

Table of Contents

Drowning by Numbers â The Non-Reproduction of New Orleans 1

Drowning by Numbers â The Non-Reproduction of New Orleans

By Benedict Seymour

After the actual hurricane that hit New Orleans in late August 2005, came the second hurricane of neo-liberal looting. The vacuum left by the evacuation of the working class population and the storm's destruction of infrastructure produced the dream conditions for economic 'restructuring'. This disaster-catalysed primitive accumulation, argues Benedict Seymour, reveals in fast-forward the fire-fighting strategy of a US economy in chronic decline.

Originally commissioned by *Greenpepper* magazine, this text was written in February 2006

They became amphibious, and lived, as an English writer says, half on land and half on water, and withal only half on both.

So-Called Primitive Accumulation, Capital Vol. 1, p. 892 Karl Marx

1. THE USA AS A DEVELOPING SOCIETY

Hurricane Katrina created a great opportunity for looting. But contra to racist fantasies of post-storm rape and pillage, the real thieves were not the black underclass but the neo-liberal elite. The man-made disaster of the deluge provided the ideal excuse for New Orleans's (mostly) white ruling class to set in motion long held plans for a new New Orleans, minus the (mostly) black working class.

The looting taking place in Louisiana's 'Gulf Opportunity Zone' today represents potentially the most brazen and large scale act of gentrification yet seen in the already rampantly gentrified USA. The transfer of public assets into private ownership and the destruction of working class housing, services and social networks is a hallmark of neo-liberalism but up until now the process has rarely been as brutally, or rapidly performed - at least not on US territory. As the corporate macro-looters favoured by George Bush's laboratory for conservative economic policies[1] in Iraq such as Halliburton, Blackwater and the Shaw Group suck in state money to 'clean up' after the devastation, the belatedly evacuated survivors of the deluge are decanted into temporary accommodation across the States, displaced and struggling to stay afloat.

Like the supersized disaster movie version of the 'normal' gentrification process already long under way in New Orleans, the state relief effort and planned reconstruction reveal renewal as a euphemism for 'primitive accumulation': the state-backed transfer of property into private hands as a source of fixed and variable capital, free land and devalourised labour.[2] In this case, as we will see, those being divorced from their means of production, or better, of their means of social reproduction, are not only newly proletarianised workers but the post-industrial reserve army created by decades of economic stagnation and austerity in the USA.

As in regeneration and reconstruction programmes elsewhere, the looting of New Orleans and Louisiana is not limited to the privatisation and colonisation of formerly working class areas, the theft of land and (crumbling) infrastructure. This transfer of fixed capital is always accompanied by a 'holistic' attack on the price of labour-power which works from all angles to deprive workers of their former means of subsistence, raising the real cost of living and destroying means of support, while

creating new revenue opportunities for capital.

In the case of New Orleans, the hurricane is being treated as god's gift to the neo-liberal consensus, a one off opportunity to speed the whole process up by rendering the working class evacuation post-Katrina permanent. Turbo-charged by the state relief effort, the gradual process of gentrification which had already emptied the centre of tourist New Orleans of its black population is poised to claim the rest of the city.[3]

The black majority of New Orleans are effectively prohibited from returning to rebuild their homes and their lives by a combination of economic dissuasion, logistical failure and technical/legal impediments imposed by federal and local government. The legal obstacles range from petty but effective restrictions (for instance, to vote in the forthcoming New Orleans primary which will decide the future shape of the city you need official ID - if you lost your ID in the storm, too bad), to surprising technical omissions (no satellite voting facilities are being prepared for the displaced citizens of Nola, though these were provided for expat Iraqis across the USA during the elections in Iraq![4] As one academic commentator remarked, the devastated New Orleans is now akin to a 'developing society' and as such a fit case for Jimmy Carter and his team.[5]

But it is the State's failure to provide temporary accommodation in the city so that New Orleans's displaced population of former renters and (large minority of black) home owners can return - whether employed or unemployed - which plays the biggest part in turning evacuation into permanent eviction. The 25,000 trailers promised by FEMA have failed to materialise while the nimby middle class bridle at the suggestion their neighbourhoods should become trailer parks.[6]

Furthermore, Mayor Ray Nagin's commission for reconstruction has called for a 4-month moratorium on rebuilding in devastated working class neighbourhoods like the lower Ninth Ward and New Orleans East.[7] The message is clear: If you can't rebuild, why return?

