

# Infrastructure collapse in 1997 due to bad economics, not Mother Nature

by Richard Freeman

In 1997, the pillaging of the physical economy worldwide showed itself in the breakdown of infrastructure, either because of the lack of maintenance, or the fact that vital infrastructure, some of whose blueprints and designs have existed for 40 years, was never built.

So-called natural disasters occurred repeatedly, involving countless deaths and widespread destruction, including flooding in many parts of the United States and Europe, El Niño-sparked fires in Indonesia, and mine explosions in Russia. The London-controlled press admonished: “There is little that powerless little man can or should even attempt to do in the face of the powerful and irrepressible force of Mother Nature.” This is a lie. Indeed, it is clear that 60-80% of the damage resulting from the floods of 1997, as well as other “natural disasters,” was preventable. It is enforcement of the fascist ideologies of fiscal conservative budget-cutting and environmentalism, which has taken down or never built required infrastructure, which is responsible for the damage. Don’t blame Mother Nature.

The seven examples below illustrate the collapsed state of the world physical economy.

1. A huge flood, which started on Dec. 23, 1996, and intensified through the month of January 1997, covered portions of California, Oregon, Washington, Idaho, and Nevada, with the greatest impact striking California. By February 1997, the flood had killed more than 30 persons, highways and roads were ripped up, 50,000 livestock were killed, prime agricultural land had been ravaged, and total monetary damage tallied above \$3.5 billion.

In California, the flood was described as a “100-year flood,” caused by the state’s “abnormal” weather patterns, which caused the 725-mile Sacramento-San Joaquin river system to overflow. But this was the third “100-year flood” to hit California in the last 42 years—earlier ones had occurred in 1955 and 1986, and a near-“100-year flood” had occurred in 1995, causing \$1.8 billion in damage. In fact, it is well known that California has a regular pattern of “weather extremes”: flooding some years, and droughts during other periods—the most recent drought coming in 1987-92. A well-regulated water system requires a system of dams-reservoirs, channels and waterways, levees, and so on, which would protect the state against “100-year” and even “200-year” floods,

while damming up and storing water, to be shipped to the relatively dry southern half of the state, and for drought periods.

In California, 60 major dam-reservoir and/or water storage projects to control flooding have been on the drawing board for decades, most since California’s masterful integrated 1957 Water Plan was drafted, but were never built. The engineering and other studies required for their construction have long since been completed. In the March 21, 1997 issue, *EIR* identified, out of the 60 major projects, 11 dam-reservoirs with a combined storage capacity of 39.1 million feet—almost equal to the current storage capacity in California. They could protect against “100-year” and, in many locations, “200-year” floods.

One of the most important is a proposed 2.3 million acre-foot Auburn Dam on the American River, a tributary of the Sacramento River. This would protect the city of Sacramento from flooding. But in Congress, which must authorize the project, a coalition of environmentalists and Conservative Revolution ideologues has repeatedly voted down the project.

## Millions of dollars in losses

2. On Jan. 18-19, 1997, frost struck Florida’s winter vegetable crop, causing damage estimated at \$270 million, wiping out sections of America’s winter vegetable supply. Normally, the National Weather Service’s (NWS) agricultural forecast division would have warned farmers, through a regularly maintained radio channel and other means, that frost was coming, so that they could take standard preventive measures. But, Florida’s NWS agricultural forecast division, based in Tampa, had been dismantled a year earlier because the “Contract on America” crowd in Congress had cut \$3.5 million from its budget in 1995.

Florida produces 50-75% of America’s winter vegetables. Southern Florida, where the frost struck, accounts for most of the state’s output. According to the office of Florida’s Agricultural Commissioner, 85% of the area’s zucchini, green beans, yellow squash, and hot and sweet peppers, and 75% of the sweet corn, were destroyed. Thus, with nearly \$300 million worth of damage, for every \$1 “saved” by cutting \$3.5 million from the NWS’s Florida agricultural forecast division, there were approximately \$100 in crop damage, a large

amount of it preventable.

3. In the winter and spring of 1997, three major floods struck the United States in latitudes 37° to 50° North. Starting on March 1, the Ohio River flooded the Ohio Valley; in March-April, the James River, which runs southeasterly through North Dakota, South Dakota, and Nebraska into the Missouri River system, also flooded. We present the Red River case, which exemplifies the process.

