

**GLEANINGS II - 772**  
**Thursday August 2<sup>nd</sup>, 2018**

**Does the Trump crowd have a GOP death wish?** - According to the Associated Press it is mulling a possible tax break on capital gains (to offset the impact of inflation) which, in an example given for a \$100,000 investment made in 1990 that today is valued at US\$300,000 would reduce the tax owing from \$47,600 (23.8%) to \$24,514 (12.3%) of the gain. This has long been an idea promoted by Larry Kudlow<sup>1</sup>, Trump's Chief Economic Adviser since last April. And according to a White House official "there has been a great deal of interest in this provision for a long time ... *and Treasury is currently evaluating the economic impact and **whether it can achieved without legislation.***" (Bolding added for emphasis) - *According to the Congressional Research Service 90% of the benefits of such a move would accrue to the "Top 1%". Is this crowd willfully blind in a world of their own and/or has it forgotten that "No Taxation without Representation" was a rallying cry of the American Revolution (& that another one from that same era was "Taxation without representation is tyranny"?)*

**"FEAR"** - The title of what may well be, given his age, the now 75 year-old Bob Woodward's last book. Based on hundreds of hours of taped interviews with 'frontline sources', incl. dozens of administration officials who provided him with documents, diaries & notes, some even in Trump's handwriting, it is to be published September 11<sup>th</sup>, nine weeks to the day before the US mid-term elections. One source says "It will give readers a front row seat to Trump and his time in the White House ... the book documents detailed conversations, meetings, policy debates and critical decisions." And its title comes from Trump himself; for in Woodward's last interview with Trump in 2016, the latter told him & the Washington Post's Robert Costa "Real power is, and I don't even want to use the word, fear." - *Back in the early 1970s, while still 'cub reporters', Woodward & Carl Bernstein were the Washington Post's "lead team" in covering the post-Watergate course of events that led to President Nixon's early 1974 resignation; and then too Woodward had an ability to have insiders (incl. one with the moniker of "Deep Throat", whose identity was a secret for 31 years) talk to him & provide him with material & documents. And given his & Trump's track records, this book may well become another best-selling Woodward 'barn burner'.*

**July new job creation numbers** - On Thursday August 2<sup>nd</sup> the headlines screamed that the ADP July new job creation number was 219,000 (vs. 185,000 expected), making July the 94<sup>th</sup> month in a row of new job creation. So it must have come as a nasty surprise that the following

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<sup>1</sup> Now aged 70, last April he succeeded Gary Cohn who had quit the month before after having been increasingly unhappy in Trump's White House ever since the latter's post-Charlottesville speech a year earlier. And what a comedown that was; for not only was Cohn's Net Worth 10x Kudlow's but he had made it into the No.3 spot in the dog-eat-dog world of Goldman Sachs, while Kudlow who, without any formal economics training, had managed to become Chief Economist at BearStearns had been fired in the mid-1990s for cocaine & alcohol abuse (after which he became an economic radio talk show host on TV). And the 'cut of his jib can be gauged from the following events in his life : in December 2007, i.e three months after Lehman had collapsed & one year before the onset of Great Recession, he published an article Bush Boom Continues, telling readers the economy would 'continue to expand for years to come', last April, after taking on the Trump Chief Economic Adviser job, he called the CBO (Congressional Budget Office) "untrustworthy" & dismissed its 2017 Tax Cuts and Jobs Act assessment (that it would hike the deficit by \$1.3TR) to only to three months later assert (incorrectly) that "even the CBO numbers show that the entire \$1.5 trillion tax cut is paid for by higher revenues and better nominal GDP" (while what the CBO had actually said was that the tax cuts would cut revenues & deficits would increase by \$1.9TR after taking account of macro-economic feedbacks", and not long after he misquoted Nikki Haley, the US ambassador to the UN (& apologized to her for having done so).

