



# California Water and Infrastructure Report

## For April 9, 2020

### 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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*"We seek not merely to make government a mechanical implement, but to give it the vibrant personal character that is the very embodiment of human charity. We are poor indeed if this nation cannot afford to lift from every recess of American life the dread fear of the unemployed that they are not needed in the world. We cannot afford to accumulate a deficit in the books of human fortitude."*

*President Franklin D. Roosevelt*

## A Note To Readers

California's water problems and the building and rebuilding of the nation's infrastructure requires a healthy population. Until the COVID-19 pandemic is under control, nothing will be done. That does not mean serious planning can wait, and the President's demand that the Congress pass his \$2 trillion infrastructure proposal must be done.

But, it is not just in the U.S. and Europe that the pandemic will be stopped. For now it is beginning to sweep through 54 African nations with their 1.2 billion population. It will be devastating, for half or more of the people there have no electricity or running water, not to speak of almost non-existent public health systems. Africa has a "tsunami of other infectious," to quote Princeton University professor Jessica Metcalf, such as AIDS, Measles, Malaria and more. In addition to millions of already hungry people, the Horn of Africa is being swept by locust swarms which eat as much food that could feed 35,000 people a day.

Like the 1918 flu, which receded during the Summer in the northern hemisphere, but returned from the southern hemisphere in the Fall, in a more virulent form, COVID-19 may do the same. So, we begin our **Feature** this week with excerpts from a speech by Helga Zepp-LaRouche, she demands that a new global paradigm be our response, and it begin with a global mobilization to create and build a world

health system that can defeat this pandemic and deal effectively with those to come.

## **There is some water and drought news in this report**

We begin with the U.S. Drought Monitor and a couple of articles underline the ongoing increasing drought picture for California.

Then we look at a couple of the areas of fall-out from the COVID-19 pandemic: On the ability to fight forest fires and on agriculture.

## **The Feature this week:**

With the worst pandemic in 100 years now sweeping the world, and much of the world economy shut down, it is not a time to forget that it has been the so-called “liberal world order” of the financialization of the western economies that not only created the conditions for the proliferation of such diseases, but also significantly dismantled the health care systems and productive industries required to defeat this new Corona virus, COVID-19.

Our feature this week focuses on the war that must be waged now. For it is a war to defend civilization and to build an economy that is not just well-prepared for such challenges, but to also eliminate the economic policies that have made this pandemic so damn deadly and threatening.

We begin with a short video from China, expressing the reality that this pandemic makes clear that we are all One Humanity. Chinese and Italian opera singers provide the beauty of that idea.

The first article below is from Helga Zepp LaRouche putting forward what must be done: “We Must Build a World Health System Now.”

That can only be done if the U.S. returns to the American System, as I have repeatedly described in these reports.

Perhaps we are on the way to doing so. President Trump is taking unprecedented action that does begin to echo the “first 100 days of FDR.” One-upping Bernie Sanders, Trump has ordered Medicare, now, to cover all costs for all COVID-19 patients. That follows on Trump's statement last week that he is considering expanding Medicare and Medicaid to poor people. Sanders is probably saying, why didn't I think of that?

And perhaps, like FDR who imposed his own man on the Federal Reserve and it then funded much of the infrastructure projects of the 1930s and early 1940s, are we seeing the Fed begin to do something similar? That is possible as the Fed is now buying up Municipal debt and will be funding the building of hospitals and roads.

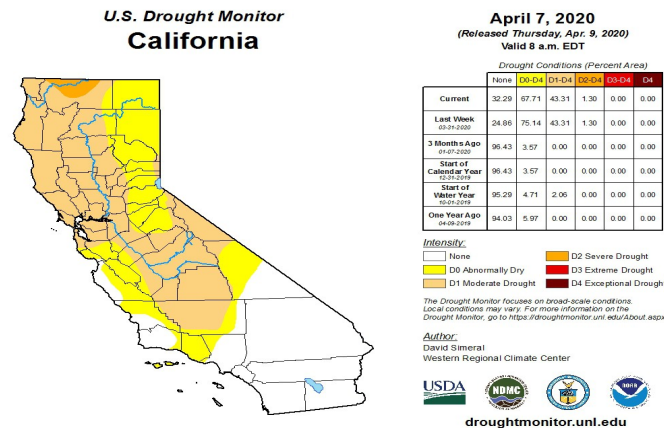
Paul Gallagher of the Executive Intelligence Review has an article you will find below, “If Trump Controls the Fed, Can He Conceive of What Must Be Done?” In that context, the President has once again demanded \$2 trillion for funding infrastructure. That the Democrats are resisting may just be one more straw on the camel's back.

One article below, “There is no Future in Bailouts: Trump Puts Infrastructure Back on the Agenda,” takes on the insanity of the almost \$500 billion of the \$2.2 trillion CARES bill that will be given directly to the Federal Reserve from the U.S. government, to be used to bailout the Wall Street parasites.

“There is no future in bailouts: Trump puts infrastructure back on the agenda,” summarizes the problem of the “liberal system,” and presents the alternative.

# The U.S. Drought Monitor for April 7, 2020

The U.S. Drought Monitor this week continues to show the state becoming dryer. Even the precipitation over the past week or so has done little to stop the further sinking into drought.



## Storms bring little drought relief

ANGELINA MARTIN

Updated: April 7, 2020, 7:36 p.m.

