

California Water and Infrastructure Report

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



For November 9, 2017

by Patrick Ruckert

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<http://www.californiadroughtupdate.org>

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Domestically, we need to undertake a massive rebuilding of our infrastructure. Too many bridges have become dangerous, our roads are decaying and full of potholes, while traffic jams are costing millions in lost income for drivers who have jobs in congested cities. Public transit is overcrowded and unreliable and our airports must be rebuilt. You go to countries like China and many others and you look at their train systems and their public transport. It's so much better. We're like a third-world country. (page xiii)

Donald J. Trump

“Great Again: How to Fix Our Crippled America”

2015

A Note To Readers

President Trump's identification of the sorry state of U.S. infrastructure in his 2015 campaign book, his policy of bringing industry back to the U.S., and his often repeated call for an end to the Bush and Obama regime change wars, is why he was elected President. That is why Democrats in the industrial states voted for him.

On this day, the anniversary of his election victory one year ago, the President appears to be making good on some of his pledges, as he and President Xi of China oversee \$250 billion in new trade and purchase agreements. The agreements between the two presidents is only the visible element of the close friendship and respect they have for one another. That is clearly seen in this short video:

<https://www.youtube.com/watch?v=G1kR9dUXBHI>

Beginning tomorrow, President Trump will be meeting with President Putin of Russia, and President Xi will be there too, at the APEC heads of state conference in Vietnam. A perfect moment to solve the North Korea problem.

“If China can do it, so can the U.S.,” should be the message President Trump brings home from his trip to Asia. Of course I am referring to the fact that China has the most advanced and extensive infrastructure in the world, and is spreading it to more than 50 other nations. Hopefully, the President will make that slogan a reality now.

In This Week's Report

That this state requires billions each year just to repair its existing and deteriorating, yet also inadequate, water infrastructure, has been covered in these reports for months. So, what you will find below just pours it on more heavily. But, of course, it is a national question, and included in this week's report are items that highlight that.

Below we begin with the Oroville Dam repair update.

Then this article, “California’s water problem? Demand keeps rising and supply stays the same,” is included here because it does accurately state the problem, but then falls into the fundamental error of assuming that we humans really cannot change anything so must adapt to “limited resources.” It always amazes me how authors like this one, by ruling out nuclear-powered desalination and really great infrastructure building projects like the North American Water and Power Alliance, want you to accept the idea that we are doomed to only the conservation of limited resources.

That leads to articles on the proposed Temperance Flat Dam and the Delta Tunnels.

Since 30 percent of Southern California's water supply comes from the Colorado River, a new report on the Colorado River has experienced a 7-percent decline in water flow over the last 30 years, underlines the necessity of a serious, not project by project, approach to water infrastructure is required.

The Orange Country, or Huntington Beach desalination plant has cleared a couple more regulatory hurdles recently. That in itself does not solve the general problem, but does indicate the direction we must go.

I put all the reports on the potential of China joining in on building and financing U.S. infrastructure, calls for trillions of dollars by U.S. institutions, and the elements of the growing emergency funding for repairing the hurricane and California fires required in the report I name “Feature.”

Oroville Dam Update

Videos

Oroville Update 9 Nov.2017 | See Spillway Repair progress| Lake Oroville | New Drone Video | 11/9/17

[Our Oroville Dam](#)

Published on Nov 9, 2017

https://www.youtube.com/watch?v=YYSX_Bc7Xvk

Oroville Dam live 11/9/17 | Look New Spillway Repair Video | Oroville Dam update | New video 11/9/17

[Our Oroville Dam](#)

Published on Nov 9, 2017

<https://www.youtube.com/watch?v=E9tQc4yHJf8>

Reports

Oroville Dam work enters second phase

[Tim Harden](#)

Capital Press

Published on November 3, 2017 3:28PM

<http://www.capitalpress.com/Water/20171103/orovile-dam-work-enters-second-phase>

OROVILLE, Calif. — With the first phase of the Oroville Dam reconstruction completed by their self-imposed Nov. 1 deadline, California officials are turning their attention to the massive amount of work that remains.

