# How Millionaires Buy Up Farmland And Hoard All Our Water

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***The following is an excerpt from Karen Piper's new book, The Price of Thirst: Global Water Inequality and the Coming Chaos [3] (University of Minnesota Press [1], 2014). Reprinted here with permission.***

I grew up in southern California, in a part of the country hit by the nation's worst dust storms, deadly storms full of heavy metals that blow from dry Owens Lake. Studies have shown that I will not live as long as others because of this. I have accepted this, while at the same time hoping that these studies are wrong. Where I grew up, the city of Los Angeles diverted water away from Owens Lake, slowly draining it starting in 1913. It took more than ten years for the lake to dry up and turn into a toxic dust bowl, when naturally occurring heavy metals like aluminum and cadmium that had concentrated in the salt lake over centuries became airborne. This dust has been shown to cause cancer and respiratory failure, among other ailments. I grew up experiencing water inequity in my own body.

Book cover of 'The Price of Thirst' by Karen Piper.
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University of Minnesota Press

So when I saw Sean Hannity on Fox News broadcasting from another California valley allegedly drained of its water, I must admit I became curious. In September 2009, Hannity broadcast from Huron, California, in a weeklong special titled "The Valley Hope Forgot." He was broadcasting from the poorest congressional district in the nation, in California's San Joaquin Valley. According to the 2009 U.S. Census, 39 percent of Huron's close to eight thousand residents live below the poverty line. It is a migrant labor town, a cotton-picker town, and is 98.6 percent Latino/a. Huron has no medical services, no high school, and no voting booth during elections, because most of the residents are undocumented. Some 80 percent of Huron residents have not finished high school, and children who are born there have more birth defects than children anywhere else in the country—most likely due to pesticide exposure. One resident of Huron said she shut the windows when the wind blew. "What good is the wind?" she asked. "It's all poison." The water quality is no better, ranking 490 out of 502 cities in California, with fecal coliform bacteria, E. coli, and nitrates found in dangerous levels. The water system is built and run by Tri-City Engineering and owned by a former manager of Bechtel.

I could certainly see why Hannity would call it "The Valley Hope Forgot." Ironically, these were not the problems that Hannity had come to discuss. According to Fox News, Huron had only one problem: "environmental extremists" had turned off the water to save a "two-inch fish" in the Bay Area. According to Hannity, both the winter-run Chinook salmon and the delta smelt had been listed as endangered species in 1994, an event that wreaked havoc on local farms. It had been determined that water pumped for farming in the San Joaquin Valley was destroying the fishes' habitat up north. In an area known simply as "the Delta," an ecologically unique inland estuary exists between San Francisco and Sacramento. Through this Delta, much of the state's water supply passes, as do its endangered fish species. It turned out they were all competing for water.

Of course, the farmers were not happy about the endangered species listing. From a stage draped in American flags, Hannity reported that in order to save the delta smelt, pumps that had once brought water from the San Francisco Delta area to the San Joaquin Valley had been shut down. Behind him, a rally of thousands periodically cheered, "Turn on the pumps!" They carried American flags or signs that read, "Stop Eco-

Tyranny." They wore identical baseball hats. But what surprised me most was that it looked like at least 90 percent of them were white. Hannity said they were "family farmers." It was surreal.

From the stage, Governor Arnold Schwarzenegger promised to turn the pumps on as soon as he could, claiming the president was stopping him. (Strangely, the pumps were actually on at the time and had been for two months. According to Secretary of the Interior Ken Salazar, "The temporary pumping restrictions that were required under the Endangered Species Act ended on June 30th." The rally was held in September.) Congressman Devin Nunes compared President Barack Obama to both Saddam Hussein and Robert Mugabe for withholding water from "his own people." The one environmentalist on Hannity's show was shouted down by the crowd, and Hannity said, "The water has been turned off because wackos and environmental extremists like you care more about fish than about people. And I just want to know, how did you get your priorities so screwed up in life . . . what happened to you?"

Of course, Fox News is known more for its politics than for its veracity, but the surreal nature of this show took even me by surprise. It seemed that Fox News counted on nobody visiting Huron, which may have been a safe bet since it is not exactly a tourist destination. But whom was Fox News fighting for, and why, if not the residents of Huron? I decided to go to Huron to find out. What I discovered on the way was a story of collusion, corruption, and water privatization spreading across the United States.

