Dust in the Wind: The Case For Ending Water Subsidies

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Dust in the Wind: The Case For Ending Water Subsidies

Peter Culp and Robert Glennon said it best in the Wall Street Journal in October 2012, QUOTE:

“In 2012, the drought-stricken Western United States will ship more than 50 billion gallons of water to China. This water will leave the country embedded in alfalfa—most of it grown in California—and is destined to feed Chinese cows. The strange situation illustrates what is wrong about how we think, or rather don't think, about water policy in the U.S.”[[1]](#footnote-1)

END QUOTE. Please join my partner and me as we affirm that The United States federal government should substantially reform its agriculture and/or food safety policy in the United States.

OBSERVATION 1. We offer the following DEFINITIONS.

**Policy**: “a high-level overall plan embracing the general goals and acceptable procedures especially of a governmental body” (*Merriam Webster Online Dictionary, copyright 2016* [*http://www.merriam-webster.com/dictionary/policy*](http://www.merriam-webster.com/dictionary/policy))  
  
**Substantial**: “large in amount, size or number” (*Merriam Webster Online Dictionary, copyright 2016* [*http://www.merriam-webster.com/dictionary/substantially*](http://www.merriam-webster.com/dictionary/substantially)*)*

**Agriculture:** “the science, art, or practice of cultivating the soil, producing crops, and raising livestock and in varying degrees the preparation and marketing of the resulting products” (*Merriam Webster Online Dictionary, copyright 2016* [*http://www.merriam-webster.com/dictionary/agriculture*](http://www.merriam-webster.com/dictionary/agriculture))

OBSERVATION 2. INHERENCY, the structure of the Status Quo. Three FACTS about federal agricultural water policies.

FACT 1. Water subsidies.

Federal water subsidies created a massively inefficient agricultural economy in desert lands, at huge cost to the taxpayers

Ryan McMaken 2013 (has degrees in economics and political science from Univ of Colorado, and was the economist for the Colorado Division of Housing from 2009 to 2014) 28 Oct 2013 “Water Subsidies and Shortages in the American West” <https://mises.org/library/water-subsidies-and-shortages-american-west>

In an America without the massive coercive power of the federal government, the population centers in the West would generally be near the water sources where irrigation and drinking water would be cheaper and easier to use. When powerful interest groups own land far away from water sources, on the other hand, there is no “solution” so impractical that [billions of taxpayer dollars](http://www.downsizinggovernment.org/water-excess-subsidies-lack-markets) can’t make it happen. The politicians will simply see to it that the water is moved where the lobbyists tell them it should have been in the first place. The result is that farmers will grow water-thirsty crops in central Arizona and central California where water must be transported over mountains and across hundreds of miles of arid landscape.

FACT 2. Water efficiency subsidies.

Trying to get farmers to use water more efficiently, the federal EQIP program subsidizes farm irrigation systems

Brett Walton 2014 (journalist) 28 Feb 2014 “[Spending to Conserve Water on California Farms Will Not Increase Supply](http://www.circleofblue.org/2014/world/conserve-water-california-not-increase-supply/) “ <http://www.circleofblue.org/2014/world/conserve-water-california-not-increase-supply/>

The U.S. Department of Agriculture spent [$US 1.1 billion](http://www.circleofblue.org/wp-content/uploads/2014/02/NRCS_EQIP-irrigation-spending.xlsx) between 2004 and 2013 to pay for high-efficiency irrigation systems. The Environmental Quality Incentives Program (EQIP) typically foots between 50 percent and 75 percent of the bill, with the farmer paying the balance. The chief goal is not to save water, but to make agriculture as productive as possible, says Rob Sampson, a water engineer with the USDA’s Natural Resources Conservation Service, which oversees EQIP.

FACT 3. Re-sale restrictions.

Farms cannot easily resell their water for other uses

Chris Edwards and Peter J. Hill 2012 (Edwards – director of Tax Policy Studies at Cato Institute. Hill is Professor Emeritus of Economics at Wheaton College in Wheaton, Illinois) Cutting the Bureau of Reclamation and Reforming Water Markets February 1, 2012 <http://www.downsizinggovernment.org/interior/cutting-bureau-reclamation>

The problem of artificially low water prices is compounded by restrictions on water transfers between users. Surface water in the West is generally allocated by government rules, not by markets. Farmers who receive Reclamation water usually don't have the option to resell it, so it gets locked into current uses.

