

LAND&LIBERTY

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message from the honorary president

Current issues over the affordability of household energy bills illustrate how essential but scarce natural resources and their value need to be shared. They also remind me of my experience as an engineer and manager working to provide affordable public water services in water scarce regions of the world.

In the UK virtually everyone has access to safe water and it costs a typical low earning household a small fraction of their wages to meet their health needs. However, in many parts of the world millions of people do not have access to safe water and where it is available it is generally unaffordable for typical low earning households.

For most people sufficient and affordable safe water is provided by a piped distribution system, but in water scarce regions flow is often intermittent and this gives rise to three important issues. First; contamination through seepage into leaky empty pipes. Second; inequitable distribution when, during service times some households extract excessive volumes via pumps and deprive others. Thirdly corruption and inequitable water charges arise as water meters become unreliable and readings arbitrary, so 'deals are done'. The 'Safe Water For All' (SWaFA) solution that I devised to address these issues uses drip or trickle flow technology to feed every household's storage tank such that, per capita, they receive sufficient safe water for their basic health needs. Then, according to the total water resources available, a limited number and range of enhanced/star flows can be auctioned at multiples of the basic per capita flow rate. In this way the aggregate value of discretionary water in that community is revealed. It excludes the value of the water that everyone needs and is distinct from any of the system's overall supply costs. Where it exceeds those costs it eliminates the need to charge for the basic service and becomes a source of public revenue. Where it does not it would simply reduce what householders on a 'basic' service would need to pay. The parallel of such an arrangement with collection of the economic rent of land as public revenue is interesting. Challenges that attend my SWaFA system include how many 'Star' services to provide, how many at each 'Star' level, and their corresponding flow rates. These have to be a political decisions and are likely to vary depending upon both the seasonal water resources available, local circumstances and the interests and powers of decision makers. Likewise, the permitted use of land and how its value is shared are political decisions that have a profound effect on the health and welfare of all people, where and how they live and earn a living and on the economic rent of particular land plots as well as the monetary value of the nation's land. With both water and land the integrity of the decision makers is clearly vital if economic justice is to be assured. This becomes even more problematic if those decision makers enjoy monopoly or near monopoly control and partial/commercial interests are in conflict with the basic needs of all.

At a global level the energy and climate crises reflect the same problem i.e. how may a scarce and vital resource and its economic value be equitably shared? Closer to home the energy affordability crisis has caused me to wonder if a SWaFA type approach might be useful. Smart meter technology would enable the tariffs for domestic supplies of gas and electricity to differentiate between a basic per capita rate and a progressive range of discretionary rates that would apply to households consuming more than their basic per capita amount. As with water and land there is a basic level of energy availability that is essential to a civilized life and meeting the challenge of ensuring this requires ingenuity, knowledge and devotion to truth.

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