

Water Savings and Economic Gains Due to the International Trade of Crops in the Mena Region

Andras Kis

Corvinus University of Budapest, REKK, Hungary
andras.kis2@uni-corvinus.hu

Irina Gribanenkova

Corvinus University of Budapest, Hungary
irag1582@gmail.com

Abstract:

It is a well known phenomenon that the production of goods often has a negative environmental impact. One way of measuring this effect is through the „environmental footprint”. A specific burden is the „water footprint”, the volume of water required to produce a given amount of product. Most of the countries of the Middle East and North Africa (MENA) region suffer from water scarcity, and they are not capable of ensuring the full food supply to their growing population from domestic production. Thus they import large amounts of crops from countries where water is more abundant. This research looks at the virtual water flow embedded in the traded crops related to the MENA region. The analysis is then expanded to also include the economic value of the related trade via a newly developed indicator, the “economic blue water productivity” (EBWP). We are testing the hypotheses on the direction of the trade and its drivers, whether crops are exported from countries with a higher EBWP to countries with a lower EBWP and whether EBWP may be considered as one of the drivers of trade in crops between the region and the rest of the world.

Keywords: Water Economics, Water Footprint, Agriculture

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