

# California Water and Infrastructure Report

Formerly, the “California Drought (and Flood) Update”



**For July 12, 2018**

**by Patrick Ruckert**

**Published weekly since July, 2014**

**An archive of all these weekly reports can be found at both links below:**

<http://www.californiadroughtupdate.org>

<https://www.facebook.com/CaliforniaDroughtUpdate>

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*The blithering idiocy of California's water crisis*

*[Susan Shelley](#) in the Orange County Register*

## **A Note To Readers**

The above headline I like. It is an excellent summary of the state of California water policy, and this week's developments, as the phrase puts it, takes the cake. While the tunnels under the Delta slowly move toward the moment of construction, the State Water Board of Governor Brown now proposes to take a million acre feet away from the tunnels and send it into the Delta and out into the Bay. Not only are the two projects mutually at logger-heads, but this new proposal will throw 6,500 out of work and idle 240,000 acres of the nation's most productive agricultural land.

Well there is an alternative to the idiocy, and that is, as President Trump shall demonstrate once again on Monday as he meets with Russian President Vladimir Putin, that a fundamental reorganization of how the world economy and trade system operates can unleash the greatest real economic development of the United States and the rest of the world ever imagined. And it is the imagination being made a reality that already has brought 700 million people out of poverty in China. President Trump, in partnership with China and Russia, now has on his plate such an opportunity. A new system defined by physical productivity, not money, awaits the decision by these three nation's leaders to just do it. The three leaders accurately described are: President Xi of China, the Philosopher King; President Putin, the world's greatest living strategist; and President Trump, who is the courageous warrior tearing apart the

institutions of the empire.

## In This Week's Report

The drought is intensifying throughout the West and early summer heat waves are baking Southern California and expected to do the same in the Northwest this weekend. The wildfires in California are bigger and more dangerous for this time of the year than anytime in at least a decade.

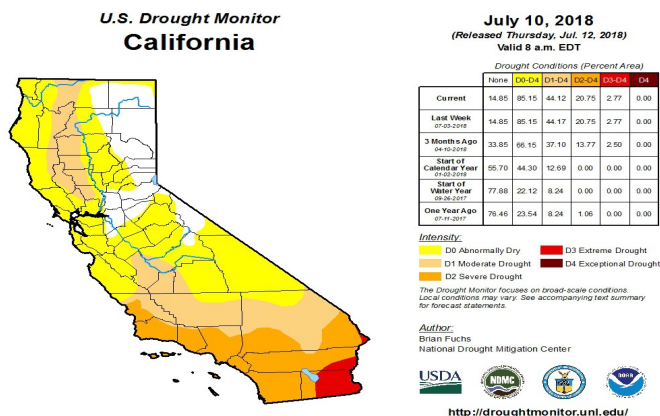
Next is the Oroville Dam Update, which is only a construction report this week.

Then comes the report on, "The blithering idiocy of California's water crisis."

The following section is titled, "Infrastructure, Tariffs, Greening the Deserts and More," and includes a wide variety of reports, both foreign and domestic.

Finally, our Feature is Class #3 of the eight-part series on the method of Lyndon LaRouche's economics.

## Drought, Record Temperatures and Wildfires



### ***Drought conditions spread over much of California***

**GUY KOVNER**

*THE PRESS DEMOCRAT* | July 5, 2018, 7:39PM

<http://www.pressdemocrat.com/news/8504179-181/drought-conditions-spread-over-much?sba=AAS>

*Sixteen days into summer, with wildfires raging over the bone-dry landscape and more scorching hot days ahead, it might feel as if California is on the verge of another drought.*

*The official word from weather authorities shows much of the state trending in that direction.*

*Abnormally dry or drought conditions prevail over 85 percent of California, including the coast from Monterey County to the Oregon border, the U.S. Drought Monitor said Thursday.*

*Nearly all of Lake County and parts of eastern Napa and Mendocino counties are now in moderate drought, authorities said.*

*The coast of central and southern California, from San Luis Obispo County to the Mexican border, is in "severe drought," with the state's southeastern toe in "extreme drought."*

*The contrast is stark with last year at this time.*

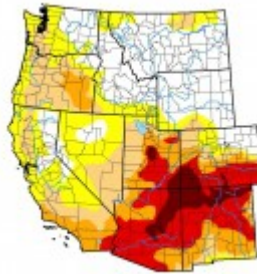
*This year, the outlook is more varied, with much of the Northern California coast and Sierra Nevada now categorized as abnormally dry. Wildland blazes have fed on those dry conditions, with more than 2,600 wildfires reported so far this year.*

*Sixteen days into summer, with wildfires raging over the bone-dry landscape and more scorching hot days ahead, it might feel as if California is on the verge of another drought. The official word from weather authorities shows much of the state trending in that direction.*

## **Dry conditions worsen in the West**

July 11, 2018 4:30 am

<http://www.mycolumbiabasin.com/2018/07/11/dry-conditions-worsen-in-the-west/>



*White is normal, yellow is abnormally dry, tan is moderate drought, orange is severe, red is extreme, and maroon is exceptional drought.*

