

CAMPAIGN FOR AMERICA'S FUTURE

Moderator: Toby Chaudhuri
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Operator: Good day everyone and welcome to today's Campaign For America's Future Conference call.

Today's call is being recorded.

At this time, I would like to turn the call over to Toby Chaudhuri, Campaign for America's Future Communications Director; please go ahead, sir.

Toby Chaudhuri: Thanks for joining us for today's call on the eve of the second anniversary of Hurricane Katrina's landfall. We will hear from three speakers today. We'll hear first from Robert Borosage, who is the co-director of the Campaign for America's Future. We will then hear from House Majority Whip Representative James Clyburn of South Carolina, and then from Representative Maxine Waters of California. Rep Waters is running a little late, she's joining us actually from New Orleans, where she's on travel right now with the delegation.

But let's go ahead and begin, first with Mr. Borosage.

Robert Borosage: Good morning, this evening the President will travel to New Orleans and then tour the Gulf Coast tomorrow in the second anniversary of Katrina. And today, the Campaign for America's Future is releasing a report entitled Compounding Conservative Failure: Hurricane Katrina Two Years Later, that details the failure of the President's promise in rebuilding New

Orleans. We are also releasing a video on YouTube entitled disconnected, which contrasts the President's dramatic speech from New Orleans, and the promises he made then with the reality that exists today. Both of these are available on our Web page at ourfuture.org. I recommend them to you.

Let me just summarize briefly a couple of major points from the report and the video. One is the failure we see in the rebuilding of New Orleans is, without any questions, a failure of conservative governance. The President promised unprecedented response to an unprecedented crisis. He promised the rapid return of those people, the survivors who were dispersed across the country. Today, it is still the case that one third of the population's of New York – of New Orleans is still dispersed across the country.

The President, after he got rid of Brownie appointed Karl Rove to head the reconstruction and Rove mobilized the conservative thinkers at the Heritage Foundation with a task force under (Ed Niese), Representative Michael Pence, the leader of republican conservatives in the Congress said that the conservatives were "white hot with ideas on how to do this reconstruction with conservative policies" and the initial steps were designed to, in fact, do that. The first thing the President did was wave prevailing wage laws, wave affirmative action rules, wave limits on the use of illegal immigrants, and start developing a whole range of plans for tax holidays and tax breaks for various sorts of business and entrepreneurs.

We saw the same kind of thing we saw in Iraq with sole source contracts to Halliburton with the kind of crony capitalism that has been a hallmark of this administration, Haley Barbour, apparently engaged in directing contracts that went to one of his relatives. But the major thing is two years later, what you see is the failure to rebuild every vital public institution that is necessary for a civilized society. The levees, obviously have not been rebuilt to the level needed to withstand a serious storm.

But in New Orleans, public hospitals are still closed; a significant number of the public schools are still closed. The sewage system is near collapse, leaking over 50 million gallons a day. Public transport has been cut by two thirds. Public housing is down. All of the public institutions that allow working people and poor people to survive in an urban area have been – not been rebuilt. And the result, of course, is that it is virtually impossible for a lot of these families to come back.

Now I would argue, we would argue that this failure is not simply a matter of incompetence, it may well be a matter of intent. When Rove was appointed that Washington Post reported that every decision would now be influenced “as to the political consequences in Rove’s eyes,” specifically in the words of the post, “with an eye towards the likelihood of republican political victories in the future.” Louisiana is a swing state. Democratic victories have been based there on the ability to mobilize the black community in New Orleans. And the one question is whether the administration ever intended to allow the poor that had been dispersed across the country to come back.

HUD Secretary Alfonso Jackson, at the time, said New Orleans will not be as black as it was, and the intent may well – the consequence may well be a matter of intent.

The question now, for all of us, is who steps up. Douglas Brinkley had an op-ed in the Post the other day, just demanding that choices be made about New Orleans future, about the levies, so that people could understand them, and that there be candor about those choices.

And now, it is time for others to take responsibility for this. So we are delighted to have Representative James Clyburn here. He’s representing the people of South Carolina. He’s the third ranking official in the House majority, the Majority Whip. He is a member of the House appropriations committee, and in August, he led a delegation of democrats to the Gulf Coast of New Orleans and laid out a report entitled A New Direction for the Gulf Coast.

James Clyburn: Thank you so much for having me on this call, and thank you so much for your interest in this issue, which I think, sort of lifts the veil that existed for these kinds of communities all over the country.

