

With Steadfast LA, billionaire Rick Caruso spearheads elite's exploitation of Los Angeles wildfires

Marc Wells**4 February 2025**

In the aftermath of the catastrophic wildfires that struck Los Angeles in January, billionaire developer and former Democratic mayoral candidate Rick Caruso (net worth \$5.8 billion) has unveiled Steadfast LA, a nonprofit organization ostensibly dedicated to rebuilding the city and speeding up its recovery.

The fires are the costliest in US history, with the latest estimates that the direct damage and economic losses have topped \$250 billion. The death toll stands at 29 and more than 16,000 structures lay in ruin in the communities of Pacific Palisades and Altadena, including homes, offices and small businesses.

While framed as a charitable effort to restore devastated communities, Caruso's initiative is primarily driven by profit and self-promotion, prioritizing the interests of the wealthy elite.

Steadfast LA, which includes high-profile multimillionaires like Netflix CEO Ted Sarandos and his wife, former Ambassador Nicole Avant, Palantir co-founder Joe Lonsdale and executives from banking, insurance, real estate and private equity, claims to be committed to holding the government accountable for its recovery efforts. However, this private-sector involvement exposes the commercialization of disaster relief.

By casting himself as a hero during a crisis, Caruso not only bolsters his public reputation but also capitalizes on reconstruction opportunities, particularly in wealthier areas, further entrenching socioeconomic inequality.

Steadfast LA will be led by Najla Kayyem, a commercial real estate executive with deep ties to one of the most speculative sectors of the economy. Having previously worked for Caruso and served as an executive at Pacific Retail Capital Partners—an entity focused on mall ownership and management—Kayyem's background reflects a profit-driven approach to urban development rather than one centered on public interest and social planning.

The foundation's operations will be based out of Caruso's

own commercial properties, including The Grove and potentially The Americana, reinforcing the fact that this initiative is less about equitable recovery and more about leveraging disaster relief to serve real estate and private capital interests.

This strategy is not unprecedented among the ultra-wealthy. Caruso's actions mirror those of other billionaires who have leveraged philanthropy to further their interests. The Eli and Edythe Broad Foundation and the Bill and Melinda Gates Foundation are notable for their roles in promoting the privatization of public education and healthcare, undermining the quality of instruction and public health, eliminating any democratic control, exacerbating disparities and, importantly, worsening education and healthcare workers' living standards.

These foundations, under the guise of philanthropy, have influenced policy to favor market-based solutions, diverting resources from public institutions and substantially eroding the public good.

Caruso's Steadfast LA is also an effort at damage control and to profile marketing. Caruso became a focus of attention when he demonstrated the class character of the fires disaster by deploying private firefighters to protect his properties during the wildfires. While thousands of Angelenos saw the destruction of their homes and communities, Caruso ensured the safety of his investments through exclusive means unavailable to the general populace.

The involvement of private entities in public recovery efforts like Steadfast LA often leads to infrastructure development that caters to the affluent, leaving working-class neighborhoods neglected. Without a comprehensive, socially planned approach to urban development, these initiatives fail to address the root causes of vulnerability, such as inadequate infrastructure, lack of preventive measures and emergency plans, and insufficient public services. Consequently, any improvements are temporary and localized, benefiting a select few while perpetuating

broader systemic issues.

Caruso is using his personal losses—three luxury homes in exclusive areas, which are minimal compared to his immense wealth—to frame his initiative as a deeply personal endeavor. By emphasizing his family's pain, he attempts to create an image of shared suffering, when in reality, his wealth insulates him from the true devastation faced by working-class families who have lost everything with no safety net.

His focus on rebuilding elite neighborhoods like the Palisades and Malibu reveals that his initiative is not about collective recovery but about protecting the interests of his own class. While he presents himself as personally invested, his efforts are ultimately driven by the same elite priorities that have long shaped disaster response in favor of the wealthy.

Caruso's comparison of Steadfast LA's mission to "Operation Warp Speed" further exemplifies a disregard for the importance of coordinated, scientifically informed public policy. While Operation Warp Speed aimed to expedite vaccine development during the initial stages of the ongoing COVID-19 pandemic, it also highlighted the criminal neglect in the US government's "let it rip" response to the virus and the absence of a scientifically guided plan for the equitable distribution of vaccines globally.

Caruso's proposal to upgrade wildfire-resistant infrastructure—such as underground power lines, improved water supplies and updated water mains—is a self-indicting statement. Having served on the Los Angeles Department of Water and Power board for over a decade, he was in a position to advocate for these essential upgrades long before disaster struck. His sudden push for these measures now raises the question: why weren't these improvements prioritized earlier, when they could have mitigated the devastation that he now claims to address? To ask the question is to answer it: he was and is a member of the capitalist class whose interests are counter to public interest.

The complicity of local and state politicians in endorsing and glorifying Caruso's initiative is glaring. After losing the 2022 mayoral election in Los Angeles against Karen Bass, whom he has widely criticized for her response to the wildfires, Caruso says he intends to work with Bass and has already coordinated with Governor Gavin Newsom and plans outreach to federal officials.

"This has nothing to do about politics, and I will gladly have her be the hero, because this is all about the thousands and thousands of people that are displaced," Caruso said in a statement that has exactly everything to do with politics, as it reveals his readiness to engage "reliable" partners like Bass and Newsom, as well as the Trump administration.

The response from Bass's office confirms this. Zach Seidl,

spokesperson for the mayor, said in a statement: "Mayor Bass is bringing the public, private, philanthropic and nonprofit sectors together to execute a monumental recovery for the Palisades. We welcome everyone's help in this effort."

The Democrats are ready to serve the oligarchs. By embracing private-sector solutions, they will attempt to give this initiative a veneer of legitimacy while they conceal their political responsibility, corruption and socially destructive policies. Instead, they will be fully complicit in the enrichment of a privileged few.

This collaboration between government and private entities will direct resources toward high-profile projects in wealthier neighborhoods, while working-class communities are left struggling with subpar infrastructure and services.

To effectively tackle the challenges brought by disasters such as the recent wildfires, a fundamental shift in approach is essential. This means rejecting profit-focused, short-term interventions and instead implementing comprehensive, social urban planning that prioritizes the welfare of all residents. Such a strategy would involve investing in preventative measures, enhancing public services and adopting policies to mitigate the effects of capitalist-driven climate change.

Caruso's initiative reflects a wider pattern among the wealthy elite to exploit crises for personal gain, offering superficial solutions that ignore systemic problems and exacerbate social inequalities. True progress in rebuilding and fostering resilience demands a rejection of privatized, profit-driven models, replacing them with a socialist program rooted in democratic working class control, scientific planning and the satisfaction of human need.



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