*PENDLETON, Oregon – Most of Oregon and Western Washington state range from abnormally dry conditions to full-fledged droughts. The National Integrated Drought Information System says that 99 percent of Oregon’s population is impacted. National Weather Service Hydrologist Marilyn Lohmann says it hit the side of the state more accustomed to rainfall the hardest.*

## **High heat to bake Pacific Northwest beginning late this week**

By Faith Eherts, AccuWeather meteorologist

July 11, 2018

<https://www.accuweather.com/en/weather-news/high-heat-to-bake-pacific-northwest-beginning-late-this-week/70005451>



*Following weeks of dry, seasonable weather, residents of the Pacific Northwest should prepare now for the next stifling heat wave.*

*Temperatures will climb steeply through midweek, with the high temperature in Portland, Oregon, forecast to jump to near 90 F on Wednesday. The heat will peak in the mid-90s there on Thursday, similar to temperatures reached during the last heat wave in mid-June.*

*In Medford, temperatures are expected to exceed the century mark for the second time this year. Temperatures will approach 100 on Friday in Redmond as well.*

*"Coastal cities will remain cool throughout the week, but inland cities will soar 10-15 degrees above average," said AccuWeather Meteorologist Brett Edwards.*

*"Temperatures will soar into the 90s and lower 100s in parts of eastern Oregon and Washington," Edwards said.*

*With large portions of the interior Northwest facing moderate to severe drought conditions, [there is plenty of dry brush that can ignite and allow fires to spread quickly.](#)*

## ***Here's what sparked record heat and wildfires along the Central Coast***

*By John Lindsey*

*July 07, 2018 02:33 PM*

<https://www.sanluisobispo.com/news/weather/weather-watch/article214502154.html>

*Many Southern California locations broke their all-time high-temperature records Friday. Incredibly, the Van Nuys Airport hit 117 degrees, while both the Burbank Airport and Santa Ana reached 114 degrees. It's not like the Van Nuys Airport sits in the middle of Death Valley; it's the Fernando Valley.*

*Along the Central Coast, Cal Poly (home of climatology for San Luis Obispo) and the San Luis Obispo County Airport both hit 102 degrees around noon on Friday, breaking the daily high-temperature record of 99 set back in 1989.*

*These downslope winds are technically called katabatic wind, from the Greek word katabatikos, which means "going downhill."*

*As the air mass descends the side of the mountain range, it warms at the rate of about 5.5 degrees Fahrenheit per 1,000 feet of descent. Meteorologists refer to this rate of warming as the dry adiabatic lapse rate. If the air is warm at the top of the mountain range, it can be sizzling hot and bone dry by the time it reaches the valleys below. That's what occurred in the San Fernando Valley on Friday when downslope (Santa Ana) winds helped to break all-time temperature records.*

*You see, as the air molecules descend into the higher atmospheric pressure close to Earth's surface, they gain kinetic energy as they compress inward. If you've ever filled up a bicycle tire or a scuba tank, you've probably noticed them getting warmer as the pressure increased.*

## ***California Wildfires Burn More than 195,000 Acres***

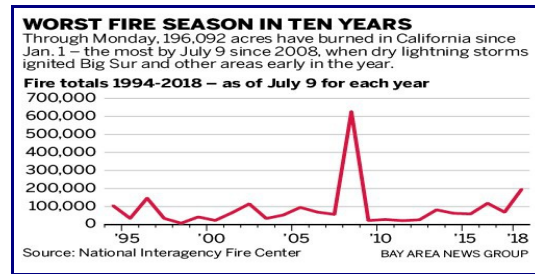
*Thursday, Jul. 12th, 2018*

<https://www.andnowuknow.com/bloom/california-wildfires-burn-more-195000-acres/andrea-allen/58975>

*CALIFORNIA - According to a comprehensive report from [The Mercury News](#), California's wildfires are the worst they've been in the last ten years. The most common reason given for this state of affairs is the drought that plagued the state from 2012-2017. Although the effects were alleviated somewhat by the heavy rainfall during the last two winters, fire experts report that the dead vegetation still remains,*

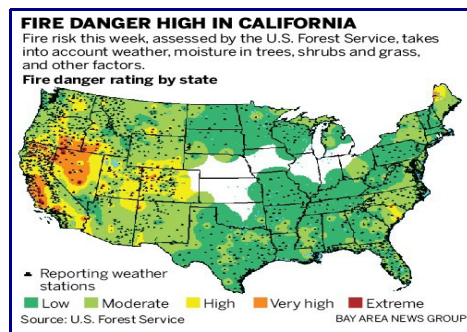
which heavily increased fire risks.