OBSERVATION 3. The HARMS.

HARM 1. Water shortages. This happens in 2 ways:

A. Subsidies create water shortages

Ryan McMaken 2013 (has degrees in economics and political science from Univ of Colorado, and was the economist for the Colorado Division of Housing from 2009 to 2014 ) 28 Oct 2013 “Water Subsidies and Shortages in the American West” <https://mises.org/library/water-subsidies-and-shortages-american-west>

Water shortages occur in the West not because too many people are flushing their toilets too often, but because agriculture, [heavily subsidized](http://www.downsizinggovernment.org/interior/cutting-bureau-reclamation) through cheap water made possible by the federal government, continues to grow crops in places that would never support agriculture on a similar scale in a free market. Indeed, agriculture uses well over 80 percent of all the water used in Western states, and most of that water is stored, pumped, and diverted using dams, pumps, and aqueducts paid for by the U.S. taxpayer.

B. Lack of re-sale ability creates water shortages

Chris Edwards and Peter J. Hill 2012 (Edwards – director of Tax Policy Studies at Cato Institute. Hill is Professor Emeritus of Economics at Wheaton College in Wheaton, Illinois) Cutting the Bureau of Reclamation and Reforming Water Markets February 1, 2012 <http://www.downsizinggovernment.org/interior/cutting-bureau-reclamation>

The problem of artificially low water prices is compounded by restrictions on water transfers between users. Surface water in the West is generally allocated by government rules, not by markets. Farmers who receive Reclamation water usually don't have the option to resell it, so it gets locked into current uses. Reclamation doesn't have an across-the-board ban on water transfers, but current rules do not facilitate easy transfers. If water cannot be resold, it gets stuck in lower-valued uses while higher-valued uses go undersupplied. Water "shortages" are usually caused by restrictions on transfers, not from overall shortages in a region.

HARM 2. Drought conditions aggravated.

Subsidies aggravate drought conditions by removing incentives for agricultural water efficiency

Max Ehrenfreund 2014 (journalist) WASHINGTON POST “California’s drought is extreme, but the government is making it worse“ 27 Feb 2014 <http://knowmore.washingtonpost.com/2014/02/27/californias-drought-is-extreme-but-the-government-is-making-it-worse/>

Farmers in California right now are trying to figure out how to respond to an extreme drought, culling their herds and tearing out their almond orchards. This year might prove even drier than 1580, which scientists believe is the driest year of any in the last 500 or so. The state isn’t really ready for the dry conditions, and part of the reason is water subsidies. For many years, Washington and Sacramento have subsidized the water farmers use to irrigate, enabling them to avoid agricultural practices that would be more resilient and efficient in the event of a drought. Meanwhile, urban residents, who collectively account for far less water consumption than do farmers, have been left with expensive water bills and rationing during dry years.

HARM 3. Groundwater depletion

EQIP speeds up depletion of groundwater supplies

NEW YORK TIMES 2013 (journalist Ron Nixon) 6 June 2013 “Farm Subsidies Leading to More Water Use” <http://www.nytimes.com/2013/06/07/us/irrigation-subsidies-leading-to-more-water-use.html>

The Environmental Quality Incentives Program, first authorized in the 1996 farm bill, was supposed to help farmers buy more efficient irrigation equipment — sprinklers and pipelines — to save water. But the new irrigation systems have not helped conserve water supplies, studies show. And researchers believe that the new equipment may be speeding up the depletion of groundwater supplies, which are crucial to agriculture and as a source of drinking water.

OBSERVATION 4. Congress and the President enact the following PLAN

1. Congress votes to eliminate the EQIP water program and cancel all agricultural water subsidies  
2. All restrictions on farms reselling federally managed water are lifted.

