

California Water and Infrastructure Report

Formerly, the "California Drought (and Flood) Update"

For May 2, 2019 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

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"Trump agreed this week, in a meeting with the Congressional Democratic Party leaders, on a \$2 trillion infrastructure package—not a bad start on the desperate shortfall in infrastructure across the nation—but without a clue as to how to obtain that sum."

A Note To Readers

Here is the full statement that the above quote is an excerpt:

"Trump agreed this week, in a meeting with the Congressional Democratic Party leaders, on a \$2 trillion infrastructure package—not a bad start on the desperate shortfall in infrastructure across the nation—but without a clue as to how to obtain that sum. While overcoming the China-bashers' resistance to Chinese investment would help, the only real solution is that contained in the Four Laws proposed by Lyndon LaRouche—in particular, the establishment of a Hamiltonian national bank. Chinese officials have repeatedly confirmed to EIR that they would be delighted to exchange their enormous holdings of U.S. government debt for equity in such a national bank, to fund basic infrastructure across the country. And of course, it is not only China that holds U.S. government debt, but other nations, and millions of citizens, who have been receiving close to zero interest on those bonds for the last decade, and would also have the opportunity to invest in a national bank."

The above paragraph is from an article from LaRouche PAC on May 2, 2019, and summarizes the idea

that was missing from the President's and the leaders of Congress's "Infrastructure Summit" this week. More on all that in our Feature this week, below.

In Addition, In This Week's Report:

While drought nation-wide has been significantly reduced this past winter, one anomaly stands outthat is Washington State. Maps and an article present the picture.

The California Department of Water Resources (DWR) conducted the fifth and final for the year snow survey of 2019. The 2019 snowpack reached its peak on March 31 and is the fifth largest on record.

Next comes a short update on the functioning of the rebuilt spillway at Oroville Dam from the Department of Water Resources. I think it was issued to counter stupid rumors that the spillway construction was flawed and it is falling apart.

Repeating what has been said for the last few weeks, hydrologists are relatively optimistic about the current levels and inflow to the reservoirs in the Colorado River basin.

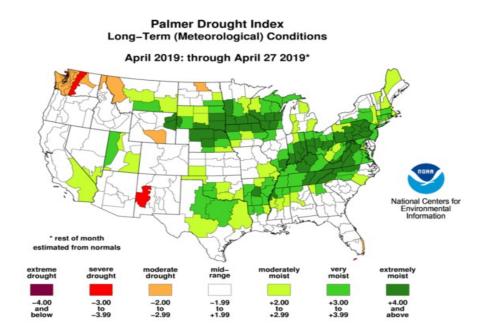
Wild fire potential is already being discussed, with warnings of potentially intense and dangerous fires in Washington State, the Bay Area and, of course, Southern California.

The never ending "California Water Wars" feature this week the official end of the two-tunnel Delta project, to be replaced with a one-tunnel project. In addition, it may surprise and shock some, but it is apparently true, that five salmon arriving back in the San Joaquin River of 38,000 released, cost \$178 million-- more than \$30 million per fish. *Families Protecting the Valley* tells the story.

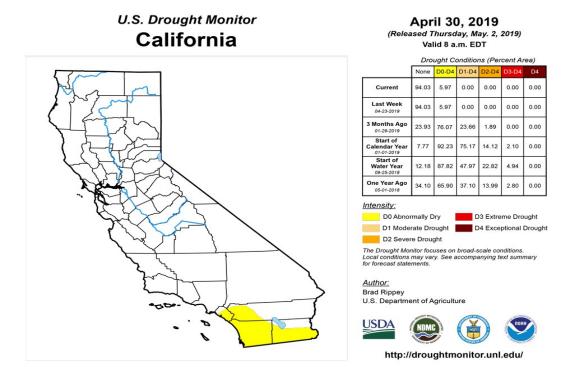
The last section before this week's feature is titled "Enough Disasters" and reports on the Missouri-Mississippi flooding and the unbelievable California High-speed rail project.

Then we conclude with the Feature, focused on the potential that a serious infrastructure policy for the nation may be at the starting gate.

Drought and the Snowpack



U.S. Drought Monitor for April 30, 2019



Most of WA listed as Abnormally Dry by USDA, NCW in Drought designation

- Chris Hansen
- Apr 30, 2019
- <u>http://www.ifiberone.com/columbia_basin/most-of-wa-listed-as-abnormally-dry-by-usda-ncw/article_6b4158ce-6b94-11e9-be34-437b758cbbf3.html</u>

WASHINGTON STATE – For much of the 71,000-plus square miles within Washington's borders, 2019 is once again looking like many recent years for arid conditions.