True to form for contemporary urban renewal projects, which like to combine coercion with a façade of 'direct democracy', the attempted theft of New Orleans is being presented as a consultation process. The city commission's scheme, drafted by a Republican real estate development tycoon(!) Joseph Canizaro, solicits residents to offer a 'viable' plan for reconstruction. Given the disarray and dislocation of former residents it is hard to imagine how a 'people's plan' is enabled by this pseudo-participatory framework, even if the residents were allowed back in the city. The rhetoric of choice combined with the shotgun timetable ('4 months to decide!' trumpeted the *Times-Picayune* newspaper's headline), as in regeneration schemes, elsewhere renders the consultation a sham.[8] If big business alone is allowed to rebuild, and if a 'viable' plan means a plan agreeable to big developers like Canizaro, working class former residents have even less likelihood of returning to the city.

2. SINKING WAGES AND THE SECOND HURRICANE

As in other gentrification zones, the restructuring of the wage going on post-Katrina is as important as the looting of potentially revenue-generating land and the commercialisation of formerly domestic, public or community spaces.[9]

The instant labour shortage created by the forced diaspora from New Orleans might have been expected to push up wages for those involved in the reconstruction programme. In fact, the state and employers eagerly exploited the situation to *cheapen* labour-power while making sure the black working class were obstructed from returning and benefiting to some degree by the demand for workers. To be precise, the storm was used to create a new collective worker in the region - a new

working class minus the minimal advantages enjoyed by the city's former inhabitants. Post-Katrina, Bush immediately suspended the Davis-Bacon act requiring employers to pay prevailing local wages and waived the requirement for contractors to provide employment eligibility forms completed by their workers (a deterrent to the employment of illegal labour) as well as halting affirmative action programmes in the region.

Although these measures were later restored, employers correctly read this as a signal to drop wages and basic labour rights to tap into available supplies of immigrant labour. Latino workers poured into Louisiana in response to ads for jobs in Houston and other south western cities to be greeted by a familiar cocktail of racism and hyper-exploitation. Sleeping under bridges, in abandoned cars, paying a fortune to camp in tents in the city park or sharing overcrowded rooms, they work long hours for weeks at a time and are rewarded with \$10 an hour wages which, too often, are never even paid.[11] As Gary Younge observed, this is simply slave labour in its contemporary form, a return to the institution on which old New Orleans was founded.

As well as universally lowering wage rates in the regressive new New Orleans, the influx of immigrant labour is largely unaware that tens of thousands of blue-collar evacuees who would relish these jobs are unable to return for lack of family housing and federal support[12] serves as yet another disincentive to the residents of old New Orleans to return. Pricing the black population out, state representatives like Ray Nagin and the neo-liberal media have been as quick to promote artificially inflamed racism and inter-class competition as they have been slow to provide housing and aid.