Let me begin by saying I represent a significant portion of Charleston, South Carolina. I lived here through Hugo. And I often tell people that if the eye of Hugo had struck Charleston rather than up around (Lower River), where it make land, the city of Charleston would have been turned into a cesspool. Few people realize that that beautiful city that just made number nine among the 10 best cities to visit in the country, sits on top of a network of tunnels. These tunnels are over 50 years old, and about 10 or 12 years ago they began to deteriorate because they were made with some kind of wood that's beginning to give way. And we have for the last few years been earmarking, I might say funds to the city of Charleston, to repair those tunnels.

Now, I point that out because I think what we saw in New Orleans was not simply a failure due to the wind and the water, but we saw a man made failure. Those levies failed because they were not up to the proper design. And they were deigned the way they were because of some decisions that were made, that we now know and knew before were not good decisions. I think the last time I had a discussion on this, we talked about the modeling that had been done. And we knew that the things needed to take place down there, in order to make that city more secure, things that we did not do.

Having said all of that, the question then becomes, once something like this happens, what should the governance response be? Well, we think that first of all, the government must make decisions, I hope, hopefully objective decisions about securing communities, relieving citizens, and doing what is necessary to meet the crisis as it is. In this instance, the government did not do that. First of all, if you go back to Andrew, where we had an issue like this in 1992, we knew that the people in that community would not be able to respond on their own, so we waved things like that the staff of that requirement, just imagine that – imagine requirements under the staff of

that. We did the same thing for California at the earthquakes. We did the same thing for Hawaii with (Niko). We did the same thing for New York in 9/11.

But in this instance, this administration refused time and time again, to wave the matching requirement, and kept talking about how much money had been put in the pipeline, yes, a lot of money was put into the pipeline, over \$300 million stuck in the pipeline that couldn't be gotten out because of that matching requirement of the staff of that, and they could not get the money.

So the first thing we did in this new direction was to make sure that we put in legislation, a waiver of the staff of that. That has been done under this new direction. We now have appropriated – in addition to that, we have appropriated \$6.4 billion to hear both of the levers down there, to restore the coast line, help recruit teachers for the schools, and to maintain health facilities.

In addition to all of that, we have had in the Congress 30 oversight hearings on Katrina recovery alone, and we're not finished with that because as was mentioned earlier, we believe that something untoward was going on with these sole source contracts, and I think it's time for the American people to look in on that.

We went back to New Orleans on the 12 of August to just make an assessment of what our actions would impact these actions it had and to talk to the people there to find out of where they thought we should go from here.

We met the (Pastor Christiane) in Mississippi, and we visit a school where the entire school district is now sitting on the property of one elementary school, which was the only school that was not destroyed and that's where the whole school district is now. We met with all of the leaders there to help chart a new course going forward.

We'll ask them for housing, for instance. The road home program, we believe that there's going to be a \$3.4 billion shortfall. But we ask them not to give us any more figures, until we get a complete assessment. We now know that as of July 31, they seem to have had somewhere in the neighborhood of 100 – around 200,000 applications. We only appropriated the monies for \$120,000. And so we now need to take a look at this additional 80,000 and see how many of those are, in fact, eligible for road home grants. And then, once we get that number, then we will make an assessment as to what we need to do close three to \$4 billion gap. We just passed. The House and the Senate have not passed the water – that will be called the WRDA bill, the Water Resource Development Act. There is where we are going to address the issue you just raised about this sewage system.

We do feel that they are losing two or three times more water than actually get into their customers. We think that that is in threat of collapse. And we believe that the water resources act has now passed both houses is now out of conference and though the President says he's going to veto that. We are going to send it to him as soon as we get back next week. And hopefully, we will be able to persuade enough of our republican colleagues to override that veto if it should be made.

We also – it's our 1468, has provided disaster relief assistance for small businesses. And Ms. Waters joins us...

Maxine Waters: Yes, I'm on the line.

James Clyburn: Very good. Well than let me use this time Maxine to go to you, and hopefully you can – because you are doing tremendous work, I think it's 1227

Maxine Waters: Yes.

James Clyburn: And maybe you can take up there to go into the housing and talk about the GSE provisions as well, and I won't deal with any of the housing and let you do that. So let me yield now to Maxine Waters, if I may.

Maxine Waters: Hello?

James Clyburn: Yes, Maxine?

Maxine Waters: Yes. OK. Hi. This is Congresswoman Waters, and I'm here in New Orleans at this time, getting prepared to go over – to do our panel on disaster recovery. And I also will be meeting one more time with the public housing resident.

