# **California Drought (and Flood) Update**



## For September 14, 2017 by Patrick Ruckert

Published weekly since July, 2014

http://www.californiadroughtupdate.org

https://www.facebook.com/CaliforniaDroughtUpdate

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Once again in the case of Texas, and the tremendous economic and human destruction of Hurricane Harvey, we find that truly comprehensive infrastructure projects to prevent such destruction were planned in the 1960s. This was JFK's era of Apollo and the great western "TVA" called the North American Water and Power Alliance. These potentials were stopped, stripped of funds and commitment, by the eruption of British geopolitics in American policy — the Vietnam War. What are now called — under Britain's Blair and Bush and Obama — "regime-change" wars, have ever since been the enemy of taking care of the general welfare in America. For the lack of new and bold infrastructure platforms which would have cost tens of billions, we have seen whole cities devastated by floods and hundreds of billions lost to the American economy.

Stop "Russiagate" — Let Trump, Xi, and Putin Build!

## A Note To Readers

A link to the full article from which the quote above is taken can be found here: <u>https://larouchepac.com/20170911/stop-russiagate-let-trump-xi-and-putin-build</u>

Before I go further, perhaps a word on why these reports over recent weeks have gotten "so political." While I continue to focus the bulk of each week's report on developments around California's water management system, its climate and its water infrastructure, it is impossible to be serious about that without recognizing that this state's future cannot be separated from that of the nation. And as the following paragraphs demonstrate, we finally have a President, who with all his flaws and quirks, does want to rip the guts out of the system that has shrunk Americans from doing great things in this world.

And now, with Florida smashed by Hurricane Irma, President Trump is demonstrating a quality of

leadership missing in our nation for decades.

"On the 16th anniversary of the 9/11 attack on the United States, the US has been struck with devastation from two different hurricanes, with a third on the way. Unlike the response to 9/11 from Geoge Bush's, who immediately set up police-state institutions within the US and began the process of "permanent warfare" — mostly against nations which had absolutely nothing to do with 9/11 — Trump is responding to the current disasters with true leadership. On Sunday, after receiving a comprehensive briefing on the devastation across Florida from Hurricane Irma, Trump directed all federal agencies to give full backing to FEMA, and to "continue supporting state and local efforts to save lives, promote shelter efforts, and expedite requested assistance to affected areas." The various military branches are mobilized to provide rescue and emergency food, water, and other necessities to the millions of displaced persons. He personally called the governors of the states in Irma's path to assure them of full support from the federal government.

"Of course, a few billion dollars will not even begin to repair the damage of the recent hurricanes, let alone begin the process of restoring the nation's crumbling infrastructure, to prevent the next round of natural disasters from again catching the nation unprepared to defend itself. To achieve that requires the launching of Hamiltonian national credit mechanisms, to generate the several trillions of dollars required to make the United States a productive nation again, as outlined in LaRouche's Four Laws. Trump is also leaning towards ending the so-called "debt limit" policy — which would be a step towards making possible a capital budget for building infrastructure through national credit, which by its nature generates its own repayment by lifting the productive platform of the nation as a whole.

"Trump's mobilization is creating the conditions for this far larger undertaking to be realized. The American population is disgusted with the Bush and Obama governments pumping trillions of dollars into bailing out the gambling debts of the Wall Street and City of London institutions, while waging perpetual warfare abroad and imposing austerity at home."

https://larouchepac.com/20170912/trump-shows-leadership-mobilizes-americans-recovery-and-infrastructure

Right now, there are 10,000 Department of Defense (DoD) personnel involved in relief efforts in Puerto Rico and the Virgin Islands on the ground and from five naval vessels off shore and a cargo vessel loading up with supplies for St. Thomas. There are 20,700 DoD personnel operating in the southeast US, including Florida. Some of them are operating from six more naval vessels operating off the Florida coast. U.S. Army Corps of Engineers power teams, debris removal teams, temporary roofing teams and port survey personnel are in place in Florida and Georgia. USACE and USCG are working to reopen ports - focusing on Port Everglades and Tampa.

