



**On June 19, 2023 Shasta Reservoir was at 97% capacity**

# **California Water and Infrastructure Report**

## **For June 22, 2023**

**(With expanded coverage of all the Western States)**  
**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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## **A Note to Readers**

This week's report begins with the *U.S. Drought Monitor*, and is immediately followed by some excellent graphics demonstrating that the drought in California is gone, for now.

The graphics show the level of the major reservoirs in the state to be full, or nearly so. A separate post compares Lake Oroville in the years 2021 to as it is at present.

Full reservoirs or not, the environmentalist bias that flows from Sacramento bureaucrats never takes a break. New laws are being pushed in the legislature to give the Water Board increased powers to restrict water deliveries to agriculture, despite the more than century long and State Constitutional laws

that protect historic water rights. Two articles highlight the now ongoing battle.

On the Colorado River, the Bureau of Reclamation, continuing its bureaucratic foot dragging, makes more of the same announcement, that “A public process started Thursday to reshape the way [Colorado River](#) water is distributed, with federal officials promising to collect comments about updating and enacting rules in 2027 to continue providing hydropower, drinking water and irrigation to farms, cities and tribes in seven Western U.S. states and Mexico.”

To conclude our “news section' this week we have, “*Just In Time For Fire Season,*” the “*Biden Announces By 2025 All Wildfires Must Be Electric.*”

Our **Feature** this week in an article by my associate Robert Ingraham that gets at the heart of the policies that are required to create, once again in our nation, the economic and financial policies to ensure that not only the necessary infrastructure the nation requires can be built, but it can be done rapidly, as for example, President Franklin D. Roosevelt did beginning in 1933. FDR did kick the money changers out of our temples and built the most magnificent array of water infrastructure that still serves us today.

The article, “*The Promise and the Limitations of the New 'American System Faction,*” discusses two recent books from conservatives that polemicize against the last decades of “free trade and “free markets,” and outline flawed policies that purport to return the United State to the American System established by Alexander Hamilton, and revived by Abraham Lincoln and Franklin Roosevelt.

To quote a few sentences from Robert's article:

*“I will say right off the bat that Hell to Pay: How the Suppression of Wages Is Destroying America is a very useful and valuable book, certainly Lind's best published work to date. It covers a lot of ground, yet it is singular—almost laser-like—in focus. Lind's subject is the suppression of wages in the United States and the catastrophic effect this has had on American families and the culture of the nation.*

*“Lind begins the book with an 1871 quotation from Abraham Lincoln's friend Frederick Douglass. I include a short portion of that quotation here:’*

*“Cheap Labor is a phrase that has no cheering music for the masses. Those who demand it, and seek to acquire it, have but little sympathy with common humanity. It is the cry of the few against the many.’”*

