A view on water economics in Europe

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The big picture on efficiency and value

- Management and coordination versus structures and signals
- Set standard and enforce laws
- Dead without farmers (OECD "transparency" will do nothing)
- MAs will meet with market/non-market mix
- TTT (technology and techniques transfer)
- EEA can provide indicators of status

**Danger:** You can take the current path and waste resources and opportunities but there’s a high opportunity cost. Much worse in the US.
Choose one, not both

1.2: It is important to recognise what resource efficiency is and how it can contribute to sustainable resource management.

That’s backwards!

Try:

Sustainable resource management produces efficiency.

➤ Choose P or Q but not both
➤ Choose technology or outcomes but not both
➤ Set a constraint and people will adjust
C2: Measuring efficiency

▶ What’s the point for the EEA?
▶ Statistical masterbation (dangerous?)
▶ Useful within a company
▶ Outcome of choices by individuals with many values
C3: Incentivizing efficiency

- Higher prices or lower quantities won’t break people
- We are not going to have thirst or starvation
- We are going to have changes in profits, habits and power
- Like always (drought, rain, broken pipes, etc.)
C4: Indicators and accounting

- Water productivity fail – Marginal role, T&T, virtual water?
- Footprinting and LCA – now what?
- Spillovers and linkages do not need to be managed
- Energy-water vs cafe-croissant nexus
- The danger of OECD ranking (Israeli recycling)
Resource-efficiency measures are therefore at the top of not on the water management agenda. They are needed to ensure that sufficient clean water is available at an affordable price for human needs, while the functioning of aquatic ecosystems is preserved to further provide vital goods and services. Result after environmental water is reserved and economic water is allocated to maximize its value. A common understanding of water’s importance is essential does not exist, so alongside effective communication about who needs water, where and for what purposes is just a plea for privilege.
Conclusion

- The end of abundance means water is valuable.
- We need to change institutions that assume it’s free.
- Set a limit. Don’t apologize.
- Innovation and behavior will handle the rest.
- We will do just fine.
Thank you!

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