day the 'official' BLS (Bureau of Labor Statistics) number came in at a preliminary 157,000, well down from the previous two months' 248,000 & 268,000, and the previous year's 241,000 monthly average (& while it validated the 94 months' claim, in only 23 of those months had the new job creation rate been < 157,000 - *on the other other hand, the 157,000 number is only preliminary & subject to revision(thus the June number was revised from a preliminary 213,000 to 248,000). Still, this could be a bad omen for GDP growth in the Second Half, since meeting Trump's 4% growth expectation for the year as a whole would require back-to-back 4.7% annualized growth rates in both the Third-, & Fourth-, Quarters. And by now bragging about the 4.1% Second Quarter growth rate, Trump may be setting the GOP up for a potentially negative voter reaction if in late October the preliminary Third Quarter GDP growth number were to come in at < 4.0%.*

**Koch network's recent meeting in Colorado Springs was all bad news for the GOP** - It didn't support Trump much in his 2016 run for the Presidency & now seems to have turned against him altogether; for Charles Koch indicated he was open to backing Democrats in the mid-terms provided they were in tune with the group's fiscal responsibility thinking (& it has \$400MM set aside to affect the outcome of the mid-terms<sup>2</sup>). It expressed annoyance with the divisiveness of this White House (since it is "causing long-term damage"), condemned Trump's tariff-, & immigration-, policies, expressed dismay at the "tremendous lack of leadership" & the "deterioration of the core institutions of society" under Trump, and thus distanced itself from Trump GOP.

**Recent election prognostication** - The NYT's Nate Cohn analyzed 60 GOP-held House seats the Cook Political Report had rated 'Lean GOP', 'Toss UP' or 'Lean/likely Democratic' & found :

- their electorate is 78% white, vs. a national average 70%;
- " " " 65% suburban vs. a national average of 55%;
- " " " 31% college-educated vs. a national average 28%; and
- " " " 49% voted Trump in 2016 & 46% Hilary (who led him 2% nationally).

This led him to postulate that the Democrats may have many 'pickup opportunities' nationally, especially since they have recruited strong candidates in tough areas (& have been running further ahead of Hilary in Trump districts than in Hilary-friendly ones). And, rather than running on the good economy & the tax cut, many Republicans now seem to be running on Trumpian rhetoric, accusations & allegations, since the tax cut has little appeal for middle class whites & minorities.

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### **NEW POLLS SHOW BAD NEWS FOR REPUBLICANS (CNN Politics, Grace Sparks)**

- Three new polls by NBS/Marist<sup>3</sup> of 1,033 adults *each that took place between July 15<sup>th</sup> & 19<sup>th</sup> in Michigan, Minnesota & Wisconsin (the first & last of which went for Trump by small margins in 2016, while Hilary took Michigan by a smaller-than-expected one)* suggest things may be taking a turn for the worse for the GOP in the runup to this fall's elections :
  - **in Wisconsin**, where Gov. Scott Walker is seeking a third term, 61% of registered voters say they should "give a new person a chance", & his likely opponent (with a 19% lead in the Democratic primary), the State's

<sup>2</sup> Whereas **total** RNC spending in the 2016 Presidential election campaign had been US\$960BN.

<sup>3</sup> A polling operation run since 1978 out of the Marist *Catholic* College in Poughkeepsie, NY.

Superintendent of Public Instruction, is leading him 54-41 (up MoM from his 4% edge in a Marquette poll). And Dem. Sen. Tammy Baldwin has a 15% edge over her possible challengers;

- **in Minnesota** both Senate seats are up for grabs but Dem. Sen. Amy Klobuchar seems solid & Dem. Sen. Tina Smith leads her challenger by 14 points;
- **in Michigan** Dem. Sen. Debbie Stabenow is leading both her challengers by 15 points & in the race for Governor the Democratic candidate may have the upper hand; for, although both she & the GOP hopefuls still face primaries next month, she is leading her two most likely opponents by 4% & 9% respectively<sup>4</sup>.
- In all three states Trump's approval rating is underwater, with in Minnesota 37% approving the job he's done (*and as of July 25<sup>th</sup> 36% in both Michigan & Wisconsin*), while 45% of voters in Michigan-, 47% in Wisconsin-, & 48% in Minnesota say they would prefer a Congress controlled by the Democrats rather than the Republicans.