Since Katrina hit, I've been in New Orleans, and over in Houston where many of the residents are living with a lot of uncertainty and not knowing what's going to happen with them. I've been hear about 10 times. And I understand what is happening, particularly with the housing, public housing and the road home program. AB 1227 was designed to try and resolve a lawsuit that is pending that was placed by the advancement project, on behalf of the tenants of public housing, and to try to keep the Federal government from dismantling all of the public housing before the return of the residents here. What has happened in my estimation is HUD and this administration is attempting to use Katrina as an opportunity to dismantle all of the public housing that they have wanted to tear down for quite some time.

They have boarded – they evacuated these tenants. These tenants are living over in Houston and Dallas and Atlanta, and other places around the country and once they had evacuated them, then they announced that they were going to dismantle this house, again, they would have it redone in five or six years and people could return.

However, nobody trusts HUD and (HANL), the local housing authority here in the New Orleans area, because these were the kinds of promises that were made years ago when they tore down public housing such as St. Thomas and many of the – most of the people never got back in. It took them 10 years to restore some of that housing, and they reduced the number of units available to poor people in the Hope Six type operations where they had more market rate housing and some ownership.

And so the people are limbo that's stuck over in Houston and Dallas and places. These public housing units have been boarded up for two years. The people want to return home. Plus, you have people who are in trailers, some of them are public housing, some of them are not, but they have no place else to go. There are very few rental units in the area, and the cost of rental units is astronomical. It has gone up because of supply and demand. There's so few units available. And so all of these people, some poor people, some working people have no places to live and these public housing units are boarded up. They could have –rehab them. Some of them only needed minimal rehab, like the (Le Pete) project, where the damage was only to the first and second floor. And above that, it was not damaged at all.

But the scheme of this administration is to tear down public housing because they don't want to deal with poor people is just absolutely unconscionable. AB 1227 basically – well it would guarantee that at least 3000 of those units would be back in place, and they promised that they would put 3000 units back on the market by the – 2500 of those by the end of August, another balanced 500 by October. But I discovered when I was down here last week that they have not even started on any rehab to those units, because they don't intend to restore them. They claim that they have houses available and scattered homes, but those were places that were destroyed by Katrina, and they haven't even started on those.

And so, the people who have lived in the major public housing of St. Bernard's, (Le Pete's), Cooper and (CJ Pete) just have not place to return to. And the Road Home Program, the

program that we immediately gave almost \$12 billion for homeowners to restore their properties and to rebuild, has been so badly handled. We came down and we had the hearing on that some months ago and put some (buyer funders) in and they rushed the work on some of the applications. But it's been handled badly. It was all calculated wrong. And the philosophy behind it is not a good one. And so, now they are running out of money and they are probably going to need another \$6 billion and still no neighborhoods are being rebuilt through the Road Home Program.

It is a housing disaster in this New Orleans area. And this administration is not committed to doing what needs to be done to get people returned. And we are continuing to push – my bill was passed out of the House back in March, 1227. In addition to that, Barney Frank and I put together a National Housing Trust Fund, and the first over \$50 billion of that is – for the first year is dedicated to this area to build housing and the President is threatening to veto that. So we know what needs to be done, and we're trying our best to work on it.

But as we come and gather here on these two days of New Orleans, where community groups and organizations and national groups and organizations are assessing what has been done, what is needed, what is going to be a glaring lost opportunity is this housing. And an inability – well not even a desire by the administration to house poor people. There should have been a policy by this administration not only to open up the public housing to the people who stayed here, but for those people that had been boarded up, they had a long waiting list, poor people seeking housing. All of the units should have been open. And even for people who were not in public housing prior to Katrina, they should have been afforded a place to live. And if they had income, they would pay according to their income, until they could transition and to housing that was being built for low and moderate income people but that policy has not been developed and we have a housing crisis here.

Toby Chaudhuri: Thank you, Representative. We have some time for questions. To ask questions, simply press star one on your dial pad. And in the meantime, if folks are interested in getting an electronic copy of the report that Robert Borosage mentioned that the Campaign for America's Future is releasing today on how the Federal government has failed to rebuild the devastated areas after Katrina two years later, that's available at www.ourfuture.org.

And as part of that, we're also released – we've released a YouTube video called Disconnected which contrasts promises President Bush made two years ago in a speech from Jackson Square, to the tragic realities that Katrina survivors are facing now, and that's absolutely available at www.ourfuture.org. And it's all ready received over 120,000 views on YouTube alone, so that's definitely worth to note.

