

PANEL - CITIZENS' WATER CONFERENCES

John R. Hakanson\*

I would like to thank Prof. Clark and Dr. Lansford for the invitation to speak to this fine audience. I feel rather insignificant in the fact that I am taking the place of a gentleman who is probably one of the leaders with the most expertise in regard to water importation for industrial use in the State of New Mexico. I understand that Mr. Foster very much wanted to be here but the call of his business dictated other arrangements. I hope that I can, at least, give you an idea of some of the points Mr. Foster might make, but with your complete understanding that they will be my words, modified by my thoughts.

In a time when mediocrity gains more coverage on a subject than the experts, when emotionalism far outweighs rational and cogent arguments, the land industry, like all industries, has come under fire from the irrational, self-denying populous, who either have made or inherited their fortunes and have no other outlets for their energy, or situated in a civil service job which suffers no repercussion from the free market system.

Joining these organized choirs of doom are many of the subsidized industries who do not have to compete in a supply-demand market. Yet, ironically enough, these are the industries that are doing the damage to the resources now that they accuse me of doing, hypothetically, 50 to 60 years from now.

Water, like any resource, gets values only through use. We find that water has its greatest value in heavy industry and its least dollar value in agriculture. This figure, however, is misleading in my opinion, since some of the water used in agriculture is also used in recreation, which places a high dollar value on water, consequently, giving us another factor for consideration.

In my opinion, one of the highest dollar values on water is residential consumption and corollary uses. Besides the dollar value, I believe that residential consumption also returns more water to the aquifers and ground water supply, and is reused beneficially at a later date. This means less depletion to this resource than from industry, recreation, or agriculture.

The uses of water, like all products, will be modified by the market place. Mr. Steve Reynolds, probably the foremost expert on water in New Mexico, stated in October 1970, "Judgement and our [State Engineers Office] experience thus far suggests that economics will effectively control this

---

\* Select Western Lands, Inc., Deming, New Mexico.

situation," referring to depletion of ground water. He further suggested that when the density of a subdivision reaches a certain level, the economics would dictate the purchase of existing water rights for community supply.

Considerable credence is given to this assertion of Mr. Reynolds by the action of individuals, pressure groups and politicians in our last legislature. An appeal was made for stifling State control of subdivision on the pretext of protecting the "Green Belt." This proposed legislation immediately created a market for water rights from farms where the entrepreneur was looking for a marketable "out," and had hopefully been granted it through Governmental legislation. This, then, was not protecting the "Green Belt" or anything else, but, in fact, doing just the opposite -- in this case, giving the entrepreneur who was banking on land appreciation or its equivalent, in this instance water rights, the opportunity to enjoy the fruits of his labor and make an elusive profit on legislated appreciation. In Luna County, subdivision has been openly accused of depleting the water table. It is a contributing factor, but to say that the industry is the cause is to completely ignore the true facts.

In 1960, there were 37,000 acres of irrigated crop land. In 1970 there were 68,460 acres, nearly double in ten years. If all of the families that located in our subdivision used their 3 acre feet of water, that would only be .6 of 1% of the water being used on the increased acreage put in production in the last 10 years.

To blame subdivision for the drop in the water table is asinine. The increase in producible acreage in an arid region when thousands upon thousands of acres are taken out of production in water abundant areas at an extravagant cost to the American consumer and tax payer is also asinine. In this context, it is ridiculous to ask for local or State land use planning if land for agriculture is left unproductive in water abundant areas. To virtually throw tax money out the window in this fashion is another mistake. To massively support a Federal land use plan is imperative. After we move the Federal government off of its dead center no action bureaucracy, then we can make an effective land use policy state-wide, and, consequently, region or county-wide, which will and should include the complete inventory of our water resources.

Now the question comes to subdivision regulation -- we need it. The industry says we need it. We need sound, sensible, workable legislation that will require full disclosure as required by the Federal Government without creating another State bureaucratic agency to waste the tax dollar. We need to have every county require that the property meets the requirements of the county, state and federal health agencies. But to have legislation that is stifling of an industry and ancillary industries, or that can tell a property owner, whether corporation or individual, what may or may not be done with his possession, strikes me as being alien to our culture and best interests. This is especially true in light of the fact that on March 2, 1972, the U.S. Senate passed the Housing and Urban Development Act of 1972 by a vote of 80 to 1. Much of this Act dealt with rural housing development.

Large land developers have to meet stringent Federal and State regulations now. The "rocking chair" subdivider does not. In Luna County there are 79 platted subdivisions of which 3 are the property of Select Western Lands Inc. Of these 79, only three are registered with the Federal Government, two of these belong to Select. As far as our records show, only two of the 79 are registered with the Consumer Division of the Attorney General's office of the State of New Mexico and only two are registered with other State agencies--both the property of Select Western Lands Inc.

Even in the light of these facts for Luna County, the Harpies of the irresponsible environmentalists will tell you that the legislation that was proposed in 1972 would stop unbridled subdivision. It, in fact, would only stop large land developments that are already restricted with meeting the requirements of HUD, New Mexico and other Governmental agencies.

We have chosen the free enterprise system to make the good life. If we do not let every person have the chance to take a chance, then we must restructure our complete system of society, economics and government. We must make a different set of priorities for future generations, but we cannot stand the irresponsible rhetoric of doom that causes unjust reaction. When the media and all concerned act with integrity instead of searching for the elusive freedoms, then the problem of water resources will be solved to the benefit of all segments of society.