*But it is still not inconceivable that the Democrats could "snatch defeat from the jaws of victory", in part because in House elections the cards are stacked against them by years of 'gerrymandering' by Republican State governments & the fact that Republican voters tend to live in more thinly-populated districts; thus in 2012 the GOP got five more seats in the House than their share of the popular vote had warranted & in 2014 their 51% share of the popular vote had given it 54% of the seats in the House. And something similar is the case, albeit for a different reason (the Constitution) in the Senate where the GOP has 51 Senators with just 46% of the popular vote (& in Presidential elections where the existence of the Electoral College enabled Bush 43 in 2000 to become President with 49.75% of the popular vote & Trump in 2016 with 48.95% - something he seems to be extraordinarily sensitive about (i.e that he hadn't had majority voter support).*

### **FOX JOINS RIVALS TO CONDEMN BAN ON CNN REPORTER** (Daily Telegraph, Rozina Sabur)

- Kaitlan Collins, CNN's White House reporter was barred from a White House Rose Garden July 25<sup>th</sup> joint press conference by Trump & EU President Jean-Claude Juncker after having asked Trump about Vladimir Putin & the secret recordings made by his former lawyer Michael Cohen (*with the White House telling her that her questions had been "inappropriate" but others that she "had shouted and refused to leave"*). But Fox News, Trump's favourite news outlet & a CNN rival, said that it "stood with CNN" on the issue, with Fox President Jay Wallace telling reporters "We stand in strong solidarity with CNN for the right to full access for our journalists as part of a free and unfettered press" - *Trump seems to be getting less & less 'respect'; for this was just the latest in a series of events that went against him, others being that one of the first moves of his newly-appointed EPA Administrator, Andrew Wheeler, had been to reverse one of the last decisions by his scandal-plagued predecessor Scott Pruitt (whose mandate from Trump had been to undo as many Obama era EPA directives as he could) to quit enforcing an Obama era EPA directive on diesel emissions, that Attorney-General Jeff Sessions had told a Boston audience that he had the "highest confidence" in his Deputy Rod Rosenstein (whom he called "highly capable") & that several GOP-appointed federal*

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<sup>4</sup> In the event, the Democratic establishment's candidate got 51% of the 1,112,268 votes cast over two non-Anglo Saxon Bernie Sanders' fans who ran on single payer healthcare system platforms, while in the Republican primary, the winner got 50% of the 980,099 votes cast for four candidates.

*judges have been overturning his attempts to withhold federal funding from "sanctuary cities".*

### **IRAN'S CURRENCY PLUMMETS (AP)**

- On Monday July 30<sup>th</sup>, it plunged to 44,000 to the dollar from 35,000 on January 1<sup>st</sup>, and in the "black market to 122,000 to the dollar from nearly 90,000 MoM & 98,000 on Saturday.