3. Enforcement through the Dept of Agriculture, the Bureau of Reclamation, and the Inspector General of any agencies providing agricultural water. Any federal employees not in compliance will be disciplined or terminated through normal means.   
4. Funding through existing budgets of existing agencies with net reduction in federal spending.  
5. Plan takes effect 2 days after an affirmative ballot.  
6. Affirmative speeches may clarify

OBSERVATION 5. ADVANTAGES

ADVANTAGE 1. Water conservation.

Ending subsidies would reduce waste and bring about agricultural water conservation

The Economist 2014. (respected British news magazine, does not publish names of individual authors) 22 Feb 2014 “The drying of the West” <http://www.economist.com/news/united-states/21596955-drought-forcing-westerners-consider-wasting-less-water-drying-west>

THE first rule for staying alive in a desert is not to pour the contents of your water flask into the sand. Yet that, bizarrely, is what the government has encouraged farmers to do in the drought-afflicted south-west. Agriculture accounts for 80% of water consumption in California, for example, but only 2% of economic activity. Farmers flood the land to grow rice, alfalfa and other thirsty crops. By one account, over the years they have paid just 15% of the capital costs of the federal system that delivers much of their irrigation water. If water were priced properly, it is a safe bet that they would waste far less of it, and the effects of California’s drought—its worst in recorded history—would not be so severe.

ADVANTAGE 2. Improved urban water supplies and net benefits for all.

Ending farm water re-sale restrictions would benefit cities and produce net benefits for all

Chris Edwards and Peter J. Hill 2012 (Edwards – director of Tax Policy Studies at Cato Institute. Hill is Professor Emeritus of Economics at Wheaton College in Wheaton, Illinois) Cutting the Bureau of Reclamation and Reforming Water Markets February 1, 2012 <http://www.downsizinggovernment.org/interior/cutting-bureau-reclamation>

In most places in the West, agriculture is central to the challenges facing water. Because irrigation represents such a large portion of western water use, increased efficiency of water use in agriculture would free up large amounts of water for other uses. Allowing farmers to freely sell water would encourage them to conserve and to reduce irrigation on their least productive lands. The value of marginal water use in agriculture is low, according to the Congressional Budget Office, while the value of water to growing cities is higher. Thus, allowing greater water transfers could be a win-win for all interests.

2A Evidence: Water Subsidies

OPENING QUOTES / AFFIRMATIVE PHILOSOPHY

Crops that can’t be grown without water subsidies should not be grown

The Economist 2014. (respected British news magazine, does not publish names of individual authors) 22 Feb 2014 “The drying of the West” <http://www.economist.com/news/united-states/21596955-drought-forcing-westerners-consider-wasting-less-water-drying-west>

Most of the future growth in water demand is likely to come from cities. Some therefore argue that urbanites should bear the burden of reducing demand. This is too kind to farmers, who waste far more. Crops that cannot be grown without subsidies should not be grown. It should not take a drought to make people stop building paddy fields in the sand.

Water trading and market pricing are the answers

Chris Edwards and Peter J. Hill 2012 (Edwards – director of Tax Policy Studies at Cato Institute. Hill is Professor Emeritus of Economics at Wheaton College in Wheaton, Illinois) Cutting the Bureau of Reclamation and Reforming Water Markets February 1, 2012 <http://www.downsizinggovernment.org/interior/cutting-bureau-reclamation>

To sum up, moving toward water trading and market pricing would encourage more efficient water use. In a 2006 report on federal water policies, the CBO endorsed the "broader use of markets in deciding how scarce water resources are allocated" and suggested that Congress "reconsider subsidies that support the use of water at prices that do not reflect opportunity costs."

INHERENCY

EQIP: The Environmental Quality Incentives Program

Prof. Jonathan Copess 2016 (assistant professor, Univ. of Illinois) "[Dead Zones & Drinking Water, Part 5: Farm Bill Conservation Policy](http://farmdocdaily.illinois.edu/2016/04/dead-zones-drinking-water-part5.html)."  Department of Agricultural and Consumer Economics, Univ of Illinois at Urbana-Champaign, April 7, 2016 <http://farmdocdaily.illinois.edu/2016/04/dead-zones-drinking-water-part5.html>