Of the 20,700 DoD personnel, 17,600 of them are from the Army and the Corps of Engineers. They have 38 aircraft, more than 740 trucks, and more than 80 generators already committed to relief efforts. The Army has more than 100 aircraft, almost 600 generators, 150 boats, and more than 3,200 trucks on standby to support response efforts if called upon, according to a separate Army release. The Corps has 3 Divisions and 6 Districts activated to support federal response operations. Another 4,500 National Guard members, including 2,500 from Wisconsin, were reported to be in transit to Florida.

FEMA had announced Mon. that federal agencies had sent 22,000 employees to Florida and other states to help with cleanup in aftermath of the storm.

Don't tell me the U.S. government can't do anything right.

### **This Week's Report**

The U.S. Drought Monitor and the Reservoir Graph have returned, though they show nothing new from the last time they were here.

Then we have some articles on the climate to come, weather and drought. I include in this section a link to some spectacular photos of this week's lightning storm in northern California.

The Oroville Dam update follows.

CalFix, or the tunnels under the Delta project continues to be a focus for the state, though if you asked most residents about it I am sure they know next to nothing. Several articles are excerpted this week that actually do provide some background and report on where it may or may not go.

That section if followed by two articles that allow the agricultural sector to state their views on how California water is managed, or not managed.

Under the title, "The West Is Burning Up" you will find this week's wildfire report.

The feature this week begins with the call by Republicans to spend hundreds of billions on building infrastructure, and they have apparently dropped the unworkable idea of the so-called "Public-Private Partnerships." That is followed by other items along the same lines.

## **U.S. Drought Monitor and Reservoir Graph**



Valid 8 a.m. EDT						
	Drought Conditions (Percent Area)					
	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	77.88	22.12	8.24	0.04	0.00	0.00
Last Week 09-05-2017	77.88	22.12	8.24	0.04	0.00	0.00
3 Month s Ago 06-13-2017	76.47	23.53	8.24	1.06	0.00	0.00
Start of Calendar Year 01-03-2017	18.07	81.93	67.61	54.02	38.17	18.31
Start of Water Year 09-27-2016	0.00	100.00	83.59	62.27	42.80	21.04
One Year Ago 09-13-2016	0.00	100.00	83.59	62.27	42.80	21.04

September 12, 2017 (Released Thursday, Sep. 14, 2017)

Intensity:

D3 Extreme Drought D0 Abnormally Dry D1 Moderate Drought D4 Exceptional Drought

D2 Severe Drought

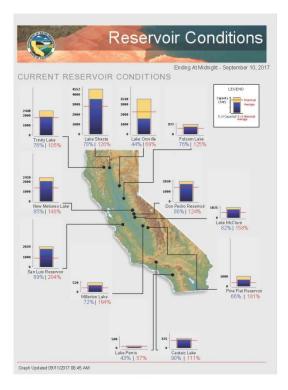
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

Author: Richard Tinker

CPC/NOAA/NWS/NCEP



http://droughtmonitor.unl.edu/



## Lightning, the Climate to Come, Weather and Drought

The lightning storm in northern California a couple of days ago is recorded by some astounding photos which you can see in the first link below.

New studies forecast the increasing role of Atmospheric Rivers in California's future and further refine our understanding of how "The world's oceans and its atmosphere are tightly connected. Because of that link, and global forces like wind and ocean currents that shuttle energy through the atmosphere, far-flung ocean conditions can influence weather."

And while California drought conditions barely register at present, Washington State has got it bad.