*This was due to a loss of confidence from the expectation that, after months of social unrest & concerns in Iran, the US next week will restore the sanctions lifted as part of the 2015 nuclear deal. While the White House expects this will make the regime more 'amenable to reason', i.e. to its vision of the world, there are at least six factors beyond White House control that make that questionable. First, China; the Iranian regime's survivability is wholly dependent on its ability to sell oil, & more specifically on Beijing's willingness to poke, for financial & geopolitical reasons, a sharp stick in the US' eye by buying all the oil it can from Iran at below market-, but not necessarily punitive-, prices (& enabling Iran to run its financial dealings through Chinese banks?); for as long as it can generate dollar cash flow, Iran can buy needed imports (& maybe even generate more government local currency revenues through arbitrage). Secondly, pure economics; while its GDP growth rate took a big hit in 2015 after the 2014 oil price collapse, in 2016, after the US sanctions were lifted, it hit the double digits, a year ago was still 5.1% & at last report (January) it was running at an annualized 2.7% rate, i.e. better than the US' 1Q 2.0% outturn; furthermore, with imports accounting for 27.7% of its GDP, Iran is less import-dependent than countries such as UAE - 72.4%, Jordan -57%, Iraq - 33.6% & Saudi Arabia-28.1%, and in domestic fiscal terms the government's position is stronger than those of many other countries since government spending accounts for just 17.2%-, its annual budget deficit for just 1.9% -, & its public debt for just 35%-, of GDP. Thirdly, the Trump 'bull-in-a-china-shop' style of foreign policy is for Tehran like 'a gift from home, while at university, without having to ask for it'; for nothing totalitarian regimes like better than a 'foreign enemy' to whip up patriotic fervour. Fourthly, to the extent oil sales fund its domestic budget, the lower the Iran currency sinks, the more local currency a given amount of oil sales will generate for domestic spending purposes. Fifthly, with the Syrian civil war winding down, the regime will be able to cut the cost of its involvement in it (which has been a major source of the popular irritation that has fed this year's country-wide public unrest). And finally, first China & more recently Russia, have told Washington that sanctions, or not, they fully intend to continue their business relationships with Tehran, while the EU, motivated in part by Trump's treatment of it, is busy plotting how it can enable European companies to get around the US sanctions. And the only way Trump could really make his sanctions stick would be by threatening to "turn back" any ship carrying Iranian oil (just as Kennedy did for Cuba-bound vessels during the October 1962 'Cuban crisis'), something that might appeal to Trump but could have major geopolitical consequences since this is 2018, not 1962, the Persian Gulf not the Atlantic & Xi not Khrushchev.*

### **SAUDIS SUSPEND RED SEA OIL SHIPMENTS AFTER TANKER ATTACK (FT, D. Sheppard)**

- On July 25<sup>th</sup> Khalid al-Fatih, Saudi Arabia's Energy Minister, announced that his country is temporarily suspending oil shipments through the Red Sea, *the main route for its oil flows to the Atlantic Basin markets*, after Yemeni Houthi rebels fired missiles at two of the 2MM bbl. giant crude carriers operated by the Saudi National Shipping Company Bahri (with one of them "sustaining minimal damage"). This didn't help a market already jittery about possible supply-, & geopolitical-, risks and Brent jumped US\$1.57 to US\$74.59 (*although by August 1<sup>st</sup> it had settled back to US\$72.48*).

*This was not the first such incident. The Houthis' missiles are said by Saudi Arabia, & likely rightly so, to be supplied by Iran, and have in the recent past targeted Riyadh and Jizan (in the very Southwest of Saudi Arabia, on the Yemeni border), presumably as a warm-up for their avowed plans to start targeting the Kingdom's oil infrastructure (much of it concentrated in parts of the country where many of Saudi Arabia's 10% Shiite citizens live)*

