## List of Figures

1.1 First- and second-best solutions to public choice decisions 17
1.2 The impact of reform on selected impact variables 21
2.1 Evolution of foreign exchange reserves (million $) from September 1992 to June 1998 50
4.1 Jointly supplied migratory species 87
4.2 Distribution of WTP bids for UK programme 90
4.3 Distribution of marginal WTP bids for joint UK–Cyprus programme 94
4.4 The impact of regional cooperation on water allocation 99
5.1 Annual water balance in a rice-based system in Sri Lanka (KOISP 1998) 122
5.2 Impact of a water-pricing system on the level of water diversion from the source 127
8.1 The watershed economics methodology 183
8.2 The Kousis catchment area, Cyprus 191
9.1 System components 217
9.2 Meteorological and hydrological stations for the Kousis catchment area 219
9.3 Private and governmental groundwater extraction points for the Kousis catchment area 220
9.4 Sample form 222
9.5 Sample report form 223
9.6 Correlation of random-error terms 224
9.7 Time series for the rainfall data 226
9.8 Comparison of the empirical and hypothesized normal CDFs for the rainfall station 270 227
9.9 Causal model depicting the relationships involved in the distribution of water for irrigation needs 228
9.10 Implementation of the irrigation demand points causal model in terms of system dynamics 229
9.11 Decision-maker submodules 230
9.12 Allocation patterns 232
9.13 Priority matrix 233