## **U.S. Drought Monitor**

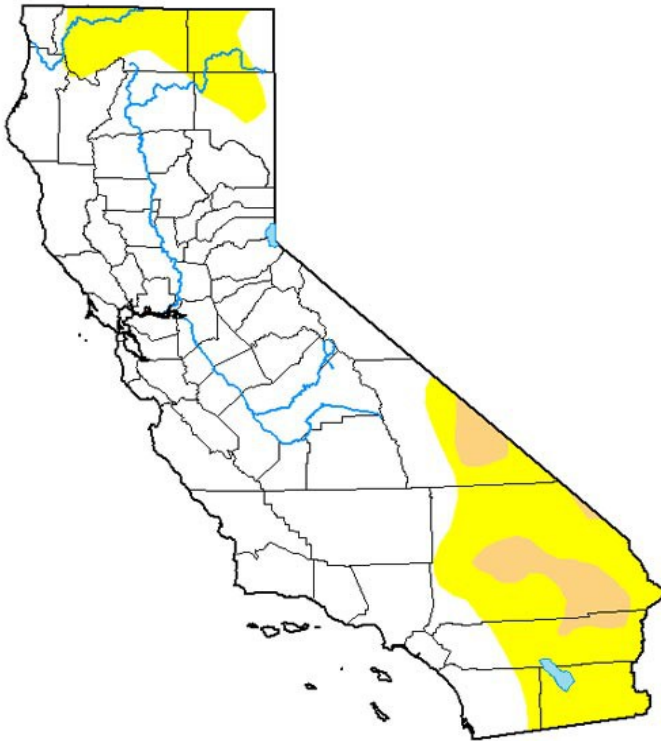
### **California**

**Map released: Thurs. June 22, 2023**

About 5% of the state is now in Moderate Drought; with about 28% being Moderately Dry. We begin the summer with the least drought in the state not seen for years. With the reservoirs mainly full, agriculture, fish and the water supply California provides to its citizens is also the best seen in many years. It is only the contribution that the Colorado River provides to the state that remains in crisis, though the immediate affect will be moderate, at least for this year.

# U.S. Drought Monitor California

**June 20, 2023**  
(Released Thursday, Jun. 22, 2023)  
Valid 8 a.m. EDT



Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
<b>Current</b>	72.32	27.68	4.63	0.00	0.00	0.00
<b>Last Week</b> 06-13-2023	72.32	27.68	4.63	0.00	0.00	0.00
<b>3 Months Ago</b> 03-21-2023	48.51	51.49	35.88	8.49	0.00	0.00
<b>Start of Calendar Year</b> 01-03-2023	0.00	100.00	97.93	71.14	27.10	0.00
<b>Start of Water Year</b> 09-27-2022	0.00	100.00	99.76	94.01	40.91	16.57
<b>One Year Ago</b> 06-21-2022	0.00	100.00	99.79	97.48	59.81	11.59

Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

Author:

Adam Hartman  
NOAA/NWS/NCEP/CPC



[droughtmonitor.unl.edu](https://droughtmonitor.unl.edu)

## Statistics

Week	Date	None	D0-D4	D1-D4	D2-D4	D3-D4	D4	DSCI
Current	<a href="#">2023-06-20</a>	72.32	27.68	4.63	0.00	0.00	0.00	
Last Week to Current	<a href="#">2023-06-13</a>	72.32	27.68	4.63	0.00	0.00	0.00	
3 Months Ago to Current	<a href="#">2023-03-21</a>	48.51	51.49	35.88	8.49	0.00	0.00	
Start of Calendar Year to Current	<a href="#">2022-12-27</a>	0.00	100.00	97.94	80.56	35.50	7.16	
Start of Water Year to Current	<a href="#">2022-09-27</a>	0.00	100.00	99.76	94.01	40.91	16.57	
One Year Ago to Current	<a href="#">2022-06-21</a>	0.00	100.00	99.79	97.48	59.81	11.59	

## The West

Another week of above normal rainfall across many areas of the Intermountain West resulted in widespread, yet targeted improvements to long-term drought conditions, assisted by near and below normal average high temperatures for the week.

The only area that experienced worsening drought conditions was across parts of the northern Cascades in Washington, where year-to-date precipitation deficits have continued to climb (in excess of 12 inch deficits), and this is following a predominantly below average 2022-2023 winter rainy season. Soil moisture, groundwater levels, and stream flows continue to decline.

# The State's Water Supply

The first item below is from the California Department of Water Resources, noting that three of the state's major reservoirs are full or nearly so.

## From the [California Department of Water Resources](#)

[osndoSprte7570f92tch8m9f59t5hi31uflglgu1fch1t216u05f06h2fgm1](#) ·

Last Monday, we got the chance to see some of our beautiful and full reservoirs from the sky. A sight for sore eyes after years of drought, Oroville Reservoir was at an incredible 100% capacity, Shasta Reservoir was at 97% capacity, and Folsom Reservoir was at 94% capacity.



Oroville Dam and Reservoir



Shasta Dam and Reservoir



Folsom Dam and Reservoir

## Lake Oroville, CA, Goes From Empty to Full in 2-Years

SnowBrains | June 22, 2023

<https://snowbrains.com/lake-oroville-ca-goes-from-empty-to-full-in-2-years/>



Lake Oroville. June 2021 (left) v June 2023 (right).