In April-May, the Red River flooded. Officially, the flooding caused more than \$1 billion of damage, including to crops, especially spring wheat. Grand Forks, North Dakota, which has no significant flood-control infrastructure, was submerged under flood water, and residents were evacuated from their homes for more than a month, with many homes permanently destroyed. The Red River, 545 miles (877 km) long, runs north, defining the boundary between North Dakota and Minnesota, crosses into Canada, to Winnipeg, Manitoba, and then continues farther north. During the 1940s and 1950s, the Army Corps of Engineers had developed plans for the construction of dams-reservoirs at four critical sites on the tributary rivers of the Red River, each of which would have had a storage capacity of 100,000 to 400,000 million acre-feet, preventing or significantly limiting the degree of flow of these tributaries into the Red River. In 1960s costs, each would have cost \$50-150 million.

But, a contrast to this reckless approach along the Red River, is provided by “Duff’s Ditch,” a floodway and dike configuration, built in 1968, that rings the city of Winnipeg, the provincial capital of Manitoba. Winnipeg suffered no flooding damage.

4. During the second half of July and early August, the waters of the Oder River and its tributaries flooded 600,000 hectares in Poland, 42% of the territory of the Czech Republic, and sections of Germany and Slovakia. According to the Polish Main Anti-Flood Committee, during the preceding several years, the Warsaw government spent only 30% of the sum necessary to maintain levees and other flood-control infrastructure. Many of the levees along the Oder were constructed 90 years ago, and needed to be modernized and extended.

Across Europe, about 100 people lost their lives. In Poland, 25 out of the 49 administrative districts were affected; 400,000 hectares of arable land was contaminated and/or crops destroyed. Nearly 360 miles (600 km) of rail tracks suffered damage; 137 road bridges and 200 rail bridges need to be repaired or rebuilt; 600 schools and numerous hospitals have to be made functional again. In the Czech Republic, 10,000 households lost everything, and another 110,000 households reported heavy or considerable damage. The unofficial damage estimates: Poland, \$5-7 billion; Czech Republic, \$4-6 billion; Germany, at least \$1.5 billion.

In contrast, in Czorsztyn, Poland, on the Dunajec River, a dam had been built, despite much controversy about its expense. During the flooding, it saved at least five towns from catastrophe.

5. The Union Pacific is America’s largest railroad, serving 23 of the 50 states; but from September 1997 to the present, its functioning in the Midwest and Southwest has broken down. This has gridlocked freight movements, which are stalled, slowed, or cancelled from Los Angeles to Chicago to Houston.

In September 1996, Union Pacific, a corporate raider, bought the Southern Pacific Railroad for \$3.9 billion, creating a rail line with 36,000 miles of track. In order to boost profits, it stripped down operations of the joint lines, fired workers, cut trackage, reduced maintenance, and cut the number of locomotives in operation. In 1980, Congress had adopted the disastrous rail deregulation. In the ensuing years, an intense shakeout occurred, as the number of class I major rail carriers was reduced from 25 to 4, and the rail system was cannibalized.

The Union Pacific breakdown can be measured in the disruption in economic activity it has caused:

- *Agriculture and food losses.* As of late November, there were more than 100 million bushels of corn and sorghum lying on the ground outdoors, subject to destruction by the elements, including in Nebraska (70 million), Kansas (30 million), Iowa, and Minnesota.

- *Ports disrupted.* A top official with the California Public Utilities Commission testified to the Surface Transportation Board hearing on Dec. 3, that “in November, the ports of Los Angeles and Long Beach recorded the fewest ship arrivals in any month since 1976—just 393.”

- *Accidents and injuries.* According to the National Transportation Safety Board, the Union Pacific system has had 14 accidents in the last 12 months, far “out of line with other railroads,” including several deaths.

6. In December, Russia, the victim of International Monetary Fund demands for extreme austerity measures, including cuts in infrastructure, suffered two disasters. On Dec. 2, sixty-seven miners were killed in a mine explosion in Novkuznetsk, Kemerovo province, in the Kuzbass coal district of Siberia, the worst mining disaster in the history of the Russian coal industry. Under IMF-imposed conditions, the Russian coal industry is deep in arrears, not making the necessary expenditures for labor and maintenance. On Dec. 6, in Irkutsk, Russia, an An-124 military cargo plane crashed into several apartment buildings shortly after takeoff, killing 80 people. The plane was scheduled to have an overhaul earlier this year, but had not because of budget constraints.

7. Starting in September, due to drought severely aggravated by El Niño, forest fires were raging over parts of Malaysia and Indonesia. In some parts of Indonesia, including Irian Jaya, fires produced a haze that extended to parts of Thailand and the Philippines. Water management systems that would provide water, especially through desalination, could be installed, to develop the area’s population and industry, but also to combat recurrent, predictable El Niño-induced droughts.