<https://www.turlockjournal.com/news/local/storms-bring-little-drought-relief/>

*Despite an ample amount of recent rainfall, a majority of the state is still experiencing a moderate drought that is likely to persist.*

*It was announced in February that parts of the state had been pushed back into a drought following a significantly dry winter in California — conditions that have been amplified as the days go by. Currently, the U.S. Drought Monitor shows that 42 percent of the state is experiencing a moderate drought, while an additional 31.8 percent is abnormally dry.*

*“Although the past few weeks have been wet, the overall year has been extremely dry and conditions would need to be unseasonably wet moving forward to get remotely near normal levels,” TID Hydrologist Olivia Cramer said.*

*On April 1, The Department of Water Resources conducted the fourth manual snow survey of 2020 at Phillips Station, opting to provide video coverage of the results instead of a live media event due to the coronavirus pandemic. At the time, results showed that statewide, the snowpack was just 53 percent of the April average.*

*“While today’s survey results show our snowpack is better off than it was just last month, they still underscore the need for widespread, wise use of our water supplies,” DWR Director Karla Nemeth said. “California’s climate continues to show extreme unpredictability and February’s record dryness is a clear example of the extremes associated with climate change.”*

*“Over the last decade, California’s snowpack has been alternating between extremely wet and extremely dry,” stated Sean de Guzman, chief of DWR’s Snow Survey and Water Supply Forecast Section. “In the past 10 years, we’ve seen three of our smallest snowpacks on record, but we’ve also seen three of our largest snowpacks on record.”*

**40 Atmospheric Rivers Have Hit West Coast Since October, but California Had**

## Just 1 Strong One and It's Paying the Price

by Chris Dolce

April 9, 2020

weather.com

<https://weather.com/news/weather/news/2020-04-09-atmospheric-river-california-washington-oregon-2019-2020-water-year>

More than three dozen atmospheric rivers made landfall on the West Coast from fall through early spring, but a lack of strong events in California led to the development of drought conditions in parts of the state.

An atmospheric river is a thin, but long plume of moisture in the atmosphere that stretches from the Pacific Ocean tropics or subtropics into higher latitudes. They provide a boost to the rain and snow totals produced by storm systems taking aim at the West Coast, mostly from late fall into early spring. Although these events can bring hazardous impacts, they are also beneficial since they help replenish the water supply in the West.

There were [40 atmospheric river events](#) in the six months from October 2019 through March 2020, from near San Diego to Washington's Olympic Peninsula, according to the Center for Western Weather and Water Extremes (CW3E). Seven of the 40 atmospheric rivers were classified as strong.

California had just one strong atmospheric river event this October through March, which helps explain the drier-than-average conditions in parts of the state.

Snowpack was just [64% of average in California's Sierra Nevada as of April 8](#). That's despite some significant late-season snowfall gains in the first week of this month.

As of April 7, about 68% and 43% of the state was classified as [abnormally dry or in moderate drought](#), respectively, according to the U.S. Drought Monitor. Most of that dryness was in northern and central parts of the state.

## COVID-19 and the Fall Out

It is not just the shutdown of much of the economy that those in the urban areas especially are experiencing. Two other areas, maybe not so obvious, are already becoming a crisis. First is agriculture and second is firefighting, especially as we will soon be in fire season in California.

In addition to the article from the Farm Bureau immediately below, in the **Feature** on pages 15-16 you will find this article: "*Pandemic Requires Emergency Action Against Monetarist 'Markets' System Principles to Secure Food Supply Set by LaRouche.*"

### ***Farm Bureau's Duvall Warns 'Empty Shelves Are Frightening, but Empty Fields Would Be Devastating'***

*April 8, 2020 (EIRNS)—On March 18, American Farm Bureau Federation President Zippy Duvall, who heads one of the oldest U.S. farm organizations, wrote that "Empty shelves can be frightening, but empty fields and barns would be devastating," as he promised American farmers would do their utmost to keep fellow Americans fed. Yesterday, however, the Farm Bureau issued a press release, in which Duvall called for swift action by the U.S. Department of Agriculture to deliver aid to farmers and ranchers, given the collapse of prices they receive. The release presented a summary picture:*

*“Nearby futures prices for nearly all the major crops have dropped by double-digit percentages. Pushed down by a 40% plunge in ethanol prices, corn prices have fallen 15%. Soybean prices are down 10%, while the price for cotton, which is heavily dependent on foreign manufacturing capacity, sank nearly 30%. Buoyed by demand in the U.S. and China, wheat prices have declined only 3%.*

*“On the livestock front, since the beginning of the year, both beef and pork futures prices have declined more than 30%. Milk futures prices have also fallen sharply, with the price for milk used to make cheese down 28% and the price for milk used to make nonfat dry milk falling by 34%.*

*“ ‘The resilience of farmers and ranchers has been nothing short of stunning, but we must not take for granted their ability to hold on with prices spiraling, taking all hope of breaking even with them,’ said AFBF President Zippy Duvall.”*

### ***Trump Assures Farmers, China Trade Will Save Them, as They See Prices Plunge, Processors and Markets Shut***

*April 7 (EIRNS)—What remains of the family farm system in the U.S. is now under severe crisis—with many farmers, especially older ones, now quitting, either in a planned or abrupt way. At stake is the agriculture production capacity of the United States, a world food supply asset.*

*The March 27 CARES Act has in it more than \$40 billion for aid to farmers through the Agriculture Department’s Commodity Credit Corporation (CCC), founded in the 1930s. Every such stopgap is welcome, but farmers, who have been looted all along by the Wall Street market structure, are now facing chaos. President Donald Trump, when asked about the farmers’ situation yesterday, pointed to the prospect of expanded trade with China as his answer. This needs to change fast.*

*Farm leaders are conferring urgently. Monday night was a Facebook conference of a multi-state livestock organization based in Montana, known as R-CALF, with 700 participants for the first time ever. R-CALF’s CEO Bill Bullard sent a letter to Trump March 18, asking for emergency measures, e.g. “to grant emergency extensions of loan repayment deadlines, and provide essential emergency operating funds.”*

- Prices plunge: Farmers have been whipsawed from low prices and price swings for years, but the last couple months are impossible. Since January, prices received by U.S. corn growers, already low, dropped by 12%; soybean prices dropped 7%. Milk prices have dropped some 30%. Live cattle prices are down 28% since January. Farm families depending on off-farm jobs, now are finding this work suspended. In Virginia alone, for example, 40 dairy farms are in the process of shutting down right now. Nationwide, thousands of farmers in the older age brackets, are quitting.*