The latest survey data from the U.S. Department of Agriculture (USDA) paints over two-thirds of the state as being Abnormally Dry, and lists roughly ten percent of its landscape under a Moderate Drought designation.

That ten percent, where the USDA has labelled conditions to be the worst, includes an area spread over most of Okanogan County and covering nearly all of Chelan County as well.

The Washington Department of Ecology has also made an official drought declaration for both the Okanogan and Methow Basins within this driest of zones.

The parching news is not only grim for the region's growers and irrigators, but also prompts tremendous concerns about the potential severity of this summer's wildfire season.

Although the current situation isn't allowing the Evergreen State to live up to its namesake, other Western states are thankfully experiencing better conditions, with approximately 75 percent of neighboring Oregon listed as average and California having recently been declared drought-free for the first time in almost a decade.

Nationwide, the U.S. is currently 86 percent drought-free after setting a six-month record for rainfall in 2018, and just recorded one of its wettest first three months of any year in its history.

California's snowpack is cold and dense

May 2, 2019

From the Department of Water Resources:

The Department of Water Resources (DWR) today conducted the fifth and final Phillips Station snow survey of 2019. The manual survey recorded 47 inches of snow depth and a snow water equivalent (SWE) of 27.5 inches, which is 188 percent of average for this location.

Statewide, California's snowpack sits at 31 inches of SWE, which is 144 percent of average for this time of year. Snow water equivalent is the depth of water that theoretically would result if the entire snowpack melted instantaneously.

"California's cities and farms can expect ample water supplies this summer," said DWR Director Karla Nemeth. "But it's critical that it's put to use replenishing groundwater basins and storage reservoirs for the next inevitable drought. Every resident and business can also help California by using water as efficiently as possible."

The snowpack's water content is the most important factor for water managers and hydrologists to measure because it is tied directly to water supply. Water content, however, varies from year to year depending on the air temperature and intensity and amount of precipitation. After a storm, the snow settles, compacts, and gets increasingly dense. As more snow falls, the snow beneath it will further compact. April 1 is typically the height of the year's snow water content. However, it is not until late spring and early summer when the intense sunshine becomes the key factor in snow melt and run-off.

"2019 has been an extremely good year in terms of snowpack," said Jon Ericson, DWR Chief of the Division of Flood Management. "Based on our surveys, we are seeing a very dense, cold snowpack that will continue to produce run-off into late summer."

The 2019 snowpack reached its peak on March 31 and is the fifth largest on record, based on more than 250 manual snow surveys conducted each month by the California Cooperative Snow Survey Program.

Both rain and snowpack runoff feed California's reservoirs. The state's largest six reservoirs currently hold between 96 percent (San Luis) and 128 percent (Melones) of their historical averages for this date. Lake Shasta, California's largest surface reservoir, is 108 percent of its historical average and sits at 93 percent of capacity.

Oroville Dam Update

Stupid rumors that the repaired spillway at Oroville Dam is either breaking up or exhibiting some other flaws of construction, I think, is what evoked the following statement from the Department of Water Resources:

California Department of Water Resources

April 26, 2019

Oroville's current reservoir elevation is 877 feet, an increase of 10 feet from last week. Total releases to the Feather River have also increased slightly to 10,500 cubic feet per second (cfs). Oroville's operations plan is designed to safely accommodate inflows from the above average snowpack, and DWR is aiming to keep lake levels high through spring and summer. Currently, releases from the Hyatt Powerplant are adequate to meet operational requirements of the reservoir and there is no need to use the main spillway at this time. However, we may need to use the main spillway again this year to manage inflows from increased snow melt. DWR will notify the public and media of any planned use of the main spillway.



Oroville Dam Spillway

The main spillway performed as designed when it was used April 2 through April 10, with releases topping out at 25,000 cfs. DWR engineers will continue to perform a thorough inspection of the main spillway to further evaluate its performance and will continue to be visible on the spillway structure. Water currently seen on the spillway results from normal seepage through the spillway radial gates, which are designed to not be watertight. Sandbags are used to direct the flow of water to one side of the spillway or the other to allow for safe access by DWR engineers.

The Colorado River

Abundant precipitation in the Colorado Rive watershed has alleviated the immediate danger of more restrictive use of the waters. But, the relief is just one more year of drought away from being as temporary as an ice cube in Phoenix in the summer heat.