**Images taken two years apart show the transformation of Lake Oroville in California as it rebounds from a severe drought that had brought its water levels to a critical low.** The images capture the stark contrast between July 2021 and June 2023, showcasing its complete restoration to capacity for the first time since 2012.

- **Related: [VIDEO: Drone Footage Shows What's Left of Lake Oroville, CA, Currently at a Record Low](#)**

**Previously, Oroville’s water levels had reached an unprecedented low in late 2021, measuring a mere 628 feet, equivalent to 24 percent of its total capacity.** However, the present situation paints an optimistic picture, with the reservoir now at full capacity, marking an extraordinary 129 percent increase compared to the normal levels observed during this time of the year.

**According to Karla Nemeth, the Director of the California Department of Water Resources, the recent improvement in drought conditions within the state presents a striking divergence from the past three years.** Nemeth expressed these sentiments during an interview with ABC News, highlighting the positive turn of events.

**Lake Oroville, capable of holding up to 3.5 million acre-feet of water, primarily relies on the snowpack from the Sierra Nevada mountains for its replenishment, particularly in April.** This year, the region experienced a surplus of snowpack, surpassing normal levels by as much as 200 percent. The abundant snowfall resulted from nearly a dozen atmospheric rivers that slammed the West Coast during winter.

## **Will the State's Water Rights Laws Be Upended?**

### **AG ALERT: Coalition opposes bills to overhaul water rights rules**

[Ag Alert](#)

[News and Features](#)

June 20, 2023 [0](#) 118

*From Christine Souza, Ag Alert*

<https://mavensnotebook.com/2023/06/20/ag-alert-coalition-opposes-bills-to-overhaul-water-rights-rules/>

As California experiences wild swings in climate from drought to floods, critics of the state’s water rights system seek to overhaul rules that date back to California’s founding in 1850.

Three water rights bills are pending in the California Legislature that would expand the authority of the California State Water Resources Control Board. The bills are opposed by a large coalition that includes dozens of farm groups, water agencies and business groups.

Kristopher Anderson, legislative advocate for the Association of California Water Agencies, said the bills “collectively and individually present a foundational change in the way California’s water rights system is implemented, managed and enforced.”

ACWA, which represents more than 460 public water agencies that deliver 90% of water throughout the state, is joined by the California Farm Bureau and others in opposing the three measures:

- [Assembly Bill 460](#), by Assembly Member Rebecca Bauer-Kahan, D-Orinda, would give the state water board authority to issue interim relief orders to curtail water diversions. The measure also would increase civil fines for violations of the orders.
- [AB 1337](#), by Assembly Member Buffy Wicks, D-Oakland, would give the water board legal authority to override claims of water rights for the purpose of ordering curtailments.
- [Senate Bill 389](#), by State Sen. Ben Allen, D-Santa Monica, would authorize the state board to adopt regulations that enable it to investigate the diversion and use of water from a stream system to determine basis of right.

“The bills would authorize the state water board to impose punitive penalties on even law-abiding water right holders, curtail water rights in any year and strip entities of their water rights,” Anderson said. “This legislation would create a significant amount of uncertainty and lead to unintended consequences, not just for water right holders, but communities and businesses across the state that depend on a reliable water supply.”

## **Letters: Overregulation won't help California manage its water supply. Here's what will**

Chronicle readers

June 16, 2023

<https://www.sfchronicle.com/opinion/letterstotheeditor/article/california-water-drought-farms-18154518.php>

Regarding [“Water is precious in the American West. California barely even tries to manage it”](#) (Open Forum, SFChronicle.com, June 13): While we agree with the opinion piece that water is precious, our agreement ends there.

The authors want your readers to believe California's Water Resources Control Board needs drastic new powers.

What readers should first understand is that no matter who holds the water rights, both the California Constitution and the state water code protect all uses deemed beneficial by the state, require that those uses be balanced and protect against water being wasted. Beneficial uses include water for human use, environmental protection and food production. To that end, the water board has wide-ranging powers to protect all users, including referring matters to the state attorney general.