- Meat-processing chaos. Some slaughtering plants are now shutting down due to lack of workers (who are not coming to work to avoid getting it COVID-19 or spreading it if they’re ill), in a situation where meat packing has become highly concentrated, due to monopolization. Only four packers control 85% of all beef processing: Cargill, Tysons, National Beef/Marfrig, JPS. A huge JBS beef abattoir is shut in Souderton, Pennsylvania; a Tysons pork plant is shut in Columbus Junction, Iowa; and there are about six other major closures. This is backing up to the point that farmers fear a sudden lack of any “market” for their cattle and hogs. One Iowa farmer last night advertised, “Take my pigs for free,” trying to get rid of 1,200, 50 lb feeder pigs. Contingency plans include cutting the feed rations for hogs, to retard their growth, and having sows abort, to reduce the throughput of pigs in the meat chain.*

- *Milk dumping. This sometimes happens in the spring, when cows' output surges, but now the dumping around the country is caused by the fact there is no gain to be made in handling a product that loses money.*
- *Other dumping. The markets of thousands of fruit and vegetable growers disappeared overnight, wherever stay-at-home orders shut restaurants, colleges, hotels, and cruise ships. Some farms are trying to re-tool for supermarkets. Other farm operations cannot function without seasonal labor, most of whom had been migrants, who are now not available, directly or indirectly because of the pandemic. Certainty is essential for credit and logistics for livestock and crop cycles, but now does not exist. This can be remedied.*

## **Corona virus and wildfires**

### ***Firefighters say coronavirus will obstruct emergency service, evacuations as wildfire season closes in***

*Published Sun, Apr 5 2020 9:16 AM EDT*

*[Emma Newburger@emma\\_newburger](mailto:Emma.Newburger@emma_newburger)*

*<https://www.cnbc.com/2020/04/04/coronavirus-will-obstruct-emergency-services-for-firefighters-during-wildfires.html>*

#### **Key Points**

- *Firefighters across the country are ill or under quarantine. Others worry they'll contract the coronavirus in crowded base camps during wildfire outbreaks.*
- *In wildfire-prone states like California and Washington, the pandemic has already strained emergency resources and hindered preparation for the upcoming season.*
- *Wildfires typically start in mid-May and will be made worse this year by low spring snowpack and a dry winter up North.*
- *"There's a lot of anxiety," said Tim Edwards, president of CAL FIRE Local 2881. "When we have firefighters falling ill, we're not going to have personnel to respond appropriately to fires. And the fires will get bigger and more destructive."*

*First responders are preparing for raging wildfires that they expect will consume thousand of acres and drive some residents from their homes in upcoming months.*

*But this year, preparations have stalled. The [coronavirus](#) pandemic has hit the country's already strained emergency services, raising concerns over inadequate disaster relief during peak fire season.*

*Firefighters across the country are ill or under quarantine. Others worry they'll contract the virus in crowded base camps during wildfire outbreaks. And fewer personnel will be available for emergency calls since the public health crisis has delayed new hiring and training.*

*"There's a lot of anxiety," said Tim Edwards, president of CAL FIRE Local 2881, an affiliate of The International Association of Firefighters.*

*"When we have firefighters falling ill, we're not going to have personnel to respond appropriately to fires. And the fires will get bigger and more destructive," he said.*

*In [wildfire-prone](#) states like California and Washington, the pandemic has already hindered preparation for the upcoming season. Wildfire season typically starts in mid-May and will be [made worse](#) this year by low spring snow pack and a dry winter in the North.*



*But the worst is yet to come. Firefighters on the front lines work and sleep in conditions that are hotbeds for virus spread. During large wildfires, thousands of firefighters will cram together in campgrounds, where they live in close and unsanitary quarters after working long hours.*

*Silvio Lanzas, the chief of Glendale Fire Department, said the fire service would be overwhelmed if a group of employees were to get sick.*

*“If part of our workforce can’t come to work because they’re ill, that causes me great concern,” Lanzas said. “It keeps me up at night.”*

*There’s little fire department leaders can do to mitigate the chance of the virus spreading throughout a crowded base camp during a major wildfire. Rotating out firefighters isn’t a viable option this year due to staffing shortages and hiring delays, according to several fire chiefs. They are especially concerned about getting adequate food and other necessities delivered to camp grounds since many businesses in the state are shut down.*

*“You can only do so much with what you have. The mutual aid system will be stressed,” Fennessy said. “We’re going to be making decisions we haven’t had to make in the past.”*

*There’s also a high risk for contagion for residents who are evacuated during wildfires. After Camp Fire ravaged the city of Paradise, victims taking refuge in several shelters near the city were sickened from a norovirus outbreak.*

*“The evacuation shelters pack hundreds, sometimes thousands of people into a school or gymnasium,” Lanzas said. “Having that many people gathered into a tight space ... it’s a hot bed for disease spread.”*

*A major challenge for first responders will be evacuating thousands of people from homes at risk of burning down to crowded shelters that provide no option for social distancing.*

*Fire agencies are also canceling programs that reduce wildfire destruction in regions under drought amid pandemic guidelines.*

*Teams in Los Angeles that usually go out to reduce brush that can start fires more easily are delayed because of the pandemic. And local fire services in Washington state won’t have access to essential training after the state canceled all three fire academies this year that would have trained up to 4,500 firefighters.*

## ***Summer Fire Outlook Highlights Potential Trouble Areas for West***



*8 Apr 2020, 7:36 am*

*<https://www.weathernationtv.com/news/summer-fire-outlook-highlights-potential-trouble-areas-for-west/>*

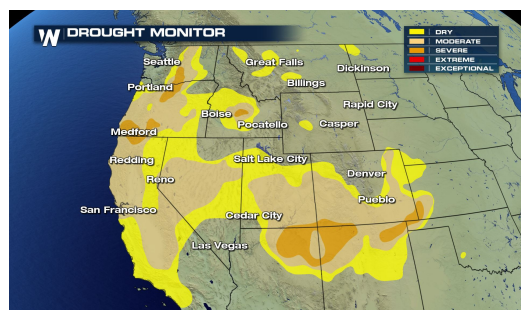
*If this summer’s fire weather outlook holds true, this could be an active summer for wildfires across the West.*

