Who will pay for the devastation caused by Hurricane Harvey?

Joseph Kishore 2 September 2017

As some residents begin to return to their homes and rescuers search the still flooded buildings in and around Houston, Texas, the massive extent of the damage caused by Hurricane Harvey is only now being fully revealed. The consequences of what by some measures is the greatest natural disaster in American history will be far-reaching, not only for the millions of people directly affected, but for social and political stability in the United States.

The official death toll for the storm increased to 46 on Friday, though this figure is expected to rise in the coming days. As many as one million people have been displaced by the floods, turned into internal refugees. The number of flooded structures is estimated at 136,000 just in Harris County, which includes Houston, the fourth-largest city in the country.

Nearby Beaumont (population 118,000), which has been transformed into a virtual island, remains without running water, and it is it is not known when the city's pumps will be repaired. Chemical and refinery plants throughout the region, like the Arkema facility that is the location of an ongoing fire, are still flooded. An unknown number of bridges and roads have been severely damaged and in some cases swept away.

AccuWeather is estimating that the overall cost of the storm could rise to \$190 billion, or the equivalent of one percent of the total value of all goods and services produced in the United States in an entire year. This is nearly as much as Hurricane Katrina (2005) and Hurricane Sandy (2012) combined. Such estimates do not include many additional costs, such as the additional health care expenses for thousands of people due to the toxic mix of chemicals and waste in floodwaters, or the impact of the rising cost of gas as oil companies seize the opportunity to raise prices.

The single hurricane will have a sizeable impact on

the overall economy in the United States this year, perhaps cutting growth in half. Large parts of Houston will be uninhabitable for weeks or months due to water damage, disrupting economic activity and leaving tens of thousands without an income.

It is the poor and working class who will be the hardest hit. More than 80 percent of homeowners in the region most severely impacted by the hurricane do not have flood insurance, meaning they will be left to rebuild with inadequate loans from various federal agencies, if they are able to get even these.

As the true extent of the damage becomes clear, its more far-reaching consequences will be felt. Harvey has hit the United States under conditions of deep social, economic, and political crisis. Neither the Trump administration nor its opponents within the ruling class command any significant popular support. The American ruling class, riven by deep internal divisions over foreign policy, confronts an economic system built on massive speculative bubbles and an increasingly angry and hostile working class.

Over the past week, the American media and political establishment have organized their forces to perform a well-choreographed political theater, combining hypocritical and insincere commentary on the "tragedy" of Hurricane Harvey, with the deliberate avoidance of any discussion on who is responsible and what must be done. The aim is to somehow prevent workers from drawing the necessary conclusion: that the devastation wrought by Hurricane Harvey is a crime of capitalism, for which the American ruling class is to blame.

The potential for flooding on this scale was neither unforeseeable nor unforeseen. The most basic measures, such as ensuring that there was a way for rainfall in the north of the city to reach the Gulf of Mexico without flooding the city itself, were simply ignored, as documented in a WSWS interview with risk management expert Robert Bea. No plan was in place for an orderly evacuation of the region in the event of a disaster, even though the region is prone to hurricanes.

Adequate preparation would require a level of planning and foresight of which the ruling elite is incapable. For the past forty years, under both Democrats and Republicans, it has engaged in a single-minded policy of upward wealth redistribution, corporate deregulation, and financial speculation. The results are seen not only in Houston, but throughout the country: record social inequality, deindustrialized cities, declining life expectancy, and eroded infrastructure—witnessed in the poisoning of the water in Flint, Michigan among countless other examples.

Even before the waters have receded, the main concern of the political representatives of the ruling elite is to make sure that those responsible for the catastrophe will not have to pay for it. Some form of emergency federal funding bill will likely be passed. As was the case following Hurricane Katrina and Sandy, however, those requiring assistance will have to fight tooth and nail to receive pitifully inadequate funds, generally in the form of loans.

One way or another, the ruling class will force workers to foot the bill. The overriding domestic policy priority of the Trump administration is to pass a massive corporate tax cut. Before Harvey hit, and even as the floodwaters rose, Trump and Vice President Mike Pence were touring the country to promote their "tax reform" proposal.

Along the same lines, Republican John McCain published an op-ed Thursday in the *Washington Post* entitled, "It's time Congress returns to regular order," in which he did not mention the hurricane, and instead called for Congress to move ahead with "tax reform"—a euphemism for slashing corporate taxes—as well as increasing defense spending. Democrats, meanwhile, have repeatedly stated their support for working with the Trump administration to "simplify" the tax code by cutting taxes on corporations.

The working class must advance its own program. All those affected by the hurricane must be made whole, with full restitution for damaged homes and property. Those displaced by the hurricane must receive quality housing. A multitrillion-dollar public works program

must be initiated to rebuild the city and develop public infrastructure throughout the country.

To fund and implement such a program requires a frontal assault on the wealth and power of the corporate and financial elite. The combined net worth of the 400 richest Americans was \$2.4 trillion in 2016, a number that has only grown as the stock market continues to rise. This is more than 12 times the estimated damages from Hurricane Harvey. The net income of US banks last year alone was \$171 billion. The annual budget of the US military—used to fund an ever-expanding drive of global conquest that threatens to unleash a third world war—is more than \$600 billion.

The vast wealth created by the working class must be taken out of the hands of a privileged few and used to meet social need. The giant corporations and banks, which control the entire political system and dictate policy, must be transformed into public utilities, democratically controlled by the working class.

Hurricane Harvey cannot be separated from all the other manifestations of social crisis in the United States and internationally. For the working class, the great question is to organize in 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. To lead this struggle is the overriding task of the Socialist Equality Party.



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