But to ask a question, simply press star one and we'll go from there. We'll give folks a minute to dial in. We'll take our first question from Mark Gruenberg with Press Associates Union. Mark, do you want to go ahead?

Mark Gruenberg: Yes. Two questions. One specific for Congresswoman Waters, and the other for everybody. Congresswoman Waters, when you were just talking about the Road Home Program, you said it was "handled badly and calculated wrong" I wonder if you could go into a little more detail into what went wrong there, since this is the program that would presumably help the homeowners in places like the lower Ninth Ward.

And for everybody, there have been some private rebuilding efforts, especially by the union movement in New Orleans which, unlike the rest of the south, does have a strong union movement. Can you talk about what has been done despite the Bush administration, if you will?

Maxine Waters: Well to the first question, the Road Home program was designed to rebuild communities, I guess house by house or home by home. And that program envisioned that homes that were

destroyed by homeowners be they senior citizens or anyone else, that somehow the monies that they would calculate that they were deserving would be used to rebuilt their house. There are a lot of people who are not capable or able of negotiating with contractors and rebuilding their homes, and perhaps don't want to rebuild their homes. So it was a bad way to think of rebuilding communities. And there should have been more thought placed into how you assist those homeowners and rebuild communities, without thinking that each of them was going to enter into some kind of contract with a developer or a home builder to build their particular home. I don't think you can get the community to rebuild that way.

And number two, what they did was they said that they would give up to \$150,000 to those homeowners but they really calculated it in ways that not everybody would get \$150,000 and they started out to give people the least amount of money that they could, meaning that they came up with all kinds of ways by which to deny people the total 150,000. And some people got as little as 10,000 and less \$25,000. And the rules were not understood by people and they were arbitrary in some cases, and it was not good. And it was very slow getting started.

We came down and we held a hearing where we criticized Governor Blanco and the state in the way the program was being managed, and the contractor, the consultants whoever they are, the firm that's doing the work. And then there was a surge, and they speeded it up and they may not have done due diligence, because of the criticism. And then because of the publicity a lot more people who had not applied then applied and increased substantially the number of applications and now they are out of money. And they are saying they are going to need another five to \$6 billion to accommodate the surge in applications that has taken place.

Mark Gruenberg: OK. Would anybody like to comment on the second question, which is despite the administration, what has been done particularly by workers themselves and by the union movement?

Toby Chaudhuri: Representative Clyburn, do you want to get in that?

James Clyburn: I'm not aware of that. I do know that there is a lot going on down there, but I have just been focused on the government response, and so I have not done any kind of looking into what may or may not be taking place by unions.

Mark Gruenberg: I do know that the AFL-CIO did a remarkable mobilization of its members, sent down literally thousands of skilled workers, both to help in cleaning up and salvaging of neighborhoods and offered to construct and to help finance through its pension funds, various pension funds, construct a whole range of housing, I'm not quite sure of the scope of it, but thousands of houses and were frustrated on the latter part with the inability to get decisions made at the local level, to be able to go forward. Some of it has gone forward, but not as much as they had hoped.

Maxine Waters: Well it's my understanding that they bid on some of the redevelopment of public housing. What has happened in all of this, why this housing has been boarded up and they criticism has been leveled against HUD, HUD has been – while they proceeded with talking with developers, and even trying to enter into some kind of contract with developers to do – redevelop some of these public housing projects, one of them for example, the (Le Pete) project, they have some arrangement with Enterprise and Providence to redevelop those but they promised us it would be phased redevelopment, where they would come in and they would rehab parts of (Le Pete), move people back in and as new units come online they would move people into the new units, that way people could return from out of state, get back into (Le Pete) and be there when the new units are developed.

Now, we had said to them, we are not opposed to redevelopment. But we believe that it should be phased redevelopment, whether it's a (Le Pete) or St. Bernard's or CJ Cooper of (Pete), we think that a phased redevelopment makes good sense. You get people – you rehab the existing units, get people back home. They continue to build the new units move people into the new

units section by section, and we are understand that (AFFL) did bid for some of that, but I don't think this administration responded too kindly (AFFL's) bid and they are dealing with private developers other than Providence and Enterprise on (Le Pete).

Toby Chaudhuri: Again, to ask questions, simply press star one. We'll take our next question from Jack Muse with Huffington Post. Jack, do you want to go ahead.

