## Which is arrogant—California's water system, or its critics?

by Pamela Lowry

California's farmers, already reeling from the Feb. 4 announcement of a total state shutoff of water to agriculture, were dealt yet another hammerblow on Feb. 14, when the U.S. Bureau of Reclamation announced that federal water supplies to farmers would be reduced by 75%. Faced with steadily declining groundwater supplies, which constitute their only other source of water, California farmers will have no choice but to severely cut back their production levels, thus endangering the nation's supply of fresh fruits and vegetables.

Yet according to the "experts" who write for the nation's major publication outlets, the culprit responsible for California's drought-induced declining water supply has at last been found. It is none other than the pro-growth attitude that built the high-technology water system that transformed California's semi-arid lands into a powerhouse of agricultural productivity. Epithets like "profligate," "greedy," "reckless," "flagrant," "hubristic," and "arrogant" are being hurled against California's apparent crime of trying to "rearrange" its environment.

Illegal activities such as "betting" and "gambling" seem also to be involved. According to Bill Bradley in the forthcoming book *The United States of California*, California's "history has been based on betting on the prospect of things going one's way." Farmers, too, have been caught gambling. The *San Francisco Chronicle* of Feb. 8 accused the farmers in Kern County, one of the nation's richest farming areas and the state's third leading agricultural county, of "gambling" by planting perennial crops in what was a sagebrush desert in 1965, because they expected the soon-to-be-completed State Water Project to provide them with water.

That was, indeed, what the State Water Project was designed to do. "It sounds harsh," said Gerald Butchert of the Wetlands Water District, "but those guys took a business risk and lost."

## Water and energy are related

The coordinated attack on high-technology infrastructure naturally fails to note, that had plans for further investment in energy and water projects been made over the past 20 years, the current drought would not pose such a formidable problem. But state Assemblyman Phillip Isenberg (D), a member of the Water, Parks, and Wildlife Committee, manages to hoist himself on his own petard in the course of his Feb. 12 editorial in the Los Angeles Times. Noting with approval that Gov. Pete Wilson threatened to impose the equivalent of "drought martial law," Isenberg encourages him to seize the "long-range opportunity" the drought provides to change California's water policy. In addition to pleas for conservation and recycling, "free market" water exchanges between farms and cities, and the usual attack on farmers for using 85% of California's water, Isenberg states that what California needs "is a revolution in water policy similar to the revolution we've witnessed in state energy policy."

"Just 20 years ago, for example," says Isenberg, "energy experts said that we'd need a string of nuclear power plants along the coast if we were to satisfy our energy needs into the 21st century. But a series of energy crises shook us away from the 'build, build, build' mentality in energy, and today we're able to satisfy the growing energy demands of this state with greater efficiency and conservation."

Efforts to deal with California's drought have already given the lie to Isenberg's statement. For example, Chet Bowler, chief of water operations for the Central Valley Project in Sacramento, has revealed that water reserves in the project by the end of 1991 could be close to the 1977 low of 1.3 acre feet, which is the absolute minimum needed to generate electric power. Other hydroelectric projects in the state face similar catastrophic water levels, and there are no new nuclear power plants to supply the lost power.

Then, there is the case of Santa Barbara and other parched cities which are turning to desalination plants to provide water. Having already authorized the construction of such a plant, Santa Barbara officials have found that the cost per acre foot of water will be \$2,300. Morrow Bay, whose desalination plant will start up in a few weeks, will be paying \$3,000 per acre foot. Even the Southern California Metropolitan Water District, which is trying to find a site between Ventura and the Mexican border where it can build a 100-

8 Economics EIR February 22, 1991

million-gallon capacity desalination plant, has found that it would be paying \$1,000 per acre foot rather than the present \$230 it now pays for other types of water. Why the staggering increase in cost? Because of the high cost of scarce energy which is needed to desalinate the seawater.

American Engineering, Inc., which has built desalination plants in Bahrain, the United Arab Emirates, and Saudi Arabia, favors locating power plants and desalination plants together, to reduce costs. But that "unneeded" string of unbuilt nuclear power plants along California's coast is currently in no position to reduce anyone's water bill.

## Help from the federal government?

In the scramble to find short-term water for the state, California U.S. Senators John Seymour (R) and Alan Cranston (D) have teamed up to introduce federal legislation that would lift legal restrictions which block the use of U.S. government reservoirs and canals for municipal, industrial, and fish or wildlife purposes. "There are over 30 federal reservoirs and 5,000 miles of canals we could be using right now to help cope with water shortages due to the drought," said Seymour. It is unclear how this plan would square with the Bureau of Reclamation's recent 75% reduction in water supplies to farmers, but apparently an adequate food supply is not considered as crucial as water for cities, industries, and wildlife.

Hardest hit by the new water reductions will be the farms of the San Joaquin Valley, which were crippled by a December freeze which caused more than \$800 million in crop damage. Governor Wilson asked President Bush on Jan. 18 to declare 31 of the state's counties major disaster areas, but the Federal Emergency Management Agency has taken no action on the request. According to Dennis Underwood, commissioner of the Bureau of Reclamation, the agency will develop "hardship criteria" for water users, giving priority to permanent crops such as fruit trees and vineyards, and to "preservation of wildlife habitat." Annual crops such as grains and vegetables, which provide sustenance for the entire country, evidently did not make the list.

## Anti-development types control agenda

On Feb. 19, California U.S. Rep. George Miller (D) will be holding a special hearing of his water and power subcommittee of the House Interior and Insular Affairs Committee to consider recommendations for emergency and long-term measures to deal with California's drought. Because Miller is acting chairman of Interior and Insular Affairs, he is expected to have a possibly decisive influence on the scheduling and content of any major drought-relief legislation this year. One clue to Miller's intentions is indicated by the fact that he has said he will ask for proposals to improve the "long-term management" of the Central Valley Project, the major federal water facility in California.

California newspapers have recently covered Miller's

California's water system has made its deserts bloom



outrage at the idea of farmers selling water to the cities, a policy which did not exist five years ago and which has originated with environmentalists and state and local officials, not the farmers themselves. Miller's anger supposedly stems from the fact that California taxpayers have spent billions of dollars to develop water resources such as canals and dams "for the farmers." This argument claims it is an "insult to the taxpayers" for farmers to buy cheap water and then sell it at a profit.

Therefore, Miller says, he will propose legislation to limit water supplies to large farms, forcing agriculture to pay more for water in the hope that it will be used more efficiently. Miller has a history of opposing federal water subsidies to farmers in the Central Valley and elsewhere, and he hopes to use the long-unenforced 1902 limit of 160 acres for subsidized water-users in order to get them to pay more. Even were California's increasingly bankrupted farmers able to scrape together more money to buy water, the question remains, what water?

EIR February 22, 1991 Economics 9