Construction crews will focus on dry finishing concrete, sealing concrete slab joints, completing drain lines behind the walls and general cleanup, said Niki Woodard, a Department of Water Resources spokeswoman.

Meanwhile, crews are about halfway done with an underground cut-off wall downhill from the emergency spillway that is scheduled to be built by the end of January, officials said.

The wall “will prevent uphill erosion if the emergency spillway is ever used again,” Woodard said in an email. She added that crews are also starting to prepare to build a roller-compacted concrete splashpad and buttress to ensure the structural integrity of the emergency spillway.

That project will begin next year, as will work to demolish, remove and rebuild the upper-most portion of the main spillway and bring the middle portion of the spillway to its final design with structural concrete, Woodard said.

Oroville Dam: DWR plans to have all Hyatt Powerplant turbines fixed in 2018

By [Risa Johnson](#), Chico Enterprise-Record

11/02/17

<http://www.chicoer.com/general-news/20171102/oroville-dam-dwr-plans-to-have-all-hyatt-powerplant-turbines-fixed-in-2018>

Oroville >> For the first time in years, the state Department of Water Resources anticipates having all Hyatt Powerplant turbines operational in 2018.

Additionally, reconstruction of the Ronald B. Robie Thermalito Powerplant is underway and the department expects to have one unit operational mid-year.

That powerplant at the outfall of the Thermalito Forebay has not been functional since [a fire broke out there on Thanksgiving Day](#) in 2012.

One of the six underground units at the Hyatt Powerplant [has been out of commission since 2015](#). Two

penstocks, pipes that convey water from the lake to the turbines, are scheduled for maintenance between now and next spring.



Photo from November 2016 shows the Edward Hyatt Powerplant at the base of Oroville Dam. The underground hydroelectric, pumping-generating facility is expected to have all six turbines functioning in 2018 for the first time since 2015. Emily Bertolino — Mercury-Register

What DWR considers penstock No. 1 will be out until December. Meanwhile, turbines two and three will undergo routine maintenance and turbine one will be taken out of the facility for major refurbishments, said Erin Mellon, the department's assistant director of public affairs.

That is the unit which has been out of commission for years, now scheduled to come back online in 2018. n

DWR plans to repair its second penstock and other three turbines in the spring. Mellon said routine maintenance consists of inspections, minor repairs, testing and calibration.

The target for this winter is 10,000 cubic-feet per second releases from the Hyatt Powerplant, she said. [Its full capacity when all six turbines are functional is 17,000 cfs.](#)

Only By Tackling the Frontiers of Science and Technology Can “Limited Resources” Cease To Be a Problem

Here is the last paragraph of what I have excerpted from the article: “The only way our water travails will be “fixed” is to lower our collective demand for water to match the natural supply of water. Yes, we can move water around the state, slow its flow down, park it for use later, store it underground, but all of these “fixes” are just rearranging deck chairs on the Titanic.”

If there is such a thing as “limited resources,” then merely conserving them is an obvious dead-end. You will only be stretching out the time some before that resource(s) is actually exhausted. That the author claims that water is a limited resource is beyond scientific incompetence for the obvious reason that water never gets used up, it just moves to a different moment of the global water cycle.

California's water problem? Demand keeps rising and supply stays the same

By David Cehrs

Special to The Bee

November 01, 2017 2:00 PM

<http://www.sacbee.com/opinion/california-forum/article182131061.html>

What struck me, most of all, was the disconnect between politics, political reality and science. One politician stated that California's water supply has increased 1 percent since 1950, yet the population has tripled. He then mentioned how California needs more water; his fellow politicians reiterated this comment and expanded upon it referencing the need for more water for growth.

As a water scientist I know that water is a finite resource, renewable annually but variable through time and space. More critically, we as a society have pushed our use of water to the limit.