Jack Muse: Yes, hi. I was wondering what you think can be done a year-and-a-half now when a new President takes over. What extent, do you think changes can be made? And who do you think of the current candidates has the – is best positioned to – or has the best plan to do something?

Maxine Waters: Who is that directed to?

Jack Muse: That was for anybody.

James Clyburn: Well let me say a couple of things about that. I think that, in addition to all of the things that we have mentioned here this morning, we are also addressing reform measures. For one, I do believe that FEMA ought be an independent agency. I think that putting FEMA into Homeland Security was a bad idea. And I think we need to look at making FEMA an independent agency. And I would hope that the presidential candidates will make some assessments regarding that. And I would hope those of us in the Congress will pass legislation to do that. I suspect it will be vetoed by this president. But one of the things I would want to do is see whether or not we would get someone in office that will sign such legislation because I think the democrats in the House and Senate by and large favor that.

Secondly, I think we need to update our – this whole Stafford Act. I think the Stafford Act needs to be modernized. I think that those of us who subscribe to the theory that climate change is, in fact, taking place all across this world, in fact, I just got back from the Netherlands. I spent three

days – two-and-a-half days in Amsterdam taking a look at what's taking place there and it's amazing what people are doing in these countries where the Kyoto Protocols have been adopted, and they are going forward with making plans. And they too have been, in fact, one gentleman that I spent some time with has been down to New Orleans three times. They are using technology out of this country to secure Amsterdam and surrounding areas and we're just refusing to use our own technology.

So I think we have to develop the congressional and presidential will to update and modernize our response to these disasters.

Maxine Waters: Well let me just say that I think there are a number of things that a new administration could do very quickly. I think that this law suit could be resolved. The judge really is looking to the advancement project, and HUD to work it out. And I think, because of this administration's unwillingness to rehab those housing units, it's just holding up everything. And I think that a new administration could direct a rehab of the units, and it could even go on with rebuilding in a phased way and get rid of that obstacle that's in the way of people returning.

Secondly, I do believe that the Road Home Program really does have to be rethought and redone in ways that make good sense. I think that they have problems in this state in knowing how to clear title. A lot of the houses that have been passed down from family to family, generation to generation, they are unable to clear title on. There needs to be a fund that is set aside that would take care of an liability that would be caused by being able to package properties. I think people, when they cannot clear title and people don't want to rebuild for many of those reasons, that that land should packaged and houses should be built for the people to be able to return and even put those homeowners who would like to participate in some kind of program by which they could have a residence, without having to do it themselves.

I do think the infrastructure development must be helped more and assisted more by the Federal government. We can't leave it to the locals to put the water systems in, the schools, and the health clinics. It is such a basic part of trying to have a decent qualitative life for the average citizen, that the Federal government is going to have to give more leadership to getting that infrastructure replaced and redone.

Otherwise, you know, this water system is going to fall apart. I heard Jim Clyburn alluded to that when I first picked up the telephone here, but the leaks are such that the water quality is compromised. And I really do think just as the army core of engineers are responsible for building the levies, that the Federal government is going to have to assume a stronger role in the infrastructure redevelopment and repair here, and I think a new administration could certainly do that.

Robert Borosage: This is Bob Borosage. Let me say a few things about that. One is, I think, just to reemphasize what Maxine just said. The – a fundamental set of decisions have to be made that this administration, I think, has refused to make, one is a decision about the levies, are we going to build the levies to the strengths that would stand a full force storm. That decision has to be made, it has to be announced one way or the other, because people have to know they are going to be safe, before many of them will want to come back to these neighborhoods.

Secondly, you have to change the philosophy of the reconstruction project. This administration believes that tax breaks and private enterprise will redevelop a society. The fact is that a modern urban metropolitan area depends on public infrastructure on sewers, on roads, on public hospitals, on public schools, on public housing, and one of this has been rebuilt in any sufficient manner because you have a philosophical disagreement at the top about the benefits of doing this. And I think you probably have a cynical political calculation about not wanting to have a lot of the people who are dispersed come back.

So that kind of fundamental change has to be done with the Federal government making the commitment to build a modern public infrastructure there, that will then allow people to build their own homes, and rebuild and make their lives. But without the public infrastructure getting rebuilt, that city will remain in trouble, or at least the areas that were impacted the worst.

The third thing, you asked about the presidential candidates, on the democratic side, of course, John Edwards opened his campaign in New Orleans and has brought real attention to the failure there and the plight there and has clearly committed to changing course. Senator Obama just released a plan two days ago which talked about a set of things that would represent a dramatic different course.

