

# Changing minds on drought management – the economic case

Frederik Pischke

Senior Programme Officer,  
Global Water Partnership (GWP)



# Thanks to

- 34 IDMP Advisory Committee members 2015 and 2016



- 17 Participants in the IDMP Expert Group Meeting, September 2016



- WMO, GWP 2017 Working Paper developed by Nicolas Gerber and Alisher Mirzabaev



- 40 Participants in the World Bank, NOAA, IDMP Workshop on Drought Mitigation & Preparedness: Benefits of Action and Costs of Inaction, April 2017

<http://www.droughtmanagement.info>

→ Connect → Benefits of Action and Costs of Inaction (BACI)



# Hypothesis: the (social) costs of action are lower than the (social) costs of inaction



Source: WMO, GWP 2017

Supported by evidence: in the US, each \$ spent on drought risk mitigation saves > 2\$ of future disaster costs (FEMA, in Logar & van den Bergh, 2013)

# Message 1: Be Ready

- Opportunity of a drought to propose solutions
- Importance of impact assessment
- Context matters: **The economic argument must understand the political economy to create change**
  - political & governance context; part of development process
  - overcome lack of political will

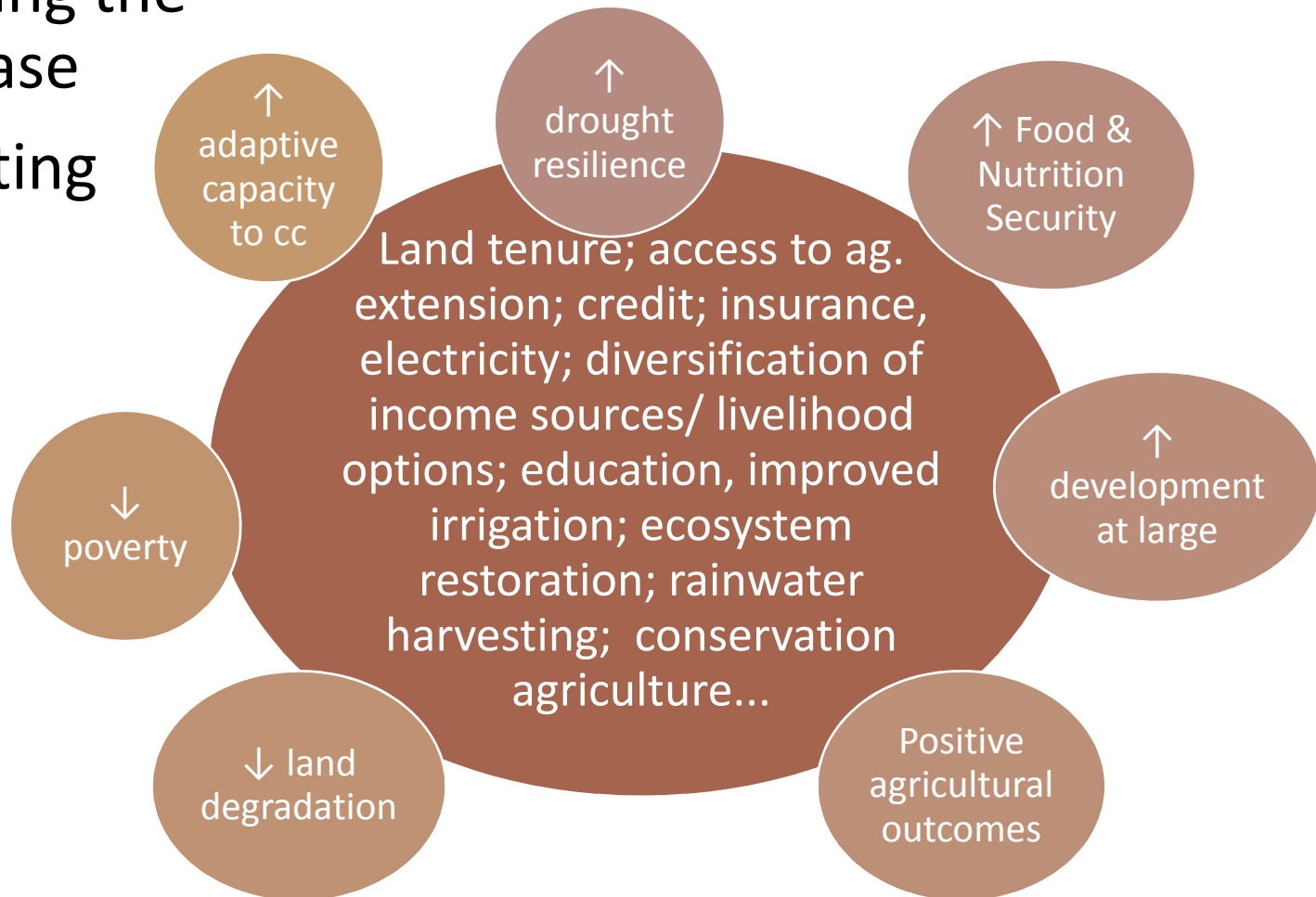
Escape from?