While any functioning system needs protection against bad actors and general abuse, current proposals for reform are so draconian they would completely overturn the system, leading to chaos and even more confusion.

Proposals in the Legislature would flip our justice system on its head by assuming someone is guilty until proven innocent and give wide-ranging powers to an unelected board, stripping away many of the checks and balances.

We are hopeful reasonable heads will prevail in the Legislature, and we can then discuss sensible changes to the system that will better protect all water users.

Mike Wade, executive director, California Farm Water Coalition, Sacramento

## **A Brief Look at California Agriculture-- The Good, the Bad, and the Ugly**

### **Marin County's Agricultural Production Dipped Further Last Year**

While relief has finally arrived, the four-year drought continued to challenge Marin County farmers and ranchers last year.

[Lucas Combos](#), Patch Staff

Posted Wed, Jun 21, 2023 at 12:04 pm PT

<https://patch.com/california/sanrafael/marin-countys-agricultural-production-dipped-further-last-year>



Despite other challenges last year, officials said livestock values rose and most ranchers were able to maintain their herd sizes. (Marin County)

SAN RAFAEL, CA — While the historic winter has alleviated drought conditions in Marin County, a new report charts the continued impact on agricultural output through last year.

The [report provided Tuesday](#) to the Board of Supervisors found Marin County's agricultural production dipped 3 percent in 2022, adding on to a 5 percent drop the year before as the prolonged drought forced farmers to leave more of their land unsown.

"During the drought, ponds and wells on local ranches ran dry and many farmers and ranchers reported to an expensive step: hauling in water to support their ag operations," officials noted Wednesday. "Fallowing fields and selling off animals were among other drastic measures that ranchers had been forced to consider."

Other challenges last year included lingering pandemic impacts, labor shortages and higher costs for fuel and feed.

## **The Colorado River: Nothing New; Just More of the Same From the Feds**

### **Feds announce start of public process to reshape key rules on Colorado River water use by 2027**

By KEN RITTER June 15, 2023

<https://apnews.com/article/colorado-river-water-management-guidelines-drought-d7f09d3e471239d9cafc4e2dcc53820>

LAS VEGAS (AP) — A public process started Thursday to reshape the way [Colorado River](#) water is distributed, with federal officials promising to collect comments about updating and enacting rules in 2027 to continue providing hydropower, drinking water and irrigation to farms, cities and tribes in



seven Western U.S. states and Mexico.

The [U.S. Interior Department said](#) it will publish in the Federal Register on Friday a call for replacing guidelines that expire in 2026, including pacts enacted in 2007 for states to share cutbacks in water drawn from a river [diminished by drought and climate change](#), as well as operating plans for the key Lake Powell and Lake Mead reservoirs. An agreement between the United States and Mexico on use of Colorado River water also is set to expire at that time.

The department's U.S. Bureau of Reclamation promised a "robust and transparent public process" beginning with online virtual public meetings [July 17](#), [July 18](#) and [July 24](#). It set an Aug. 15 deadline for receipt of public comments on "specific operational guidelines, strategies and any other issues that should be considered."

The result is expected to guide federal management of the dams that control the flow of the river throughout the [Colorado River Basin](#), from the Rocky Mountains to the Gulf of California.

The announcement is separate from a [breakthrough interim agreement](#) announced last month by water administrators from Arizona, Nevada and California to cut their combined use of [the dwindling Colorado River](#) in exchange for [funding from the U.S. government](#), and to avoid letting the federal government decide and impose cuts.

## Just In Time For Fire Season

### Biden Announces By 2025 All Wildfires Must Be Electric

[U.S.](#) · Jun 15, 2023 · [BabylonBee.com](#)

<https://babylonbee.com/news/biden-announces-by-2025-all-wildfires-must-be-electric?fbclid=IwAR2LnuJaABU7564l373IabF5W1EHkF3pJTSUpzSoOUQzk8y2nDnx9gFclDU>

WASHINGTON, D.C. — Speaking from the White House, President Biden announced his administration's bold plan to require all wildfires be electric by 2025.