And Senator Clinton has also talked about appointing a special czar for New Orleans and putting it at the top of her agenda. So I think you have among the leading democrats for the nomination a commitment in the campaign to make these decisions and to change course dramatically.

Toby Chaudhuri: We have time two more questions. We'll take the next one from Leutisha Stills with the CBC Monitor.

Leutisha Stills: Good morning, everyone. My question has to do more with what is being done to hold the current officials that's in charge of Katrina rebuilding, accountable in the sense that they are being financed with Federal money? You know, and I understand from Representative Clyburn 30 oversight hearings have been held, and what has been the result of those hearings? You know, what has been the result in terms of have they been able to justify the spending of the monies, and, you know, actually demonstrate what has actually been done, because we see a lot of what's not been done.

James Clyburn: Well to begin with, remember we took office in January. These 30 hearings have been held since January. This is the eighth month, and we have not completed that month yet. All of

the reports from these hearings have not been developed or done yet. We have though, responded to some of the information that we've gotten out of the hearings, and a lot of things lead to a lot of follow up.

For instance, when I was in New Orleans two weeks ago, we started hearing people respond to some of the information or the – that's been coming out, the testimony should I say during the hearings. And we have been able to develop better working relationships with people as a result of that.

People are really looking for some hope, some feeling that the government is going to treat them with dignity and respect. There was a marked difference in the attitudes this time when I went St. Bernard's Parish, I felt welcomed. When I was there a year ago, I was a little bit in fear for my own safety because people actually were angry, and they were lashing out and a lot of us were very anxious. This time it was totally different and I think it's because people now see the government responding. They now feel the emotions that – or the compassionate response that we are providing, and they feel it, and they accept it and they have been expressing it.

So I think that by the end of the year, when we get into the next fiscal year, I think we'll have a lot of information from the report from these hearings that we don't have yet. It takes a little time to develop the kind of record that you need to develop from the hearing to know whether or not – not just whether or not we ought to be doing something, but I really believe that we've going to get some very serious law breaking that's taking place down there.

Leutisha Stills: Congressman, can I just do a quick follow up. Has Secretary Jackson been called before Congress, to give his version of the events?

James Clyburn: I'm not – Maxine, I think they've had...

Maxine Waters: He's been before my committee and before the financial services committee at least on two occasions, and we've had – I've had three private meetings with him. I go over to HUD and try and walk through what needs to be done, particularly on public housing and try to help resolve the lawsuit and try and move him in terms of getting these units done. So his take is that they want to rebuild public housing, and yes they have been boarded up. And yes, they are going to dismantle them. He did agree that they would rehab the 3000 units to get the most desperate back in as quickly as possible. He's basically reneged on that and has not done that.

Leutisha Stills: He has.

Maxine Waters: No, he has not. I was here last week. I was here the week before that. I've reviewed all of the public housing projects, and even some of the scattered sites that they claim to have and it's not there, they have not done it.

Leutisha Stills: OK.

Maxine Waters: So yes, he's been before us. I've met with him. Like I said I've taken my staff over to HUD and sat with him and his staff three times now in between coming down here and meeting with public housing residents and holding hearings. So we've interacted with him. We've done everything possible to try and move him and it is not good.

James Clyburn: And I think, if I may, he's not making the decisions on this. I think it was mentioned earlier in this conversation, Karl Rove has been the final arbiter in what will or will not take place down there.

Leutisha Stills: So Mr. Rove's resignation is not going to effect this?

James Clyburn: I'm sure it will in some way. But I have not idea what role he is going to play, just because he's not in the White House. At least he's not in the White House.

Maxine Waters: ... mention Jim, philosophically they're just in a different place. Last night, when I came in, I went to a town hall meeting that was put on by Mary Landrieu called Hope and Recovery where she had invited the presidential candidates, and one of them that showed up was Duncan Hunter, and the people were in complete disbelief when they heard his presentation that it's not really the government's responsibility. That the people should depend on volunteerism and the goodwill of good Americans, and not the government. They were in absolute awe – disbelief of this United States Congressman who was absolutely philosophically opposed to too much government assistance and intervention.

So it's not whether or not it's Jackson or Rove it's all of them. You have basically a very conservative administration that has disdain for government, even though they are in it, and do not believe that it's government role, really. So you're not talking about one person. You are talking about a basic philosophical belief of the right wing conservatives.