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**Bad news for Canada** - Japan is the world's second-biggest importer of Canadian wheat. So it was a matter of concern when on June 15<sup>th</sup> it banned the import thereof<sup>5</sup> on the news that in a ditch in Alberta a few stalks of GM (genetically-modified) wheat had been found (rather ironically because, when it had been sprayed with the Roundup pesticide to kill unwanted plant growth, the wheat plants had survived because they were of a GM "Roundup-Ready" variety, which flashed a red flag for the contractor that had done the spraying). Fortunately for Canada, on July 20<sup>th</sup> Japan lifted (or had been prevailed upon to lift?) the ban - *This is not a new problem. The modifying genes seem readily transferable. As far back as 1998 a Saskatchewan farmer was sued for patent infringement by Monsanto because Roundup-Ready canola plants had been found in his fields (while for 40 years he had followed the traditional farm practice of using some of his homegrown grain from one year's best-producing fields as seed for next year's crop). He countersued for, among others libel, accusing him of an illegal act (i.e. "stealing" Monsanto-patented seed), trespassing & contaminating his crops with unwanted GM plants, with in the end, ten years later, before Monsanto Canada Inc. vs. (Percy) Schmeiser could go before the Federal Court of Canada, the Company settling out of court by agreeing to pay for all his clean-up costs, for him not to be under a 'gag-order & to leave itself open to further re-contamination suits (so Schmeiser's legal Odyssey had been well worth his while since hundreds of other, less obstinate canola producers accused of similar 'misdeeds' had ended up paying compensation to Monsanto to the point where some lost their farms. Similarly in Mexico in 2001 researchers from the UofC (Berkeley) were surprised to find GM contamination in fields of centuries-old 'brillo' maize while the nearest field where GM maize was known to have been grown was hundreds of miles away (resulting in the government, after having warned by them, doing its own follow-up testing that found traces of GM maize in 13 of the 22 communities where it did so). And in 2011 Ricelands Foods, the US's largest rice cooperative, won a law suit against Switzerland's Bayer (that recently bought Monsanto) after its natural long grain rice was found to have been contaminated with some of Bayer's GM varieties. And hundreds of other such law suits are outstanding (with the companies, of course, using every stalling tactic in the book in the hope their opponents will get mentally & financially exhausted, and give up). And it is hard to understand why, with GM wheat not approved in Canada (or elsewhere in the world), Canadian governments are so stupid or irresponsible as to allow MG wheat field trials on Canadian soil (incl. 52 in Alberta in 2014 & 54 in Manitoba in 2017), and, for that matter, why the seed companies bother spending money on GM wheat research.*

**Trump's latest anti-Mueller rant on Twitter** - On August 1<sup>st</sup> he tweeted "This is a terrible situation and Attorney-General Jeff Sessions should stop this Rigged Witch Hunt right now, before it continues to stain our country any further. Bob Mueller is totally conflicted and his 17 Democrats ... doing his dirty work are a disgrace to the USA!" - Trump has shown himself to

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<sup>5</sup> Especially so since the EU market for Canadian flaxseed, another farm product for which the GM varieties are not approved for commercial production, still has not recovered from traces of GM contamination having been found in shipments of Canadian flaxseed a decade ago.

have a bad case of two diseases, 'foot-in-mouth' & "put-mouth-in-gear-before-brain", that typically don't serve people in the public eye well, the more so since in his case as far back as June 6, 2017 his tweets were conceded by the then White House Press Secretary Sean Spicer to be "official statements" that he therefore cannot delete or change, since by law they must be preserved for the Presidential Archives - *As to being a stain on the US national escutcheon, Trump doesn't need any help with that &, objectively speaking, this appears to be a case of "seeing a mote in someone else's eye & not seeing the beam in one's own" (Matthew 7, 1-5). And, according to an article in the March 18<sup>th</sup> Washington Post, only 13 of the 17 he talks about had ever registered as Democrats & just nine of those had made a total of \$57,000 in donations to the Democrats (a few as far back as 2005) with the lion's share thereof (\$30,000) attributable to only one of the nine [who had also made some contributions to GOP candidates]; and all had impressive backgrounds in white collar crime legal work. As to "dirty work", the FBI has been deeply involved in Mueller's work & done much of his 'leg work' and, in contrast to the way people regard DoJ staff, FBI officials are generally regarded as having more of a conservative bent. Nevertheless, even though Mueller moved promptly last year, sacking a couple of his staffers caught exchanging texts critical of Trump, the fact remains that his team's political antecedents can create an excuse "optical problems", albeit only for those so inclined.*

