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# HOLY WATER

BY THOMAS W. HAZLETT

**B**y the time you read this, you will have already missed the opening lecture of Professor Thomas Hayden's new course offering at Santa Monica (junior) College, "The Environment and Spirituality." The idea sprang from the cosmic experience Mr. Hayden gained while jetting to and from the Amazon Rain Forest, whereupon he racked up a New Consciousness of shrubbery and beaucoup frequent flier miles. His plan, according to *The New York Times*, is to teach a "new earth-oriented religion." He will begin with the Bible. "We need to see nature as having a sacred quality," solemnly intones Professor of Spirituality Hayden, "so we revere it and are in awe of it. That forms a barrier to greed and exploitation and overuse."

Just the theoretical idea of Tom Hayden, gobbling up the planet's resources at a prodigious rate in his global junkets and quest for high public office and star-studded lifestyle, stepping out for spiritual awareness is awesome. Let us not be so grotesque as to point out that the globe-floating Tom's ex-wife consumed most of the free world's known silicon deposits, an exploitation about which no one recalls hubby making a peep. Let us focus on the other mountains of ecological mishap staring us down: It looks as if it's going to take a miracle to save us from the imploding environmental mess.

**H**appily, the marketplace is running a special on miracles this epoch. New capitalist institutions of pollution-abatement are constantly emerging, pushed by market forces aided only in the most general sense by church services.

Example 1: The closest thing you'll find to a *perfect* fiasco is federal water. The government dams beautiful rivers and builds huge aqueducts through the middle of nature to bring artificially cheap water to the farm. Then farmers take this precious commodity to produce crops like rice in the California desert.

(Rice! You soak the rice fields like a marinade!) Rice, it turns out, is in such surplus that the U.S. Department of Agriculture has been hugely subsidizing its export at way-below-cost prices to...Iraq. (Trust me. I'm not making this up.)

Now, of course, the California drought has millions of thirsty water consumers by their Perrier. But the solution cannot be found in yet another \$12-zillion dam construction project contracted out to drinking buddies of a powerful Texas congressman (thankfully, the professional environmentalists have fenced this off), and so necessity is the mother of markets: The state is finally allowing farmers to sell their water allocations to consumers.

When farmers (who use 85 percent of the state's water) are allowed to trade their water for cash, suburbanites get their morning showers back, farmers make more money for doing less work, taxpayers save a bundle on farm subsidies, the environment blossoms from reduced pesticide use—and no river is damned, which is a big reason the Environmental Defense Fund is the biggest special interest pumping the water-pricing cause.

An engineer with the California Department of Water Resources recently told an economist colleague of mine how strange it was for him to be in the business of supervising market trades as a solution to water demands. "My whole life has been water management—laying concrete," he mistily opined. Well the price of ridiculous state water projects, always expensive, finally became outrageous, and there's a new day dawning, old boy.

**E**xample 2: To foul the air in major metropolitan areas of the United States, a firm must now purchase the "pollution rights" from an existing holder. By a simple two-step act of establishing a property right to pollute, and then fixing the amount of such rights to more pristine levels, we instantly create a reward system giving every market

player a cash payoff for reducing offensive emissions. Trading companies have popped up to actively broker these permits; a commodity exchange has even been formed in Chicago. It's incredible what those greedy little pigs will do for a buck. Firms are finding thousands of new (and newly profitable) ways to cut the ecological crap.

Says an astonished executive with an L.A. firm which brokers pollution rights, "It's amazing what you can achieve if you speak to a company's bottom line. There's water in the desert if you give someone the incentive to find it." (These clichés get dated when they become too literal, I admit. But hey, sprinkle a little of Adam Smith's holy water on the environmental problem and you too will be amazed what turns green.)

In the debate over the Alaskan pipeline cutting through the Arctic Circle, the Aleuts are split. The tribes that own valuable oil rights are all pumped up to exploit the wilderness to the max by nightfall; those who don't are agin' it. American Indians may share a noble spirituality, but they don't let it interfere with their bottom line. Nor, in the end, do the rest of us.

So long as religious charlatans such as the Rev. Hayden demand so much of our spirits and so little of our brains, their piousness on the environment will be evident for what it is: so much intellectual litter. Many of us who harbor a serious attachment to the natural wonders are shocked and offended by this ecological rip-off. The Hon. Tom Hayden may have lost his aerobics partner, but he has certainly found his niche, right in there with Brother Swaggart and the atmospherically hazardous Jim & Tammy Faye. Praise the Lord—and pass the recycled toilet paper.

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