Using immigrant labour to begin the clean up effort was not only cheaper for the individual capitalists concerned. The deployment of Latino workers, inadequately trained and unprotected by the frail privileges of citizenship, contributes to the overall recomposition and devalorisation of labour-power in New Orleans. Low wages for immigrants also means a further devalorisation of the labour-power of New Orleans's displaced residents. In turn their presence in the cities such as Houston to which they have been decanted serves as a downward pressure on wages there. Swapping populations around to effect an overall cheapening or destruction of labour-power, this is another example of disaster-catalysed primitive accumulation. Hyper-visible in New Orleans, but an endemic part of globalisation, the US already gets much of its labour-power for free through similar spatial prestidigitations. The cost of reproducing the labour power of immigrant workers, many of them recently proletarianised having come from regions not yet fully integrated into capitalist production, is borne by their societies of origin, not the US. Their low-to-no-wage status in New Orleans means absolute surplus value for their employers through non-reproduction of the most immediate kind, but this basic looting is always going on whether individual employers realise it or not.[13] Once again, we should see the looting of New Orleans as exemplary of capital's current modus operandi, not exceptional. As has been remarked before, the exception is the (neo-liberal form of) rule.

The flipside of all this gutting of variable capital is that is, the lowering of the price of labour-power below reproductive levels is the gifting of the business elite with a reduced bill for the rapidly diminishing consumption fund of the region's working class.[14] Bush's offer to pick up the tab for almost all of the 200 billion dollars of flood damage was not predicated on higher taxes on the rich. On the contrary, this steroidal version of Keynesian deficit spending would be combined, as Mike Davis puts it, with a dream-list of long-sought-after conservative social reforms targeting the poor: school and housing vouchers which effectively transfer the cost of services onto those they used to support; a central role for churches turning relief into an opportunity for moralising absolute surplus value extraction; an urban homestead lottery making it harder for most people to find housing while creating a few new members of Bush's ownership society; and finally extensive tax breaks to businesses, the creation of a Gulf Opportunity Zone, and the suspension of annoying government regulations which include suspending prevailing wages in construction and environmental regulations

on offshore drilling).â[15]

The state of emergency licenses any amount of deregulation. The apparatus which at least offered some protection to workers while limiting corporate rapine within âaverageâ levels of depredation, was hurriedly dismantled in the aftermath of the storm. What was once upon a time accomplished in the name of a national myth of rebirth, the general mobilisation and devaluation of the working class imposed in the guise of fascist palingenesis (or Rooseveltian New Deal) in the â30s, can now only be catalysed by artificially aggravated disaster. Furthermore, where in the past devalorisation was combined with a rising standard of living, a shorter work day, new infrastructure and new institutions for the reproduction of labour-power (housing, hospitals, schools), here the panic depreciation of labour-power coincides with the non-replacement of the means of social reproduction:

Public-housing and Section 8 residents recently protested that the agencies in charge of these housing complexes [including HUD] are using allegations of storm damage to these complexes as a pretext for expelling working-class African-Americans, in a very blatant attempt to co-opt our homes and sell them to developers to build high-priced housing. [16]

Rather than rebuilding New Orleans and reproducing these state owned assets for their erstwhile beneficiaries, the drive to cheapen labour-power dictates the conversion of sites of reproduction into sites of revenue accumulation. This applies also in the private sector: Landlords, reacting to reports of soaring land values in dry areas, have begun evicting tenants en masse and renting properties out at higher rates.[17] Working class tenants still in their homes â or yet to return to them! â are being âflash gentrifiedâ out to make way for non-productive workers who offer a better rate of return for landlords. Whereas US capital formerly squeezed surplus value out of industrial workers in the process of production, now it squeezes the unemployed and/or shit-workers out of their homes to free up more property for (ultimately unproductive, fictitious) capitalisation.[18] As workers and their homes are devalorised, wages forced below the level necessary to secure means of subsistence, capital takes its ill-gotten spoils and turns them into collateral. The neoliberal vision for New Orleans is not the replacement of public housing and other resources but the transfer of land and property into the hands of developers and big business, a shift from the reproduction of labour-power to its displacement to make way for speculation and unproductive consumption: casinos, jazz themeparks, and elite Truman Show-style pseudo-communities.[19]