### **DONALD JR. COMPARES DEMOCRATIC PLATFORM TO 1930 ERA NAZIS** **(Politico, Stephanie Murray)**

- On July 1<sup>st</sup> he attended an event for conservative commentator Dinesh D'Souza's new film Death of a Nation : Plantation Politics and the Making of the Democratic Party that explores the resemblance between it & te Nazis & and finds similarities between Trump & Abraham Lincoln. And later he told the One American News Network that "You see the Nazi platform in the early 30s and what was actually put out there, and you look at it compared to, like the DNC platform, and you're saying 'Man, those things look awfully similar', to the point where it's actually scary, and to me that was one of the most striking things I took from the movie because it's the exact opposite that you've been told ... and comparisons with the conservatives are the product of 'wrongly influenced academia' "

*He later tweeted "So the left spends the last three years claiming my entire family NAZI's but the second I point out the similarity between the economic platforms of the National Socialists and the Democratic Party, they scream bloody murder". # facts - Like father, like son, obviously one would be well-advised not to take anything either of them says at face value, and what's **truly** scary is that are many people, even some supposedly 'well-educated ones', who seems to do so!*

### **TRUMP CLAIMS QUEEN ELIZABETH KEPT HIM WAITING** (Politico, Gabriela Galindo)

- He told supporters at a campaign rally in Pennsylvania that she had kept him waiting during his recent, first ever official, visit to the UK & that he had actually been 15 minutes early, blaming the media for reporting he'd been the one who had been late for the meeting. But on live TV coverage of the event millions of people actually saw footage of her waiting for him (for 12 minutes), & looking at her watch. He also denied reports that he had overstayed his welcome, said he hadn't known it was supposed to have lasted 15 minutes & claimed "it had lasted like an hour because we got along".

*There are lies & then there are out-and-out stupid lies & this obviously falls in the latter category. Telling the opposite of what millions of people have seen with their own eyes, undermines one's credibility forever after, and credibility is like a tender plant, that takes time &*

*patience to grow but can be mortally wounded in an instant. Be all that as it may, this substantiates that he lives in a bubble of his own making. While Donald Jr. recently compared the Democratic Party platform with that of the Nazi's, his father is today's prime practitioner/purveyor of the Fifth Reich's propaganda chief Joseph Goebbels' "Big Lie" technique [that had originated with Hitler himself, who in Mein Kampf talked about lies so "colossal" that no one (in his right mind?) would believe that someone "could have the impudence to distort the truth so infamously"].*

### **TRUMP APPEARS NOT TO UNDERSTAND GROCERY SHOPPING** **(Business Insider, Alex Lockie)**

- He has long alleged, without a shred of evidence, that millions of votes were cast illegally in the 2016 election. So in making his case, at his *July 31<sup>st</sup> election-style rally* in Tampa, FL in support of Rep. Ron DeSantis gubernatorial bid, he told those present "You know, if you go out and you want to buy groceries, you need a picture on a card, you need ID ... You go out and you want to buy anything, you need ID and you need your picture".

*That is true for firearms & fireworks, or alcohol & tobacco (& the latter two only if one looks under age), none of which can by any stretch of the imagination be classified as "groceries" (this reminds me of the early 1970s, when Canada had price controls & an MP asked then Prime Minister, Pierre Trudeau in the House about the price of eggs in stores, of which he didn't have a clue! either)<sup>6</sup>*

### **TRUMP LAUNCHES EXTRAORDINARY ATTACK ON KOCH BROTHERS** **(The Independent, Tom Embury-Dennis)**

- On Tuesday July 31<sup>st</sup> he tweeted "The globalist Koch Brothers, who have become a total joke in real Republican circles, are against Strong Borders and Powerful Trade ... I have never sought their support because I don't need it", bragging that he had "made them richer", that they "loved" his tax reform &, once again without a shred of evidence, that he had "beaten them at every turn". This came after AFP (Americans for Prosperity), the Koch-, &, other billionaires-supported political funding vehicle, had made it public it would not help elect a GOP Senate hopeful in North Dakota, *Rep. Kevin Cramer*<sup>7</sup>,