*[The National Interagency Fire Center’s \(NIFC\) wildfire outlook](#) for the summer and fall highlights a*

*few potential trouble spots for the summer across the West. In particular, the NIFC outlook mentions the potential for increased fire danger for parts of the northwestern U.S. by July.*

*“While overall normal significant large fire potential is expected across most of the Southwest, some portions of the Great Basin and western portions of the Northern Rockies may experience elevated potential and activity as well,” the NIFC wrote in their outlook, which is valid through July.*

*Part of the reason for a potential heightened concern this summer is the prevalence of drought conditions across the West. As of last week’s drought monitor update, mountainous parts of Washington, Oregon, Idaho, California, Utah, Colorado, New Mexico and Arizona were under a severe drought. Much of those states were also considered to be abnormally dry or in a moderate drought.*



*Sub-par season-to-date snowpack figures across California, in particular, could dry that bit of land more quickly and accelerate the start of the fire season there.*

*“It is the middle elevations (3000-6000 feet) that will continue to be the most vulnerable to fire spread,” the outlook said about California’s snowpack, and how it may play into fire danger this summer. “This elevation range is generally free of snow cover and a new green grass crop, and the dead and dormant fuels there will be sufficiently dry to carry fire any time there are extended dry, precipitation-free periods of a week or more. Significant fire potential will be slightly higher in these areas.”*

## **Feature: The Pandemic, the Response, the Economy, and More**

The introduction to this section is in the *Note to Readers* above.

### ***From the China Daily-- A message of love, hope and healing***

[@ChinaDaily](#)

*While the world is struggling with [#Covid\\_19](#), opera singers from [#China](#) and [#Italy](#) recorded a song, "Together", to deliver a message of love, hope and healing. The song is based on the Chinese folk song Jasmine Flower and Nessun Dorma, an aria from the Italian opera [#Turandot](#).*

<https://twitter.com/ChinaDaily/status/1248249304550121473>

## **WEBCAST DIALOGUE‘**

### **All Men Shall Be Brothers’:From COVID-19 to the New Paradigm**

We present here the first few paragraphs of one of the three presentations to the April 4, 2020 LaRouche PAC Webcast Dialogue. The full video, with extended discussion, is available here

[https://larouchepub.com/eiw/public/2020/2020\\_10-19/2020-15/03-05\\_4715-hzl.pdf](https://larouchepub.com/eiw/public/2020/2020_10-19/2020-15/03-05_4715-hzl.pdf)

## **We Must Build a World Health System Now**



## **by Helga Zepp-LaRouche President and Founder of the Schiller Institute**

It's getting now very clear that we are in the middle of, or at the beginning of what seems to be becoming the worst crisis in human history. It is clear that already in Europe, in Italy and Spain, and in the United States, the health systems are not sufficient. There are not enough medical supplies, face masks, respiration machines, doctors, nurses, and ICU units. It is also very clear that this pandemic—this world-wide epidemic—is spreading very quickly to the developing countries. You can be absolutely sure that if it hits countries like Haiti, or the 54 African nations, or large, populated nations in Asia, the situation will be much worse. They do not have enough medical supplies; they don't even have health systems. They don't have enough clean water. The idea to self-isolate and wash your hands will mean nothing, because there are no such things possible for half of the population at least. This means that this thing is getting completely out of control.

So, the purpose of the call that I made, and the purpose of this meeting tonight, is to launch a campaign to put one single issue on the agenda. That is, that we have to react to this as the one humanity, and we have to drop all other agendas. We have to build a world health system; we have to gear up naturally for the defense of the people in the United States, in the European countries. But given the fact that it is a pandemic, this will be not enough.

This virus is going to mutate; it will come back, and it will come back in waves, increasingly destroying our real production. It will have a severe impact on food production. The OECD (Organization for Economic Cooperation and Development) has already put out statements that it expects the economic effect to be a reduction of industrial production in the OECD countries of 30%; you will have millions of unemployed. That is why we have to have a complete shift in the agenda to completely produce only for one effect—namely, to build up a health system in every single country in the world with the same energy, the same passion, the same means.

President Trump has invoked the National Defense Production Act. New York Governor Cuomo has called for an unprecedented mobilization of all health personnel—doctors, nurses, retraining, training of young people. This is a step in the right direction, but this must be accompanied with a gearing up of the industrial production, to produce all the means necessary to combat this pandemic. That means hospitals in every country; it means protective clothes, face masks, respiration machines. The whole industry must be retooled to this effect until we have defeated this pandemic.

There is no way that the liquidity pumping of the central banks will be able to be continued throughout this mobilization. There are people who say this comes unprecedented, this is a complete shock. Well, we can prove to you that this is not the case. Lyndon LaRouche warned of this coming since 1971, when he warned of the consequences of the abandoning of the Bretton Woods system by Nixon. He especially warned since 1973 and 1974, what would be the economic impact of the conditionalities policy of the IMF and the World Bank on the developing sector. And he warned that pandemics would be the result. His entire life's work was to warn of the fact that monetarism—this second deadly virus—would result in pandemics. You cannot lower the living standard of entire continents over prolonged periods of time without encouraging lower forms of life in the biosphere to take over; namely, viruses.