Working lands conservation programs integrate conservation practices with farming instead of removing land from production. The main working lands programs are the Environmental Quality Incentives Program (EQIP), the Conservation Stewardship Program (CSP). As discussed in part 1 of this series, the 2014 Farm Bill also created the Regional Conservation Partnership Program (RCPP) (see, farmdoc daily, [February 25, 2016](http://farmdocdaily.illinois.edu/2016/02/dead-zones-drinking-water-part1.html); see also, farmdoc daily, [May 29, 2014](http://farmdocdaily.illinois.edu/2014/05/the-regional-conservation-partnership-program-in-the-farm-bill.html)). RCPP works through partnership agreements between NRCS and private or public partners to implement conservation practices on a regional scale. It makes use of existing program authorities, such as EQIP, CSP and ACEP. The Federal Agriculture Improvement and Reform Act of 1996 eliminated the traditional acreage control policies that had previously been linked to conservation efforts. Along with that change in commodity policy, Congress created EQIP to provide cost-share assistance to farmers for installing specific conservation practices on their farms. EQIP seeks to help farmers comply with or avoid regulations by "assisting producers in protecting soil, water, air, and related natural resources and meeting environmental quality criteria" (16 U.S.C. §3839aa). The 2014 Farm Bill provided $1.65 billion per fiscal year for this program and 60 percent of the funds are reserved for livestock producers.

Kansas, Colorado and New Mexico studies confirm: EQIP subsidizes expanded farm consumption of water

NEW YORK TIMES 2013 (journalist Ron Nixon) 6 June 2013 “Farm Subsidies Leading to More Water Use” <http://www.nytimes.com/2013/06/07/us/irrigation-subsidies-leading-to-more-water-use.html>

A study by researchers at the University of California, Davis, this year concluded that Kansas farmers who received payments under the conservation subsidy were using some of their water savings to expand irrigation or grow thirstier crops, not to reduce consumption. Another study by researchers at New Mexico State University in 2008, which studied an area running from Colorado to New Mexico, came to the same conclusion. “Policies aimed at reducing water applications can actually increase water depletions,” the researchers said.

Agriculture consumes 80% of California’s water – because they’re farming in the middle of a desert

Mark Hertsgaard 2015 (journalist) 30 Mar 2015 “How Growers Gamed California’s Drought” <http://www.thedailybeast.com/articles/2015/03/30/how-growers-gamed-california-s-drought.html>

But agriculture consumes a staggering 80 percent of California’s developed water, even as it accounts for only 2 percent of the state’s gross domestic product. Most crops and livestock are produced in the Central Valley, which is, geologically speaking, a desert. The soil is very fertile but crops there can thrive only if massive amounts of irrigation water are applied.

90% subsidy: California Central Valley farmers get water at only 10% of its market value on 3 million acres of land

Chris Edwards and Peter J. Hill 2012 (Edwards – director of Tax Policy Studies at Cato Institute. Hill is Professor Emeritus of Economics at Wheaton College in Wheaton, Illinois) Cutting the Bureau of Reclamation and Reforming Water Markets February 1, 2012 <http://www.downsizinggovernment.org/interior/cutting-bureau-reclamation> (brackets added)

The lesson is that the costs of federal water infrastructure are often more than just the original construction costs. The EWG [Environmental Working Group] has tallied up the costs of the various types of federal subsidies received by farm businesses in California's Central Valley Project. The CVP is Reclamation's largest irrigation project, providing roughly 6,800 farmers irrigation water for about 3 million acres of land. The farmers receive the water at roughly 10 percent of its market value, which in 2002 worked out to an annual subsidy of about $416 million a year, according to EWG.  Another way to illustrate the magnitude of the subsidies to CVP water users is to look at the costs of the project. In 2006 the CBO found that CVP farmers had paid back only 14 percent of the project's construction costs thus far, even though water from the project has been flowing for decades.