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<sup>6</sup> Legend has it that Harun al-Rashid, a Middle Eastern ruler in the late 8<sup>th</sup> century would go out in disguise in the streets of Baghdad to learn first hand his subjects's day-to-day problems & thoughts about his government. In modern times this resurfaced decades ago in the now 75 year-old management 'guru' Tom Peters' "management-by-walking about" theory of effective management that never caught on, however, because at the time management thinking was moving in the direction of treating Senior Management as neargods to be richly compensated while the hoi polloi were to be manipulated & treated like mushrooms (kept in the dark & fed horse shit), a management style that has isolated the elite & led, among others, to today's bipolar & populist crisis in politics. Peters was, and is-, an interesting cat : with an Msc. In civil engineering, & after stints in the Navy & the Nixon White House as a Senior Drug-abuse Adviser, he went back to school & got a Ph.D. in Organizational Behaviour, became a management consultant & partner in McKinsey & got an Honourary Doctorate from the Moscow State University of Management. His management consulting approach is summed by the subject of his 1994 seminar "Crazy Times call for Crazy Organizations".

<sup>7</sup> Which could be critical since Sen. Heidi Heitkamp is deemed one of the most vulnerable Democratic incumbents in the entire country.

because he hadn't challenged the White House trade tariffs (thereby sending a strong message to GOP hopefuls across the country about the consequences of supporting Trump's trade policy-, & public spending-, plans<sup>8</sup>). This marked a new chapter in the strained relationship between Trump & the conservative network created by these billionaire brothers who did not endorse him in his successful 2016 run for the Presidency.

*Trump is known for carrying grudges. And this case his hard feelings may be reinforced by one of the seven "deadly sins", that of envy; for the Koch brothers make him look like a financial 'nobody since both Charles & David Koch each have Net Worths of US\$50+BN. But in picking a fight with them, he is peeing in the GOP's nest; for the pair, & their conservative billionaire network, have pledged US\$400+BN in 2018 campaign funding (while in 2016 the RNC's total election spending was US\$960MM, & Trump himself spent just US\$66MM), one-third less than the DNC spent). The brothers' have personally earmarked US\$200MM in campaign funding (incl. US\$20MM to support Trump's tax reform), for supporting candidates of both parties' whose support-worthiness depends on their position on the Trump' tariffs & spending plans, with the Koch view on the latter elucidated by AFP spokesman Bill Riggs stating "The \$1.3 trillion omnibus spending bill passed by Congress in March showed a complete disregard for fiscal responsibility ... Both parties are responsible for putting the country on an 'unsustainable fiscal path."*

### **STOP BENDING THE KNEE TO DONALD TRUMP (The Atlantic, Conor Friedersdorf)**

- In the fictional realm of the Games of Thrones, commoners are expected to bend their knees to kings, queens, lords & ladies, pledging their fealty "from this day to my last day". But Americans are citizens, not servile subjects; so after voting for a public servant, there is no obligation of abiding loyalty; in fact, the right of critique is enshrined in the First Amendment. So why are so many Trump supporters more likely to behave like the servile subjects of yesteryear's monarchs than like free citizens with the right-, & the responsibility-, to hold their leader accountable?

*Good question! Especially so when the would-be autocrat-in-charge personally doesn't merit respect - The author is one of the magazine's staff writers & by his own admission has 'conservative leanings'but isn't a doctrinal conservative or member of the conservative movement'.*

### **THE WATER WARS OF ARIZONA (NYT, Noah Gallagher Shannon)**

- In July 2014 Lori Paup & her family moved from Fallentimber. PA to a two acre lot in Arizona's Sulphur Springs Valley. Like all homes there, its water comes from a 300 foot-deep private well drilled in the underlying aquifer (*that like all of them is not some giant underground lake but rather a seam of waterlogged mud sandwiched between rock strata*). But when she turned on a tap to get a glass of water, she noticed it was brownish cloudy &, when she ran some on her hand, it left small grains of sand on it. A few days later, her washing machine, & then her dishwasher, conked out & her husband couldn't find anything wrong with either. Later a local driller found nothing wrong with their pump too but explained that in all likelihood the water level in the aquifer was near or below the bottom of their drill pipe, causing the pump to start sucking up sand; so "you're running out of water". And soon they began to hear of other families in the valley