### ***If President Trump Controls the Fed What Can Now Be Done?***

*by Paul Gallagher*

[https://larouchepub.com/other/editorials/2020/4715-what\\_can\\_now\\_be\\_done.html](https://larouchepub.com/other/editorials/2020/4715-what_can_now_be_done.html)

*April 5—There are indications that the Trump White House, acting through Treasury Secretary Steven*

*Mnuchin, is now in partial, and perhaps increasing control of the Federal Reserve. That control is being shared with Wall Street and real estate billionaires, whom the President calls his “brilliant” acquaintances. Nonetheless, this situation could be the first presidential control of the Fed, however partial, since President Franklin Roosevelt exercised considerable influence over the policy of his Fed Chair Marriner Eccles. Treasury Secretary Mnuchin is now conferring many times a day with current Federal Reserve Chair Jerome Powell, and, in Mnuchin’s words, “approving” each Fed bailout program before it begins.*

*But so far, Mnuchin and President Trump appear to agree with all of the programs the Fed has launched, the overwhelming majority of which are potentially hyperinflationary attempts to save unpayable debt assets of Wall Street and City of London banks, and also those of the shadow banks. The \$2.2 trillion Coronavirus Aid, Relief, and Economic Security (CARES) Act “relief” legislation is directly connected to the Fed by the \$454 billion with which the Treasury is effectively buying the “first loss tranches” of the slick investment vehicles being created by BlackRock, for the Fed to attempt to save these toxic assets with printed dollars.*

*This “sharing” of power, however, could change suddenly and dramatically. Under the now-developing circumstances, President Trump is coming into cooperation with the leaders of China, Russia, India and other nations in providing developing nations with medical equipment—as China is doing already—and also producing healthcare capital goods and building hospitals, which will rapidly make clear the immediate need to build the required power and water supplies. This imperative will become increasingly clearer as the coronavirus pandemic spreads into, and through, unprepared nations in Africa, Latin America, and Asia.*

*The United States has two agencies—the Export-Import Bank (EXIM) and the International Development Finance Corporation (IFDC)—capable of lending for such capital goods exports, but both are undercapitalized and, as of this writing, lack the mission assignment.*

*The Fed, loaded to the gills with Treasury securities, could be told to combine with the Treasury to lend to these agencies, to back contracts given to engineering and construction firms, or other agencies, to build healthcare infrastructure in third countries. EXIM and the IFDC could in turn work with other advanced nations’ credit institutions, in a mobilization such as Schiller Institute President Helga Zepp-LaRouche has repeatedly called on those nations to get going now.*

*That will require a new approach from President Trump, and a battle with Wall Street.*

*Thus far, international cooperation has only been manifest in the Airbridge by which medical supplies are being brought into the United States to combat the virus. President Trump has several times stated, at press conferences, that he wants this flow to go out from the United States as soon as possible, to the more than 150 countries that have this virus. Healthcare infrastructure building is the only infrastructure program that can now be called an emergency, and it is immediately required for anti-pandemic action right now.*

## **Trump Proposes \$2 Trillion, Congress Leaders Drop Infrastructure**

April 5 (EIRNS)—Shortly after President Donald Trump proposed a \$2 trillion fiscal borrowing for new economic infrastructure, and rejected a Green New Deal being any part of it, infrastructure legislation has been “back-burnered” by the leaders of both houses of Congress.

On April 3 Speaker Nancy Pelosi on CNBC dropped the \$800 billion “infrastructure” bill she had been pushing for a week or so: “While I’m very much in favor of doing what we need to do to meet the needs of clean water, more broadband and the rest of that, that may have to be for a bill beyond this, I think right now we need a fourth bipartisan bill—and I think the bill could be very much like the bill

we just passed.... So I'd like to go right back and say let's look at that bill let's update it for some other things that we need, and again put money in the pockets of the American people."

The same day, Senate Majority Leader Mitch McConnell told Associated Press: "There will be a next measure, [which] should be more a targeted response to what we got wrong and what we didn't do enough for—and at the top of the list there would have to be the healthcare part of it."

Neither "leader" mentioned the President's proposal—although reporters questioning them did—let alone responded to it in any way, unless Pelosi's "later for infrastructure" could be taken as a response—a negative one.

In fact, as *EIR* has reported repeatedly, such vital infrastructure initiatives as President Trump has just launched have to be discussed first with the leaders of the other major powers which can form a new international credit system for the purpose, modeled on President Franklin Roosevelt's intended post-war Bretton Woods system. And if necessary, "later for Congress."

### ***There is no future in bailouts: Trump puts infrastructure back on the agenda***

By Harley Schlanger

07 April 2020

[https://harley.larouchepac.com/trump\\_puts\\_infrastructure\\_back\\_on\\_the\\_agenda?utm\\_campaign=20200407\\_weekly&utm\\_medium=email&utm\\_source=larouchepac](https://harley.larouchepac.com/trump_puts_infrastructure_back_on_the_agenda?utm_campaign=20200407_weekly&utm_medium=email&utm_source=larouchepac)

*A tweet from President Trump on March 31, calling for a BIG & BOLD infrastructure plan, received far less media attention than his usual twitter posts. Coming just days after Congress passed a \$2.2 trillion Corona Virus "relief" package, and the announcement by the Federal Reserve of a \$4-plus trillion dollar bailout fund, it indicates that the President is aware that these measures are not only inadequate to address the economic needs exposed by the health emergency, but counter-productive, as the Fed's bailout policies are designed to protect speculators and the casino economy. This plan will NOT "stimulate" a recovery of the real economy—as Trump is no doubt aware—nor will it put an end to the reckless policies responsible for the crash of a second out-of-control speculative bubble in the last 12 years.*

*He tweeted that, with interest rates at virtually zero percent, this is the time for "our decades long awaited infrastructure Bill. It should be very BIG & BOLD, \$2 trillion—focused solely on jobs and rebuilding the once great infrastructure of our Country! Phase 4!" His designation of this as Phase 4 is a reference to House Speaker Nancy Pelosi's advocacy of a follow-up to the relief bill, which she referred to as "Phase 4", dedicated to infrastructure investment. However, Pelosi and the Democrats initial intent was to use the present financial crisis to jump-start funding for the "Green New Deal," a delusional idea which Trump derided in his comments describing his intention. Once Trump announced his support for a big infrastructure plan, Pelosi backed away from her proposal, saying there are "other priorities."*