On all non-flood years, California uses all available surface water, and to meet excess water demand, we mine groundwater. This unsustainability is [not a new phenomenon](#): In the San Joaquin Valley we have been [unsustainably overdrafting groundwater](#) since 1947. The valley is not alone. San Francisco has been unsustainable since Hetch Hetchy was accessed; Los Angeles has been unsustainable since the Owens Valley aqueduct.

California's water problem, at the most basic level, is one of water demand exceeding water supply. Nature supplies us with the water and nature has not increased our supply while population and water demand have multiplied immensely.

The only way our water travails will be "fixed" is to lower our collective demand for water to match the natural supply of water. Yes, we can move water around the state, slow its flow down, park it for use later, store it underground, but all of these "fixes" are just rearranging deck chairs on the Titanic.

One Project at a Time Will Never Solve Our Problem

Yes, build Temperance Flat Dam and the other proposed dams and reservoirs, but it will not be done without a national commitment beginning with the U.S. government.

City of Fresno making a half a million dollar gamble on Temperance Flat Dam

Project

By [Gene Haagenson](#)

November 02, 2017

<http://abc30.com/business/city-of-fresno-making-a-half-a-million-dollar-gamble-on-temperance-flat-dam-project-/2598012/>

FRESNO, Calif. (KFSN) --

The proposed Temperance Flat Dam would be built in the middle of Millerton Lake, and could potentially hold a million acre-feet of water. Valley irrigation districts and the city of Fresno see it as an important key to storing water and surviving future droughts.

"It's the ability to store water in a year like this, the water went down the river out to the ocean and we had nowhere to put it, so this would allow us to carry over water for those dry years," said Thomas Esqueda.

Fresno Public Utilities director Thomas Esqueda asked the City Council to approve spending half a million dollars to the city can show the state and federal government how it would use the water.

The state is expected to provide one billion dollars from the state water bond approved by voters, for the estimated three billion dollar project. The city and irrigators are part of a joint powers authority supporting the dam. Manual Cunha, of the Nisei Farmers league, is active in the authority. He is optimistic about the project, even though it is not certain the state money will come through.

No, the Delta Tunnels Will Not Just Go Away

One tunnel or two, or none? The debate shall rage on into the unknown future, or at least that is how some are looking at it now. This article summarizes the, to quote Anthony Quinn in Zorba the Greek, "the whole catastrophe."

If Jerry Brown can't sell California on two Delta tunnels, would just one fly?

By Dale Kasler

November 06, 2017 3:58 AM

<http://www.sacbee.com/news/state/california/water-and-drought/delta/article182655221.html>

It sounds like a nice, elegant compromise for a California water project swamped in uncertainty: If there isn't enough money to build two Delta tunnels, why not build just one?

Drastically downsizing Gov. Jerry Brown's tunnels wouldn't merely save money. It would also reduce the project's footprint and make it more palatable to some of its critics. A coalition of environmental groups has endorsed a lone-tunnel approach.

Nothing is ever simple in California water, however, and scaling back the \$17.1 billion twin tunnels plan is no exception. Reducing the size and scope of California WaterFix, as the project is officially known, would create complications of its own – and might not win over most of the opposition.

Yes, the Colorado River Provides a Significant Contribution to the State's Water Supply

Colorado River Levels Declining Significantly Because of Climate Change, USGS Study Finds

By Sean Breslin

November 2, 2017

<https://weather.com/en-CA/canada/science/news/2017-11-03-colorado-river-water-levels-decline>

At a Glance

- *The Colorado River has experienced a 7-percent decline in water flow over the last 30 years, according to a new USGS study.*
- *It's believed that warmer temperatures are the main reason for this decline.*
- *One-third of Southern California's drinking water comes from the Colorado each year.*

One of the West's key water sources has been in serious decline in recent decades, according to a new study from the U.S. Geological Survey.