Bay Area sees 1,200 lightning strikes in rare September thunderstorms

By Alix Martichoux, SFGATE

http://www.sfgate.com/local/article/Bay-Area-thunder-lightning-rain-storm-weather-SF-12189916.php#photo-14093628



#### California's Climate Future Suggests More Volatility, Key Role for Atmospheric Rivers

September 12, 2017

https://scienceblog.com/496292/californias-climate-future-suggests-volatility-key-role-atmosphericrivers/

Two recently published studies investigating past and future precipitation in California demonstrate that the state is experiencing an increasingly volatile precipitation regime, as rain-heavy winter storms known as "atmospheric rivers" become increasingly intense, and dry periods between storms grow longer. This makes for more variability in water resources from year to year, with both droughts and floods becoming more likely as seen recently when historic drought was followed by a record wet year.

The research team behind the two studies includes Alexander Gershunov, a research meteorologist at Scripps Institution of Oceanography at the University of California San Diego. He said that the combined results of these two papers provide "more nuanced" information about the changing climate of California than scientists had before. And it's not all bad news.

"We expect to have a gradual change in the way precipitation is delivered that makes management of water resources and related issues more challenging," Gershunov said, "But at least we are probably not running out of water in the long term. That's the water delivery perspective. Increasing temperature, however, is a complicating factor that is converting snow to rain and increasing evaporation, while also increasing demand for water."

#### How oceans impact Western reservoirs and rivers

Emily Benson News Sept. 8, 2017

http://www.hcn.org/articles/to-forecast-drought-scientists-look-to-ocean-temperatures

In a region that relies heavily on snowmelt to supply homes and irrigate fields, Western water managers need to know how much precipitation they can expect in the coming years. While scientists understand the broad strokes of how wet and dry periods are driven by energy traveling through the atmosphere, new research is refining that understanding — something that may ultimately help officials trying to fill the reservoirs and rivers of the West.

The world's oceans and its atmosphere are tightly connected. Because of that link, and global forces like wind and ocean currents that shuttle energy through the atmosphere, far-flung ocean conditions can influence weather. Warm water and thunderstorms in the tropical Pacific, for example, can cause a surge in winter storm activity from Alaska to California. When the ocean heats up in the tropical Pacific, storms build above the water. "Imagine these huge thunderstorm clouds as they rise up — it's almost like they're punching the atmosphere," says Erich Osterberg, a climatologist at Dartmouth College. The force of those punches creates waves in the atmosphere.

Those pressure waves undulate out toward the poles, creating areas of high pressure where they peak, and areas of low pressure — associated with precipitation — where they dip. A wintertime trough of low pressure in the Gulf of Alaska, called the Aleutian Low, often forms. When that low-pressure system is more intense, the severity of the winter storm season from Alaska to California goes up, too.

#### Majority of Washington falls into drought

Capital Press

Published on September 8, 2017 10:17AM

http://www.capitalpress.com/Washington/20170908/majority-of-washington-falls-into-drought

Washington's hottest August on record worsened precipitation deficits. California and Oregon also sweltered through record-hot Augusts, but they were wet compared to Washington.

Washington's average temperature for the month was 5.2 degrees above normal, while Oregon's was 5.9 degrees. California's average temperature was 4.1 degrees above normal, tying August temperatures from 1967 and 2012. Idaho saw its 11th hottest August on record.

Some 19 percent of Idaho and 8 percent of California were in drought, little changed from the week before.

In Oregon, drought conditions were noted for the first time this summer. The northwest corner, making up 13 percent of the state, was in moderate drought.

Among all Western states, change was most dramatic in Washington. Moderate drought covered 55 percent of the state, up from 2 percent the week before. Drought touched all or portions of 34 of Washington's 39 counties, leaving a swath of "abnormally dry" conditions over Central Washington and southeast Washington.

## **Oroville Dam Update**

We begin with three videos of construction progress.

Then two reports. The first reports on "the difficulty California officials had keeping track of the evolving dangers as a spillway collapsed at America's tallest dam."

