

Water: a human right or an economic resource?

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Social Goods and Economic Goods

A **Social good** is a good whose benefits and costs for one individual or limited group of individuals also tend to affect a larger social community

An **Economic good** is a good that contributes to the satisfaction of human wants and which can be sold or bought in a market



If water is considered as an **economic resource**, more water for one individual may mean less water for others sharing the same water system

If water is considered as a **social good**, improvements for the benefit of one individual may also mean benefits for others



International Perspectives

"Water has an economic value in all its competing uses and should be recognized as an economic good"

Fourth Principle, Dublin Statement, 1992

"...Water as an integral part of the ecosystem, a natural resource and a social and economic good"

Chapter 18 of Agenda 21, Rio, 1992



Fundamental Human Rights

- Life
- Food and adequate standard of living
- Heath and well-being
- Protection against disease and malnutrition
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- Water



General Comment 15 to the International Convenant on Economic, Social and Cultural Rights, 2002

"The human right to water entitles everyone to **sufficient**, **safe and acceptable**, **phisically accessible** and **affordable** water for personal and domestic uses. An adequate amount of safe water is necessary to prevent death from dehydration, reduce the risk of water related disease and provide for comsumption, cooking, personal and domestic hygienic requirements"



Some important issues

- Water rights = water delivered for free?
- Who pays for water and water services?
 Water users
 Tax payers
 External donors
- Basic needs

50 l/day: drinking(5)+sanitation services(20)+bathing(15) +food preparation(10) (Gleick 1996)

Direct and indirect water consumption
 Virtual water



Concepts in Economic Valuation of Water

- the value of water, which is determined by the various direct and indirect benefits which water provides its users (including the social, cultural and environmental benefits);
- the cost of water, which is related to the expenses of providing water to the users;
- the **price of water**, which corresponds to the amount the water users are charged.



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Other Issues Covered in Chapter XX

WATER AND GLOBALIZATION

WATER AND POVERTY

WATER PRIVATIZATION

WATER GOVERNANCE



Water Governance

- The problem of making water as an economic resource compatible with the human right to water can only be adequately solved resorting to an effective water governance.
- Water governance refers to "the range of political, social, economic and administrative systems that are in place to develop and manage water resources and the delivery of water services, at different levels of society" (UNESCO, 2003).
- Water governance involves, thus, the government, private interests and the civil society, including users and consumers.



Dimensions of Water Governance

- The social dimension points out the equitable use of water resources.
- The economic dimension draws attention to the efficient use of water resources and to the role of water in overall economic growth.
- The environmental dimension shows that improved governance allows for enhanced sustainable use of water resources and ecosystem integrity.
- The political dimension points at granting water stakeholders and citizens at large equal democratic opportunities to influence and monitor political processes and outcomes.