The findings, [released online earlier this week](#), revealed a 7-percent decline in the Colorado River's flow over the last 30 years. The main reason for the increased evaporation is simple: climate change is causing temperatures to rise, and the warmer weather is sucking more water into the atmosphere, the study added.

The news is especially concerning for Southern California, where one-third of the drinking water used annually comes from the Colorado River. If you add up all the water lost to the river's decreased flow, that equals about 24 percent of the amount of water pulled annually from the Colorado in California.

Update on Huntington Beach Desalination Plant

Read the excerpted articles for the full story.

Will O.C. drink ocean water? Decisions on desalination project could answer that

By [Lauren Williams](#)
Orange County Register
October 18, 2017

<http://www.ocregister.com/2017/10/18/will-o-c-drink-ocean-water-decisions-on-desalination-project-could-answer-that/>

Poseidon is the first proposed large desalination plant to be considered in California since the state wrote its 2015 California Ocean Plan which, among other things, set parameters on what desalination should look like. What the three regulatory agencies decide on the Poseidon project could establish guidelines on technology and environmental rules connected to desalination. They might even settle the more fundamental question of whether large plants can move forward in California.

Orange County must diversify its water supply

By [The Editorial Board](#)
Orange County Register
October 18, 2017 at 6:50 pm

<http://www.ocregister.com/2017/10/18/orange-county-must-diversify-its-water-supply/>

The Huntington Beach desalination plant, 15 years in the making, is set for yet another vote today as

the State Lands Commission takes up the issue, “the first of three major regulatory hurdles the proposed plant must clear before construction can begin,” according to the Register.

“The severity of the state’s recent drought, the extended dry period on the Colorado River, and the projected long-term impacts of climate change underscore the need for the continued diversification of Southern California’s water resource portfolio,” Jeffrey Kightlinger, MWD general manager, wrote. “New projects such as the Huntington Beach Seawater Desalination Project help increase local supplies and reduce Southern California’s reliance on imported water supplies to meet expected future demands.”

“The Huntington Beach Desalination Project is the single largest source of new, local drinking water supply available to the region,” writes Michael R. Markus, general manager for OCWD.

The fact of the matter is that the Huntington Beach plant means 50 million gallons of local water a day.



Resources Inc. needs final approval from the State Lands Commission and the Coastal Commission before starting construction on its \$350 million facility at Pacific Coast Highway and Newland Street in Huntington Beach. (File rendering courtesy of Poseidon Resources Inc.)

Poseidon desalination plant clears hurdle, sparks outcry

By [Lauren Williams](#)
Orange County Register
October 19, 2017

<http://www.ocregister.com/2017/10/19/fight-over-poseidon-desalination-plant-could-get-personal-today/>

The three-member commission voted late Thursday to approve the project as long as the operators agree to eliminate or reduce carbon emissions.

That vote paves the way for two more key regulatory hearings. In the spring, the Santa Ana Regional Water Quality Control Board is expected to look at the project. And at some point after that the California Coastal Commission will say yes or no. If approved, construction of Poseidon would take about three years.

Why San Diego's desalination project should be replicated

By Barbara Boxer

Boxer served California in the U.S. Senate from 1993-2017.

San Diego Union-Tribune

October 12, 2017

<http://www.sandiegouniontribune.com/opinion/commentary/sd-utbg-desalination-water-poseidon-20171012-story.html>

In December 2015, during California's most recent drought, Poseidon Water opened a seawater desalination facility in [Carlsbad](#) which has since produced over 22 billion gallons of high-quality, drought-proof drinking water for San Diego County.

As a United States senator, much of my work included finding innovative solutions to address climate change which would reduce Californian's pain in the face of predicted droughts. As such, I supported the Carlsbad project and it pleases me that such a huge majority of Californians support seawater desalination as well.

California has a great opportunity to replicate the success in Carlsbad through the state's second large-scale seawater desalination project planned for Orange County's Huntington Beach. State regulators will decide the fate of the Huntington Beach project in the coming months and much is at stake.

Feature:

A mix this week. Have fun.