Hydrologists cautiously optimistic about Colorado River Basin flows after a wetter than normal El Nino season

News | April 26, 2019

Amy G. Hadachek for The Fence Post

https://www.thefencepost.com/news/hydrologists-cautiously-optomistic-about-colorado-river-basin-flows-after-a-wetter-than-normal-el-nino-season/

Cautiously optimistic about the Colorado River Basin which is now trending in the right direction after this wetter than normal El Niño winter/early spring, hydrologists, however, say there's still

considerable ground to make up after 19 consecutive years of historic drought.

Although the 2018 exceptional drought strained the Colorado River Basin, that drought was followed by heavy 2018-2019 winter snowpack which has a direct impact on basin conditions, and the Colorado River Water Supply as well as critical reservoir operations including Lake Mead and Lake Powell.

In the Upper Colorado River Basin, precipitation so far this year is well above average throughout Colorado and central Utah, and near average in the northern portion of the basin in southern Wyoming. "These areas contribute significantly to our seasonal runoff, and this year appears to be a beneficial one for many water resource managers in the basin," Miller said.

Impressively, these spring runoff forecasts are about 120 percent of normal. The most widely known areas reporting the highest runoff are the flows into Lake Powell at the Glen Canyon Dam, which is forecast to be 128 percent of normal. The Gunnison River near Grand Junction, Colo., is at 135 percent of average. The San Juan River near Bluff, Utah, is at 125 percent of average.

"While we are pleased to see the above average snowpack conditions in the Upper Basin and the improvement in the inflow forecast which may lessen the chance of shortage in 2020, we are reminded that one near- or above-average year will not end the ongoing extended drought experienced in the Colorado River Basin, nor is it likely to substantially reduce the current risk facing the basin," said the U.S. Bureau of Reclamation Lower Colorado Region, in a statement.

DRIEST ON RECORD

The period ranging from 2000 through 2018 was the driest 19-year period in more than 100 years of recordkeeping, and that inflow into Lake Powell was below average 15 of the 19 years during the period from 2000 through 2018. Inflow into Lake Powell in water year 2018 (a water year is a calendar year from Oct. 1 of the previous year to September 30) was the fifth lowest on record. Colorado River System storage decreased from 55 to 47 percent of capacity in 2018.

As a result of persistent drought, Colorado River system reservoirs have declined significantly, and current system storage, as of April 23, 2019, is 45 percent of capacity.

The combined storage of Lake Powell and Lake Mead is at the same level it was in 1969, when Lake Powell was initially filling. In July 2016, the water level at Lake Mead declined to elevation 1,071.6 feet, its lowest level since initially filling in the 1930s.

Fire Season Is Nearly Upon Us

Forecast calls for busy wildfire season along West Coast

By NICHOLAS K. GERANIOS
Associated Press
May 1, 2019
https://www.sfchronicle.com/news/us/article/Agency-predicts-heavy-wildfire-season-along-West-13810922.php

• SPOKANE, Wash. (AP) — Most of the country can expect a normal wildfire season but residents along the West Coast of the United States should be ready for another busy season, the National Interagency Fire Center said Wednesday.

California experienced its deadliest and largest wildfires in the past two years, including a fire in the northern part of the state last year that destroyed the town of Paradise, killing more than 80 people. It was the nation's worst death toll from a wildfire in a century.

The Boise, Idaho-based center said a heavy crop of grasses and fine fuels has developed across California and should elevate fire potential as it dries through the summer.

The Pacific Northwest has entered a period of moderate drought, which could mean an early fire season in the Cascade Range and the Okanogan region. The potential for significant wildfires is above normal west of the Cascade crest in Washington and Oregon through August, the report said.

Some high-elevation portions of the Great Basin and the central Rocky Mountains could experience below-normal wildfire potential, the agency said. It also said that below average fire activity continued in April across the nation, thanks to moist conditions from the winter.

"Precipitation received was above average across the northwestern quarter of the nation and across a majority of the east," the agency said.

While the wildfire season might be delayed in higher, timbered elevations of the Northwest because of a slower melt of the snowpack, "an exception to this could be along the Canadian border in Washington, Idaho and western Montana," the agency said. That's because those areas have a below-average snowpack and are suffering from moderate drought.

In the southwest, below normal fire potential was expected across northern Arizona, northern New Mexico and west Texas in May and June, the report said. Above normal fire potential was expected in southern Arizona in those months.

