

# How the Free Market Killed New Orleans

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Global Research, September 06, 2005

[michaelparenti.org](http://michaelparenti.org), 6 September 2005

Region: [USA](#)

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The free market played a crucial role in the destruction of New Orleans and the death of thousands of its residents. Forewarned that a momentous (force 5) hurricane was going to hit that city and surrounding areas, what did officials do? They played the free market.

They announced that everyone should evacuate. Everyone was expected to devise their own way out of the disaster area by private means, just like people do when disaster hits free-market Third World countries.

It is a beautiful thing this free market in which every individual pursues his or her own personal interests and thereby effects an optimal outcome for the entire society. Thus does the invisible hand work its wonders in mysterious ways.

In New Orleans there would be none of the collectivistic regimented evacuation as occurred in Cuba. When an especially powerful hurricane hit that island in 2004, the Castro government, abetted by neighborhood citizen committees and local Communist party cadres, **evacuated 1.5 million people, more than 10 percent of the country's population. The Cubans lost 20,000 homes to that hurricane—but not a single life was lost, a heartening feat that went largely unmentioned in the U.S. press.**

On Day One of the disaster caused by Hurricane Katrina, it was already clear that hundreds, perhaps thousands, of Americans had perished in New Orleans. Many people had “refused” to evacuate, media reporters explained, because they were just plain “stubborn.”

It was not until Day Three that the relatively affluent telecasters began to realize that tens of thousands of people had failed to flee because they had nowhere to go and no means of getting there. With hardly any cash at hand or no motor vehicle to call their own, they had to sit tight and hope for the best. In the end, the free market did not work so well for them.

Many of these people were low-income African Americans, along with fewer numbers of poor whites. It should be remembered that most of them had jobs before Katrina's lethal visit. That's what most poor people do in this country: they work, usually quite hard at dismally paying jobs, sometimes more than one job at a time. They are poor not because they're lazy but because they have a hard time surviving on poverty wages while burdened by high prices, high rents, and regressive taxes.

The free market played a role in other ways. Bush's agenda is to cut government services to the bone and make people rely on the private sector for the things they might need. **So he (Bush) sliced \$71.2 million from the budget of the New Orleans Corps of Engineers, a 44 percent reduction. Plans to fortify New Orleans levees and upgrade the system of pumping out water had to be shelved.**

Army Corps of Engineer personnel had started work to build new levees several years ago but *many of them were taken off such projects and sent to Iraq*. In addition, the president cut \$30 million in flood control appropriations.

Bush took to the airways ("Good Morning America" 1 September 2005) and said "I don't think anyone anticipated that breach of the levees." Just another untruth tumbling from his lips. The catastrophic flooding of New Orleans had been foreseen by storm experts, engineers, Louisiana journalists and state officials, and even some federal agencies. All sorts of people had been predicting disaster for years, pointing to the danger of rising water levels and the need to strengthen the levees and pumps, and fortify the entire coastland.

In their campaign to starve out the public sector, the Bushite reactionaries also allowed developers to drain vast areas of wetlands. Again, that old invisible hand of the free market would take care of things. The developers, pursuing their own private profit, would devise outcomes that would benefit us all.

But wetlands served as a natural absorbent and barrier between New Orleans and the storms riding in from across the sea. And for some years now, the wetlands have been disappearing at a frightening pace on the Gulf' coast. All this was of no concern to the reactionaries in the White House.

As for the rescue operation, the free-marketeers like to say that relief to the more unfortunate among us should be left to private charity. It was a favorite preachment of President Ronald Reagan that "private charity can do the job." And for the first few days that indeed seemed to be the policy with the disaster caused by Hurricane Katrina.

The federal government was nowhere in sight but the Red Cross went into action. Its message: "Don't send food or blankets; send money." The Salvation Army also began to muster up its aging troops. Meanwhile Pat Robertson and the Christian Broadcasting Network—taking a moment off from God's work of pushing John Roberts nomination to the Supreme Court—called for donations and announced "Operation Blessing" which consisted of a highly-publicized but totally inadequate shipment of canned goods and bibles.

By Day Three even the myopic media began to realize the immense failure of the rescue operation. People were dying because relief had not arrived. The authorities seemed more concerned with the looting than with rescuing people, more concerned with "crowd control," which consisted of corralling thousands into barren open lots devoid of decent shelter, and not allowing them to leave.

Questions arose that the free market seem incapable of answering: Who was in charge of the rescue operation? Why so few helicopters and just a scattering of Coast Guard rescuers? Why did it take helicopters five hours to lift six people out of one hospital? When would the rescue operation gather some steam? Where were the feds? The state troopers? The National Guard? Where were the buses and trucks? the shelters and portable toilets? The medical supplies and water?

And where was Homeland Security? What has Homeland Security done with the \$33.8 billions allocated to it in fiscal 2005? By Day Four, almost all the major media were reporting that the federal government's response was "a national disgrace." Meanwhile George Bush finally made his photo-op appearance in a few well-chosen disaster areas—before romping off to play golf.

In a moment of delicious (and perhaps mischievous) irony, offers of foreign aid were tendered by France, Germany, Venezuela, and several other nations. Russia offered to send two plane loads of food and other materials for the victims. Cuba—which has a record of sending doctors to dozens of countries, including a thankful Sri Lanka during the tsunami disaster—offered 1,100 doctors. Predictably, all these proposals were sharply declined by the U.S. State Department.

America the Beautiful and Powerful, America the Supreme Rescuer and World Leader, America the Purveyor of Global Prosperity could not accept foreign aid from others. That would be a most deflating and insulting role reversal. Were the French looking for another punch in the nose? Were the Cubans up to their old subversive tricks?

Besides, to have accepted foreign aid would have been to admit the truth—that the Bushite reactionaries had neither the desire nor the decency to provide for ordinary citizens, not even those in the most extreme straits.

I recently heard someone complain, “Bush is trying to save the world when he can’t even take care of his own people here at home.” Not quite true. He certainly does take very good care of his own people, that tiny fraction of one percent, the superrich. It’s just that the working people of New Orleans do not number among them.

Michael Parenti’s recent books include *Superpatriotism* (City Lights) and *The Assassination of Julius Caesar* (New Press), both available in paperback. His forthcoming *The Culture Struggle* (Seven Stories Press) will be published in the fall. For more information visit: <http://www.michaelparenti.org/>.

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