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<sup>8</sup> As libertarians they oppose untrammelled government spending (except when they benefit from it?)



with similar problems, & it got worse to the point that (sandy?) water only came intermittently out of their taps.

- The culprits are the multitude of 'industrial farms' that have sprung up in the Valley in recent decades, attracted by its year-around growing season & lax water use regulations. This is a *growing* global phenomenon as aquifers worldwide are drying up due to excessive 'groundwater mining' driven by *irrigated* food production & a two decade-long stretch of unusually dry weather. While aquifers meet 25-40% of global potable water needs, agriculture accounts for 70% of all water withdrawn from the Earth's aquifers (that in some cases have taken as much as 20,000 years to fill &, once tapped out, may take as long as 6,000 to refill). *And since the shallow aquifers have taken the biggest hit*, nearly all of the world's remaining fresh water reserves are now either locked in the polar icecaps (*from which they are increasingly being turned into salty sea water that needs to be 'desalinated at considerable expense & energy usage before it's fit for human usage*) or in aquifers 3,000 ft or more underground (*and hence increasingly more expensive to recover*<sup>9</sup>).
- In 2002 NASA launched its GRACE (Gravity Recovery and Climate Experiment) program that uses satellite-, & gravity-measuring-, technology to delineate the world's aquifers. It has since found that of the planet's 37 *major* aquifers, *no fewer than 21* are on the verge of collapse. And while in Asia & the Middle East some aquifers are already running out of water, in just three decades one-third of the potable water in North America's key aquifer, *the 174, 000 sq.mi/450,000 sq km Ogallala one underneath most of Nebraska, much of Kansas & West Texas, and bits & pieces of South Dakota, Wyoming, Colorado, New Mexico & Oklahoma*, has been withdrawn. And worse still food production in a stretch from Kansas to California is now depending on ground water like never before, with one Arizona farmer said to be going each year through water in a volume nearly twice the volume of all bottled water sold in the US.

*And much of the water used in irrigation farming never does the plants any good. As one can surmise from the sight of huge sprinkler systems spraying water droplets all over the landscape in sunny 20-, 30- & even 40 degree weather (& of course the hotter the weather the more the plants need water & the more will be lost in transmission), a lot of it cannot help but evaporate before it even hits the dirt enroute to the plant roots). Thus according to the US Geological Survey's USCS Water Science School half the water used in irrigation is lost to evaporation, evapotranspiration from plants, & loss in transport (& this may be a lowball estimate). And to make matters worse, some water that reaches the plants is sometimes 'wasted' on low value-added crops (like corn &, in Southern Alberta, barley) which is only economically feasible if irrigation water is priced unrealistically cheap (thereby encouraging its profligate use). And worse still, since all water contains some salts of various kinds, the water evaporation means that over time irrigation can-, & often does-, result in 'salinization' (a build-up of salt in the soil that eventually makes it no longer fit for growing crops). The Israelis have overcome many of these problems very cleverly by "drip irrigation", that delivers water, through holes in pipes, directly to the plants' roots (which is, however, practical only for perennial, high value-added crops like olives or grapes, rather than annual ones, like cereals, potatoes & legume crops (like peas, beans & alfalfa).*

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<sup>9</sup> This is not news; for in my farming days, now four decades ago, I remember reading an article in Hoard's Dairyman about an Arizona farmer who had convinced the IRS to let him **depreciate** the value of his land since, at the rate he was withdrawing water from the aquifer in 20 years it would no longer economically support irrigation farming & the land would return to desert