Federal Bureau of Reclamation sells water to farmers at 90% subsidy, only 10% of the real cost

Chris Edwards and Peter J. Hill 2012 (Edwards – director of Tax Policy Studies at Cato Institute. Hill is Professor Emeritus of Economics at Wheaton College in Wheaton, Illinois) Cutting the Bureau of Reclamation and Reforming Water Markets February 1, 2012 <http://www.downsizinggovernment.org/interior/cutting-bureau-reclamation>

The Bureau of Reclamation's original function of building major water infrastructure in the West has been largely completed. Today, its main function is being the largest wholesaler of water in the nation.It diverts a vast amount of water from rivers, and delivers it to farmers, industries, and cities. Interestingly, about one-quarter of the water it diverts from rivers is lost through spills and transportation even before it reaches any customers.About four-fifths of Reclamation water is directed to agriculture.The bureau generally sells the water to local irrigation districts under long-term contracts. The contracts specify the water allotments and applicable prices. The bureau's water pricing on each project depends on original construction costs, calculations of irrigators' "ability to pay," the allocation of costs among different water users, and other factors. Generally, the higher prices paid by urban water users and power customers subsidize the much lower water prices paid by irrigators. Prices vary widely in the West, but farmers often pay no more than 10 percent of the water's market value.

How much are federal agricultural water subsidies? $2 billion/year in California alone

Prof. David Pimentel & Marcia Pimentel 2008. (David – professor at College of Agriculture & Life Sciences, Cornell Univ. Marcia - Senior Lecturer (retired), Division of Nutritional Sciences in the College of Human Ecology at Cornell) 2 June 2008 “Rapid Population Growth in California: A Threat to Land and Food Production” <http://www.populationmedia.org/wp-content/uploads/2008/10/david-pimentel-rapid-population-growth-in-california.doc>

All of California’s cropland, plus forage and some pastureland are now irrigated. The total land area irrigated in California is about 8.7 million acres. At present, much of the irrigation water is being applied to low value crops like forage alfalfa. This practice has been possible only because the federal government provides generous subsidies of nearly $2 billion per year to pay for the irrigation.

A/T “Status Quo is doing farm water efficiency programs” – Water efficiency programs actually lead to more water usage

Brett Walton 2014 (journalist) 28 Feb 2014 “[Spending to Conserve Water on California Farms Will Not Increase Supply](http://www.circleofblue.org/2014/world/conserve-water-california-not-increase-supply/) “ <http://www.circleofblue.org/2014/world/conserve-water-california-not-increase-supply/>

“Farmers are several times smarter than politicians, and they have done a good job convincing the government to help pay for more efficient irrigation systems. Politicians actually believe that these more efficient systems will make the water last for their children and grandchildren,” Bob Stewart, an agriculture professor at West Texas A&M University, told Circle of Blue. “The fact is that a more efficient system in many cases uses more water, not less.” Irrigation efficiency is a ratio. It measures how much of the water put on a field is used by the crop compared to how much soaks into the ground and does not aid plant growth. Higher efficiency leads to higher yields, which increases water consumption because extra water is needed to nourish a larger plant. Even though a farmer might draw the same amount of water from a river or an aquifer, he returns less to the source if he is more efficient.

HARMS

Irrigation subsidies create incentives to increase water usage, threatening aquifers and streams

NEW YORK TIMES 2013 (journalist Ron Nixon) 6 June 2013 “Farm Subsidies Leading to More Water Use” <http://www.nytimes.com/2013/06/07/us/irrigation-subsidies-leading-to-more-water-use.html>

 Millions of dollars in farm subsidies for irrigation equipment aimed at water conservation have led to more water use, not less, threatening vulnerable aquifers and streams. From Wyoming to the Texas Panhandle, water tables have fallen 150 feet in some areas — ranging from 15 percent to 75 percent — since the 1950s, scientists say, because the subsidies give farmers the incentive to irrigate more acres of land. Other areas, including several Midwestern states, have also been affected.

Nobody will state the obvious: Planting water-intensive crops in a desert is reckless

Mark Hertsgaard 2015 (journalist) 30 Mar 2015 “How Growers Gamed California’s Drought” <http://www.thedailybeast.com/articles/2015/03/30/how-growers-gamed-california-s-drought.html>

One striking aspect of California’s water emergency is how few voices in positions of authority have been willing to state the obvious. To plant increasing amounts of water-intensive crops in a desert would be questionable in the best of times. To continue doing so in the middle of a historic drought, even as scientists warn that climate change will increase the frequency and severity of future droughts, seems nothing less than reckless.