Robert Borosage: I think – this is Bob Borosage. I think that's true, without any question. I do think it would be very useful to have a set of hearings that probe whether or not, and maybe you can't get these documents out of the White House, whether or not Rove consciously set out to take 200,000 voters out of New Orleans in order to make certain that that would be a red state. Louisiana has been one of the few southern states that's a swing state. It had a democratic governor, a democratic senator, but it's all very closely contested elections, very much dependent on the mobilization of black voters and New Orleans. And the notion that they dispersed 200,000 voters across the country to 50 states, and then haven't found a way to get them back strikes me as not an accident, and it would be worth probing, whether it was, in fact, intentional.

James Clyburn: Well I don't think it was an accident either. And if I may, there is a connection, I think, and I think Congresswoman Waters has put her finger right on it, there is a philosophy of governance here, or the lack thereof that's taken place. And it's interesting to me that immediately upon his resignation the number one successor to Mr. Gonzalez is the Homeland Security person. Now, here is a guy who everybody knows has not responded adequately to the people of the Gulf Coast, and now we're talking about rewarding him with the top law enforcement position in the country.

And so I think all of this is a part of making government smaller, if it has any existence at all putting people – that's the conservative thought, that people will just fend for themselves, unless it is their own backyards.

Toby Chaudhuri: I promised two last questions and we'll take the last two first from FirstDraft.com and then from TomPaine.com so Lois, do you want to go ahead?

Lois Dunn: Hi. Yes, this is Lois from FirstDraft.com. I also was at Senator Landrieu's summit yesterday. I went with – and I've been down here quite frankly.

Maxine Waters: I can't hear you.

Lois Dunn: I have been down quite frequently and I went with two residents from New Orleans. When they saw that there was an opportunity to ask a question, one that they wanted to ask was, and I guess I'll put it out to you, is that, you know, given that this is an ongoing crisis, it's felt that way, that deeply impacts people's lives in every facet and every day, their question was just what are we suppose to do until 2009?

Maxine Waters: I don't – speaking about housing, one of the reasons I'm coming so often and I've gone over to Houston, when I was in Houston, I met with two different sets of residents from public

housing. And I'm going to over to Dallas and I'm going to Atlanta if number one, first of all, somebody has to connect with them and tell them that they are not just left out there alone. That somebody is paying attention, my committee is paying attention, I'm paying attention. I literally took the names of the people who came to the meetings, and I walked through with them what their situation was when Katrina struck and they were living in public housing, whether or not they were head of household, what units they lived in, on and on and on, all of the information that is needed to go back and negotiate with HUD getting people back.

We then took all of that information and came back to (HANL), the local housing authority. I met with them last week for about four hours, and I went through one by one the different people and what their needs were. And I discovered some very, very disturbing things. Number one, that public housing was saying we're only responsible who lived in public housing prior to Katrina. I said but when I was there, there was a homeless person that was in my meeting who's from New Orleans who doesn't have anything and anyplace to live, and they said it's not our responsibility. I said, and I discovered two sisters who lived together. One was considered head of household, the other was not. One is staying in Texas, the other one wants to come back. They said, well the second one can't come back, if she was not head of household cannot come back.

This is the same thing for children. Some of the children have left their families who are over here in New Orleans now living with other people, living together, trying to go to school and their parents are still in Houston, in Dallas and other places, because they can't get the local housing authority to connect them with the unit.

So what I'm trying to do now, having met with (HANL) and having gone through their rules of return, I think we need to develop some new public policy relative to all of this at the national level, some of this could be worked out at the local level. But I am going to develop a handbook for people who want to return, to tell them who to call, what they are entitled to, describe their relocation assistance for them, describe not only who to contact and what they are eligible for and

how it's calculated, but how, if they, don't have a unit or turn down maybe – if they can't get a unit, the unit that they lived in, what's available to them, and how they can get in line with that, given that they don't have in all of everything that they are doing, there may be 200 units between the GUS project and the – no it's another one – one that's near the French Quarter, Albertville. There's a few units in Albertville, a few scattered units and a few in GUS.

And now, you know, as I look at the people who want to return and what's available, how you compete for those, I mean it's awesome. But I am trying to meet with people to let them know that they have not been forgotten, that I am working on it. And if I have to come here every week and my staff, we're going to do it, and we're going to push (HANL) and we're going to push HUD for these return rights. And hopefully, we could resolve this. If we don't resolve it 1227, my bill is sitting over there on the Senate side since last March, and I want to tell you, democrat or republican, I don't care who takes up my bill but I don't know why 1227, which would guarantee the rehab and force HUD to redo these 3000 units, guarantee the right of return and force them to one-on-one replacement and redevelopment I don't know why none of the democratic candidates, even are taking up my legislation over there. It's absolutely frustrating. But I am meeting with people. I am meeting with people. I am letting them know that I am fighting for them. That we are working for them, that our caucus is working for them. And people are not left out there by themselves.