**The Road to Huron**

Getting to Huron is like taking a trip into a postapocalyptic future. It is not surprising that the town is not well visited. California's San Joaquin Valley is dotted with prisons and landfills. Dust storms regularly close the freeway. On the way to Huron, I ran into a dust "blackout" and had to stop the car, unable to see even a few feet ahead. As I waited for the storm to clear, I began to notice strange objects pelting the car. At first, I could make out only plastic bags and cardboard boxes, but then a diaper hit the windshield, and the smell told me it was trash. As the storm passed, I realized I had been forced to stop next to an uncovered landfill in Wasco, California. Ironically, this is the "rose capital" of the nation, growing 65–75 percent of U.S. roses. Next to the landfill is Wasco State Prison, where six thousand inmates were waiting out the dust storm, too.

Dust storms now close Interstate 5 (the I-5), the main freeway from Los Angeles to San Francisco, several times a year. They are a frequent cause of multicar pileups. Once considered the "bread basket" of the nation for its surfeit of nut, fruit, and vegetable crops, today parts of the San Joaquin Valley are wasteland. Health experts have warned that increasing temperatures and more intense dust storms are also leading to higher transmissions of "valley fever," a fungal disease that can target organs, joints, and the nervous system. The spores are spread through the blowing soil—something that becomes more likely when there is little ground vegetation. In ten years, the number of cases of this disease has nearly quadrupled.

Before settlers arrived in the San Joaquin Valley, a person would have needed a boat to get across it; now sometimes crossing it is impossible because of Sahara-style dust storms. Huron was once on the shore of the largest freshwater lake west of the Mississippi, Tulare Lake, which was fed by three large rivers, the Kings, Kawea, and Tule. John Muir once wrote that the valley was "one smooth, continuous bed of honey-bloom, so marvelously rich that, in walking from one end of it to the other, a distance of more than 400 miles, your foot would press about a hundred flowers at every step." A forest of tule reeds up to twelve feet high surrounded the lake, which was brimming with freshwater mussels, turtles, fish, and waterfowl.

One of the early settler families in the area was the Boswell clan, and today they still own the land surrounding Tulare Lake. The Boswells are one of the richest families in California, another being the Resnicks. These two families also control much of the water in the San Joaquin Valley. According to historian Mark Arax: "The Boswells own, if you can own a river, they own 15 percent of the Kings River, which is in the middle of California, coming down the Sierra and emptying in what was Tulare Lake. The Kings River irrigates more farmland than any river in the world except for the Nile and the Indus." The Boswells are also the largest single grower of cotton in the world, with cotton farms in California, Arizona, and Australia.

The founder of the Boswell enterprise was Joseph Boswell, a Confederate soldier who amassed enough of a fortune from his cotton plantation in Georgia to allow his son, James G. Boswell, to head to California. In California, J. G. Boswell did what he knew best. He planted cotton, replacing slave labor with immigrant labor, first Chinese and then Mexican. Soon, his brother Bill and Bill's wife, Kate, came out as well and brought along Maggie and Will, "a dear old Negro couple." But it was not long before Kate was complaining that this couple had become "impudent," doing things like entering through the Boswells' front door, rather than the back as they did in the South. Apparently, the Boswells had trouble adapting to the more tolerant social mores of California. Kate described what happened to this poor couple: "I can never forget when Bill went out one morning, and . . . said, 'Nigger, you get yours and Maggie's things packed. There's a train that leaves here at four o'clock this afternoon. I've got your ticket, and you be on that train or else I'll have a dead nigger on my hands."

Besides controlling their servants and laborers, the Boswells spent most of their time trying to control the lake. Since the 1850s, farmers had been setting up diking and irrigation systems to grow wheat and other crops, thereby draining Tulare Lake. As the lake shrank, the bottom was used for growing crops. This was encouraged by the state of California, whose brochures still call this the "reclamation of swamplands." In 1905, as the lake dried up, millions of gasping fish were found dying in the lakebed. The San Francisco Chronicle lamented, "Tulare Lake is gone. . . . Once the largest body of freshwater west of the Mississippi is a grain field." Farmers torched the remaining tules and started building massive levees to straighten and contain the rivers. Unfortunately for the farmers, the lake kept coming back, bursting through their levees to drown their fields.

Eventually, the Boswells and other growers convinced the federal government to stop this "flooding" of their land by damming the rivers that fed Tulare Lake up in the foothills. In 1928, the Flood Control Act passed, allowing dam construction for the purpose of keeping water out of the San Joaquin Valley. Ironically, only a few years later another law was passed to bring more water to the San Joaquin Valley. In 1933, the Central Valley Project Act was passed to sell bonds for a project that would eventually encompass twenty dams and five hundred miles of major canals that would bring water from Northern California to the San Joaquin Valley. The U.S. Bureau of Reclamation, created to construct "irrigation works for the reclamation of arid lands," took over the project when state funds ran dry.