*During his election campaign in 2016, and in the early days of his presidency, Trump called upon the Democrats to join him in addressing the worsening situation with U.S. infrastructure. He referred to numerous reports by construction and engineering associations which found that an expenditure of between \$2 trillion and \$10 trillion would be necessary to repair the existing, decaying platform of infrastructure. For example, the American Society of Civil Engineers gave a near failing grade—a D+—for the overall quality of U.S. infrastructure in its 2018 "report card", calling for at least \$4.5 trillion to be spent by 2025. Trump insisted it is urgent to go beyond repairs, that to "Make America Great Again" would require an enormous effort, to modernize everything to "first-class levels", including building high-speed rail, "beautiful and efficient airports", upgrading roads and ports, and broadband*

connectivity. *He emphasized that this would create hundreds of thousands of good jobs.*

*Unfortunately, his goal ran into the same ideological constraints that created the crisis, i.e., the dominance in both U.S. political parties of neoliberal dogma, backed by funding from lobbyists for Wall Street banks and financial entities. They insist that any expenditure must "pay for itself", and comply with the austerity demands of a "balanced budget." For the Democrats, this means a fraudulent belief in "pay as you go," meaning that revenue must be generated by the new infrastructure to offset the costs. Republicans have a similar approach, with a more forceful demand that no tax revenue be "diverted" to projects, and that new taxes to pay for programs are unacceptable. Both parties agree that some form of "Public-Private Partnerships" must be formed to defray the costs. This is a non-starter, as private investors have been conditioned to seek the highest, quickest returns, and therefore continue to recklessly pour funds into the most risky speculative instruments in now-collapsing casino economy.*

### **THE FRAUD OF THE 2008 BAILOUT**

*When the initial \$700 billion rescue package was introduced in 2008, following the collapse of the mortgage-backed securities bubble, it triggered a major explosion in the U.S. The fund, named TARP—the Troubled Asset Relief Plan—was correctly identified as a bailout of the speculators, who created a bubble in mortgage-backed securities, which was backed by an unsustainable bubble in housing prices. When that bubble popped, and Lehman Brothers was pushed into bankruptcy, it became clear that there were many other institutions in the same situation, and the decision was made to bailout the whole bankrupt financial system. At the same time, nothing was done to protect homeowners, who were trapped in unaffordable mortgages, and more than seven million families lost their homes.*

*The decision to bail out the speculators provoked an angry reaction, among both so-called conservatives, and leftists who marched under the banner of Occupy Wall Street. The mobilization terrified members of Congress, and the initial bailout bill was defeated in the House of Representatives. There was wide-spread support for restoring Glass Steagall banking separation, which was a major feature in economic scientist Lyndon LaRouche's proposed Home Owner and Bank Protection Act. However, after major arm-twisting by President George W. Bush's team, with full support from presidential candidates McCain and Obama, the TARP bill was reintroduced, and passed the second time.*

*No effort made to reverse the criminal process by which the physical economy had been sacrificed, in the name of profit, to a global casino economy. In all, estimates are that the total bailout ran to over \$23 trillion, and new bubbles emerged, backed over the last decade by Quantitative Easing, zero or negative interest rates, etc. These new bubbles are now collapsing.*

*Having learned nothing from the fraud of that bailout, the leading bankers today decided to follow the same script. This time, with only one negative vote, the House passed a \$2.2 trillion relief bill, which provides some funds for public health, and aid for those millions losing their jobs and businesses. However, nearly a quarter of funds in that bill will go to bailouts, along with more than \$4 trillion in funds from the Federal Reserve, which will be handed to the speculators.*

### **INFRASTRUCTURE INVESTMENT AS AMERICAN AS APPLE PIE**

*Adherence to neoliberal dogma has prevented any significant infrastructure investment in the U.S. in decades. It exhibits an unbelievable ignorance of American history, as government expenditure in great infrastructure projects was what built the nation, beginning with Alexander Hamilton's commitment to connect the new nation with roads, bridges, canals and ports, to be funded by a credit system through a National Bank; made the U.S. a continental nation with Lincoln's railroad program; pulled the nation out of the Great Depression, with Franklin Roosevelt's public works programs, and*

*Manhattan nuclear project; and continued with President Eisenhower's national highway program, and the NASA program of John F. Kennedy, which provided a science driver which boosted productivity in all economic activity throughout the 1960s.*

*Trump's attempt to get an infrastructure bill introduced was sabotaged by Paul Ryan, who was the Republican House Speaker for the first two years of his presidency. Ryan, a "deficit hawk", joined with Tea Party Republicans in opposing any funding of infrastructure. When Trump reached out to the Democrats, Congressional leaders Schumer and Pelosi engaged with him, but rejected every specific proposal he made. After Democrats captured the House in the 2018 mid-term election, Pelosi joined with radicals such as Alexandria Ocasio-Cortez in demanding that any expenditures must go toward a "Green New Deal," a proposal which would lead to the further deindustrialization of the country, by drastically lowering the nation's energy-flux density of power production, in furtherance of their anti-science quackery of reducing the "carbon footprint", allegedly to reverse "man-made climate change."*

*This approach of today's Democrats is an explicit rejection of the leadership provided by previous Democratic Presidents, notably Franklin Roosevelt and Kennedy, both of whom emphasized development of new, more energy-intense systems—specifically nuclear energy—as essential for the future.*

### **PROGRAM FOR JOB CREATION**

*Trump's insistence that infrastructure spending is key for creation of new, productive jobs, is more important than ever, given the devastating surge of unemployment due to the Corona Virus lockdown. The week ending March 21 saw 3.3 million Americans file for unemployment, while that figure soared to more than 6.65 million jobs lost in the week which ended March 28—a loss of almost 10 million jobs in two weeks. There are estimates that if the Corona Virus lockdown continues, the rate could reach 30%, higher than at the peak of the Great Depression.*