"My administration is committed to fighting pancakes, I mean climate change, and today we announce our boldest initiative yet!" mumbled the President to a group of dolls gathered in his closet he mistook for reporters gathered on the White House lawn. "By 2025, all wildfires will be powered exclusively by clean, electric energy. Gotta do it, folks! Not a joke! I wonder what that redhead smells like!"

The Biden team unveiled details of the plan, including new statutes mandating all wildfires obtain permits for electric usage before being allowed to burn down acres of forest land.

"Electric wildfires are the future of climate technology," declared Mark Patterson, a representative from the Bureau of Land Management. "I'm thrilled to see our president take a powerful position against destructive, gas-powered wildfires. Electric wildfires could burn millions of acres of trees with far less efficiency for only 10 times the price!"

The Biden administration told reporters they've spoken with wildfires across the country and have nearly reached an agreement with the fires, which includes provisions to convert current wood-burning fires into electric-only in just three years. The President hailed the move as another major step forward in his administration's ongoing commitment to spend as many federal dollars on completely normal, practical, common-sense climate initiatives as possible.

Critics say the plan could use up precious cobalt meant for iPhones and Teslas.

## Feature

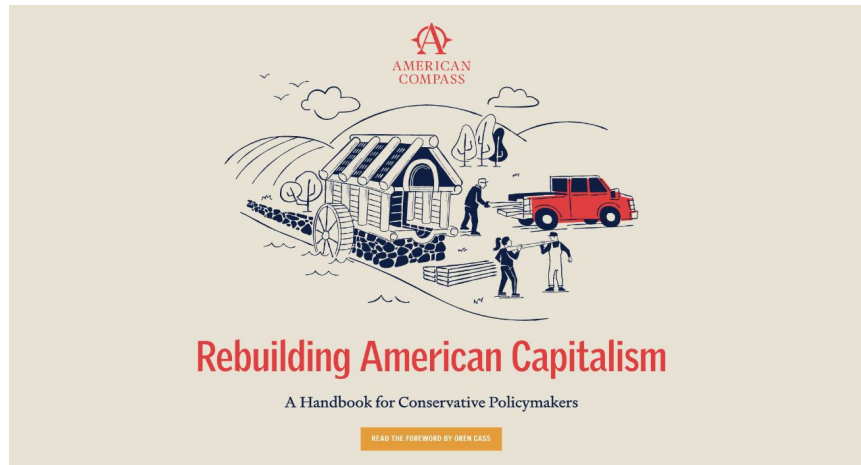
### The Promise and the Limitations of the New “American System” Faction



By [Robert Ingraham](#)

June 18, 2023

[https://www.larouhepac.com/the\\_promise\\_and\\_the\\_limitations\\_of\\_the\\_new\\_american\\_system\\_faction](https://www.larouhepac.com/the_promise_and_the_limitations_of_the_new_american_system_faction)



<https://americancompass.org/rebuilding-american-capitalism/>

### **Reviews:**

*Hell to Pay: How the Suppression of Wages Is Destroying America*  
by Michael Lind, published by Penguin Random House, 2023

*Rebuilding American Capitalism: A Handbook for Conservative Policymakers*  
by Oren Cass, with contributions from several authors, published by American Compass on June 14, 2023

As the debate over economic policy—spurred by Donald Trump’s [Agenda 47 postings](#)—escalates, two new offerings have appeared. The first is Michael Lind’s new book, *Hell to Pay: How the Suppression of Wages Is Destroying America*, and the second is the 102 page *Rebuilding American Capitalism: A Handbook for Conservative Policymakers*, published on the website of American Compass. This latter will also be the subject of a forum “Rebuilding American Capitalism,” to be held at the Russell Senate Office Building in Washington, DC on June 21, 2023.

