

Bush Corporate Government Seizes Katrina Opportunity

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With people still stranded on rooftops and bodies floating in the floodwaters of Hurricane Katrina, the Bush administration did what it has always done best: it moved with lightning speed to dole out lucrative contracts to private corporations.

The corporate community has always understood that its interests come first in the nation created by the Bush administration. Stock prices for Halliburton and Baker Hughes soared when the levees broke in New Orleans. Helicopters were in the air assessing the damage to oil rigs while people below were drowning in their homes.

Refineries in the region were back on line long before hospitals reopened. Lobbyists left Washington with their business deals in hand before corpses were collected from the streets.

The national media is mistaken when it claims that the Bush administration failed to respond to the crisis created by Katrina. The administration responded swiftly – to the needs of Halliburton, Bechtel and Fluor Corporation and to its campaign contributors and corporate lobbyists who knew that the administration would quickly turn the tragedy into a profit windfall.

In keeping with its policies for six years, the Bush administration seized the opportunity to further reduce the role of government in helping people and raise the role of government in supporting corporate profits.

"Bureaucracy" is not to blame. Bush had a choice to use that bureaucracy to find 1,500 missing children or to build Bechtel's revenues, and he chose Bechtel.

Bush first boosted the profits for these companies by privatizing the war in Iraq. Now he is channeling money to the same companies by privatizing the relief and reconstruction work for Hurricane Katrina. With \$62 billion already allocated by Congress and up to \$200 billion more on the way, corporations in the Bush camp will be drinking from an even deeper public trough.

To sweeten the no-competitive-bidding contracts and guarantee an additional layer of profits for the companies that will repair the damage left by the hurricane, Bush signed an executive order that allows companies to pay substandard wages for all of the cleanup and construction work.

Wages in Louisiana are already 19 percent below the national average; wages for workers in Mississippi are only \$586 a week, 28 percent below the national average.

Unemployment in Louisiana and Mississippi was well above the national average before the storm hit. With a pre-storm unemployment rate of 6.1 percent in Louisiana and hundreds of thousands of its 1.9 million workers now on the streets, workers in the state face a long-term financial catastrophe.

In Mississippi, where unemployment stood at 6.7 percent before the hurricane and its workforce of 1.2 million now faces widespread joblessness, the administration still has not guaranteed jobs,

Help the Victims of Hurricane Katrina

Labor unions around the United States and throughout the world are rallying to aid the people whose lives have been thrown into chaos by Hurricane Katrina. Many unions have created special disaster relief funds to help out. Volunteers are also needed.

To find out what the unions are doing and how you can help, visit the websites listed below, the site of your Local or International Union, or contact your union directly.

[AFL-CIO](#)

[Change to Win Coalition](#)

[UNITE-HERE!](#)

[United Steelworkers of America](#)

[International Brotherhood of Teamsters](#)

[Communications Workers of America](#)

unemployment benefits, health care or housing for those affected.

In Louisiana, 19.4 percent of the state's population lived below the federal poverty line before Katrina. The percentage that lived in poverty in Mississippi stood at 21.6 percent, compared with the national average of 13.1 percent. With the storm, the rates for Louisiana and Mississippi could easily double.

A crisis is, by definition, a turning point. Katrina wiped the human slate clean in a region where racial discrimination, poverty and perverted policies trapped thousands in inhuman conditions.

We now have a chance to reverse course, put people first, and meet the needs of our citizens instead of Halliburton, Bechtel and Fluor.

Instead of lowering wages in the stricken region, we could raise the federal minimum wage to a level that guarantees a decent living for all Americans, including those vulnerable workers along the Gulf Coast. Instead of private profiteering, we could reinstate public works programs to provide jobs and wages to those who now need them most. Instead of rebuilding the Gulf Coast to boost the profits of the oil companies and the shipping industry, we could rebuild it to transform a region that was gripped by poverty and left behind by the federal government long before the storm hit.

We now have a chance to create a better life for the victims of the storm and for all Americans who want to reclaim their country and their government. It begins when we demand that Bush respond to Katrina as a humanitarian crisis instead of a business opportunity.

From Labor Research Association