*Trump asked Wyoming Republican Senator John Barrasso to work with him to pass his proposed Phase 4 plan. According to "The Hill", Trump tasked Barrasso with putting together a \$2 trillion package, with an emphasis on upgrading roads, bridges, ports and tunnels, as a first step. Trump said he is open to discussing this with Pelosi, with whom he has a difficult relationship, but whose support he will need to get a bill passed. Both Republican and Democratic leaders in the Senate, Mitch McConnell and Schumer, expressed reluctance to proceed, for the above-mentioned ideological reasons, and for partisanship on Schumer's part, as his actions demonstrate that he believes the collapse of the economy will help elect a Democrat in the November 2020 election!*

*The likely stalemate ahead makes obvious that it will be up to the American people to mobilize for a change in thinking to insure such an approach is taken, as both parties are controlled at the top by Wall Street speculators. As the Schiller Institute's Helga Zepp LaRouche has stated, there is no way out of the present breakdown crisis without an explicit rejection of neoliberalism. For a "BIG & BOLD" infrastructure plan to become a reality, Americans must rediscover the principles of the American System, in its most recent comprehensive expression, in the Four Economic Laws of Lyndon LaRouche.*

*The assertion of these principles worked in the past to pull the nation out of crises, under President Washington's support for his Treasury Secretary Hamilton, and under Presidents Lincoln, Franklin Roosevelt and John Kennedy. Nothing less will work today, to extricate the U.S., and the world, from the collapse of the present, global, neoliberal system.*

### **'Restart' the Economy Post-Pandemic? Only a New Paradigm Can Succeed**

<https://larouchepac.com/20200409/restart-economy-post-pandemic-only-new-paradigm-can-succeed>



President Trump, joined by Vice President Pence and members of the White House COVID-19 Coronavirus task force, delivers remarks and answers questions from members of the press Tuesday, April 7, 2020. (Official White House Photo by Tia Dufour)

Amidst both the suffering and mobilization from COVID-19, a clear voice is sounding, that a new paradigm is required, and will work, to establish economic activity on the level and principles needed for humanity to succeed both in the immediate health emergency, and in the long term. This is the vantage point of the April 25-26 international Schiller Institute conference, titled, [“Mankind’s Existence Now Depends on the Establishment of a New Paradigm.”](#) which will also be reflected in the topics of the next two weeks’ Saturday LaRouchePAC Town Halls, and related conference call events.

This organizing process itself—even while gathering force—promotes the agenda for what should happen at the earliest moment: a summit of the four Great Powers—Presidents Trump, Xi Jinping and Putin, and Prime Minister Modi, and others as willing, to deliberate and act top-down to create a worldwide health security system against pandemics, rev up economic production, and conduct foreign relations of peace and mutual benefit.

Other voices are raising certain points, in the same direction, either explicitly, or implied. For example, Mexican President Andrés Manuel López Obrador addressed his nation April 5 on fighting COVID-19, denouncing the destruction done by “neo-liberalism for the last 36 years,” and calling for a complete break, as shown by Franklin Delano Roosevelt.

This is not just nice rhetoric. There will be no defeating COVID-19, nor magic “restart” of economic activity on the scale required, without a new paradigm and collaboration. The Wall Street/City of London system, which created the conditions for today’s pandemic and other economic crises, has now collapsed of its own evil nature. Nevertheless, in the U.S. yesterday, where President Donald Trump had a conference call with state leaders, some local officials—either desperate or deluded—are speaking out with the vain notion that each of the 3,000 counties should decide how and when to “go back to work,” and all will be well.

In reality, measures must be taken to deliberately foster agro-industrial production, to create a world health system, and to provide for every aspect of life and work, from food, to housing, to water, power, transportation, education, and healthcare delivery. Most of all, this involves special focus on Africa, parts of the Americas and Asia, deliberately kept down by the now-dead, British Empire monetarist system.

Schiller Institute President Helga [Zepp LaRouche stressed yesterday on her weekly webcast](#), “I can only repeat: That only if you take an approach to really fight this pandemic in the way it has to be fought, is there any hope to contain it, without millions and millions dying. There will be millions of people dying, but there must be absolutely the approach we have been pushing for, for several weeks now, and we will escalate that: To have an immediate world health system, you need to build up a health system in every country which is on the standard it used to be with the Hill-Burton Act in the United States, or as it used to be before Germany and France privatized their health systems, which used to be very excellent health systems before the privatization. And we need to have an international mobilization to accomplish that.

“And that’s what the economy should be oriented to. Any idea to just speed up the economy and go back to the usual, without taking that as a prime focus is just foolishness.”

The goal is the widest participation, beginning now, in the shared task of mobilizing for what nations must do. [That means reaching out to all institutions and constituencies, young and old, from unskilled to experts, from diplomats to farmers, and all souls in between. This is the moment.](#)

## ***Pandemic Requires Emergency Action Against Monetarist ‘Markets’ System Principles to Secure Food Supply Set by LaRouche***

by EIR Staff

[https://larouchepub.com/eiw/public/unlisted/2020/eirv47n15-20200410/nji-lkr-BN6\\_Dxsj8\\_mn-FDR/4715-pandemic\\_requires\\_emergency\\_ac.html?utm\\_source=sendinblue&utm\\_campaign=EIR\\_April\\_10&utm\\_medium=email](https://larouchepub.com/eiw/public/unlisted/2020/eirv47n15-20200410/nji-lkr-BN6_Dxsj8_mn-FDR/4715-pandemic_requires_emergency_ac.html?utm_source=sendinblue&utm_campaign=EIR_April_10&utm_medium=email)

*April 5—Action is urgent to assure the food supply under pandemic conditions—food production, processing, storage and delivery. Millions of lives are at stake because of the pre-existing condition of food scarcity in Africa, parts of South America and other areas of chronic import-dependence. In addition, food shortages can occur anywhere as production and supply lines snap, either from COVID-19 directly, or from the blowout of the financial system, which, except in China, had already undercut farming to the breaking point, even before the virus came on. Farmers in Europe have had tractor protests in the streets since last fall.*