Billions of dollars in costs and 200,000 acres of destroyed farmland from contaminated irrigation water runoff

Chris Edwards and Peter J. Hill 2012 (Edwards – director of Tax Policy Studies at Cato Institute. Hill is Professor Emeritus of Economics at Wheaton College in Wheaton, Illinois) Cutting the Bureau of Reclamation and Reforming Water Markets February 1, 2012 <http://www.downsizinggovernment.org/interior/cutting-bureau-reclamation>

Contaminated runoff from irrigation is a huge and costly problem in the Westlands Water District of California's San Joaquin Valley. The area receives irrigation water from Reclamation's Central Valley Project (CVP), San Luis Unit, which was built in the 1960s. Land in this area contains high concentrations of selenium and other chemicals, which are picked up by irrigation waters and poison downstream ecosystems. Furthermore, without proper drainage in the area, salts are apparently building up and destroying about 200,000 acres of irrigated farmlands. Reclamation spent $55 million to build a drainage system to fix the problem, but that project was abandoned as a failure in the 1970s.Since then, the bureau, landowners, courts, and politicians have battled over how to fix the problem. A more sophisticated water treatment system for the region could cost more than $2 billion—a cost about three times larger than the original cost of the area's irrigation infrastructure.It appears that Reclamation's entire project to irrigate this area of California was a huge blunder, and the former leader of the bureau admitted it in an interview.

Federal water subsidies create over-farmed conditions, leading to major environmental problems

Chris Edwards 2014 (director of Tax Policy Studies at Cato Institute) 21 Feb 2014 “Water in the West: It’s Complicated” <http://www.cato.org/blog/water-west-its-complicated>

The fundamental problem is that the federal government has been heavily subsidizing Western water for decades, particularly for crop irrigation. Artificially low water prices have encouraged overconsumption and the planting of very dry areas where farming is inefficient and environmentally unsound. Subsidized irrigation farming has created major environmental problems in the San Joaquin Valley, for example. To make matters worse, federal farm subsidies have boosted demand for irrigation water, which has further encouraged farmers to bring marginal lands into production.

SOLVENCY / ADVOCACY

Reform needed: Subsidized farm irrigation drives big increases in usage of scarce Western states’ water

NEW YORK TIMES 2013 (journalist Ron Nixon) 6 June 2013 “Farm Subsidies Leading to More Water Use” <http://www.nytimes.com/2013/06/07/us/irrigation-subsidies-leading-to-more-water-use.html>

According to the United States Geological Survey, while the population has nearly doubled over the last 50 years, water consumption has tripled. Farm irrigation accounts for 80 percent of the water use nationwide, according to the Agriculture Department. Western states, where water resources have been diminishing for years, make up some of the largest users of water through irrigation. “Given that we just had the worst drought in the last 50 years, lawmakers need to really look at this program and how it’s having the opposite effect of what was intended,” Mr. Cox said. “Buying better equipment does not save water. Irrigation is the poster child for why we need reform.”

Ending subsidies would produce substantial water conservation. 10% price increase = 6.5% reduction in water use

Chris Edwards and Peter J. Hill 2012 (Edwards – director of Tax Policy Studies at Cato Institute. Hill is Professor Emeritus of Economics at Wheaton College in Wheaton, Illinois) Cutting the Bureau of Reclamation and Reforming Water Markets February 1, 2012 <http://www.downsizinggovernment.org/interior/cutting-bureau-reclamation>

If Reclamation charged higher prices, it would encourage a range of conservation efforts. For example, it would induce farmers to reduce leakage in irrigation systems and to switch to less water-intensive crops. Research has shown that irrigation water use is quite sensitive to water prices, such that price increases would induce substantial reductions in demand. One estimate found that a 10 percent increase in water prices would bring about a 6.5 percent reduction in irrigation water use in California.