Source: National Drought Mitigation Center, University of Nebraska-Lincoln

# Message 2: Evidence to support

- Strengthening the evidence base
- Link to existing agendas
- Co-benefits





# Message 2: Evidence to support

- Strengthening the evidence base
- Link to existing agendas
- Co-benefits



# Message 2: Evidence to support

- Strengthening the evidence base
- Link to existing agenda
- Co-benefits

- Connect to governments where it matters, show **'low-hanging fruits' & socio-economic co-benefits**
- Cannot eliminate drought vulnerability - Identify more efficient drought responses and early action

↑  
adaptive

↑  
drought  
resilience

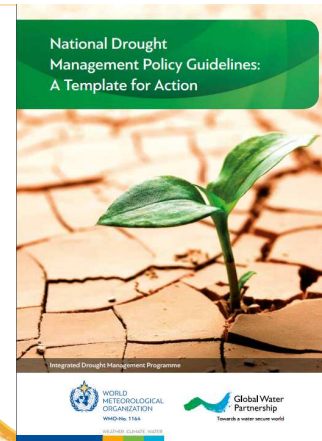
↑ Food &  
nutrition

↓ land  
degradation

↑  
agricultural  
outcomes

# Message 3: Phased & integrated strategies

- Need for an organized framework to assess drought risks and analyzing benefits of actions and costs of inaction
  - Comparability across countries and contexts while tailored to specific local requirements
- Apply economic argument alongside drought policy guidance



Source: World Meteorological Organization and Global Water Partnership, National Drought Management Policy Guidelines: A Template for Action



# Message 3: Phased & integrated strategies

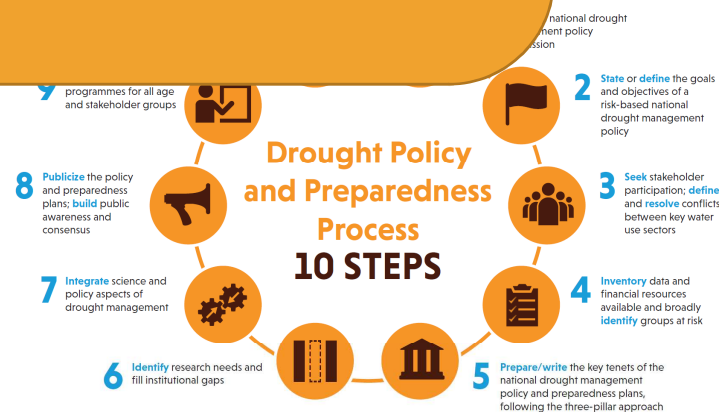
National Drought Management Policy Guidelines: A Template for Action



→ The economic argument and assessments can support proactive response to drought **BUT numbers alone will not lead to action.**

→ Drought information has no value if it does not lead to management decisions

- National drought management policy
- Apply economic argument alongside drought policy guidance



Source: World Meteorological Organization and Global Water Partnership, National Drought Management Policy Guidelines: A Template for Action



# Objectives of this event

- Your view on the challenges to shift from drought crisis to drought risk management
- How to motivate proactive action towards drought
- Your feedback on next steps and how to expand the evidence base