The second report is an article of the independent investigating team's latest update, which begins with, "There was no shortage of red flags at Oroville Dam. It was a matter of knowing where to look."

These reports are excerpted here and reading the entire articles from the links is encouraged.

### Videos

#### **Oroville Spillway Flyover September 8, 2017**

https://www.youtube.com/watch? v=tC8hV4\_Pl3E&index=3&list=PLeod6x87Tu6eVFnSyEtQeOVbxvSWywPlx

<u>California DWR</u> Published on Sep 10, 2017

#### **Oroville Spillway Flyover September 11, 2017**

https://www.youtube.com/watch? v=sjNtur7aePo&list=PLeod6x87Tu6eVFnSyEtQeOVbxvSWywPlx&index=2

<u>California DWR</u> Published on Sep 12, 2017

### **Oroville Spillway Update September 12, 2017**

https://www.youtube.com/watch? v=k5gYfX2p6m8&list=PLeod6x87Tu6eVFnSyEtQeOVbxvSWywPlx&index=1

<u>California DWR</u> Published on Sep 14, 2017

Kiewit crews begin preparing RCC walls for shotcrete in the lower chute, and continue filling the middle chute with RCC. In the upper chute, a variety of work continues including placement of leveling concrete, rebar mat installation, drainage work, and rock prep in the remaining exposed areas.

#### 'Can't Confirm. Dark': Officials Couldn't See Danger at Dam

Documents reveal for the first time the difficulty California officials had keeping track of the evolving dangers as a spillway collapsed at America's tallest dam.

Sept. 7, 2017, at 7:31 p.m.

By MICHAEL R. BLOOD and ELLEN KNICKMEYER, Associated Press

<u>https://www.usnews.com/news/best-states/california/articles/2017-09-07/ap-exclusive-is-risk-gone-confusion-as-dam-crisis-grew</u>

For years, federal regulators urged state officials in charge of the Oroville Dam to consider installing cameras, lights and more sensors and monitors to help alert managers to potential structural problems and, in a crisis, ensure there would be time to evacuate towns downstream. But on Feb. 12, as murky floodwaters washed away the second of two failing spillways, nightfall left officials struggling to figure out what was happening.

"Can't confirm. Dark," wrote a state water agency engineer, who was serving as note-taker during an emergency meeting of top officials in the first hours after an evacuation order.

"Don't have eyes. Until we see it, assume it is a threat," said another unidentified official at the meeting, according to the 35 pages of handwritten and typed notes obtained by The Associated Press in response to a public records request. It was one of a series of calls and meetings that at various times included Gov. Jerry Brown, his Cabinet secretary and others struggling to assess the risk from the badly eroding emergency spillway.

The documents reveal for the first time the difficulty Oroville's managers had gauging the evolving dangers for 188,000 people who were ordered to evacuate below the huge dam: State water officials used drones and scrambled to borrow cameras and helicopter rides from other agencies to inspect their own dam and its spillways.

#### All there in the files' – Oroville Dam investigators say inspectors missed clues

By Dale Kasler and Ryan Sabalow

dkasler@sacbee.com

September 05, 2017 11:30 AM

http://www.sacbee.com/news/state/california/water-and-drought/article171336797.html

There was no shortage of red flags at Oroville Dam. It was a matter of knowing where to look.

A team of independent experts charged Tuesday that the state and federal officials who inspected Oroville Dam relied too heavily on visual inspections, ignoring blueprints, construction records and other documented clues that could have warned them about the dam's troubled flood-control spillway long before it fractured in February. The fracture led to near-catastrophe and the evacuation of thousands of residents.

The team of forensic investigators, commissioned by the state Department of Water Resources to study the cause of the February crisis, said similar problems could be lurking at other dams in California and around the country because of an over-reliance on visual inspections.

