ECONOMIC ASSESSMENTS AND IMPACTS (MICRO & MACRO)

Objective: To provide estimates of economic impacts of various water management activities and strategies. This program supports and contributes to all other efforts in the overall program. The scope of economic studies must span the micro- or farm level, to the macro- or regional scale.

- **Development of regional economic optimization models to evaluate water scarcity.**
  - Evaluating efficient [profitable] dryland transitions from irrigation
  - Analysis of energy, commodity prices, and farm polices on ground water use
  - Evaluation of impacts of technology efficiency on ground water utilization
  - Water right and legal policy impacts on water conservation
- **Development of socio-economic impact assessment models**
  - Socio-economic / third-party effects
  - Rural economic effects
- **Assess current information and establish baseline for farm level economic returns for current agricultural practices and alternatives for which data exist.**
- **Evaluate farm level economic returns from alternative technologies and management systems**
- **Evaluate farm level economic returns from alternative crop/livestock systems**
- **Economic assessment of specific water scarcity issues**
  - Evaluation of ground water exportation
  - Marginal value of water in agriculture
  - Determining the *"future value"* of water conserved

Outcome: 1) Producers will adopt improved water management strategies that are economically viable, 2) A policy framework that will lead to optimizing the net economic benefit of the aquifer.