*No motivation is required to convey the benefits of eating, but the March 31 joint appeal for international collaboration on ways to secure food supplies, issued by the World Health Organization (WHO), the UN Food and Agriculture Organization (FAO), and the World Trade Organization (WTO), will remain just that—a plea for food security, unless there are stronger initiatives by key nations. The WHO/FAO/WTO statement expresses worry over food uncertainty, export restrictions, and shortages: “It is at times like this, that more, not less, international cooperation becomes vital.”*

*In brief, emergency measures are required in three areas:*

- 1. Intervene to stop commodity speculation, price-rigging from the monopolized processing sector, trade control by the cartels, and all other aspects of decades of Wall Street/City of London rake-off in the name of “market forces” monetarism. At the same time, support farms and ranches, with price stability measures based on parity pricing, and with moratoria on foreclosure, extension of special production credits, and income support wherever necessary. Implement anti-trust actions, while in the meantime, government intervention can override cases of violation of public interest by cartel processing and trade concentrations. Plentiful credit must be directed into farming and ranching in a timely way, to facilitate cycles of planting/harvesting and livestock production; and for defending against disasters (fires, floods, storms). This requires a Glass-Steagall type re-organization of banking in the U.S. and other countries, as of yesterday.*
- 2. Commission and support farm and ranch production of priority commodities, and expedite shipment of foodstuffs to final destinations. This requires international collaboration to benefit each nation’s profile of domestic production and imports. Nation-to-nation commodity contracts are essential, or use of the FAO or other agency as a coordinating body, but to the same effect of mutual benefit among nations. In addition to raw commodities and foodstuffs, all essentials for agriculture must have the same nation-to-nation contracting, or approval-power over private contracting, including for oil and gas products, fertilizers, agro-chemicals, seeds and livestock genetics, veterinary medicines, and the like.*
- 3. Effect these measures by initiating at the earliest moment a summit of the leaders of the four Great Powers—Presidents Donald Trump, Xi Jinping, Vladimir Putin, Prime Minister Narendra Modi, and leaders of other nations as willing, who together have the moral and political force to confer and initiate decisive action. Consult farm leadership on all continents, beginning now, to inform and assist the food and agriculture agenda, as part of fighting COVID-19, and to meet food emergency and ongoing food needs. This means gearing up for establishing agriculture productivity, necessary infrastructure, and food abundance everywhere on the planet, indefinitely.*

*There are precedents for these initiatives. For example, the World War II Lend Lease program (March 1941-August 1945) involved nations collaborating to set targets of what commodities would be produced in the U.S. (foodstuffs, machinery and other materiel) and delivered to designated nations (UK, USSR, Free France, China and others) under various terms. What must happen today, is collaboration in the same way, but on a world scale, for millions more people.*

*Africa, as a continent, in recent “normal” years, is 40 percent food import-dependent for daily diet. The import-share varies country by country, but overall it is a huge vulnerability. Right now, with the combined effects of COVID-19 spreading, on top of other diseases (measles, Lassa fever, HIV/AIDS, malaria, tuberculosis), plus the eastern Africa locust scourge and southern drought, holocaust conditions are pending, unless there is an international emergency mobilization for food as well as medical aid.*

*Statesman Lyndon LaRouche repeatedly put forth over recent decades, the principles needed to deal with emergencies and for sustained progress. He warned of pandemics and other deadly consequences from lack of economic development, and mobilized to avert suffering and the disaster we are seeing now. China has been singularly outstanding in applying forms of the principles that LaRouche stressed. Had they been heeded universally, the planetary crisis would not now exist. LaRouche focused attention on the necessity of ending the neo-British Empire monetarist system, which is now cracking up chaotically. [[Box: LaRouche: Principles to Solve the Food Crisis](#)]*

*At different times in the course of his warnings, LaRouche addressed agriculture specifically. He met with farmers in many countries, and conferred on the gamut of agriculture, from science to credit questions. For example, in the 1980s—only a decade after the August 1971 floating of currencies—the U.S. farm sector was drastically hit by a run-up and then a plunge of prices, a collapse of induced debt, along with bankruptcy, foreclosure and destruction. In 1979, 3,000 farmers staged a cross-country national tractorcade—driving 2,500 miles from some states, to call for remedy. LaRouche put out the principles to be acted on. They still stand as guidelines for today. Here we report more on the conditions in the three areas of action cited above, with a focus on the United States.*

### ***Stop ‘Markets’ Speculation, Monopolization***

*Farmers have been whipsawed by low prices and price swings for years, but especially so in the last few months. Since January, prices received by U.S. corn growers—already low, dropped by 12 percent; soybean prices dropped 7 percent.*

*Meat and dairy producers are very hard hit. Milk prices to dairymen have fallen drastically, as schools and restaurants have been closing, thus lowering demand. Dairy farmers are dumping milk in Wisconsin. Producer beef prices from Jan. 23 to March 16, dropped 28 percent from \$126 down to \$91.35 per hundred pounds for live cattle—the biggest drop in 40 years. However, this is not simple “supply and demand.” The meat packers—four firms dominate over 85 percent of U.S. beef processing (Cargill, Tysons, National Beef/Marfrig, JBS)—made \$500 to \$700 per head of cattle processed. Iowa Senator Chuck Grassley (R) called for an investigation.*

*Other sectors of farm production are in extreme chaos. For example, thousands of fruit and vegetable growers saw their markets disappear overnight, whenever stay-at-home orders shut restaurants, colleges, school systems, courts, hotels, cruise ships and vacation zones. Some farms are trying to re-tool for supermarkets. Other farm operations cannot function without seasonal labor, most of which had been from migrants, now not there, directly or indirectly because of COVID-19.*

*The March 27 CARES Act has in it more than \$40 billion for aid to farmers through the Agriculture Department’s Commodity Credit Corporation (CCC, founded in the 1930s). Every such stopgap might help, but farmers are being looted by the Wall Street-rigged “markets” structure itself.*