*“We are going to be dealing with the impacts of that drought for many years,” said Scott McLean, Deputy Chief of CalFire.*



So far, upwards of 196,000 acres have endured fires, which is more than twice the average of the previous five years. Photo Credit: NBC Los Angeles

*This year's California wildfires are the worst they've been in ten years. Photo Credit: NBC Los Angeles*



*As hotter temperatures dry out vegetation earlier in the year, the fire season lengthens, explained Scott Stephens, Professor of Fire Science at UC Berkeley. In addition, this year California saw late rains in May which boosted grass growth in some areas by 50 percent. Now that this vegetation is dry, the fire has more to feed on.*

*“We’re just having longer periods where fires can ignite and move,” he stated. “It looks pretty severe. I expect this will be a challenging year because of this early activity.”*

## Oroville Dam Update

### Concrete flows Monday on ‘splash pad’ expansion

By [Steve Schoonover](#) | [sschoonover@chicoer.com](mailto:sschoonover@chicoer.com) | Chico Enterprise-Record  
July 11, 2018

<https://www.chicoer.com/2018/07/11/concrete-flows-monday-on-splash-pad-expansion/>

**OROVILLE** — Concrete pouring is due to start Monday on the second half of the Oroville Dam emergency spillway “splash pad.”

*That’s the only milestone reported Wednesday during a media call on progress to repair the emergency spillway and main spillway, which sustained serious damage in February 2017.*

*A wall of concrete pillars poured 35 to 65 feet deep down to bedrock has been completed 750 feet below the weir. That is designed to block erosion up the hill toward the weir.*

*The space between is being filled with the splash pad — a layer of roller-compacted concrete at least 10 feet thick.*



The cut-off wall below the emergency spillway weir for Oroville Dam is designed to stop uphill erosion like that which prompted evacuations in February 2017. (Bill Husa – Mercury-Register)

*The north half has been completed, and drops down the hill in a series of two-foot steps designed to dissipate the energy of water that might come over the weir, as well as funnel it toward a designed low spot to drain away. It looks something like a giant amphitheater.*

*The south half will look about the same, steps draining toward a second low spot.*

*The splash pad will have walls on its sides to keep the water under control. The weir also will be buttressed for further protection.*

*On the main spillway, the foundation rock is being cleared and leveling concrete is being poured on the top 730 feet, which was left alone last year but is being replaced this construction season.*

*In the center section, which was filled with roller-compacted concrete last year, several feet of the surface have been ground away, and slabs of erosion-resistant structural concrete are being poured. Thirty-seven of what will eventually be 378 slabs have been poured so far. Another 126 wall sections will also be poured here.*

*On the huge blocks at the bottom of the spillway that dissipate water energy, the surface has largely been removed. They will be resurfaced this year after being beaten up by chunks of concrete washing down the spillway in February 2017.*

*All the major work on the main spillway is still on track to be completed by Nov. 1. Some dry finishing and curing will take place after that, as well as backfilling behind the sidewalls.*

*Work on the emergency spillway will continue past the Nov. 1 date.*

## **The Clash of the Monsters, or, “The blithering idiocy of California's water crisis?”**

That is how the first item below puts it. And until the farmers, and others, in this state actually fight for policies that address the fundamental problem with water-- no matter how it is allocated, there is never enough for all the people and agriculture-- then, at best, we will continue to hear whining complaints.

As the Metropolitan Water District of Southern California votes once again to pay the \$11 billion to build the two tunnels of the Brown proposed California WaterFix, the Brown administration is pushing through reductions of water availability from the four major rivers that feed into the Delta, threatening really big cutoffs of water to agriculture, especially. As numerous articles make the point, this latest “save the fish” proposal would take the water the WaterFix is suppose to send south and run it into San Francisco Bay.

So, yes, they may be blithering idiots, but there is a method to their madness. That is the belief system determining California water policy begins with the idea that threats to human well-being is not to be a criteria for that policy. The diversion plan, if implemented could cost 6,500 jobs and idle about 240,000 acres of farm land.

Some of the items below show some fight against the proposals, but we do not see yet a determination to stop the idiocy.

What follows are some of the articles (excerpted, of course) which report on this latest idiocy.

### ***The blithering idiocy of California's water crisis***

By [Susan Shelley](#)  
Orange County Register  
July 7, 2018

<https://www.ocregister.com/2018/07/07/the-blithering-idiocy-of-californias-water-crisis/>

*It's not new that most of the rainfall in California is in the north and most of the people and farms using water are further south. It's not new that California has wet years and dry years, or that the state is at risk of both flooding and drought, sometimes simultaneously.*

*What's new is that earlier generations of California politicians solved water problems, while the current generation intentionally creates them.*

### ***Southern California water agency agrees to spend \$11 billion on Delta tunnels - again***

By Dale Kasler  
July 10, 2018 03:59 PM

<https://www.sacbee.com/news/state/california/water-and-drought/article214648385.html>

*Southern California's powerful water agency reaffirmed its commitment to the Delta tunnels project Tuesday, agreeing for a second time to spend nearly \$11 billion on a majority stake in the twin tunnels.*

*The vote by the board of the Metropolitan Water District of Southern California keeps the controversial \$16.7 billion project moving forward, although plenty of hurdles remain before construction can begin, including numerous court challenges.*

*Metropolitan's board already voted in April to approve [a \\$10.8 billion investment](#) in the project, known officially as [California WaterFix](#), which is designed to shore up deliveries of Northern California river water to the south state while reducing the environmental harm done to the Sacramento-San Joaquin Delta.*

*The board took a second vote after environmentalists and an open-government group charged that Metropolitan directors [violated the Brown Act](#) before they took their April vote.*