No further need for any federal role in western states’ water management

Chris Edwards and Peter J. Hill 2012 (Edwards – director of Tax Policy Studies at Cato Institute. Hill is Professor Emeritus of Economics at Wheaton College in Wheaton, Illinois) Cutting the Bureau of Reclamation and Reforming Water Markets February 1, 2012 <http://www.downsizinggovernment.org/interior/cutting-bureau-reclamation>

A century ago, proponents of irrigating the West argued that federal involvement was crucial because the job was simply too big for state, local, and private efforts. Those arguments have no relevance today because the western states are populated by tens of millions of people with the incomes and resources to handle their own water supply needs. Today, all the goods and services provided by the Bureau of Reclamation—water, electricity, and recreation facilities—could be provided by state governments, cities, local irrigation districts, investor-owned utilities, and nonprofit groups. As such, federal policymakers should explore how Reclamation facilities could be transferred to state, local, and private ownership.

Can’t afford any more federal irrigation projects

*John Osborn and Ken Hamnond 2015 (Osborn - Spokane physician and conservationist with the Center for Environmental Law & Policy and the Sierra Club. Ken Hammond is retired professor and chairman of the department of geography at Central Washington University and has been active for decades in water planning.) 21 Jan 2015* Public can’t afford to subsidize new water projects <http://www.celp.org/2015/01/21/public-cant-afford-to-subsidize-new-water-projects/>

Public subsidy for new irrigation projects needs to end. Dust Bowl-era justifications no longer apply to an increasingly corporate agricultural sector. Governments struggle to pay for public necessities such as education, health care and even maintenance backlogs for existing dams and water projects. New and expanded water projects are simply not affordable. We are at the end of the water frontier. Water-project proponents in Washington, D.C., and Olympia must acknowledge that federal irrigation projects in Eastern Washington don’t pencil out. It is time to end wasteful feasibility studies, close the chapter and move on. There are more affordable means of sustaining profitable agriculture in Eastern Washington.

Ending federal subsidies would motivate farmers to decrease water usage and avoid waste

Max Ehrenfreund 2014 (journalist) WASHINGTON POST “California’s drought is extreme, but the government is making it worse“ 27 Feb 2014 <http://knowmore.washingtonpost.com/2014/02/27/californias-drought-is-extreme-but-the-government-is-making-it-worse/>

California produces nearly all of the country’s broccoli, walnuts and almonds, report Alex Park and Julia Lurie in [Mother Jones](http://www.motherjones.com/environment/2014/02/wheres-californias-water-going), but these crops require heavy watering. A single walnut, for example, requires nearly 5 gallons of water to produce, as shown in the chart above. Without federal subsidies, farmers would have been forced to find ways of watering their fields with less water. Sprinklers and irrigation ditches lose more water to evaporation than do permeable or perforated pipes (the technique known as drip irrigation). Just as many farmers now use [sensors and algorithms](http://online.wsj.com/news/articles/SB10001424052702303410404577464791927446070) to decide when and where to plant, the same tools could provide more information on when their crops need to be watered, ensuring that not a drop goes to waste. Alternatively, farmers would abandon their driest fields and their thirstiest crops, and find other, more productive uses for the land.

Ending federal water subsidies to California would save money and improve state water usage

Chris Edwards and Peter J. Hill 2012 (Edwards – director of Tax Policy Studies at Cato Institute. Hill is Professor Emeritus of Economics at Wheaton College in Wheaton, Illinois) Cutting the Bureau of Reclamation and Reforming Water Markets February 1, 2012 <http://www.downsizinggovernment.org/interior/cutting-bureau-reclamation>

The Environmental Working Group (EWG) argues that federal irrigation to this area of California should be ended because the area is inherently unsuited to farming. That could save millions or even billions of dollars for a new treatment system, and it would allow a huge volume of irrigation water to be diverted to higher-valued uses in the state. The Westlands District contains just a few hundred very large farm businesses, and they have become wealthy from federal water and farm subsidies. It makes little sense for taxpayers to pay for a huge new treatment system for these businesses, especially when irrigated agriculture in this area makes such little economic and environmental sense.

A/T “Cities / population growth are driving water shortages” - Agriculture is key to solving water challenges in the West

Chris Edwards and Peter J. Hill 2012 (Edwards – director of Tax Policy Studies at Cato Institute. Hill is Professor Emeritus of Economics at Wheaton College in Wheaton, Illinois) Cutting the Bureau of Reclamation and Reforming Water Markets February 1, 2012 <http://www.downsizinggovernment.org/interior/cutting-bureau-reclamation>

The era of major federal dam building is over, but Reclamation continues to provide water to the western states at artificially low prices. Without reforms, that policy will exacerbate the major water challenges facing the western states. About four-fifths of water supplied by Reclamation goes to farm businesses, and the agency provides the largest subsidies to those users.  As a consequence, agriculture must be at the center of efforts to reform federal water policies.