Winter's snowfall damage left Northern California at risk for wildfires

Mike Chapman

Redding Record Searchlight

April 26, 2019

https://www.redding.com/story/news/2019/04/26/california-wildfire-snowfall-damage-increase-fire-risk/3164546002/

As if Shasta County residents haven't gone through enough from last summer's Carr Fire, a fresh hazard is lurking as a new fire season approaches.

The new wildfire peril is apparent in neighborhoods, along tree-lined roads, in parks, greenbelts and other open spaces. It's all the broken-off branches and trees that were damaged in the Feb. 12-13 snowstorm.

"It's a significant fire hazard — absolutely," said Capt. Nick Wallingford of the California Department of Forestry and Fire Protection.

The heavy, wet snow uprooted innumerable trees and left branches cracked and dying. By summer, downed wood that hasn't been cleared will add more fuel to any fire in its path.

With a heavy crop of grasses, wildfire risk will be high in Bay Area as early as June

By Amy Graff, SFGATE

May 2, 2019

https://www.sfgate.com/california-wildfires/article/wildfire-forecast-Bay-Area-Northern-California-13813518.php

Wildfire danger in the greater San Francisco Bay Area and parts of Northern California is set to be "above normal" as early as June, according to the the National Interagency Fire Center (NIFC).

The Boise, Idaho-based center released its annual <u>wildfire forecast</u> on Wednesday, and a set of maps show the Bay Area surrounded in red next month.

California experienced its deadliest and largest wildfires in the past two years, including a fire in the northern part of the state last year that <u>destroyed the town of Paradise</u>, killing more than 80 people. It was the nation's worst death toll from a wildfire in a century.

The NIFC said a heavy crop of grasses and fine fuels has developed across California and should elevate fire potential as it dries through the summer.

The foliage growth is the result of a winter marked by relentless storms and above-normal rainfall at the start of spring.



National Interagency Fire Center wildfire outlook for 2019: The terms "normal" or "above normal" refer to a formula that involves drought, precipitation and fuel conditions in each region, projected on a 10-year average. (Photo: National Interagency Fire Center)

The terms "normal" or "above normal" refer to a formula that involves drought, precipitation and fuel conditions in each region, projected on a 10-year average, said Jennifer Smith of the fire center.

The California Water Wars

The "two tunnel" project through the Delta is now dead, as the Governor has acted to kill the last formal recognition of it still being viable. But, will even one tunnel ever be built? With the current political, economic, and ideological environment, we have our doubts. Nothing anyone is planning now will provide water for the state for the next 50 years. It really is time for NAWAPA!!

Then we have the story of how 5 fish cost the tax payers \$178,000,000. Yes, that is \$178 million. I shall let "Families Protecting the Valley" tell the story below.

State Withdraws WaterFix Approvals, Initiates Planning and Permitting for a Smaller Single Tunnel

May 2, 2019

From the Department of Water Resources:

The Department of Water Resources (DWR) today is taking formal steps to withdraw proposed permits for the WaterFix project and begin a renewed environmental review and planning process for a smaller, single tunnel project that will protect a critical source of water supplies for California.

Expensive Fish!

Apr 29, 2019

http://familiesprotectingthevalley.com/news.php?ax=v&n=5&id=10&nid=775

Scientists are excited that "five adult Chinook salmon have been discovered in the same area of the San Joaquin River for the first time in decades." So are we. We would hope after all the water we've sent down the river we would get some salmon in return.

The Fresno Bee story <u>A big first for the San Joaquin River Restoration Program: Spring-run Chinook salmon return</u>, however, has a lot of iffy phrases like "indication of the possibility" or "scientists could determine"...seems like a lot of maybe's, leaving us to wonder where exactly we are in the restoration program. The fish were some "of more than 38,000 juvenile spring-run Chinook released into the river two years ago, in March 2017."

We're not scientists so we're not exactly sure how excited to be about 5 salmon returning out of 38,000, but we know these scientists are willing to throw a lot of water down rivers to get a few fish. Remember, this water isn't allowed to be captured or saved in the underground aquifers. While this water flows to the ocean to improve the ecology of the river and the delta, it is creating an ecological disaster in the underground water supply.

Wayne Western Jr. writes in The Sun (<u>Salmon are back in the San Joaquin, but what did it cost us?</u>) that "cost estimates of this effort range from \$890 million to \$2 billion to restore 153 miles of the river from Friant Dam to the confluence of the Merced River...Taking the conservative cost estimate, each of the five fish caught cost taxpayers and water users \$178,000,000."