In a report released Tuesday, the team said the spillway failure at Oroville was likely caused by longstanding problems with cracks in the concrete and a faulty drainage system underneath the concrete chute that was too thin in places. Visual inspections alone, conducted annually by DWR and once every five years by the federal government, wouldn't allow regulators to pull all the clues together and point to the likelihood of failure.

"Physical inspections, while necessary, are not sufficient to identify risks and manage safety," the team said in a seven-page report to DWR. "At Oroville Dam, more frequent physical inspections would not likely have uncovered the issues which led to the spillway incident."

John France, the leader of the forensic panel, told reporters Tuesday that hints of Oroville Dam's problems were embedded in records dating to the late 1960s. These include reports of cracks in the concrete right after the dam opened in 1969, documents showing uneven thickness in the concrete slabs and signs that the drains were handling more water than they should have. All were clues that could have foretold the spillway's failure, France said.

## The "CalFix" or Maybe NotFix

It is never a good idea to put all your eggs in one basket, but that is what Governor Brown has done with his tunnels under the Delta project. Just to remind everyone, this project is estimated to cost \$17 billion and will take at least a decade to build, if it ever gets regulatory go ahead and all the water users finally agree to pay for it.

Finally, CalFix will not increase the total amount of water available to the people and farms of the state by one drop.

Here are excerpted several new articles addressing some of these fundamental questions. And one that calls out some financial shenanigans.

# A nearly \$17-billion water project is being planned for California. What will it cost the Southland?

*By Bettina Boxal* <u>http://www.latimes.com/local/lanow/la-me-tunnels-cost-20170814-story.html</u>

After years of planning for one of the biggest California water projects in decades, a key question remains unanswered: Who exactly will pay for it?

Decision time is approaching for the agencies that will have to pick up the nearly \$17-billion tab for building two massive water tunnels under the Sacramento-San Joaquin Delta, the heart of the state's

water works.

Whether the board of the Metropolitan Water District of Southern California commits to paying roughly a quarter of the bill could make or break the project.

As outlined by the MWD staff, the largely urban customers of the State Water Project would pay 55% of its cost, or \$9.2 billion. The largely agricultural customers of the federal Central Valley Project would pay for 45%, or \$7.5 billion.

Obegi and others said that breakdown was unrealistic for a couple of reasons.

First, growers can't afford to pay that much. And irrigation districts with senior water rights and 20wildlife refuges — which both receive water from the delta — would not have to share the tunnel costs.

The State Water Project could wind up paying for 65% to 75% of the tunnels, driving up MWD's cost, according to critics.

### Major Unknowns Remain Just Ahead of Key Votes on Massive Water Project

#### *By <u>Ry Rivard</u>*

September 7, 2017

http://www.voiceofsandiego.org/topics/science-environment/major-unknowns-remain-just-ahead-ofkey-votes-on-massive-water-project/

*Just weeks before key votes on a multibillion-dollar state water project, two major questions remain: How much water will the project actually deliver? How much will that water actually cost?* 

If those sound like the only two things you'd really want to be sure about before investing billions of dollars in a new water project – well, they are.

The project, known as WaterFix, is designed to ensure that water keeps coming south through the Sacramento-San Joaquin Bay Delta, a series of waterways and wetlands fed by snow melting in the Sierra Nevada mountain range. An existing series of canals through the Delta harm fish and are also susceptible to catastrophic damage from an earthquake or rising sea levels.

#### The Cost Question

"Any mega construction project, there is potential for things to go haywire," said Jeffrey Kightlinger, Metropolitan's general manager. But he said the agency has done what it can to vet the costs. The agency has three different cost estimates, for instance.

*The highest is* \$16.7 *billion – a figure that already includes* \$3.7 *billion in cost overruns.* 

Another big variable is who puts in money to pay for those costs.

The tunnels would deliver water to a number of different water agencies up and down the state, not just *Metropolitan*.

About 55 percent of the water would go largely to cities in Southern California and farmers in the Central Valley who use an existing series of canals, known as the State Water Project, which was built by the state. About 30 percent of Southern California's water comes from this state project, including about a fifth of San Diego's water.