*The vote commits Metropolitan to financing roughly a two-thirds share of the project even though Metropolitan's 19 million customers get only about one-quarter of the water that's pumped out of the Delta.*

*Metropolitan in effect is taking over payment for hundreds of San Joaquin Valley farmers who have refused to participate because of fears about WaterFix's costs. Metropolitan believes that it can recoup the additional costs by eventually persuading at least some farmers to pay for water that flows through the tunnels.*

## ***What do Southern Californians really get out of Gov. Jerry Brown's twin tunnels project?***

By [George Skelton](#)

Jul 12, 2018 | 12:05 AM

Sacramento

<http://www.latimes.com/politics/la-pol-sac-skelton-water-promises-delta-tunnels-20180712-story.html>

*The most expensive state public works project ever would be financed primarily by Southern California water users. But it's not exactly clear what they'd be buying.*

*Gov. Jerry Brown's \$17-billion twin-tunnel project in the Sacramento-San Joaquin Delta would either:*

- *Deliver more water to Southern California than it gets today;*
- *Deliver less;*
- *Deliver the same.*

*Southern California gets 30% of its water from the delta.*

*The tunnels would carry 9,000 cubic feet of water per second. But roughly half of the delta's exported water still would be fed into the aqueducts by the southern pumps, killing fish.*

*In recent days, the question of the project's benefits to ratepayers has been raised indirectly in reports issued by the Metropolitan Water District and the powerful state Water Resources Control Board.*

*The MWD offered a rosy projection of increased delta water imports to board members voting Tuesday to reaffirm a 65%, \$11-billion investment in the project.*

*It envisioned roughly 1 million acre-feet more delta water being exported annually through the State Water Project if the tunnels are built. About half would go to MWD, the rest to places like Kern and Santa Clara counties.*

*Meanwhile, the state water board — which must issue permits before tunnel construction can begin — unveiled a preliminary plan last week to increase freshwater flows through the delta by 2 million acre-feet annually. The goal is to help declining fish.*

*“You can't increase the outflow [into the bay] by 2 million acre-feet and increase delta [export] pumping by 1 million acre-feet,” says Barry Nelson, an environmental consultant and longtime veteran of California water wars. “It's a big conflict.”*

*Felicia Marcus, Brown's appointed water board chairwoman, asserted in an op-ed piece for the Sacramento Bee on Tuesday that “native fish, such as chinook salmon and steelhead, are on the brink of extinction.... Yes, leaving more water to flow into the delta from both the San Joaquin and Sacramento watersheds will be challenging for water users....*

*“Water users can adapt — by switching crops, becoming more efficient and storing more water in wet times. In contrast, species pushed to the brink of extinction have few options.”*

*Those are fighting words in the San Joaquin Valley.*

## ***California has a new plan for allocating its water, and it means less for farmers***

By Dale Kasler

July 06, 2018 01:22 PM

<https://www.sacbee.com/latest-news/article214437104.html>



*State regulators proposed sweeping changes in the allocation of California's water Friday, leaving more water in Northern California's major rivers to help ailing fish populations — and giving less to farming and human consumption.*

*By limiting water sent to cities and farms and keeping more for fish, the proposal by the State Water Resources Control Board's staff likely will ignite a round of lawsuits and political squabbles. Critics immediately pounced on the plan, saying it will take some of the nation's most fertile farmland out of production and harm the Central Valley economy.*

*But the state board said more water must be devoted to fish to prevent environmental disaster. Several major species of fish are nearing extinction, and increasing river flows will help them survive, the board said.*

*The proposal could put California on a [collision course with the Trump](#) administration, which earlier this year released a plan to "maximize water deliveries" from Northern California to the south state. President Donald Trump has promised to bring more water to San Joaquin Valley farmers, who supported him during the 2016 election.*

*At the same time, the water board's proposal raises new questions about Brown's controversial \$17 billion plan to build two tunnels beneath the Delta. He says the tunnels would fix the estuary's plumbing, enabling water deliveries to the south to proceed more smoothly and with less harm to fish.*

*Separately, the state board released a preliminary plan for re-allocating more of the Sacramento River watershed's flows to fish. That plan calls for increasing the unimpeded flows to 45 percent to 65 percent. Currently, less than half the water on the Sacramento reaches the Delta because of diversions by farms and cities along the way. A more detailed proposal on the Sacramento River will come later this year.*

*In its plan for the San Joaquin, the board said it "recognizes that reduced diversions can create financial and operational challenges for local economies." It estimated that the Valley could lose up to 1,300 jobs.*

*But farm groups said the state doesn't grasp the enormity of the problems. The California Farm Water Coalition said the job loss would total 6,500.*

*The state's plan "is just not achievable without staggering human costs," said Chris Scheuring, counsel at the California Farm Bureau Federation. "This ... is just going to break the system at some point."*

## **MASSIVE WATER GRAB**

*State plan sacrifices 6,756 jobs in 209 for 1,103 more fish*

*Manteca (Calif.) Bulletin*

*Updated: July 7, 2018, 1:14 a.m.*

*<https://www.mantecabulletin.com/news/local-news/massive-water-grab/>*

*A plan for a massive diversion of water for urban and farm uses from the Stanislaus, Tuolumne, and Merced rivers released Friday by State Water Resources Control Board is being heralded as a way to possibly save salmon and other native fish.*