The whole State âreliefâ programme functions as a second hurricane (for similar reasons the reconstruction in Indonesia is now known as âthe second tsunamiâ) sweeping away the remains of the welfare system, and looting infrastructure to prop up big business.[20] True to the principles of the Washington Consensus in ensuring that all aid functions as means of command and a source of increased (debt leveraged) revenue, the US is imposing unprecedented demands for loan repayment upon local governments in affected states. How will local government meet this demand? No doubt through lower wages, further cuts in services and benefits (Bushâs legislation âproposes aid that would benefit less than one-quarter of those made jobless by Katrinaâ), and a continuation of the mass redundancies with which the state rewarded many of its own employees in the wake of the deluge.[21]

3. ATAVISTIC ACCUMULATION

It is then no exaggeration to describe the devastation and subsequent looting of New Orleans as an example of primitive accumulation. Capitalâs total wage bill is reduced through looting of the non-capitalist periphery, looting of un-reproduced â but over-valued infrastructure, and looting of nature â the non-replacement of natural resources evidenced by the erosion of the bayous and, since the introduction of the Gulf Opportunity Zone, intensified by the lifting of government environmental regulations. On top of this, we have the fundamental reduction of the wage of the disaggregated and

dispersed ex-residents of the city, plus the raft of cuts in services and benefits for those who remain or return.

This primitive accumulation is the bitter culmination of US capital's long term strategy of devalorisation analysed by Loren Goldner in his essay 'The Remaking of the American Working Class'. By the start of the 20th century the very development of the productive forces had pushed capital toward crisis:

the productive forces have reached a level where any technological innovation produces more (fictive) capitalist titles to the total surplus value than it adds to that surplus value. The capital relationship can no longer maintain itself; it must therefore destroy an important portion of labor power, or labor power must destroy it.[22]

Rather than enabling the valorisation of capital, technological development actually undermines the value of its own previously produced commodities and thus converts the value represented in commodities, money and credit already circulating into 'fictive' titles to value. Capital is, at its core, profoundly deflationary. To put it another way, as the development of technology itself accelerates the devalorisation of existing technology, the retroactive process of 'techno-depreciation', in which more efficient technologies render their precursors obsolete, effectively destroys their value as commodities, putting capital accumulation into crisis through its very own productivity.

Marx's formula whereby constant capital tendentially increases at the expense of variable capital - i.e. value produced by labour embodied in technology increasingly predominates over value-producing labour - not only drives the global expansion of capital but also sees a recomposition of production (the 'real subsumption' of labour under capital, as Marx calls it). In the last 100 years, the tendency of its own productivity to undermine capital's ability to valorise itself has been offset by driving down the cost of labour, extending and intensifying the process of production, and looting outside the wage relation proper. For the most developed capitalist nations, this meant a shift from absolute surplus value extraction, the extension of the working day, and primitive accumulation in the colonies, to Fordist and Taylorist intensification of production ('relative surplus value extraction') in the capitalist core. Through the cheapening of the means of subsistence afforded by mass production (i.e., cheaper food and clothing, domestic technologies, mass culture, etc etc)

But the (relative, deceptive, and far from universal) rise in workers' standard of living and real wages, as Marx pointed out, comes on the eve of crisis. Since the mid-60s, with US industry devalued by its more productive competitors in Europe and Japan, the US 'strategy' has involved a shift from the Fordist/Taylorist intensive recomposition of labour-power to the dismantling of industrial production altogether. This reconfiguration then destruction of productive industry cannot be understood apart from its relationship to the sphere of circulation, however. The US continues to exploit its hegemonic position as the holder of the world's reserve currency, the dollar, to counterbalance its decline as a 'real economy' through its ability to dictate global terms of trade. The domestic stagnation then demise of value-extraction through productive industry (viz the decades-long decline of the US auto industry, aerospace, metal working, textiles, mining, agriculture, etc) is offset by a global programme of primitive accumulation through the dollar, through the system of international loans, and the imposition of free trade and privatisation on defaulting nations by means of Structural Adjustment Programmes, of which the current neoliberal attack on New Orleans is a spectacular, disaster movie variation.

