

Food and water as economic goods

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Food (more specifically, nutrition) and water are two of the most urgent of material human needs. As they complement each other, they are of equal importance. Nevertheless, most societies view them differently. Food is almost everywhere regarded as an economic good, by which I mean not only that it is priced, but there is a presumption that the price reflects the cost of production, including the rent on the land on which the food is grown. In contrast, the price paid for water would seem to reflect only the cost of extraction and purification: water in situ is frequently taken to be a free good. In this lecture I shall try to identify the reasons behind this difference in attitude toward these two vital human needs. I shall also use those reasons to explain differences in the character of the acute scarcities in food and water that are currently being experienced in many parts of the globe. The current evidence would appear to be that, while water scarcity in many regions is likely to be an enduring problem, the same is probably not true in the case of food (at least not yet).