Who opposes water projects?

Over the past 25 years, a nexus of international agencies and private central banks, including the International Monetary Fund (IMF), World Bank, and the Federal Reserve Bank, obstructed needed water resources development. They have blocked all kinds of national-interest infrastructure development, in their backing for speculation, debt-usury, and "free trade" privileges for a private circle of financial interests, centered in London. Now these interests are profiteering off hoarding, and the scarcity of commodities, including water.

The most common rationalization offered by IMF circles is the lie that both large-scale water diversion and nuclear-powered desalination are too expensive. In addition, there is the bogus argument that waterworks developments are threats to the environment. On cue, this latter point of propaganda has been promoted by the Hollywood wing of IMF financial circles, with movies and movie-star charity drives to "save the rivers and oceans." For example, see the 1992 movie, "A River Runs Through It."

An example of the consequences of IMF intervention, is the outbreak of cholera in Lima, Peru in January 1991. This was the direct result of the IMF and World Bank repeatedly stalling or cancelling proposals made over the 1980s, to upgrade the city's water treatment facilities.

Typical of the Federal Reserve in the United States, was a 1979 symposium sponsored by the Federal Reserve Bank in Kansas City, on the topic of "Western Water Resources: Coming Problems and the Policy Alternatives." One speaker, Canadian engineer Keith Henry, asserted, "Colossal concepts such as Nawapa [North American Water and Power Alliance] will not be practicable with the technical, economic, energy, and political constraints under which we presently live, and even smaller schemes are going to present great difficulties."

Jacking up the price

What to do then? Another speaker, Theodore M. Schad, said, "The most economic way to bring supply and demand into balance is by reducing demand." How? Higher prices.

The Fed, and also the IMF internationally, back proposals for "water banks" and "water markets" to replace the nation-serving idea of fostering public water supplies, and providing for agriculture and industry. A forthcoming (October 1996) report by the National Research Council, "A New Era for Irrigation," gushes, "One especially promising tool is the water 'bank'—an institutional mechanism that allows water users [mostly farmers] to 'deposit' excess water rights [from western federal projects] for lease by others." In 1992, a new federal water law deregulated California's Central Valley Project, the largest federal water program in the country, to create a "water market."

Praising this idea, a Federal Reserve economist, Ronald Schmidt (San Francisco, 1991), wrote, "Over the longer term, deregulated water markets could offer an automatic mechanism to solve the [water] allocation problem in the least-cost way. As supplies shrink, prices would rise."

Profiteering off bottled drinking water is the latest bonanza in Washington, D.C., because city drinking water showed bacteria this summer. The corporate interests dominating bottled water worldwide, just like those dominating other vital commodities (foods, fuels, metals, and minerals) are Anglo-Swiss-Dutch. Nestlé is the world's largest supplier of bottled water, with about 13% market share of all sales. Nestlé owns Perrier.

acre feet per year of water would begin. In 12 years, there could be 31 million kW of electricity, and 39 million acre feet per year of water.

The further benefits of Nawapa include enormous transport improvements. Water is the cheapest form of moving goods. In 1990, the United States had about 11,000 miles of mainline inland waterways; Nawapa would increase this significantly, and provide new north-south water routes through the High Plains of the prairie provinces and states, opening up whole new areas for high-density settlement.

In the 1960s, the cost of Nawapa was estimated to be $100 billion, which in today's dollars would be over $300 billion, or, depending on the pace, approximately $15 billion a year. The phases of construction would have significant positive effects throughout the economy. Nathan Snyder, a Parsons engineer who worked on the Nawapa studies, in 1988 told a gathering of the Institute for the Advancement of Engineering: "Much experience has been gained in accomplishing large projects in Alaska and Canada. For instance, Parsons managed the design and construction of $4 billion oil and gas recovery and processing plants and infrastructure on the Alaskan North Slope. This was done under the most severe weather conditions in a remote areas. Even now, the massive hydroelectric complex constructed along La Grande Rivière