Having extended and speeded up the working day in the 70s, shut down factories and welfare programmes in the 80s, and expanded the unproductive tertiary sector in the 90s, today the US is chopping away the residues of the mechanisms by which it recomposed the total worker, lowering the total wage by destroying means of production, reproduction, and workers themselves. After

devalorisation, that is the destruction or non-reproduction of labour power through (Fordist) recomposition, today we have the final stages of devalorisation through its Post-Fordist decomposition. After the real subsumption of the worker under capital, we have surreal subsumption: the return of absolute surplus value extraction in formerly relative surplus value centred economies. Coupled with intensified labour, multiplied by primitive accumulation, capital now attempts the destruction of already reduced standards of living and expectations on the part of already ravaged communities of workers.

Thus, while it is true that what is happening in Louisiana is primitive accumulation on a grand scale, it is not the beginning of productive accumulation but its end – if not for the global economy, then at least for the USA. If the enclosures of the 16th century saw the transformation of peasants into free and rightless proletarians, the new enclosures of the last thirty years (to use Midnight Notes term) have converted large sections of the proletariat into surplus humanity. A post-industrial reserve army of precarious labour that shows little chance of coming back into active service, or rather has only the bottom end of the service sector – a range of opportunities from Mcjobs and neo-slavery to incarceration – to be marched into. Turning its population into insurgents, as the refugees of Katrina were at one point dubbed, the state re-produces its citizens as foreigners, as its enemy, in order to de-compose their political strength and destroy their economic value.

Unlike the enclosures at the origin of capitalism which, though brutal, imposed the conditions for surplus value extraction on an expanding scale and created a new form of socialised labour (albeit in inverted and distorted form), the current period of enclosures of which New Orleans is exemplary, represent the looting of land and of labour-power for the reproduction on an expanding scale not of value but of fictitious capital – paper claims on value. Like the original enclosures, the current cycle creates the conditions for absolute surplus value extraction, but within the context of spiralling debt and an ocean of fictitious values. The reconstruction of New Orleans as a city of luxury housing, casinos, and consumerism is hardly the creation of a new productive dynamo. Today we have primitive accumulation to make good the absence of production rather than as its foundation. In capital's own terms this is problematic and ultimately unsustainable.

Looting, that is, the many forms of non-reproductive accumulation going on in contemporary capitalism, reproduces looting on an expanded scale. The non-reproduction of constant and variable capital creates surplus value but also non-reproduction on an expanded scale – the planet of slums described by Mike Davis. Up to the point where a crisis of illiquidity (or working class insurrection) arrests the global movement and expansion of fictitious capital, the US – and its creditors – are obliged to continue the game, continue the enclosures, even though the cost in permanent war, destruction and non-development of use-values is ever growing.[23]

The US's failure to reproduce its working class, its industries and its cities may be ignored by those who still stand to benefit – at least in the short term – from the enormous accumulation of debt-backed credit flooding its housing and (other) speculative markets. But a country that lets a major city disappear into the sea for want of basic repairs and maintenance is clearly in trouble. Combined with the humiliation of its failed laboratory for conservative economic policies in Iraq, the devastation of New Orleans should put the nail in the coffin of the myth of America's post-industrial renaissance. The decline of the real economy in the USA marks the end of primitive accumulation as a supporting player in capital's drama and its move to centre stage.

The world's leading producer of disaster movies, the US should perhaps adopt a new national mascot. Instead of the bald eagle, David Cronenberg's human-fly would be more fitting. Seth Brundle, the renegade scientist who inadvertently fuses genes with the despised household insect in his attempt to teleport himself across his dilapidated ex-industrial warehouse, takes the first signs of his decay in human terms as tokens of renewed life and vitality. Elated, he feels he is becoming an ubermensch,

living, if not as the knowledge economy boosters had it, on air, then on pure sugar. But he ends up typing with deciduous digits, extremities and sensibility falling away to reveal the horrifying insect within.