Toby Chaudhuri: Great. Isaiah with TomPaine do you want to have the closing question?

Isaiah Poole: Yes, I wanted to ask both Congressman Clyburn and Congresswoman Walters about the amount of Federal dollars that have been poured into institutions such as charter schools, instead of public schools, about dollars that have been used for tax cuts for developers, and incentives for developers while the – as you said there's been an absence of investment in public infrastructure. What has been the consequence of that? And can you speak to the extent to which there has been a tilt towards using Federal resources for private interests, as opposed to public interests?

James Clyburn: Well I'll begin Maxine with the education part, if I may.

Maxine Waters: OK.

James Clyburn: On the trip with me on the 12th, we were there for three days, 12th I think was the day we got there. It was Bobby Scott. And we went to a school that had a very emotional connection because the school was recently named in honor of ((inaudible)) elementary school, we meant with the superintendent, with the principal and other teachers, and we were very, very concerned about this whole charter school business, because what it seems to us is that they have created a two tiered school system down there, and that's what Congresswoman Waters was talking about earlier. She was talking about this new philosophy or this conservative philosophy they have employed in the rebuilding efforts down there. And what they have done is left all of the debt on the public school system or whatever that school systems is called, and these new charter schools they are creating debt free.

And so Bobby Scott was asked in the meeting, when we get back next week that we were going to sit down with George Miller and take a hard look at the reauthorization of no child left behind to do two things, to take a hard look at what they have done down there to make sure that we maintain a strong public school. Now nobody opposes charter schools, but that the charter schools will not be able to exist debt free and leaving – taking all – creaming the students off the top, and then leaving all of these other students in the debt ridden public school system.

And of course, we're going to try to take a look at the second leg, we want to – really we think that it's time to rebrand no child left behind because it's been a total failure. It was a failure even before Katrina. And we think that it's even worse of a problem there. So we are very aware of what they are attempting to do down there. Now this is not the case of at Pass Christian over in Mississippi, they are doing, I think what needs to be done the way it should be done and we're

going to assist them as well. We did in the supplemental approve monies for them to recruit and hire teachers for the public school system as they requested.

Maxine Waters: Well on the schools, I think that if you take a look at the paper that Bob Borosage put together, that portion of it, about schools and libraries, it basically concisely describes what's happening with the school systems here in the area. First of all, they did not have a very strong school system here in New Orleans prior to Katrina.

James Clyburn: Right.

Maxine Waters: And it was one of the shames of the area that the school systems had not received the kind of support that they needed, nor did it have very good results. But of course, that's true in many of our cities and towns across America.

So what has happened is with Katrina, a lot of the private conservative interests have moved in, people who were involved in, you know, the charter school movement or take over the public schools for some years now, and they have been very aggressive. Many of them have gone out to the colleges and universities at the end of graduation this year, and recruited college graduates and they run them through a limited kind of training program. And they are putting them into venues that have been rehabbed, churches and other places with these charter schools.

But Katrina, for them, has provided an opportunity to do what many people have always wanted to do with the charter school movement, and privatize, move towards privatization of education. That has taken place. That is one of the reasons why I think that the Federal government has to provide more leadership and oversight in the actual construction of schools, libraries, hospitals and clinics, and the police department. I think that while much of this is always thought of as local. And that the locals, somehow will get it done or can do it has to be rethought. And I think that the Feds have to be involved in the actual physical development of this infrastructure. And

while that is going on, the locals can be involved in a lot of training and development about the operations thereafter for these schools and libraries and clinics. But if they are to get back online anytime soon, we're going to have to aggressively put together a plan to do the actual reconstruction of these schools and other institutions.

Toby Chaudhuri: Great. That's all we have time for today. Thank you very much for joining today's call.

James Clyburn: OK. Thank you so much for having me.

Maxine Waters: Thank you very much. Goodbye now.

James Clyburn: OK. Bye-bye.

Operator: Ladies and gentlemen, if you have any further questions please contact Toby Chaudhuri at 202-587-1653 or by e-mail at chaudhuri@ourfuture.org. This will conclude today's conference call. You may not disconnect.

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