*But what the sound bites and the posturing of those favoring the move fails to touch on is the nitty gritty details of the 3,500 page report developed by state bureaucrats to redistribute water by essentially ignoring legally adjudicated senior water rights. One of those details is just what the state that is on the verge of 40 million residents will get if they manage to double unimpaired flows on the three Lower San Joaquin River tributaries to 40 percent. Sending 350,000 more acre feet of water into*

*the Delta and out to the Pacific Ocean will mean the loss of water to meet the needs of 1 million Californians. And when that is all said and done details in the bowels of the massive document indicated the Chinook salmon population on the three rivers should increase by only 1,103 fish.*

*South San Joaquin Irrigation District and Oakdale Irrigation District that jointly legally secured and developed water rights on the Stanislaus River basin nearly 110 years ago without a penny in state or federal assistance would lose 79,000 acre feet of water or 14 percent of their water. In exchange the fish numbers on the Stanislaus River might increase by more than 300 salmon.*

*The Modesto and Turlock irrigation districts slammed the decision Friday as an “unscientific water grab proposal” given there is no on-the-ground research data to back up the plan that took more than 10 years and \$70 million to develop.*

*The Modesto Irrigation District points to independent studies that project such a move will cost the three-county 209 region 6,756 jobs and annual losses of \$1.6 billion.*

*The state doesn't dispute those numbers. It concedes the plan will also fallow at least 240,000 acres in San Joaquin, Stanislaus, and Merced counties.*

### ***Where would extra water in river come from?***

*By [Steve Schoonover](#) | [sschoonover@chicoer.com](mailto:sschoonover@chicoer.com) | Chico Enterprise-Record  
July 11, 2018*

*<https://www.chicoer.com/2018/07/11/where-would-extra-water-in-river-come-from/>*

*The framework of a plan for the Sacramento River watershed released Friday by the state Water Resources Control Board calls for an increase in the amount of water running into the Sacramento-San Joaquin Delta and out to sea, but it leaves the question of where that water would come from largely unanswered.*

*It's a good chunk of water. According to the framework, the target of letting 55 percent of “unimpeded flow” run downstream amounts to a reduction of 17 percent of the current average surface water supply available in the Sacramento River and its tributaries, plus the three rivers that run directly into the delta from the east.*

*Those four watersheds are grouped together in the Water Board's framework.*

*About 75 percent of the reductions would go to increased delta outflow during winter and spring, according to the report. That means it would probably have to come from the big dams in the watershed, as they are the only things that restrict the flow those seasons.*

*However that creates another problem in that the big dams are the only places where the pools of cold water can be saved that are necessary for salmon survival in summer and fall, another goal of the framework.*

### ***Area Rallies Against State's 'Water Grab'***

*Updated: July 11, 2018, 10:17 a.m.*

*<https://www.oakdaleleader.com/news/local-news/area-rallies-against-states-water-grab/>*

*What the Save The Stan organization has advocated against for years occurred Friday, as the State Water Resources Control Board announced plans to divert billions of gallons of water a year from the Stanislaus, Tuolumne and Merced rivers.*

*“It is an unfortunate plan that ignores our region’s economic concerns, ecosystem science and many good ideas we have proposed for responsible resource management,” Save The Stan officials noted on their Facebook page. “Despite united and widespread opposition from the South San Joaquin and Oakdale Irrigation Districts, other water agencies, local governments, farming experts, economists and business leaders, and thousands of everyday citizens, the state insists on taking water that it has no legal right to.*

*Oakdale and South San Joaquin Irrigation Districts on Tuesday issued a joint statement regarding the state action, noting that “the water board took nine years and spent more than \$70 million to create its plan, then completely ignored near unanimous opposition from people in our area – regional water experts, business and political leaders, organizations representing farmers, independent economists and average citizens.”*

*“It is an economic gut punch for our region,” said Steve Knell, OID’s general manager. “All our meetings were apparently just a ‘check-the-box’ requirement in their regulatory process. Ten thousand comments from our region and not one change to the original document? Really? Tell me this document wasn’t cooked and baked years ago. This just stinks!”*

*The state’s plan acknowledges that it could result in what many call a “regulatory drought,” when supplies for people, agribusiness and recreation are limited even in average rainfall and snowfall years.*

### ***Mike Dunbar: We must fight the water grab, not just talk about it***

*By Mike Dunbar*

*July 06, 2018*

<https://www.modbee.com/opinion/opn-columns-blogs/mike-dunbar/article214472449.html>

*This is a call to arms.*

*We’ve tried science. We’ve tried persuasion. We’ve tried to reason with the State Water Resources Control Board. For the last nine years, we’ve tried all these things and it was all worthless.*

*Friday, the board’s regulators [released their plan](#) to disrupt a century of California water law and demand twice as much water flow down the Tuolumne, Stanislaus and Merced rivers in a purported effort to save salmon.*

Below are items from the State Water Board on the plan:

### ***State Water Board Seeks Public Comment on Final Draft Bay-Delta Plan Update for the Lower San Joaquin River and Southern Delta***