That could be a record even in the world of ridiculous fish stories of California. The Modesto Bee reported in 2015 in an article titled \$100,000 Per Fish!!! that the project could cost \$70 million to \$150 million and benefit 500 to 1000 salmon. Or The \$2 Million Fish: The Result of Jerry Browns Water Policy where the water was worth \$21,000,000. It saved 9 fish.

We would hope that while a lot of time is spent lecturing farmers about how they are depleting the underground water supply by pumping, legislators and bureaucrats could do more to help farmers get more surface water for farming and for replenishing the underground.

California spends \$178 million per fish to bring back salmon

Enough Disasters

Whether it is the ongoing flooding throughout the Missouri-Mississippi river systems or California's so-called High-Speed Rail Project, what we present in the following section, our Feature this week, must be fought for.

I have covered the Missouri-Mississippi topic over the previous two weeks, so just a short update is included below. As for the California man-made disaster, the excerpted article that follows says it all.

Flooding Disaster Grows Worse in Mississippi River States, with Spring Planting Suffering

May 1 (EIRNS)—Events are playing out in the Mississippi and Missouri River Basins, with the National Oceanographic and Atmospheric Administration expecting "high risk of flooding" in its March three-month Spring Forecast, showing high rainfall and snowmelt. NOAA's National Weather Service this week issued a flood watch, including flash flood warnings to specific sites, for all 10 states along the Mississippi River, from Minnesota and Wisconsin, southward to Louisiana and Mississippi. Some points over the next 10 days may experience a record flood cresting. In Davenport, Iowa, the limited, temporary levee breached on April 30. In Davenport and Muscatine, downtown riverside streets are closed off, with sandbagging underway.

Barge traffic is disrupted. In particular, fertilizer shippers report they have "fleeted" a couple hundred barges in St. Louis, unable to move because of dangerous waters. This threatens conditions for crop yields this year. In any case, spring planting is going slowly, and in some areas, it will not take place at all. One shipper asked EIR, "Can you use some P [phosphorous] or K [potassium] back East?" The answer: "Dump a couple barge loads on the House of Representatives!"

In the Missouri Basin, high water is still wreaking havoc. A land reclamation expert in Kansas told EIR today that heavy rains on top of saturated ground are causing terrible sinkholes to form in the onetime coal-mining region in eastern Kansas, when the ground collapses into the old underground mines. He was at a site today in which a baby calf was caught in a sinkhole 15 ft deep and 30 ft across. When it rains hard, the sinkholes can then fill up, which forces the water underground through the old mining tunnels, which can then start a chain reaction of causing more collapses, more sinkholes, and more underground flooding.

Construction must accelerate or the state risks losing billions in federal dollars High-speed rail costs rise \$1.8 billion in Central Valley

By <u>Erin Baldassari</u> Bay Area News Group May 1, 2019

https://www.mercurynews.com/2019/05/01/high-speed-rail-costs-rise-1-8-billion-in-central-valley/

Californians will have to shell out an additional \$1.8 billion to complete the 119-mile stretch of tracks for the state's first bullet train through the Central Valley, bringing the cost to \$12.4 billion, according to <u>a report released Wednesday</u> by the state's High Speed Rail Authority.

The report outlines a "building block approach" to construction, first put forth by Governor Gavin Newsom in his <u>State-of-the-State address</u>. The approach limits the line to an initial operating segment running from Bakersfield to Merced and delays the "bookend" projects to the Bay Area and Los Angeles until further funding can be found.

The plan, however, falls short of the vision outlined by regional leaders of using the high-speed rail to shuttle workers from homes on cheap land in the Central Valley to high-paying Bay Area jobs, without having to undergo what is now a harrowing, hours-long daily commute through stop-and-go traffic. Efforts to electrify Caltrain will speed that process along, said state Sen. Jim Beall, D-San Jose.

Assembly member Jim Patterson, R-Fresno, called the plan a "shell game" and "absurd," and described the project as a "multi-million rump railroad."

"The end result is that it's deceptive, and it doesn't tell the truth," he said. "It merely makes excuses for ongoing failures."



A portion of the San Joaquin River Viaduct for California's high-speed rail project is underway in Fresno, California, on Monday, July 10, 2017. A \$20 billion segment between Fresno and San Jose is scheduled to open by 2025. (Gary Reyes/ Bay Area News Group)

To get trains moving, however, authority officials expect to spend \$1.8 billion more on the 119-mile segment from Bakersfield to Madera than was estimated in 2018, a roughly 17 percent increase from last year and more than double the original \$6 billion estimate.