A narrative of transformation can only conceal regression for so long, but in the USA the denial seems structural. New Orleans's destruction has been seized by conservatives as an opportunity to build a plastinated jazz cadaver over the dead or displaced bodies of the city's black working class population. The black working and middle class are already fighting back against this grotesque and brutal process, asserting their right to return and reconstruct the city on their own terms. But we should bear in mind the depth of the crisis the US is facing and, unlike some liberal critics who now hark back to the New Deal and call for a return to the 'real economy', recognise that the US is no longer capable of restoring capitalist 'productivity'. Similarly, the self-organised, unpaid efforts of private individuals to reconstruct the city in the vacuum created and enforced by the state's agencies is in itself a form of non-reproduction and should not be fetishised as a purely autonomous activity. To put it in terms that even a productivist Maoist could understand, we can't survive by creating a new, more cosy relationship with the capitalist insect. Nor should we be content to pioneer the latest forms of non-reproduction in our struggles against capital. Expanded social reproduction on capital's terms is no longer an option. Much more difficult, yet the only 'viable' choice, we have to kill the insect before it kills us.Â

FOOTNOTES

[1] Paul Krugman quoted in Mike Davis, 'The Predators of New Orleans' October 05, Le Monde diplomatique: <http://mondediplo.com/2005/10/02katrina>

[2] Marx, Capital vol1, Chapter 8, quote:

'The so-called primitive accumulation, therefore, is nothing else than the historical process of divorcing the producer from the means of production. It appears as primitive, because it forms the pre-historic stage of capital and of the mode of production corresponding with it.'

While this definition holds good, it is important to see that primitive accumulation is a misnomer if understood to mean an original, and now historical, phase of accumulation. Primitive accumulation is an ongoing and permanent part of capitalism. Cf. Loren Goldner, 'The Remaking of the American Working Class, The Restructuring of Global Capital and the Recomposition of Class Terrain', 'Once Again, On Fictitious Capital: Further Reply to Aufheben and Other Critics', and also Retort, Afflicted Powers.

Also Wikipedia: http://en.wikipedia.org/wiki/Primitive_accumulation

[3] Naomi Klein, 'Let the People Rebuild New Orleans'. The Nation, September 26, 2005:

'The Business Council's wish list is well-known: low wages, low taxes, more luxury condos and hotels. Before the flood, this highly profitable vision was already displacing thousands of poor African-Americans: While their music and culture was for sale in an increasingly corporatized French Quarter (where only 4.3 percent of residents are black), their housing developments were being torn down.'

[4] 'The Disenfranchisement Of Katrina's Survivors', 1 March 2006 Michael Collins, Special for "Scoop" Independent Media, <http://www.scoop.co.nz/stories/HL0603/S00016.htm#4>

[5] 'Frustration Dominates New Orleans Race', 3 March 06, By Cain Burdeau, Associated Press: 'It's almost to the point that we need election observers,' said Gary Clark, a political science professor at Dillard University in New Orleans. 'The limits we have now are almost the same as in a developing society: an economic infrastructure that's been devastated and various factions trying to seize political control and influence.'

[6] Fighting the Theft of New Orleans â The Rhythm of Resistanceâ, Glen Ford and Peter Gamble, The Black Commentator, Issue 167 â January 19, 2006.

âWho's rebuilding New Orleans?â, St Petersburg Times, Sandra Amrhein, October 23: âBut FEMA estimates that 100,000 families in the region need temporary housing. But only 3,105 families have been placed in travel trailers and another 70 in mobile homes, McIntyre said. The nearest trailer settlement to New Orleans is 80 miles away in Baker.â

[7] Glen Ford and Peter Gamble, *ibid.*

[8] *Ibid.*

[9] While none of this could be described as âoutsideâ capitalism, public housing and community services represented an area created by capital where the state allocated a portion of total value via appropriations, i.e. taxes, to the reproduction of labour-power as a means by which to lower the price of labour power as a whole through economies of scale. That it is today destroying these economies indicates a shift to a more absolute non-reproduction of labour-power. For this argument regarding the devalorisation of labour-power I am indebted to Loren Goldnerâs âThe Remaking of the American Working Classâ.