DISAVANTAGE RESPONSES

A/T “Lose crops in California” – Crops would be grown elsewhere, where it’s more economically feasible

Chris Edwards and Peter J. Hill 2012 (Edwards – director of Tax Policy Studies at Cato Institute. Hill is Professor Emeritus of Economics at Wheaton College in Wheaton, Illinois) Cutting the Bureau of Reclamation and Reforming Water Markets February 1, 2012 <http://www.downsizinggovernment.org/interior/cutting-bureau-reclamation> (brackets added)

On top of the irrigation subsidy, about one-fifth of CVP [California’s Central Valley Project] farmers who receive federal irrigation water also receive crop subsidies from the U.S. Department of Agriculture (USDA). Put another way, about one-third of federal irrigation water in the CVP went to crops receiving USDA subsidies. Those subsidies total about $90 million a year and mainly go to cotton and rice farmers. This subsidized production of often water-intensive crops in the arid West competes with more efficient production of the same crops in other regions of the country. Federal farm subsidies encourage overproduction of crops in all parts of the nation, and so the government is exacerbating the overproduction with irrigation subsidies in the West.

A/T “Lose jobs in western states” – Doesn’t justify subsidies - the money will be spent somewhere else

Ryan McMaken 2013 (has degrees in economics and political science from Univ of Colorado, and was the economist for the Colorado Division of Housing from 2009 to 2014 ) 28 Oct 2013 “Water Subsidies and Shortages in the American West” <https://mises.org/library/water-subsidies-and-shortages-american-west>

The virtues of subsidized water are sung using the usual arguments for corporatism and crony capitalism. We’re told that what’s good for the Western farmer is good for America. It’s a matter of national security. Local economies will collapse without agriculture. Subsidized water “creates jobs.” It’s a way of life that must be preserved. And so on. The political support behind the growers’ continued use of the vast majority of the water resources to grow cotton and pecans in a brutally-hot parched desert is a classic case of politicians supporting [what is seen](http://www.econlib.org/library/Bastiat/basEss1.html) over what cannot be seen. We can look out over the vast fields of crops in central California and Arizona, where few crops could grow before the federal government taxed families and workers to make it possible, and claim that the alternative is unthinkable. The alternative, of course, is unknown and unseen. The hundreds of billions of dollars spent over the years to get water to growers and other politically well-connected interests could have been spent on other things.

A/T “Poor farmers will suffer” – Federal water subsidies are corporate welfare for a few rich businesses

Chris Edwards and Peter J. Hill 2012 (Edwards – director of Tax Policy Studies at Cato Institute. Hill is Professor Emeritus of Economics at Wheaton College in Wheaton, Illinois) Cutting the Bureau of Reclamation and Reforming Water Markets February 1, 2012 <http://www.downsizinggovernment.org/interior/cutting-bureau-reclamation> (brackets added)

Who benefits from all these federal subsidies? Generally, it's a small number of large farm businesses and landowners. In the CVP [Central Valley Project] the subsidies are heavily slanted toward the largest farms. The largest 10 percent of farms (roughly 700 farms) in the CVP receive about two-thirds of the project's entire water supply. This group received average subsidies worth $349,000 each in 2002. Major petroleum and railroad companies—as landowners—have historically been some of the largest beneficiaries of irrigation subsidies in California. The USDA's farm subsidies are also notoriously slanted to the very largest farms and landowners.Thus, to a substantial extent, subsidized irrigation farming in the West is "corporate welfare," which comes at the expense of average taxpayers, citizens, and the environment.

1. WALL STREET JOURNAL 5 Oct 2012 “Parched in the West but Shipping Water to China, Bale by Bale” http://www.wsj.com/articles/SB10000872396390444517304577653432417208116 [↑](#footnote-ref-1)