And the full 800-mile route from San Francisco to Los Angeles line is expected to cost \$79.1 billion, an estimate largely unchanged from last year's projection that includes only the \$1.8 billion added to the cost of the Central Valley segment. As the project's timeline increases, though, costs will rise with inflation, the report cautioned.

Under the terms of the grant agreement, the authority must complete the 119-mile Bakersfield to Madera section by the end of 2022 or risk losing nearly \$3.5 billion in federal funds, including having to pay back \$2.5 billion it has already spent. The remaining stretch to Merced is not expected to be completed until 2028, according to the report.

Assuming it does, the project still has only one-third of the money it needs to complete the project, and it will exhaust the money it does have on the Bakersfield to Merced segment, leaving Californians—and the Bay Area—without a clear path to building out the remaining route. That funding includes the federal grants, the Prop 1A bond, and 25 percent of annual Cap-and-Trade proceeds through 2030.

It's unclear, however, how the authority will complete the Bakersfield to Merced segment by 2028 with funding that is not expected to materialize until 2030.

Feature: Can and Will the President Deliver on Infrastructure?

To repeat the first paragraph of this week's report is the best way to begin this section:

"Trump agreed this week, in a meeting with the Congressional Democratic Party leaders, on a \$2 trillion infrastructure package—not a bad start on the desperate shortfall in infrastructure across the nation—but without a clue as to how to obtain that sum. While overcoming the China-bashers' resistance to Chinese investment would help, the only real solution is that contained in the Four Laws proposed by Lyndon LaRouche—in particular, the establishment of a Hamiltonian national bank. Chinese officials have repeatedly confirmed to EIR that they would be delighted to exchange their enormous holdings of U.S. government debt for equity in such a national bank, to fund basic infrastructure across the country. And of course, it is not only China that holds U.S. government debt, but other nations, and millions of citizens, who have been receiving close to zero interest on those bonds for the last decade, and would also have the opportunity to invest in a national bank."

"Impact of Second Belt and Road Forum—The New Paradigm Takes Shape" https://larouchepac.com/20190502/impact-second-belt-and-road-forum-new-paradigm-takes-shape

The President's meeting with Congressional leaders announced that they agreed on a \$2 trillion infrastructure building policy. Virtually no details on what would be built and how the funding would be done were included in the statements released. Also, whether the \$2 trillion would be, as has been generally proposed for two years now, over 10 years or over a shorter time period, was unstated.

Included below are reports on the policy, followed by more details on how to actually fund the appropriate transformation of the economy to one that expresses a mission to focus on scientific revolutions led by space and fusion research and development.

Of course, it was Lyndon LaRouche who presented the package of "Four Laws for Economic Recovery" that, when adopted, will accomplish such a mission.

And on March 24, President Trump announced that the U.S. will return to the Moon with astronauts within five years.

\$2 Trillion Infrastructure 'Deal' Looks Entirely Dependent on Trump

April 30 (EIRNS)—A dozen Congressional Democrats left a 90-minute meeting on infrastructure legislation at the White House today claiming that they had agreed with President Donald Trump on a \$2 trillion infrastructure plan. House Speaker Nancy Pelosi and Senate Minority Leader Chuck Schumer said the President plans to propose ways to fund the plan, at another White House meeting in three weeks.

President Trump's extraordinary "good will" at the meeting appears to have made possible whatever progress was made, as Schumer acknowledged to media afterwards. The President

- sent his Budget Director Mick Mulvaney (who is also Acting Chief of Staff) to California to speak at the Milken Foundation conference, thus absenting him from the White House meeting (even from Los Angeles, Mulvaney bitched and moaned and openly hoped the meeting would fail to achieve any results);
- showing great political confidence, made no demand for, or even mention of Congressional Democrats ending their grand Watergate inquisition into his administration;
- made no comment about Schumer and Pelosi having demanded climate change funding be included in the "plan";

• accepted the \$2 trillion figure, and the onus of responsibility to find such credit. The New York Times quoted participant Sen. Thomas Carper (DE): "By the end of the meeting, he [Trump] said, 'I have responsibility to lead on this front as well, and I'm prepared to do so."

Schumer acknowledged Trump's good will in a press conference afterward; apparently, he, too, refrained from raising his "precondition" that the President agree to reverse the 2018 tax cuts to pay for infrastructure.

Although it is reported that the Gateway Project—Schumer's baby—came up, there was clearly no substance in the form of any infrastructure or science-driver mission; and the ideas for generating funding—if any—will be the source of battles. President Trump, nonetheless, has a chance to override this.