The publication of these two works comes at a moment when the battle over national economic policy is escalating dramatically. In Washington, DC, the Heritage Foundation has created something called the “2025 Presidential Transition Project,” and on April 21<sup>st</sup> that Project published a 900 page *Mandate for Leadership: The Conservative Promise*. The Heritage Foundation has long been a bastion of neo-liberal financial, trade and economic policy. On June 6<sup>th</sup> it was announced that David Dewhirst, senior advisor to Florida Gov. Ron DeSantis, has joined Heritage’s 2025 Project, and it is clear that Heritage is attempting to seize control of economic policy debate within the Republican Party.

On the other hand, Michael Lind and Oren Cass are representative of a grouping of economists and

policymakers who make up what might be called a “21<sup>st</sup> century American System” economic faction. What is common to all of them is the view that the last 30 years of unbridled “free market” and “free trade” economics—the very policies championed by Heritage—has led to the near obliteration of American economic power. Despite differences in political backgrounds, all of these individuals have united in their denunciations of “neo-liberal” economics. This includes universal condemnation of the libertarian views of Ludwig Von Mises and Friedrich Hayek, as well as strident denunciations of the Democratic Party’s abandonment of the policies of Franklin Roosevelt, as the Democrats embrace globalization, financial deregulation and Woke cultural issues.

Lind and Cass have explicitly called for a return to the 19<sup>th</sup> century “American System” of economics, and they have been forthright in proclaiming as their champions Alexander Hamilton, Henry Clay, and Abraham Lincoln. Unfortunately, their emphasis has tended toward the recipes of Clay, without a deeper appreciation of the ideas that motivated Hamilton and Lincoln. This leads them to serious mistakes, which will be discussed at the end of this review. Nevertheless, much of what is being promoted is clearly going in the right direction.

### **Michael Lind’s Defense of Working Americans**

I will say right off the bat that *Hell to Pay: How the Suppression of Wages Is Destroying America* is a very useful and valuable book, certainly Lind’s best published work to date. It covers a lot of ground, yet it is singular—almost laser-like—in focus. Lind’s subject is the suppression of wages in the United States and the catastrophic effect this has had on American families and the culture of the nation.

Lind begins the book with an 1871 quotation from Abraham Lincoln’s friend Frederick Douglass. I include a short portion of that quotation here:

“Cheap Labor is a phrase that has no cheering music for the masses. Those who demand it, and seek to acquire it, have but little sympathy with common humanity. It is the cry of the few against the many.”

What Lind proceeds to do, in devastating fashion, is to demonstrate that the increasing impoverishment of the American people has had nothing to do with “supply and demand,” nor have wage levels been a product of the productivity or skills of different portions of the workforce. Rather, wages have been ruthlessly driven down for the majority of the population as a matter of policy. As Lind puts it, “The strategy of American business, encouraged by neoliberal Democrats and libertarian conservative Republicans alike since the 1970s, has been to lower labor costs in the United States.”

Throughout 320 pages, Lind examines this subject from many different angles, including de-unionization, offshoring of industry, mass low-wage immigration, the emergence of the “working poor” dependent on government welfare, and the explosive growth of gig workers with lower wages and no benefits.

Lind meticulously documents the decades-long policy of “smashing unions in the private sector, which now have fewer members—a little more than 6 percent of the private sector workforce—than they did under Herbert Hoover,” and he devotes an entire chapter to “How Organized Labor in the Private Sector Was Destroyed.” To his credit, he also draws out the human and cultural devastation that has resulted from the low wage policy, including the decline in fertility rates and what he calls “a plague of loneliness and lack of friendship, bitter conflicts over racial and gender identity, and a politics of culture wars and moral panics.”

It is impossible to delve deeply into the richness of the individual chapters, but one section which was most interesting to this reviewer was Chapter 6, “The Anti-Worker Welfare State,” wherein Lind discusses how we have gone from the New Deal’s “living-wage/low-welfare system” to the neoliberal “low-wage/high-welfare system,” where wages today are so low that millions of families are forced to

rely on government assistance just to be able to put food on the table. Lind shows that 70 percent of those who receive government assistance work full-time. Their wages simply don't pay enough to live on.