[10] Gary Younge, âHard Times in the Big Easyâ, The Nation, March 13, 2006

[11] *Ibid.* Also, Jonathan Tilove, âCleanup relies on day labor of Latinosâ, Jan 8 2006, Times-Picayune.

[12] âGentrifying Disaster â In New Orleans: Ethnic Cleansing, GOP-Styleâ. Mike Davis, Mother Jones, October 25, 2005.

[13] For more on this, see Loren Goldner, âThe Remaking of the American Working Class, The Restructuring of Global Capital and the Recomposition of Class Terrainâ: âThrough the incorporation of this non-capitalist work force, whose reproduction costs are free for capital (not, of course, for the society of origin) the total capital can reduce the cost of the total worker.â To put it in non-Marxian terms, the workers who come to the US from 'developing countries' are, as the economists say, a 'free input'. The process of producing them as workers, as beings-for-capital in any and every sense â feeding, training and developing their bodies and minds, educating, socialising, acculturating them â is not paid for by US capitalists, it's a free gift they get when they employ the worker. This 'social reproduction' of the worker is looted wholesale, as, to a greater or lesser extent, are whole communities and the social ties that they foster. Mike Davis has noted this phenomenon in his book *Magic Urbanism: Latinos Reinvent the US Big City*. He cites the example of Randalls, a Houston grocery chain, who have recruited more than 1000 workers from closely related villages in the Tontonicapan highlands of Guatemala. Housed in a cluster of low-rise faux Georgian apartment houses, these proletarianised Mayans come with built-in cooperative powers US capital never had to pay to inculcate: 'US employers ... have become skilled at exploiting "positive externalities" like free labour recruitment and superb workgroup discipline that arise from organised communal emigration.'

[14] While the literal enslavement of workers is not, long term, a sustainable option for capital, since the value measure (socially necessary labour time for the reproduction of capital) must remain in force even in its state of exception if capital is not to simply defraud and devalue itself, in the contemporary conditions of accumulation where productive activity floats â or drowns â in a sea of over-valued monetary claims on non-existent surplus value (aka fictitious capital) the reckoning for this looting can be deferred through the stupendous spirals of the credit system. Fictitious capital commands that further looting is performed in the attempt to make good these empty claims on value, yet an over-reliance on looting, since it destroys the productive base of surplus value and indeed the

materialised capital that constitutes our life world, tends to diminish its own ability to expand surplus valueâ

[15] âThe Predators of New Orleansâ, Mike Davis, October 05, Le Monde diplomatique
<http://mondediplo.com/2005/10/02katrina>

[16] âGentrifying Disaster â In New Orleans: Ethnic Cleansing, GOP-Styleâ, Mike Davis. It should be noted that although the non-return of blacks has been explicitly called for as policy, the exclusion of the asian and white working class is an unstated but de facto goal of the same process.

[17] Ibid.