It could be noted that on a completely different flank of the economy, Trump sent this Twitter message today: "China is adding great stimulus to its economy while at the same time keeping interest rates low. Our Federal Reserve has incessantly lifted interest rates...."

Scoop: Trump's \$2 trillion spending dream

by Jonathan Swan

April 28, 2019

https://www.axios.com/trump-infrastructure-dream-pelosi-schumer-d2b68853-f703-45e0-b147-543bbc603bf7.html

At last month's St. Patrick's Day lunch in the Capitol, President Trump told Richard Neal, the powerful Democratic chairman of the House's tax-writing Ways and Means Committee, that he wants to spend close to \$2 trillion on infrastructure, according to two sources to whom Neal recounted his conversation.

The big picture: Trump's 2020 Budget calls for just \$200 billion in additional infrastructure spending. A spokesperson for Neal did not comment on this reporting. A former senior White House official told me that on infrastructure, Trump's instincts are much closer to Elizabeth Warren's than they are to his tight-fisted acting chief of staff Mick Mulvaney.

Why it matters: Trump meets on Tuesday with Democratic leaders Chuck Schumer and Nancy Pelosi to discuss infrastructure. These meetings usually amount to nothing besides a media circus. But Democrats still take these meetings — in fact, Pelosi requested this one — because they know that, left to his own devices, Trump would happily spend a ton of federal money on infrastructure. (It's his own party that won't let him.)

- The dirty secret which multiple senior White House officials have confirmed to me is that Trump hates the infrastructure plan <u>his own White House released last year</u>. In private, he has referred to it dismissively as "Gary's plan," a shot at his former top economic adviser Gary Cohn.
- The heart of "Gary's plan" was to build infrastructure through "public-private partnerships"— leveraging a modest amount of government spending to stimulate private investment in projects around the country.
- Democratic leaders have no interest in public-private partnerships. Neither does Trump. Even though he himself has benefited richly from public-private partnerships (as with the Trump International Hotel in D.C.), he has told aides he thinks they don't work and that they need to

LaRouche's Four Laws for Economic Recovery and the Four Powers Agreement

Lyndon LaRouche has provided us with the Four Laws which can produce the economic recovery of the United States:

- 1. Re-enactment of the Glass Steagall Act separating commercial from speculative banking and ending public bailouts of Wall Street gambling debts;
- 2. A new national bank or other credit-issuing mechanism, such as Lincoln's Greenbacks, capable of producing massive amounts of credit for long-term economic projects;
- 3. Use of this national banking mechanism to fund only such projects as will raise national productivity and create high-paying jobs in productive sectors of the economy; and
- 4. A crash program to develop fusion power, the energy source of the future, the energy flux density and power of which allows us to transform raw materials, power entire continents, and power space exploration and colonization.

The most obvious place to invest the financing available through this long-term credit mechanism and participating private banks is in building a modern infrastructure platform for the U.S. economy, while also creating crash programs to develop fusion and explore near space and the Moon. Since we have damaged our physical economy, and savaged our labor force in the last decades, a crash effort in this respect is urgent if we are to raise productivity and ensure long term growth. New programs in classical education and the sciences and programs drawing our youth into rebuilding the country, akin to the FDR-created Civilian Conservation Corps, are necessary elements of this economic thrust. The optimism generated by such a national mission is the best antidote to the drug epidemic and mental instability presently haunting our country, although major rehabilitative and interdiction efforts must also be urgently and ruthlessly undertaken in this regard.

On March 24, President Trump announced that the U.S. will return to the Moon landing two astronauts, a man and a woman, by 2024, to begin construction of a Moon colony, and that this is the first step for a mission to Mars. The President has put NASA on a full mobilization to accomplish this task.

The NASA Mission in Context — Commence the Era of LaRouche

https://larouchepac.com/20190408/nasa-mission-context-commence-era-larouche

On Monday, April 1, NASA Administrator Jim Bridenstine made clear that President Donald Trump's declaration one week prior, a declaration which was issued literally just days after the conclusion of the attempted Trump legal assassination by Robert Mueller, was not simply just another paper proposal. That declaration, which began, "This time, we will not only plant our flag and leave our footprint, we will establish a foundation for an eventual mission to Mars and perhaps, someday, to many worlds beyond," was fine in itself, but similar to many proposals which are left on paper, it was not yet "on the ground." Yet, Bridenstine's presentation, a rare publicized town hall with top leaders of NASA's main directorates, for all of NASA and the world to see, made clear that Trump's program is not a paper policy, but a tangible change in U.S. economic policy. The entire presentation is available on YouTube.