Lind explores this subject further in Chapter 12, "Keep Your Government Hands Off My Medicare—Social Insurance and the Work Ethic." Here, Lind investigates the "living-wage/social-insurance economy," and he delineates the difference between "public assistance" and "social insurance." Lind explores this subject in depth, including a very interesting history of what he calls the "Bismarckian Model" of Social Insurance.

The clearest statement of Lind's intention is given in Chapter 10 - "Trade, Immigration, and the Next American System." Lind says:

"Between the Civil War and the New Deal, Lincoln's Republican Party, the Hamiltonian heir to the prewar Whigs, presided over the government-sponsored industrialization of the United States, achieving most of the goals of the American System—national banking laws (rather than a single national bank, although the Federal Reserve came to serve as one in some ways), internal improvements (railroads paid for in many cases by federal land grants to railroad companies), and high protective tariffs that sheltered American infant industries from British and European import competition.

"Rather than breaking with the Hamiltonian developmental statism of the Lincoln Republicans, the Roosevelt Democrats of the mid-twentieth-century New Deal era built upon it. Under FDR and his successors, including the Republicans Eisenhower and Nixon, who ratified much of the New Deal, the federal government promoted and diffused the technologies of the second Industrial Revolution, based on the internal combustion engine and electricity, by means of programs including federal subsidies for highway construction and rural electrification.

"The United States should return to the tradition that the economist Robert D. Atkinson and I have described as 'national developmentalism'. What is needed is a new American System, in the tradition of Hamilton, Clay, Lincoln, FDR, and Eisenhower, and suited to the challenges and opportunities of the information age."

Lest one gets the impression that Lind's book is simply an argument in the realm of economic theory, in the concluding chapters he puts forward numerous specific proposals. These are far too numerous to describe here, but many of them clearly have merit.

### **American Compass' Handbook**

Mr. Lind's book restricts itself to a single subject, but Oren Cass's *Rebuilding American Capitalism: A Handbook for Conservative Policymakers* is far more comprehensive. Cass's *Handbook* is composed of a long list of specific policy proposals, each accompanied by its own argument. Like Lind, however, Cass is insistent that what is required today is a return to the American System of Economics. In the section "The Meaning of Liberty," he states:

"The economic platform of the new Republican Party [under Abraham Lincoln] pushed these principles to the national stage. The Morrill Land Grant College Act used public lands to build public universities with the express intent of encouraging agricultural research to improve farm productivity. The Pacific Railroads Act subsidized the construction of the first transcontinental railroad, and further acts subsidized the construction of America's mighty rail network. The protective tariff allowed American manufacturing to grow rapidly, bringing power to the nation and wealth to its citizens.

"Viewed against this backdrop, the 'new' economics is actually the traditional American understanding

renewed for our age: what Henry Clay dubbed "the American System," updated to address the challenges of a globalized and financialized economy in which American families are struggling to form and support themselves. . . .

Cass, a conservative, is particularly blunt in his condemnation of the Bush administration economic policies, and he attacks, by name, the Heritage Foundation's libertarian notion of "Economic Freedom." He goes on to say that the Republican Party must abandon "the traditional Republican playbook of cutting taxes and shrinking government," and in the section titled "Building a Coalition That Builds," he insists that the future of the Republican Party is as a working-class party. At one point, Cass declares, "Families do not exist to support capitalism; capitalism exists to support families."

Over the course of the *Handbook*, Cass and other contributing authors discuss a multitude of subjects, including Globalization, eliminating the Trade Deficit, ending access to Cheap Labor, breaking from the control of the World Trade Organization, rescinding China's "permanent normal trade relations" (PNTR) status, and phasing out the temporary work visa programs (H-1B, H-2A and H-2B).

