants any money. Of the 16,195 applicants from St. Bernard parish, less than 3,900 have received checks.

In many cases, Road Home applicants were awarded only a fraction of the amounts needed, and then only after long waiting periods and verification procedures including fingerprinting and being photographed.

Meanwhile, conditions for the 81,000 families still living in FEMA trailers are extraordinarily bleak, particularly for the 13,000 households—mostly former renters and public housing residents—situated in remote trailer parks.

The Sugar Hill FEMA camp located 70 miles from New Orleans is a typical arrangement. A single bus makes two stops per day, once in the morning and a return trip in the afternoon. The nearest market is 18 miles away. The area is unsecured and isolated in the midst of cane fields and abandoned agricultural equipment. Trailers are frequently vandalized and burglarized.

The park has no medical or emergency services, no laundry facilities or public transportation, a very limited food bank and no grocery. There is no childcare facility or playground, and the

children do not have access to a public school. Hundreds of residents are wholly dependent on charities to bring services such as immunizations or the most elementary items like soap and toilet paper. FEMA has announced it will require occupants to begin paying rent beginning in the spring.

Adding to these immense miseries, it has recently come to light that at least 100,000 of the trailers provided by FEMA were manufactured using substandard materials and may contain toxic levels of formaldehyde. Some residents have reported suffering nosebleeds, severe headaches, and respiratory difficulties. Formaldehyde is associated with respiratory ailments and cancer.

According to internal FEMA documents released in July, the agency knew of health problems occupants might suffer but did not bother systematically testing the trailers. FEMA did conduct a single test in 2006 of a trailer occupied by a pregnant mother and four-month-old infant after repeated complaints; formaldehyde levels in the trailer registered 75 times higher than what the National Institute for Occupational Safety and Health recommends as the maximum workplace exposure level. However, this did not prompt a warning from FEMA, or even a public acknowledgement of the problem. To the contrary, FEMA actively discouraged further investigation, and has to date auctioned nearly 40,000 of the units off into the commercial market.

FEMA camp residents face enormous difficulties in returning. The fair market rent rate has soared upwards of 200 percent in New Orleans. Rent rates have also spiked in Baton Rouge and other nearby cities. Within New Orleans, the cost of utilities has also risen enormously.

According to a new report from the Institute for Southern Studies/Southern Exposure, 82,000 rental units in Louisiana received major to severe damage in 2005, yet only 33,000 units are slated for rebuilding under state-administered programs. The vast majority of the affordable housing that was destroyed will not be rebuilt, even though about half of the displaced were renters.

New Orleans' five public housing complexes were spared major flood damage, but the Department of Housing and Urban Development and the Housing Authority of New Orleans intend to demolish four of them anyway, with plans for mixed-income housing that would leave less room for the poor. Before Katrina, more than 5,000 families lived in the city's 5,100 public housing units. At present, only about 1,500 units are occupied.

The Housing Authority of New Orleans is also pressing ahead with demolition of 532 other, smaller public housing complexes in the city. Known as "scattered sites," the residences range from doubles to 16-unit complexes, and are mostly uninhabited. The local *Times-Picayune* newspaper reported on August 13 that only 88 apartments are to be repaired.



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