[July 6, 2018 Maven Breaking News](#)

### ***Framework for updating Sacramento/Delta flow requirements also released***

*From the State Water Resources Control Board:*

*Following nine years of research and extensive public outreach, the State Water Resources Control Board today released a final draft plan to increase water flows through the Lower San Joaquin River and its tributaries—the Stanislaus, Tuolumne and Merced rivers—to prevent an ecological crisis, including the total collapse of fisheries.*

# Infrastructure, Tariffs, Greening the Deserts and More

## ***America must act to ensure qualified water workforce***

*By David C. Sago and Andrew Kricun, opinion contributors*

*07/09/18*

*The views expressed by contributors are their own and not the view of The Hill*

*<http://thehill.com/opinion/energy-environment/395739-america-must-act-to-ensure-qualified-water-workforce>*

*Water is the lifeblood of our society and a key economic engine employing workers nationwide. A [new report](#) from the Brookings Metropolitan Policy Program found that, in 2016, 1.7 million workers were directly involved in designing, constructing, operating and governing U.S. water infrastructure.*

*From skilled trades such as plumbers and electrical engineers to white-collar jobs in finance and administration, the business of water is essential to the American economy. Water and wastewater facilities, and corresponding job opportunities, are found everywhere in America. They offer good wages and benefits, providing solid middle-class careers — and the jobs cannot be relocated.*

*Every year, there are more than 230,000 [water main breaks](#) across the United States. In 2013, there were 100 in San Francisco alone, while the nation's capital — where Civil War-era pipes are not uncommon — averages more than [one break every day](#) of the year.*

*Updating and investing in American infrastructure is a nonpartisan priority. But to do the job, we need skilled workers who are trained to maintain our public water systems. Training needs vary across the range of jobs in the water utility sector. Many jobs require a high school diploma or less, but they do require more extensive on-the-job training and familiarity with a variety of tools and technologies.*

## **Tariffs**

The following commentary on the tariffs is by my friend and colleague William Jones, and has been published in numerous journals and newspapers in China. I include only the first paragraph here.

### ***Punitive Tariffs Cannot Make America Great Again***

*By William Jones*

*Washington, DC correspondent for Executive Intelligence Review*

*July 9, 2018*

*<http://china-pictorial.com.cn/punitive-tariffs-cannot-make-america-great-again>*

*The impending U.S. tariffs on US\$ 34 billion of Chinese goods went into effect on Friday, July 6. China responded with tariffs of an equal size, largely targeting airplanes, cars, and U.S. agricultural products. A ship loaded with U.S. soybeans on July 5 increased its speed heading to the Chinese port of Dalian, hoping to make it before the 12 A.M. deadline. It didn't. And the cost of those soybeans surged by several million dollars. And that's just the beginning. For American consumers, we can expect a similar price spike on many of their most cherished items. The U.S. has also threatened another US\$ 200 billion of tariffs, which, if levied, would lead China to take reciprocal and equivalent measures against U.S. goods. The ultimate effects of such measures are difficult to foresee, but they will be dramatic.*

### ***California Almond Farmers Brace for China Tariffs***

*July 9, 2018*

*by [Kay Recede](#)*

<https://fox40.com/2018/07/09/california-almond-farmers-brace-for-china-tariffs/>

STANISLAUS COUNTY -- Almond farmers have faced freezing temperatures, drought and other uncertainty over the years.

Yet, despite the setbacks, according to the Department of Agriculture, the late July harvest is expected to be record-breaking. But challenges lie ahead.

"Every farmer's going to feel it. To the extent, a little bit yet to be determined," said almond farmer Jake Wenger.

The Almond Board of California reports China is the second largest export market for the fruit.

The board adds almond farmers and processors support 104,000 jobs in the state, 97,000 of which are in the Central Valley alone.

### **Effects of U.S.-China Tariffs So Far Are Not Good**

July 9 (EIRNS)—A U.S.-China economic confrontation was warned of by President Trump in a tweet today which addressed negotiations with North Korea. "We agreed to the denuclearization of North Korea. China, on the other hand, may be exerting negative pressure on a deal because of our posture on Chinese Trade—Hope Not!" But the selective exchange of tariffs with China, initiated by the Trump Administration, appears to have begun exerting "negative pressure" on both nations' economies.

China's investment in the U.S. economy has stopped. In the first six months of 2018 there was a 90% drop in new foreign direct investment (FDI) by China in the United States, down to \$1.8 billion. There was also a withdrawal (sale) of \$9.6 billion in investments, and so a net negative FDI. Part of this is Chinese government crackdown on speculative (real estate) investment. But decisions of the Committee on Foreign Investment in the United States (CFIUS), and Congressional pressure to "toughen" them against China, are a factor; so are the tariffs and tariff threats.

CFIUS finally approved, on July 6, the COSCO (China Ocean Shipping Co.) takeover/merger with Orient Overseas (International) Ltd, OOIL, another global container ports management company, based in Hong Kong, but whose responsibilities include the Long Beach, California container port. But the approval required that COSCO divest Long Beach immediately, putting it in a trust until it is sold. In effect, COSCO has been barred from United States, where port connectivity with intermodal transport is a major national infrastructure problem COSCO could help solve.