The U.S. Reclamation Act of 1902 had been designed to relieve population pressures in the East and help end poverty by moving Americans westward onto small family farms of no more than 160 acres. The Bureau of Reclamation would build the facilities—dams and canals—to irrigate these properties with the proceeds from the sale of federal lands. Farmers were supposed to pay back the costs of the facilities with their profits over a period of ten years, which failed to happen when crop yields were not as high as the bureau had expected them to be. Initially, the Central Valley Project was modeled after the British irrigation system built in India, which had six thousand miles of canals by 1900. In fact, the British engineer who oversaw construction of the Indian project was actually hired in California to help design the Central Valley Project.

Despite the massive water engineering, Tulare Lake continued its cycle of flooding and drying. In 1941–42, the sport of "dry-land fishing" was taken up as residents clubbed to death fish in receding floodwaters. In 1969, J. G. Boswell Jr. built a levee out of junked cars to keep floods from invading his property. The Corcoran Journal bragged in 2009, "Like the war in Vietnam, our famers are embattled, alert and doing everything possible to prevent and minimize flood losses." Until his death, Boswell liked to talk about his heroic struggles against the lake. He even hired a film director to make a documentary about it called The Big Land in 1967. The film opens with an aerial shot of lake, as the narrator explains, "This is Tulare Lake. . . . Once it ranged over 600 square miles, the uncontested master of the valley. Now it's become the lake that was; its waters controlled, its bottom reclaimed. Once master, it's now servant. Once desolate, it's now fertile. The difference is man."

In 1960, the State Water Project was approved, promising to bring even more cheap water from the north. This project includes thirty-four dams and more than seven hundred miles of canals and pipelines; it claims to be the nation's largest publicly built and operated water and power conveyance system. Unlike the Central Valley Project, this project got around the 160-acre restriction because it was funded by the state. According to journalist Robert Gottlieb: "The deal set the stage for a whirlwind of activities that changed the shape of the

region. Major corporate interests took over some of the big landholdings in the area and aggressively moved into the land-development business. . . . The amount of irrigated acreage shot up by more than two hundred thousand acres in less than a decade." At the head of this massive land acquisition were companies like Houston-based Tenneco and Prudential Life Insurance. And then there was Boswell. "King Cotton," Gottlieb writes, "came to dominate the valley in ways inconceivable just two decades earlier." The state had been bitterly divided over the State Water Project. Residents in the north questioned the damage that would be done to the Delta. The California Labor Federation claimed the project would aid agribusiness and not workers.

Ultimately, the Burns–Porter Act, which authorized $1.7 billion in state funds for the project, passed by a very narrow margin in 1959. By 1973, Justice William O. Douglas noted that Boswell had created a "corporate kingdom undreamed of by those who wrote our Constitution." Today, Californians are still fighting over the same issue, taking sides on protecting the environment versus protecting agribusiness. The difference is that agribusiness is a much more powerful force in politics, aided by the water attained from the State Water Project.

The State Water Project was supposed to be 100 percent paid for by the "project beneficiaries," the farmers. But this has not been the case. The costs of construction were supposed to be recouped through water rates, but due to pressure to keep water rates low because of low crop prices farmers went tens of millions of dollars into arrears on the state debt. Today, farmers in the San Joaquin Valley pay about a tenth of what someone in Los Angeles would pay for water, and they have not paid for the last 30 percent of the State Water Project. In 1994, the Monterey Accord canceled the remaining debt, which means that taxpayers will pay that extra 30 percent.

An added complication is that farming operations are now in trouble on the west side of the San Joaquin Valley—and not from lack of water. If fighting with the lake was once the Boswells' greatest problem, today it is preventing salt buildup in their fields. Beneath the topsoil on that side of the valley, there is a clay layer that prevents irrigation water from sinking into the ground. Because of this, water sits on the surface, evaporating and leaving a layer of salts and minerals behind. In the 1970s, federal officials tried installing piped drainage to divert water away from the fields and into ponds to solve the problem. Then, at one of these ponds scientists began to notice that the concentrated pesticides in the water were killing or disfiguring birds. In 1985, the drainage program was stopped, but the drainage issue is still being litigated between farmers and the federal government. It is estimated that by 2040 approximately 160,000 to 225,000 acres of farmland in the San Joaquin Valley—nearly as much land as the State Water Project had supplied in its first decade—will be ruined for farming due to salinization. Now it appears that the State Water Project will not only remain unpaid for but will also no longer serve its purpose of irrigation. It may become a ghost relic of U.S. ambitions to "make the desert bloom."

