

# New Orleans: the “normal” functioning of a system\*

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The New Orleans catastrophe did not only show the real significance of the “American Dream”, which was promoted in the post-war period as the model of capitalist “development”. It also revealed the very essence of the market economy system and representative ‘democracy’ which, particularly in the USA, has met – better than anywhere else – the criteria of economic and political liberalism correspondingly. This essence is summed up in the economic and political inequality and the separation of society from the economy and polity established by a system in which it is not the citizen body itself which takes all the important economic and political decisions, but an economic and political elite. The rest of the population are condemned to a continuous struggle for economic survival. This implies that in an emergency situation not only does the economic, but even the physical survival of many people become impossible, not, of course, through any fault of their own – as neo(liberal) ideologists have the nerve to suggest – but because this system, by its own nature, cannot meet even the basic needs of all citizens, unless they can be backed by money!

All this could be seen in practice in New Orleans. Particularly so in the tragedy of those abandoned by the system of the biggest capitalist economy, who were literally left to their own devices and possible death. I do not refer only to those who disappeared because of the virtual non-existence of an effective public rescue mechanism. I refer especially to all those who were effectively left to die, to the full knowledge of the elites. Since these elites knew perfectly well that 28% of the people of New Orleans live in poverty (84% of them black) and, furthermore, that 35% of black households in the area did not have a car (many not having the money even to catch a bus out of town),<sup>[1]</sup> it is clear that the call by the governor of Louisiana to the residents of New Orleans - the day before the hurricane struck – telling them to leave the city by their own means, simply implied a death penalty for many of those who could not afford to leave the city.

It is, therefore, worth considering briefly the ‘explanations’ for the disaster given by all those analysts who (either directly or indirectly) adopt the present system, since they reveal a clear attempt to confuse the issues, if not acquit the main culprit responsible for the catastrophe: the system itself.

Neoliberals, as was to be expected, have put all the blame on nature, which supposedly led to an unpredictable disaster. In actual fact, however, neither was nature exclusively responsible for the dimensions the disaster has taken, nor was the disaster itself unpredictable. According to professor Kerry Emanuel of MIT (an acknowledged world expert on the thermodynamics of tropical cyclone research), tropical storms have doubled in destructive potential in the past 30 years because ocean surfaces have become warmer.

In his view, at least part of this increase in ocean temperature is caused by man-made climate change, as a result of the greenhouse effect.<sup>[2]</sup> Moreover, this catastrophe was not unpredictable, given that the American elite has not only systematically boycotted the taking of any effective measures against the greenhouse effect, faithful to the ideology of the free market that can supposedly solve all problems ‘automatically’, but it has also drastically cut the funds that were necessary in order to face both the causes and the effects of such disasters (works to strengthen levees and to improve drainage, sheltering for victims, evacuation plans etc.). Thus, despite the fact that as early as 2001 the Federal Emergency Management Agency had issued a report stating that a hurricane striking New Orleans was one of the three most likely potential disasters, the US elite cut the corps of engineers' request for holding back the waters of Lake Pontchartrain by more than 80% and by the beginning of this year, the administration's additional cuts (reduced by 44% since 2001) forced the corps to impose a hiring freeze!<sup>[3]</sup> Of course, there was no shortage of funds to finance the war against ‘terrorism’ and the brutal invasion and occupation of Iraq, or the drastic tax cuts for the elites themselves!

Social liberals, on the other hand, blame the Administration's neocons and the ‘bad’ neoliberals who, out of ideological dogma, have been denigrating the public sector.<sup>[4]</sup> This, despite the fact that social liberal analysts and politicians have adopted similar policies as regards the role of the market in a globalised economy, having long abandoned the old social democratic objectives of using the state mechanism in order to achieve full employment, drastic redistribution of income and wealth etc. However, the present huge inequality is not a recent phenomenon. It began to flourish from the very moment the system of the market economy was born, about two hundred years ago, and as a direct result of its dynamic<sup>[5]</sup>. Thus, according to a recently published United Nations report on global inequality, parts of the United States are as poor as the Third World, with 37 m Americans (almost 13% of the population) living under the poverty line and about 46 m not being able to cover their health needs through lack of health insurance —despite the well-known fact that being born into an uninsured household increases the probability of death before the age of one by about 50 per cent. The result is that, in the country of ‘equal opportunity’, a baby boy from one of the richest 5 per cent of families in America will live 25 per cent longer than a boy born in the bottom 5 per cent, and the infant mortality rate in the US is the same as in Malaysia, which has a quarter of America's income!<sup>[6]</sup> Today's tragedy is not, of course, unheard of. In 1927, the banks of the Mississippi River burst, and over a thousand people – mostly impoverished black people - drowned. The ‘progress’ since then has been that, while the government of that time left everything to charity, today, some aspects of housing and the feed-ing of victims have been undertaken by the government! It is, therefore, clear that it is the system itself which creates this huge inequality, which was merely not felt as much at the time when the Democratic party was less social liberal than it is today.

Finally, for the reformist Left, the basic cause of the disaster is racial discrimination. Even after the counter-measures introduced in the pre-war period by Roosevelt's New Deal and the civil liberties struggle of the post-war period, the average black family in the US holds only one tenth of the assets of an average white family. In fact, de-liberately exclusionary policies have widened this gap ever since the end of slavery. It seems, therefore, that all that ‘progressive’ legislation against race discriminations has achieved is the creation of a new gap between a privileged black minority and the rest who still struggle to survive. No wonder that even within New Orleans itself one can see this new intra-black inequality with

affluent black lawyers, doctors and other professionals (usually ex-members of the civil rights movement) now living in showy new houses in their own luxury enclave on the one hand, and the rest of the black population being crowded into the slums of the city on the other.<sup>[7]</sup>

In conclusion, what neoliberals, social liberals and the reformist Left cannot ‘see’ is that it is the system itself which creates the present huge inequalities and destroys the lives of millions of people in thousands of little ‘New Orleans’ all over the world every day...

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[1] Jonathan Freedland, ‘Receding floodwaters expose the dark side of America’, *The Guardian* (5/9/2005).

[2] Paul Brown, Paul Brown, Global warming ‘has doubled storm threat’, *The Guardian* (26/8/2005)

[3] Geoffrey Lean, «Warnings went ignored as Bush slashed flood defence budget to pay for wars», *The Independent* (4/9/2005).

[4] See e.g. Paul Krugman, ‘The price of ideology and cronyism’, *The Guardian* (6/9/2005).

[5] See Takis Fotopoulos, [\*The Multi-dimensional crisis and Inclusive Democracy\*](#).

[6] UN *Human Development Report 2005*

[7] Yasmin Alibhai-Brown, “There’s no lesson for Britain in America’s shameful treatment of its black citizens”, *The Independent* (5/9/2005).