One outspoken Republican governor estimated China's imports of meat and soybeans from the United States are going to drop by two-thirds from July-August, although they had been artificially high during the Spring, in anticipation. (China's purchases of meat and soybeans from Russia increased dramatically in June, essentially replacing U.S. product.)

Gov. Asa Hutchinson of Arkansas made his two-thirds estimate in a CNBC interview. "We give a lot of confidence and latitude to the President [on trade]. But we hope we can bring an end to this trade war," Hutchinson said, calling for compromise: "We don't need to be in a position where somebody has got to say uncle." He went on, "I continue to support the President. But we feel it's appropriate to say there is a point that you should not squeeze us further." Agriculture is Arkansas' leading economic sector.

Some global companies with relatively long-term production of consumer goods in China will start moving parts of their production to elsewhere in Asia, causing unemployment in China. China can easily find replacement sources for the U.S. exports on which it imposed tariffs. But Chinese companies which make equipment—including medical diagnostics such as magnetic resonance imaging devices, or machine tools or electronics—are likely suffering significant U.S. sales losses and cuts to their

*business, and perhaps even leaving those product lines entirely so as not to lose money; while prices for this equipment will rise in the United States. This is the attack on “Made in China 2025.”*

### ***China Researching Technology To Combat Desertification in Belt and Road Partners***

*July 11 (EIRNS)—A research team at China’s Chongqing Jiaotong University has developed a technology that holds great promise for combatting conditions of desertification, which pose a danger to key parts of the planet. According to an article in Global Times July 10, the research team that has developed this exciting technology emphasizes that it can serve countries along the route of the Belt and Road Initiative.*

*The technology, known as “desert soilization” is able to convert desert lands into arable land, by mixing sand with a special solution obtained from plant extracts, “which endows sand with the ability to store water, nutrients and air, and the ability to breed microorganisms as arable soil does,” according to Zhao Chaohua, a member of the research team.*

*The university has signed a cooperation agreement with the Mawarid Holding company of the United Arab Emirates by which the team will be given 10 sq. km of desert to cultivate desert grass, vegetables and shrubbery, where 85% of the land is considered to be “naturally degraded” by the U.A.E. government.*

*Prior to its involvement in the U.A.E., the research team successfully set up five experiment sites in China, covering a total of 666.7 hectares; at one of them, in the Ulan Buh Desert in the Inner Mongolia Autonomous Region, they successfully cultivated more than 70 plants, including wheat, corn and sunflowers. Zhao reports that countries in Southwest Asia, North Africa and Australia have contacted the team for potential cooperation.*

*The head of the research team, Yi Zhijian, told the Abu Dhabi daily The National that with this technology, “we hope to serve the countries along the Belt and Road Initiative ... many countries along the route are suffering from [desertification] and are in need of the ‘soilization technology.’ ” At a July 3 press conference in Abu Dhabi, Li Tian’an, Communist Party chief of Chongqing Jiaotong University, stated that this new technology can not only assist the U.A.E., “but also provide a solution to the desertification issue, the ‘cancer of the Earth.’ ” China’s Engineering journal reported in 2016 that desertification is expanding at a speed of 50,000 to 70,000 sq. km globally every year.*

<http://www.chinadaily.com.cn/a/201805/31/WS5b0fb51fa31001b82571d787.html>

### ***South China Morning Post Covers China’s Plans To Accelerate Its Nuclear Power***

*July 9 (EIRNS)—Hong Kong’s South China Morning Post reported today that China’s rapid expansion of nuclear power capacity, followed by other “renewable” energy sources, is enabling it to wean its economy off coal and reduced carbon emissions while continuing strong economic growth. China will double its nuclear capacity by 2040, the paper reports, “even if this requires importing technology”—as well as building China’s own Hualong reactors.*

*In June, “China National Nuclear Corp. reached two deals with its Russian counterpart Rosatom for four nuclear power units at the Xudabao and Tianwan plants,” involving “cutting-edge reactors.”*

*The only thing slowing China’s nuclear progress seems to be cost-overruns and technical delays involving Western firms: Westinghouse’s AP1000 reactors, because of its bankruptcy, and Areva’s European Pressurized Reactors, or EPR, because of its cash-flow problems.*

*SCMP wrote that “the country’s energy needs are so great ... that China has no choice but to continue developing nuclear power alongside renewables.”*

## **A Real Solution to the Immigrant “Crisis” May Be On the Table**

### ***Development on the Agenda When Pompeo Meets with Mexico’s López Obrador***

*July 11 (EIRNS)—It was announced today that Secretary of State Mike Pompeo will lead a delegation to Mexico to meet on Friday, July 13, with President-elect Andrés Manuel López Obrador (AMLO), and members of his transition team and his future cabinet.*

*Pompeo will also meet separately with outgoing President Enrique Peña Nieto.*

*Accompanying Pompeo will be Treasury Secretary Steve Mnuchin, presidential advisor Jared Kushner, Homeland Security Secretary Kirstjen, and the U.S. Embassy Chargé d’Affaires William Duncan. Immigration, security, and NAFTA negotiations are among the topics to be discussed, according to El Financiero.*