The LaRouche PAC economic class series:

Class No. 6: LaRouche's Physical Economic Metrics, Part II: How to Define Value

<https://larouchepac.com/20171108/class-no-6-larouche-s-physical-economic-metrics-part-ii-how-define-value>

Welcome to the sixth class in our 2017 Economic Class series, investigating Lyndon LaRouche's method of economic forecasting. Today's class will be streamed live at 7:30 pm EST. Questions are encouraged and [can be submitted live on YouTube](#). Register for the syllabus, homework and access to teachers [here](#).

This week: To scientifically define what is, and isn't, valuable economic activity we must start from the economy as a whole. Does something contribute to increasing the Potential Relative Population Density or not? To measure this we must define all metrics from the top down, from the economy as a whole.

And here are the links to the first five classes:

Class No. 1: LaRouche's Science of Economics is the Basis for US Joining the New Paradigm

<https://larouchepac.com/20171004/class-no1-larouches-science-economics-basis-us-joining-new->

paradigm

Class No. 2: https://action.larouhepac.com/2017-econ-class-series-second?utm_campaign=2017_econ_3&utm_medium=email&utm_source=larouhepac

Class No. 3: *Physical Chemistry: Stages of Development* <https://larouhepac.com/20171018/class-no3-physical-chemistry-stages-development>

Class No.4: *Qualitative Change: What Number Cannot Measure*

<https://larouhepac.com/20171025/class-no4-qualitative-change-what-number-cannot-measure>

Class No. 5 *Bernhard Riemann and the Shape of Economic Space*

https://action.larouhepac.com/2017-econ-class-series-fifth?utm_campaign=2017_econ_9&utm_medium=email&utm_source=larouhepac

One should never ride the wild horse of a financial speculative bubble. You will be thrown.

Wages Fall Again Despite Jobs and GDP Hype; Projects Needed

Nov. 5 (EIRNS) -- *The U.S. Labor Department's October employment report surprisingly showed Americans' average hourly and weekly wages falling slightly, and again having risen just over 2% in the past year. The subsequent report on "real wages" will show them flat or even lower than one year ago, even by the suppressed Consumer Price Index inflation measure. This confounds the statement made by President Donald Trump in promoting the GOP "tax reform" plan on Thursday. The President noted that for large numbers of Americans, their real wages had not risen for 20 years or more, but assured that "wages -- finally -- wages are starting to really rise."*

The opposite is occurring, and since personal consumption expenditures, led by shelter, healthcare and education costs, are continuing to rise, Americans' personal debt has risen by about 14% per capita in the past three years. It's not mortgage debt this time, but it is again becoming an unpayable bubble only smaller than the trillions in unpayable corporate debt.

Leaving aside its crazily adjusted "monthly headline numbers," the jobs report does not show a very productive picture. It follows the Commerce Department reporting a 3% GDP growth rate for the third quarter, and also for the second quarter, a marked pickup in "growth" also promoted heavily by the President on Thursday. But the sources are stock market rises above all; secondarily increases in business inventories and increases in business capital investment; and increases in payments for healthcare can't be forgotten, since healthcare expenditures are one-sixth of GDP.

Employment growth has slipped for the past two months to a 1.9 million/year rate, whereas two years ago this reached a growth rate of about 2.7 million/year. The official unemployment rate keeps going down because this 1.9 million jobs/year is much higher than the growth of the labor force, which continues to be depressionary. In October taken alone, the Household Survey showed a huge dropout of 970,000 Americans from the labor force, making a total of 95.3 million out of the workforce; and a very large drop of -0.4% in labor force participation. Participation, now at 62.7%, is 2.1% lower than the collapsed level of the crash year 2009! It is 4.2% below the level of 2007.

Despite more new jobs than new labor force entrants, the problem continues to be the 85-90% of new job creation which is in unproductive fields and/or effectively temporary, pays relatively low wages, and contributes nothing to real economic productivity. Creating a lot of high-paying productive employment will occur, if at all, through investment in new infrastructure projects. Public construction (a marker for infrastructure investment) has grown by just 1.9% in the past year, and is still below 2008 level.