#### The Supply Question

If the tunnels end up delivering a whole lot of water, there is little question that water will come in handy. The other outstanding question, though, is how much water they will end up carrying. In the past, the point of new water projects <u>was to get more water</u> – the tunnels, though, are mainly just designed to make sure there isn't a lot less.

Right now, about 4.7 million acre feet of water move through the Delta in an average year. Without the tunnels and because of regulations, that number is projected to decline to 3.5 million acre feet. That fall is based largely on the assumption that new state or federal environmental regulations will require more and more water to be sent to the Pacific Ocean to preserve the natural flow of rivers and protect fish.

With the tunnels, though, the amount of water moving through the Delta is projected to remain flat or rise to 5.3 million acre feet.

# Taxpayer money was wrongly used to plan California water tunnel project, federal audit says

http://www.latimes.com/local/california/la-me-water-tunnel-funds-20170908-story.html

#### ettina BoxallContact Reporter

A federal agency left U.S. taxpayers on the hook for \$50 million in water project costs that should have been paid by Central Valley irrigation districts, according to an inspector general's report released Friday.

The audit found that the U.S. Bureau of Reclamation improperly subsidized the districts' share of planning costs for a controversial proposal to build two massive water tunnels under the Sacramento-San Joaquin Delta.

The reclamation bureau "obtained this \$50 million over a 7-year span by using a complex, obscure process that was not disclosed in the annual congressional budget justifications," stated the report by the inspector general of the U.S. Interior Department.

"In the process," the audit found, the reclamation bureau "also decided that the \$50 million in appropriated funds was used for a non-reimbursable purpose, meaning the cost was absorbed by the federal government rather than being repaid by [Central Valley Project] water contractors."

## Some Views From Agriculture on the Water Supply

Both reports below are thorough and thoughtful. Excerpts only provided here.

# *Current Water Policies Impacting the Central Valley Create Uncertain Future for Central Valley Ag Communities, New Report Details*

From Westlands Water District:

A new <u>Report</u> entitled "The Implications of Agricultural Water for the Central Valley" by Professor Michael Shires warns of impending economic decline in the Central Valley if water supplies continue to decline for farmers in the region. "This report connects the critical role of agriculture in the region," said Johnny Amaral, Deputy General Manager, External Affairs. "It provides elected officials with a picture of the future, where water is available, and agriculture supports the Central Valley and provides food for California and the nation. It also analyzes a potential future where continued reductions in water supplies diminish agriculture as the Central Valley region struggles to find replacement jobs and businesses."

Professor Shires' analysis found that the Central Valley can thrive with an adequate water supply that historically supported irrigated agriculture and food processing industries. And, when water deliveries met the contracted levels, the Report showed that overall output increased by 17 percent and employment opportunities increased by nearly 20 percent.

Conversely, Professor Shires' analysis warns that continued cutbacks to water supply would devastate the local economy, forcing jobs and economic activity associated with agriculture to fall by at least 80 percent. The reduction in agricultural production would double the unemployment rate and leave the region in a condition similar to Detroit, following the relocation of automobile manufacturing.

The Report also reveals that no viable alternative to agriculture has been identified by those who advocate for the permanent retirement of vast amounts of farmland, thereby reducing demand for water supply.

To read the entire report, visit: <u>http://wwd.ca.gov/wp-content/uploads/2017/08/implications-of-agricultural-water.pdf</u>.

Additional materials, visit: <u>http://wwd.ca.gov/news-and-reports/economic-impact/</u>

#### Challenges facing irrigated agriculture in the western U.S.

August 23, 2017

https://mavensnotebook.com/2017/08/23/challenges-facing-irrigated-agriculture-in-the-western-u-s/

Dan Keppen is Executive Director of the <u>Farm Family Alliance</u>, a non-profit association that acts as an advocate for family farmers, ranchers, irrigation districts, and allied industries in the 17 western states. He has 28 years of experience in water resources engineering and policy matters. At the July meeting of Metropolitan's Agriculture and Industry Relations Committee, he gave this presentation on the challenges facing western irrigated agriculture.

