March, Water and the West. Water is the most important western resource -- emphatically so in the National Forests, which protect the watersheds. This has not been appreciated historically, for two reasons: + The arid west was settled by people from humid country, who were accustomed to getting their moisture in the form of rain. Here we get it from rivers, which originate in mountain snowpacks. Land is productive if you can irrigate it; poor if you can't. The greatest tragedy in the settlement of the west was not Custer's last stand but the dust bowl. It came when homesteaders turned the sod wrong side up on dry prairies. This in turn was the result of a failure to realize, back in Washington, that small parcels of land without water won't support families. + When the dust settled, irrigation water was cheap for the few farmers who got it. Economics is about managing scarce resources and water did not seem scarce because the taxpayers had paid for dams and distribution. We grew monsoon crops like rice in the California desert, using the heavily-subsidized water. I've read that the cost of producing the rice was several times higher than the crop's market value, with the taxpayers making up the difference. (Enclosed is a column from the New York Times on the subject, and there has been a lot more in print.)

What's happpening now is an eye-opener. Our misuse of water is hurting people: city-dwellers in California, tugboat captains on the Mississippi, towns that depend on tourists in the plains, and even the farmers who get first dibs on the water. As the water lowers, the hurt rises. This is the ubiquitous western issue, political and economic. Everyone needs the water and there's not of enough of it to waste as we always have.

There can be few issues that need a dose of market-economics more than this one. We still have water if we can manage it properly. That will require pricing it at something closer to its economic value.

And of course we've got to protect the watersheds. The debate over uses of the National Forests must be informed by the water issue. Water is their most important product by a wide margin. Always has been, but we've just begun to understand.

Datus Proper 3/15/91