The Costs Rise Weekly; It Can Only Be Funded by a Hamiltonian National Credit Institution

Now it is hundreds of billions just to repair the damage and maybe build some of what should have been built decades ago.

Last week I reported on the request by the Governor of Texas to the federal government for \$61 billion just for some repair and building of flood protection infrastructure just for the city of Houston. That does not include an estimated \$200 billion in damage to homes and businesses in the city.

This past week the Trump administration pledged that it would cover 90% of the repair costs for Puerto Rico. That would probably be some where over \$100 billion.

Governor Brown has asked for \$7.4 billion for the fire damage.

California Asks for \$7.4 Billion to Help Wildfire Recovery

November 3, 2017

Associated Press

<http://fox40.com/2017/11/03/california-asks-for-7-4-billion-to-help-wildfire-recovery/>

SAN FRANCISCO (AP) — California Gov. Jerry Brown joined lawmakers to request \$7.4 billion in federal funding for wildfire relief and recovery efforts following a deadly cluster of fires that killed more than 40 people and left thousands without housing.



Major Disaster Infrastructure Requests Are Multiplying

Nov. 5 (EIRNS)—Texas Republican Rep. Michael McCaul told the House Transportation and

Infrastructure Committee on Nov. 2, "I am recommending the building of a major new dam and reservoir at Cypress Creek" just northwest of Houston. "We cannot afford to wait 10 years for the Army Corps to build this reservoir. We should meet the infrastructure needs now." This dam and reservoir, among a number of new ones needed along the rivers running into the Texas Gulf Coast to prevent repeated flooding disasters, was apparently not part of the \$61 billion requested from Congress Nov. 1 by Texas Gov. Greg Abbott, of which about \$35 billion was for new water management infrastructure.

Congressional sources told EIR that Florida is now preparing a similarly major request for infrastructure-building funding from the Federal government, with a particular emphasis on flood control around Jacksonville but covering many needed projects in the state.

And the Trump Administration made a major announcement Nov. 3 about Puerto Rico, which effectively commits the Federal government to build new, modern economic infrastructure on the island. President Trump signed an executive order, based on an agreement with Puerto Rico Gov. Ricardo Rosselló, authorizing FEMA to pay for 90% of the costs of building new power and other infrastructure, and beginning a process of lending Puerto Rico the remaining 10%. A White House official was quoted by Reuters Nov. 4, "Obviously it's going to be a big dollar figure. I know there won't be any balking at the amount of money needed from the administration." Reuters reported the order uses the Stafford Act (national emergency and disaster funds) in an unprecedented way, and "The procedures will allow Puerto Rico to estimate the costs of big projects up front—with help from third-party advisers—and draw down from approved grants.... The agreement will also allow Puerto Rico to access hazard mitigation grants" so that the structures are resilient to future storms.

The White House will request another emergency supplemental from Congress this month or in early December. But there is really only one way to fund this national infrastructure response quickly, and that is through a national credit institution like FDR's Reconstruction Finance Corporation or, better, a "Hamiltonian" national bank.

Trump in China

What is required on the U.S. side, beyond a "kick-start" entity as exemplified by the CIC-Goldman initiative (see article below), is a nation-serving national bank, to receive and direct huge amounts of investment and credit, in a Glass-Steagall reorganized banking system. Chinese investments, including conversion of holdings in existing U.S. debt, to backing for infrastructure-related debt, are more than welcome.

What is at stake this week in Beijing, is the concept of "China-U.S. Ties in a New Era," reported Xinhua today, referring to the presentation on a New Era by President Xi at the recent 19th CPC National Congress. Xinhua notes that, "China-U.S. ties are crucial to the new type of international relations and the community of shared future for humanity. Since Trump took office, the two leaders have maintained close contact, including face-to-face meetings, phone conversations and sending messages...[this week's visit] is of great significance to Sino-U.S. relations and to peace, stability and prosperity in the Asia-Pacific region and the world."

