Detroit District Board Learns More About Water Wars Provided by Internal Website of Detroit Board of Directors - July 21, 2008

DISTRICT — Water is becoming an increasingly scarce resource as populations grow and demand increases. On Monday, July 21, Peter Annin, author of "The Great Lakes Water Wars", discussed this subject with community leaders and the Detroit Board of Directors.

Earlier, Mr. Annin gave a presentation to Detroit community leaders, then he gave a special presentation to the Detroit Board of Directors at its July meeting. His visit is part of a broader inquiry by economists in the Bank's Research department into how the Region's rich legacy of freshwater can play a role in economic rebuilding in Michigan and in the broader region.



Mr. Annin sees a potential for conflict between water rich areas like the Great Lakes and regions that are water-starved. Climate change will probably intensify these pressures.

Water, water everywhere but not a drop to drink.

Although approximately three-quarters of the earth's surface is covered by water, only one percent of the earth surface

water is accessible and drinkable fresh water. It is estimated that between 2 and 5 million people die annually from unhealthy water. This situation is not likely to improve. The United Nations estimates that two-thirds of the world's population is likely to face some type of intermittent water shortages by 2025.

In contrast, the Midwest is water-rich. The Great Lakes Basin, of the U.S. and Canada, accounts for about 18 percent of the global fresh water. The water is so plentiful that its volume would flood the lower 48 states to a depth of nearly 10 feet. The Great Lakes Basin sustains nearly 40 million people and a myriad of plant and animal life.

Mr. Annin pointed out that the global scarcity of water is likely to lead to tension between those who have access to water resources and those who wish to gain greater access. Compounding the tension is the fact that, at the present, there is no system that regulates who will use the resources, under what conditions, and at what price.

An attempt at developing some approach to water management is the Great Lakes Compact, which has been ratified by the eight states bordering the Great Lakes Basin as well as the two Canadian provinces. The Compact establishes standards for water withdrawals, sets regulations for in- Basin usage and bans diversions, except for limited exceptions.

The process has not ended because, to be binding, this Compact needs to be approved by Congress. Also to be determined are the criteria used to regulate usage and how it will be administered.

The Compact's prospects for approval are of keen interest to the Bank's regional economists and to many others throughout the Great Lakes region. Many of the region's manufacturers, water transportation carriers, tourism, and recreational interests depend on Lake waters.

In a nation and world with increasing water scarcity, the abundant freshwater in our Lakes is a valuable resource. One day this resource may help to maintain and grow the region's population, economy, and high quality of life. But that is only true if we can manage, conserve, and keep our water from being (unduly) diverted to regions and nations outside of the Lakes' natural watershed.

— Sam Kahan, Detroit Research