One of the most important sections of the *Handbook* is "Part III - Industry." In this section Cass and others propose a policy of rapid and large-scale industrial innovation, with a particular focus on R & D. To accomplish this Cass calls for the creation of a "National Development Bank," saying:

"The United States should establish a national development bank to finance long-term, capital-intensive projects vital to national economic and security priorities. Its capabilities should include direct debt issuance, credit and completion guarantees, equity lending, syndication authority, and technical assistance. Its policy mandate should focus on attracting private capital to reshore domestic manufacturing, strengthen the defense industrial base, modernize the commercial maritime industry, and secure critical infrastructure. An American development bank with \$100 billion in callable capital may be able to mobilize \$1.5 trillion in private funds within a few years."

Cass also proposes direct government funding for key areas of scientific and technological promise, a policy very reminiscent of Alexander Hamilton's proposal of "Bounties" for young inventors.

Surprisingly, there is no mention of how an aggressive manned space program leading to the near-term exploration and settlement of the Moon and Mars will impact such a technologically progressive agenda. This is mystifying, given that it was the manned space program that was the primary science and technology driver for the entire U.S. economy from the late 1950s through the 20 years which followed.

In several areas Cass and his associates touch upon key axiomatic issues of trade, monetary policy, and finance. It is here that serious problems arise. For example, in a section called "Capital Flows Are the Core Concern," Cass states that today's system of global financialization, characterized by enormous trade and financial imbalances, has its origin with the ending of the Bretton Woods System in 1971, and he goes on to posit that the United States "will need to revisit robust capital controls akin to those that defined the Bretton Woods era." This falls far short of the urgent need to replace the entire system of "floating exchange rates" with a New Bretton Woods Agreement.

Similarly, in "Part 4 - Financialization," Cass declares that we must begin to distinguish financial speculation from productive investment. He puts forward a series of proposals, including a "financial transaction tax" on secondary-market sales of stocks, bonds, and derivatives, the banning of share [stock] buybacks, eliminating the tax deductibility of interest, and other measures. What he fails to do is to call for shutting down this entire system of speculation. Hedge funds, derivatives trading, financial options, and other forms of financial gambling don't need to be regulated or taxed; they should be outlawed.

## Going Halfway is not Enough

Many of the proposals put forward by Lind and Cass have merit. But there is a big problem. We are not dealing today simply with corrupt politicians, greedy investors, corporations which have lost all sense of their true purpose, or bone-headed economic theories. We are dealing with a financial oligarchy that has seized control over our nation's destiny. The destruction that has been imposed on America has been deliberate. To win this fight, you must understand where the real evil resides.

The primary enemy of the United States is the imperial *Anglo-Dutch financial system*. It is this oligarchical system that Lincoln and Hamilton battled against. Usury and financial speculation are the mathematical axioms of that system, and human beings are simply expendable. Since the destruction of the Bretton Woods monetary agreements in 1971, economic sovereignty has been surrendered by nations throughout the world, as the private Central Banks now exert near dictatorial control over all monetary and financial policy. This global financial system of looting and speculation is now hopelessly bankrupt. There are trillions upon trillions of dollars of debt. No viable long term economic recovery is possible without putting this system through bankruptcy, writing off most of the speculative debt, and creating something new.

Abraham Lincoln insisted that ALL human progress flows from "Discoveries and Inventions," i.e., from the creative output of the individual human mind. In his *Report on Manufactures*, Alexander Hamilton proposed the creation of an absolutely sovereign credit system, for the purpose of fostering human creativity. Real economics lies in creativity, not accounting. Today, a new economic system must flow from Hamilton's and Lincoln's *intention*.

Lyndon LaRouche has defined, in detail, the method by which we can begin to restore National Economic Sovereignty to the United States and establish sovereign economic relations with other nations. This begins with the abolition of the Federal Reserve and the establishment of a National Bank. The non-negotiable issue is one of Sovereignty, wherein the Republic recognizes no financial power (be it the alleged "free market" or a system of private Central Banking) as superior to the economic sovereignty of the nation.

Ultimately, what Cass and Lind present is too limited, too timid. They simply refuse to "go there"—to take on the systemic evil that has deliberately destroyed America and most of the rest of the world. What is required, minimally, if we are to win this fight, is the courage demonstrated by Donald J. Trump. One must be willing to risk all to win a war.