Trump Team Plans \$250 Billion in Deals From China Visit

*Bloomberg News
November 8, 2017*

<https://www.bloomberg.com/news/articles/2017-11-08/trump-team-said-to-plan-250-billion-in-deals-from-china-visit>

The White House expects to announce upwards of \$250 billion in business deals in China this week, an administration official said -- exactly the sort of U.S. jobs-based diplomacy that President [Donald Trump](#) likes to deliver when traveling abroad.

Possible Joint Chinese-Goldman Fund for Investment in the U.S.

<https://larouchepac.com/20171107/possible-joint-chinese-goldman-fund-investment-us>

November 7, 2017

Goldman Sachs and China's sovereign wealth fund are to announce a multi-billion-dollar fund to invest in U.S. manufacturing and other sectors, during President Trump's visit, the Wall Street Journal reported on Monday morning, citing "people familiar with the matter."

The figure of \$5 billion is reportedly "targetted" for this co-investment partnership between Goldman and China Investment Corp. (CIC), with the Journal writing that "how much capital Goldman and CIC will each contribute to the fund is still being worked out, one of the people said." The proposal reportedly was initiated by the CIC as it "casts an eager eye at U.S. high-tech manufacturing, highways, rail lines and other projects," in order to get beyond its current U.S. investments, largely limited to publicly-traded securities, real estate and private-equity assets.

The fund is expected to be announced when President Trump is in Beijing, one of "a number of agreements U.S. and Chinese businesses are expected to announce on Thursday in a ceremony presided over by Mr. Trump and Chinese President Xi Jinping in Beijing's Great Hall of the People," the Journal reports.

It mentions planned deals in aviation, LNG, and soybeans as among those on the table, while expressing its disgruntlement at these deals, putting into the mouth of unnamed "US business groups" Wall Street's concern that China is offering these deals to "deflect" from demands that they open up their economy to foreign interests.

Nice Call, but It is Missing Something:

U.S. Labor Leaders Join in Urging for \$4 Trillion Infrastructure Program

Nov. 7 (EIRNS)—In an Oct. 23 press conference during the AFL-CIO's Convention in St. Louis, the President of North America's Building Trades Unions (NABTU) Sean McGarvey joined with other labor leaders to call for a \$4 trillion program to repair and build infrastructure in the United States—an amount far and above the \$1 trillion President Trump has called for.

Press Associates Union News Service reports that McGarvey was joined by union presidents James Callahan of the Operating Engineers, Robert Martinez of the Machinists, and Lonnie Stephenson of the Electrical Workers, all of whom emphasized the need for more funding for the crucial infrastructure building the country needs.

What the four discussed in terms of funding is inadequate, however, begging the question of a Hamiltonian credit system and Glass-Steagall. While McGarvey usefully raised the issue of increasing the federal gasoline tax, this cannot provide the amount of funding required. The current gas tax raises

only about \$35 billion a year. The other funding source mentioned, public-private partnerships, is unworkable, as President Trump himself has recognized. And, the current “tax reform” under discussion in Congress makes no mention of the gas tax.

McGarvey reported that his department has been working with both the White House and three business organizations—the Business Roundtable, the National Association of Manufacturers, and the Chamber of Commerce—to craft federal legislation.

The labor leaders emphasized that despite the “recovery” from the so-called Great Recession (which is quite hard to find), the U.S. still has enormous unmet infrastructure needs, including old water pipes, underground utilities that break down, cracking and decaying roads, and a creaky electrical grid. Callahan said “we’re also concerned about the funding, but also with underground subsystems. They’re the sewers, the electrical lines and what’s below the roads. That’s why we’re trying to get a permanent (fiscal) lockbox, both for funding structures and for hiring enough people.” According to September 2017 data, there are currently 433,000 jobless construction workers, which figure is probably lower than the reality.