The <u>Farm Family Alliance</u> represents irrigators in 17 western states; their mission is about protecting and enhancing water supplies for farmers and ranchers.

He then presented a chart showing the future food gap, noting that it's something he frequently goes to bed thinking about. "It's scary," he said. "It basically shows what we need to do meet the future food demand on this planet by the year 2050. Basically we need to increase our productivity by 1.75% every year for the next 30 years. If we don't, we're going to have this gap, which equates to famine. And that's probably the most important thing that our planet faces. We have to be finding ways to keep farmers in business and keep agricultural land in production, not taking it out of production."

"So we're constantly out there trying to advocate for that," he continued. "We'd like to see the Bureau

of Reclamation assume in their modeling that populations aren't going to remain constant when in fact acreage might increase for ag, and what do you have to do to make that happen. Nobody seems to talk about that because ag is seen as the default reservoir to meet the demands of other sectors, and it's not just urban growth, I would say the environmental demands are even more pressing."

## The West Is Burning Up

There is much of interest in the articles linked below, but there is no space in this week's report for any details. Go to the links my friends. Though below, a map of the fires gives a good picture.

#### Wildfires Rage in the West Burning Nearly 1.5 Million Acres

By Wyatt Bechtel September 05, 2017 | 10:41 pm EDT

http://www.cattlenetwork.com/news/industry/major-wildfires-rage-west-burning-nearly-15-millionacres

For those active fires reported on since Aug. 28 it amounts to 1,464,548 acres actively burnt or burning.

#### As Hurricanes Slam The South, Shocking Images Show The Western US Is Literally On Fire

by <u>Tyler Durden</u> Sep 6, 2017 <u>Authored by Carey Wedler via TheAntiMedia.org</u>, <u>http://www.zerohedge.com/ne</u>

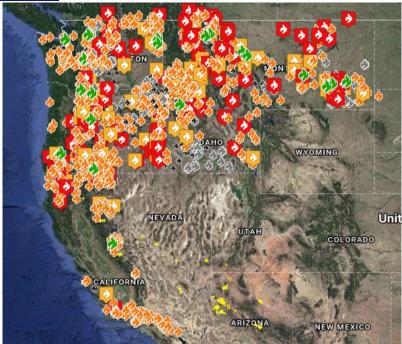


image credit: fireweatheravalanche.org

Six burning questions about Central California's 2017 fire season

By Tim Sheehan September 10, 2017 6:00 AM <u>http://www.fresnobee.com/news/local/article172173737.html</u>

### Feature: Damn it, it is time to rebuild the nation

The first item below has a couple paragraphs in my introduction above, but I urge all to read the entire article.

#### Trump Shows Leadership, Mobilizes Americans For Recovery and Infrastructure

https://larouchepac.com/20170912/trump-shows-leadership-mobilizes-americans-recovery-andinfrastructure

#### September 12, 2017

Trump's mobilization is creating the conditions for this far larger undertaking to be realized. The American population is disgusted with the Bush and Obama governments pumping trillions of dollars into bailing out the gambling debts of the Wall Street and City of London institutions, while waging perpetual warfare abroad and imposing austerity at home.

#### Texas Goes for Federal Credit for Projects Due 'Decades Ago'

Sept. 12 (EIRNS)—Leading Texas elected officials are starting to look for Federal credit for major flood-control infrastructure projects which "should have been built 'decades and decades ago,'" in the words of Lt. Gov. Daniel Patrick. An interview with Patrick by the Texas Tribune was part of its Sept. 11 article, "Texas GOP Leaders Pushing for High-Dollar, Long-Delayed Flood Infrastructure." There is for Federal credit for this infrastructure, and a leader in it is Patrick, known as the leading "Tea Party" Republican in Texas.