The basics are clear:

1. President Trump has changed the time frame for a manned-Moon landing from ten years to five, meaning that it will happen before the end of his second term. Bridenstine said repeatedly that the

President has taken personal responsibility to make this happen during his Presidency, and it was also clear, that Bridenstine is putting his own career and credibility on the line.

- 2. The President has insisted that we will go to the Moon with the intent of developing and using Lunar resources, and we will plan for a sustained human presence, and a future launch from the Moon to Mars. This is the Krafft Ehricke-LaRouche policy without compromise. He made it clear we are going to the South Pole of the Moon, specifically for the water ice resources, for use in water, oxygen, and rocket fuel potential.
- 3. The President has insisted that we will go to the Moon with international partners. Though it was left unsaid, the leading partner in manned-space exploration today is Russia, and China is the leader of current Lunar exploration.
- 4. The President has insisted that we will put men again on the Moon, and we will put the first woman on the Moon. This is the right kind of #MeToo moment, and is an echo of the March 3, 1988 LaRouche broadcast "Woman on Mars." There is also a new Directorate of NASA, like the Science Directorate, there is now the Moon-Mars Directorate, an entire branch of NASA dedicated to developing and implementing this approach for the coming generation(s).

'New Silk Road' Is Unstoppable Dynamic; We Still Must Implement Lyndon LaRouche's Economic Laws

April 29 (EIRNS)—Are more than 130 governments, 37 heads of state and government, all major international and financial institutions, and 5,000 businesses all at one conference, enough to convince that a new economic order is coming into being? The extraordinary attendance of governments, heads of state and government—a significant number of them recently considered "skeptics" and "critics" of Belt and Road infrastructure great projects—and companies at the Second Belt and Road Forum for International Cooperation, compared with the largest international meetings in history. It was already proof that the Belt and Road Initiative (BRI) has expanded greatly since the first Belt and Road Forum in 2017 and is now an unstoppable new paradigm of economy. Certain myths of "backfire" and "criticism" in Asia which have been spread, also fell away.

"Developments of the last period make very clear that the dominating dynamic in the world today is the Belt and Road Initiative," stated Schiller Institute President Helga Zepp-LaRouche in a discussion with European colleagues today. She is, with her husband Lyndon LaRouche, an intellectual author of this dynamic from the 1980s onward. "This," she said, "is the major initiative in terms of unprecedented infrastructure, in terms of a new set of relations, in terms of new cultural relations and a new spirit of the Silk Road, that it is simply the most powerful item on the agenda, and it's the only long-term strategic plan to move the world into a new paradigm.

As if to underline our point that it is only U.S. cooperation with China in its Belt and Road Initiative that will allow for the unleashing of a real economic "miracle" in the U.S., the following item should erase any doubts:

Trump's GDP 'Boom' in First Quarter Significantly Owed to China

April 29 (EIRNS)—The Commerce Department's April 23 reported growth in U.S. Gross Domestic Product in the first quarter of this year, 3.2%, was nearly double the growth rate which had been forecast by "analysts," and four times what Federal Reserve banks had been forecasting six weeks earlier. Apart from indications that the report may have been too good to be true, a significant part of the unexpected expansion was "carried" by China's strong economic growth in the same period.

The reported American economic growth came despite a decline of industrial production in the quarter, no change in business capital investment—with a nearly \$1 billion decline in farm equipment purchases—and a mere 1.1% growth in consumer expenditures. These usually dominate the GDP, given that definitions of "production" and "capital investment" include plenty of non-productive activity. What, then, constituted the growth? A big improvement in the U.S. trade balance, and a very big increase in business inventories.

Since industrial production fell and imports fell, the \$35 billion in new inventories were neither produced nor imported; they remain mysterious and may have been "adjusted."

The trade improvement was real. China's reaccelerating economic growth, combined with its performance of the commitments President Xi Jinping had made to President Donald Trump at their Dec. 1, 2018 summit in Buenos Aires, led to a big 21% increase in American exports to China in the first quarter 2019, while American imports from China fell by 3.6%.

This U.S. trade blessing occurred while world trade was actually shrinking for five months through February, and a stronger and stronger U.S. dollar was reflecting growing new currency crises in the developing sector. China's own export growth is coming from countries of the Belt and Road Initiative.

It is evident that these two great powers, through Presidents Xi and Trump, must cooperate economically, scientifically, and in creating credit for productive development projects, to head off a financial crisis and crash.