*However, in a press conference yesterday, López Obrador emphasized that his priority agenda item will be “programs for the welfare and development of the region,” and used the phrase “Alliance for Progress” to refer to a program that would bring development and jobs to Mexico and Central America. The original Alliance for Progress was, of course, the program launched by President John Kennedy in 1961, through which he sought to partner with Ibero-American governments in promoting hemispheric economic development.*

*Praising President Donald Trump’s respectful attitude and demonstration of good will in sending the delegation, AMLO said this shows that the U.S. President views “the proposal to base our relationship on well-being for development very positively.” To deal with the immigration problem, he said, “we have to look at the causes that produce migration. People leave their places of origin by necessity, not because they want to. This shouldn’t happen because of lack of opportunity or poverty, much less because of insecurity or violence.... We know that the best way to tackle the migration phenomenon and the problem of security ... is to spur development in Mexico.”*

### ***López Obrador’s Team Plans for Key Rail Projects for Mexico***

*July 11 (EIRNS)—Mexican President-elect López Obrador’s National Rail Plan will include the Mexico City-Querétaro high-speed rail line which is vital to integrate the central industrial area of the country, his designated Communications and Transport Secretary Javier Jiménez Espriu told El Financiero, yesterday. The Peña Nieto government had signed a contract with China Railway to build that Mexico-City Querétaro line in 2014, only to immediately cancel it under threats of reprisals from the Obama White House and the British Crown.*

*Another priority, Jiménez said, is modernizing the railway connecting Mexico’s Salina Cruz port on the Gulf of Mexico and Coatzacoalcos port on the Pacific, across the narrow Isthmus of Tehuantepec. This was one of the key projects for regional development envisioned under the government of Mexican President José López Portillo (1976-1982) and promoted by the LaRouche movement for decades.*

*“Our idea is to establish a national railroad network. The network has different important sections, and within those we will determine which sections are most urgently needed, based on the impact they will have at both a social and economic level, because those sections will trigger regional development projects,” Jiménez told El Financiero.*

*Besides those two key routes, Jiménez spoke of a passenger train from Cancún to other key cities in Mexico’s Maya tourist area, and starting construction on two routes connecting central Mexico to the U.S. border, from Guadalajara to Tijuana and from Querétaro to Nuevo Laredo.*

*Ports, airports, and highways related to the rail lines under consideration will be modernized or built*

as well, he said.

*While Jiménez was not reported to have mentioned China in his interviews, an economic advisor to López Obrador, Gerardo Esquivel, certainly did. Esquivel told El Financiero on July 6 that the new President intends to announce the Trans-Isthmus Corridor project on his first day in office. Esquivel pointed to China as a potential source of funding for the project, because it is investing in trade corridors in 65 countries through its Belt and Road Initiative. “This is the type of project in which China surely would want to invest, because they are long-term infrastructure projects with clear positive yields.”*

*Commentaries appearing in the Mexican press mooted that the country will turn to China to gain leverage in NAFTA negotiations with the Trump Administration, or to counter U.S. pressure, miss the point. Such projects are exactly the kind of endeavors in which the United States and China should cooperate, bringing the Belt and Road into the Americas to transform the economic platforms of the whole hemisphere.*

## **Feature: LaRouche's Economics in an 8-Week Course**

<https://discover.larouchepac.com/>

*This week here is the link to Class #3:*

### **Class #3: Thermodynamics of Political Economy (July 6/7)**

[https://discover.larouchepac.com/3\\_thermodynamics\\_of\\_political\\_economy\\_july\\_6\\_7?utm\\_campaign=2018\\_econ\\_3\\_a&utm\\_medium=email&utm\\_source=larouchepac](https://discover.larouchepac.com/3_thermodynamics_of_political_economy_july_6_7?utm_campaign=2018_econ_3_a&utm_medium=email&utm_source=larouchepac)

In this class we will challenge the fraud of second law of thermodynamics (entropy) which claims that the energy of an economic system necessarily runs down and will put forward, in contrast to that false ideology, the concept developed by LaRouche that the universe is not a closed thermodynamic process, but that both human existence as a whole as well as living processes are in fact anti-entropic. This class will focus on Nicolaus of Cusa's proof that the circle cannot be squared as maintained by Archimedes and that  $\pi$  is not an irrational number but rather a transcendental number. This discovery by Cusanus leads through Riemann and Cantor to the concept of the ontological transfinite, the notion that successful human economy is a continuous manifold of successively higher economic platforms. This class will be given by Will Wertz.

Here are links to the first two classes:

### **Class #1: On LaRouche's Discovery (June 22/23)**

[https://discover.larouchepac.com/1\\_on\\_larouche\\_s\\_discovery\\_june\\_22\\_23](https://discover.larouchepac.com/1_on_larouche_s_discovery_june_22_23)

### **Class #2: Potential Relative Population Density and Energy Flux Density (June 29/30)**

[https://discover.larouchepac.com/2\\_potential\\_relative\\_population\\_density\\_and\\_energy\\_flux\\_density\\_june\\_29\\_30](https://discover.larouchepac.com/2_potential_relative_population_density_and_energy_flux_density_june_29_30)