"We need more levees," Patrick told the paper. "We need more reservoirs. We need a coastal barrier. ... These are expensive items and we're working with [Senators] Cornyn and Cruz and our Congressional delegation ... to get this right. We've now had three major floods in three years nothing at this level, but major floods."

Here is the link to the Texas Tribune article:

*Texas GOP leaders pushing for high-dollar, long-delayed flood infrastructure projects* 

https://www.texastribune.org/2017/09/11/texas-gop-leaders-pursuing-high-dollar-flood-infrastructure-projects/

# New Jersey Businessman Proposes Idea To Form an Infrastructure Bank Out of the Fed

Sept. 12 (EIRNS)—Fox Business News today published a novel proposal from the CEO of a New Jersey-based financial company: Form a large national infrastructure bank from the Federal Reserve, by ordering it to place part of its assets into such a bank to issue masses of credit for new infrastructure. WBI Investments head Don Schreiber said that the United States needs to invest "not \$1 trillion, but \$20 trillion over 20 years to build new infrastructure," he told EIR today, and confirming that today's economy is "way underperforming."

In his Fox Business column today, Schreiber favorably describes China's method of financing its growth, and writes "Creating an infrastructure bank from excess funds in the Fed's balance sheet would allow critical infrastructure needs to be addressed quickly and could provide a significant boost to our faltering economy."

#### Behind President Trump's Comment About Abe Lincoln and Railroads

Sept. 10 (EIRNS) -- In his keynote to {EIR}'s conference in New York Sept. 9, Will Wertz noted the significance of President Donald Trump's discussion of President Abraham Lincoln and the American System of economics: "Our first Republican President, Abraham Lincoln, ran his first campaign for public office in 1832 when he was only 23 years old. He began by imagining the benefits a railroad could bring to his part of Illinois, without ever having seen a steam-powered train. He had no idea, and yet he knew what it could be."

Lincoln's 1832 campaign is described in a 2005 book, {Lincoln and the Economics of the American Dream}, by Hungarian-American historian Gabor Boritt. Lincoln imagined not just one but three railroads across Illinois: north-south, east-west, and a third east-west line in the North of the state nicknamed the Northern Cross. This, at a time when Illinois had no "built" way of traveling of any kind -- nor road, nor rail, nor canal. His plan, which also incorporated building a canal joining Lake Michigan to the Mississippi River, became known as "The System" of the Illinois Whigs. By 1836, work on "The System" began, after formation of a State Bank to fund it.

This was just at the time Andrew Jackson finished destroying the Second Bank of the United States, triggering national depression and with it, the failure of the Illinois Bank and bankruptcy of "The System." Only the very important Michigan and Illinois Canal was completed, and much later, the Northern Cross. Nicholas Biddle's Second Bank had precisely made it possible for state infrastructure banks to generate credit successfully. Without it, they could not do so.

Whereas the Whigs, demoralized in the late 1830s, begrudgingly tolerated the Jacksonian lie that the Second Bank had {caused} the depression, Lincoln alone did the opposite. He published a pamphletlike paper for the 1840 Presidential campaign, which proved that Jackson's {destruction} of the Second Bank had triggered the economic collapse, and that recovery could occur only with the creation of a third Bank of the United States. Lincoln delivered this stump speech throughout the "West" and became the sole, semi-national Whig spokesman for this idea.

The Whigs' "Tippicanoe and Tyler, too" campaign had no content at all, and even Henry Clay was relatively silenced. But when Congress returned in 1841, it passed legislation to create the "Fiscal Bank of the United States" -- a third Hamiltonian national bank -- which Tyler vetoed.

Years later, as President Trump noted, "Lincoln signed the law that built the first Transcontinental Railroad, uniting our country from ocean to ocean."