One solution proposed by the Bureau of Reclamation has been land retirement, in which willing farmers sell their land and/or water rights back to the state. Unfortunately, not enough farmers have been willing to sell to make this a feasible alternative, and farmers are still fighting for more drainage ponds. In 1987, it was found that bird killings from these ponds were far worse on the Boswells' property than had been seen elsewhere. Joe Skorupa of the U.S. Fish and Wildlife Service went to the Justice Department with allegations that the preventable bird deaths on Boswell land were criminal acts. "We were told we had an excellent case," Skorupa told Audubon, "that they had every confidence that it was winnable, but that until we went and got someone at least at the secretarial level in Interior to give a clear policy directive, the Justice Department would not pursue it."

Today, Tulare Lake is home to some of the world's biggest cotton farmers, with water subsidized by the state. Throughout the American West, farmers have become the largest water consumers, using about 85–90 percent of the total water consumed in each state. According to Gottlieb: "These agricultural interests have . . . benefited from a special relationship not only with the Department of Agriculture, which implements a variety of crop subsidy programs, but the big federal agencies as well. They have developed strong ties with key congressional leaders." In short, large landowners have demonstrated enough political clout to have water directed their way.

If the Boswells brought a bit of the Old South with them to Southern California, their billionaire farming neighbors are Los Angeles socialites. Stewart and Lynda Resnick own Paramount Farms, the largest supplier of

pistachios in the world, as well as POM Wonderful juices, Fiji Water, Teleflora, and the Franklin Mint. Stewart Resnick makes over $2 billion in revenue. While the Boswells like to tour their property in pickup trucks and cowboy hats, the Resnicks prefer to manage their operations from their Beverly Hills mansion. Stewart Resnick attended law school at the University of California, Los Angeles, and made his first fortune in security alarms and services. With that money he bought the Franklin Mint, which is known for making model cars, souvenir plates, figurines, and Civil War–inspired chess sets. Only after he had earned hundreds of millions of dollars did Resnick decide to buy land in the San Joaquin Valley. Besides pistachios, he grows almonds and pomegranates. He is also the biggest grower of citrus in the United States. In 2000, he acquired Dole Food Company's citrus business for $55 million, along with a citrus packing plant in Huron.

Today, the Resnicks are perhaps the wealthiest couple in all of Los Angeles, and their Beverly Hills mansion has been called a "West Coast Versailles." Lynda Resnick has described her house as "topped off on all four sides with rows of balustrades through which a queen might peek out and utter, 'Let them eat cake.'" Christina Aguilera has sung at their parties, Arnold Schwarzenegger has called them "some of my dearest, dearest friends," and they have a wing of UCLA's hospital named after them, as well as a wing of the Los Angeles County Museum of Art. They also happen to be friends with the owner of Fox News, Rupert Murdoch, who wrote a blurb for Lynda Resnick's memoir. Located between the Boswell and Resnick properties, Huron was in fact the perfect place for Fox News to host a weeklong special. After all, Fox was fighting for the water supplies of the Boswells and Resnicks, who were friends of the Murdochs.

Today, the road to Huron is littered with signs every half mile that read, "Congress Created Dust Bowl," placed there by agribusiness. One hand-drawn sign says, "Owens Valley II." You might mistakenly think you are approaching a city full of angry activists. But until you are right on it, Huron is hidden in the dust and haze; it then jumps out at you like a lost city. It is full of one-story concrete buildings with signs in Spanish and men sitting on curbs wearing cowboy hats. It feels like a Mexican town, but one full of unemployed people. Since I arrived just after picking season, I figured that most of the people had left. The others sat around, bored, telling stories to pass the time on the two city blocks that constitute Huron. Farther down the street, the Dole packing plant dominated the landscape, enclosed in chicken-wire fence topped with barbed wire. Across from it was a collection of portable toilets waiting to be hauled to the fields, though many of them looked trashed or abandoned. Huron is a company town, a Resnick town.

Resnick was once asked how many of his farmworkers were employed illegally. He replied, "If not 100 percent, then the majority. If they had their papers in order they would get other jobs. Do you really think that someone with the proper papers is going to be killing themselves for $8 when at least they'll get $11 at another job?" Mexican labor contractors bring workers across the border to the United States. How Hannity had found so many Anglo farmers was beyond me. I did not see any in Huron. Huron had become my red herring—undocumented, forgotten, underrepresented, poisoned. The town was dead, the fields were dead. Fox was not around.