[18] âNon-productive' here is used in Marxâs â not Adam Smith's â sense. Non-productive labour is labour judged from the perspective of capital's imperative of expanded accumulation. Productive labour is labour which adds to and REproduces (expands) the total surplus value (i.e. capital) accumulated by exploiting the waged labour of the working class. The nature of the things produced, and the context of production, determines whether or not an activity is productive. For example, the US' spiralling investment in military production is classically unproductive â however many workers are employed in this sector and however essential to maintaining US global hegemony its wars may be â because tanks, bombers, guns, etc, do not reproduce total capital embodied in use-values of whatever kind, even when they are not directly employed in destroying use-values produced by other capitals, as in Iraq for example. Indeed, the US as a whole, when one considers its total capital in the light of its total debt, must be reckoned unproductive â but this judgement is being made in the form of the ongoing devastation of people and things evidenced in events such as the destruction of New Orleans, and will not be complete until a future financial-social crisis completes a thorough-going destruction of use and exchange values of the kind experienced in previous crashes and inter-imperialist wars. The FIRE economy elite (Finance, Insurance, Real Estate) who will take over New Orleans clearly belong to the unproductive class (Marx's 'faux frais' of production), whose salaries come out of capital's 'consumption fund'. Classically, while they may be necessary to superintending or lubricating the process of accumulation, this class, although waged or salaried, is not productive of surplus value but rather are paid out of surplus value accumulated elsewhere in the system. In fact, today this class are chiefly useful for expanding the fictive claims on value of US capital, so even their traditional status as 'incidental operating expenses' is eclipsed. This class is unproductive as never before; they are 'incidental expenses' incurred in the process of drowning in debt and destroying social reproduction. Once the housing and related bubbles deflate they are likely to join the rest of the US proletariat in a swamp of less genteel unproductive activity.

To clarify, the displaced working class now forced out of New Orleans were themselves increasingly an unproductive class (again, in capital's terms), whether as beneficiaries of dwindling welfare payments or workers in increasingly heavily leveraged US companies whose dwindling capital supports towering 'inverse pyramids' of debt. Productive activity, as the rise of China as the US's offshore production plant makes clear, is tendentially impossible within the territorial limits of the USA. What America increasingly dedicates itself to is the destruction of value â both exchange and use value, since both embody surplus value, the root of capitalist wealth and the source of its crisis. Only by uprooting and looting such workers can capital hope to squeeze a desperate last dose of absolute surplus value out of its moribund 'reserve army of labour'. Yet, once again, given the macro-logic of US capital's decline, these little hits of valorisation are immediately swallowed up in the vast nexus of debt, deferral and extorted tribute that is the international financial system. Here US debts are turned into a powerful tool for the domination of its economic rivals and creditors. The financial elite are clearly more than willing to offer New Orleans and its working class to the nebulous deity of unlimited liquidity up until the point where not having a productive industrial base becomes a

truly insuperable problem.

[19] As Mike Davis notes, the Clinton-era HOPE VI programme which fetishised diversity through mixed use, mixed income housing was conceived as replacement housing for the poor but ended up replacing the poor themselves. This is the model for housing, and the other forms of displacement through (non) replacement in the new New Orleans.

[20] Naomi Klein, *The Nation*, September 26, 2005.

[21] Mike Davis, *ibid*: "The powerful House Republican Study Group has vowed to support only relief measures that buttress the private sector and are offset by reductions in national social programs such as food stamps, student loans, and Medicaid."

[22] Loren Goldner, *ibid*.

[23] To get some idea in non-Marxist terms of what 'non-development of use-values' means, consider the current ecological crisis. If the majority of scientists are correct and global warming is accelerating at a potentially devastating pace, this represents the absolute destruction of (potential and actual) use-values, the acme of the ongoing devastation conducted in the form of wars and so on. Rather than organising a rational response to the crisis of global warming, e.g. creation of viable and more efficient fuel sources, etc., capital is busily prosecuting a campaign of austerity in the guise of enforced recycling, taxation, and, if the Kyoto agreement were ever to be put into practice, the progressive limitation of carbon emissions at the cost of the world's poor. Rather than using our immense productive capacity to generate real alternatives to carbon-based fuel, the limit of contemporary imagination is a Malthusian throttling of real (i.e. non-capitalist) development. The conditions of capital accumulation make alternative energy 'unviable', applying a calculus which, at the global level, would sacrifice the combined use-values of the planet to the dictates of exchange-value. In the meantime, the NGOs and 'green' businesses make a nice profit by retailing new forms of immiseration and social discipline.

Benedict Seymour <ben AT metamute.org> is deputy editor of *Mute*