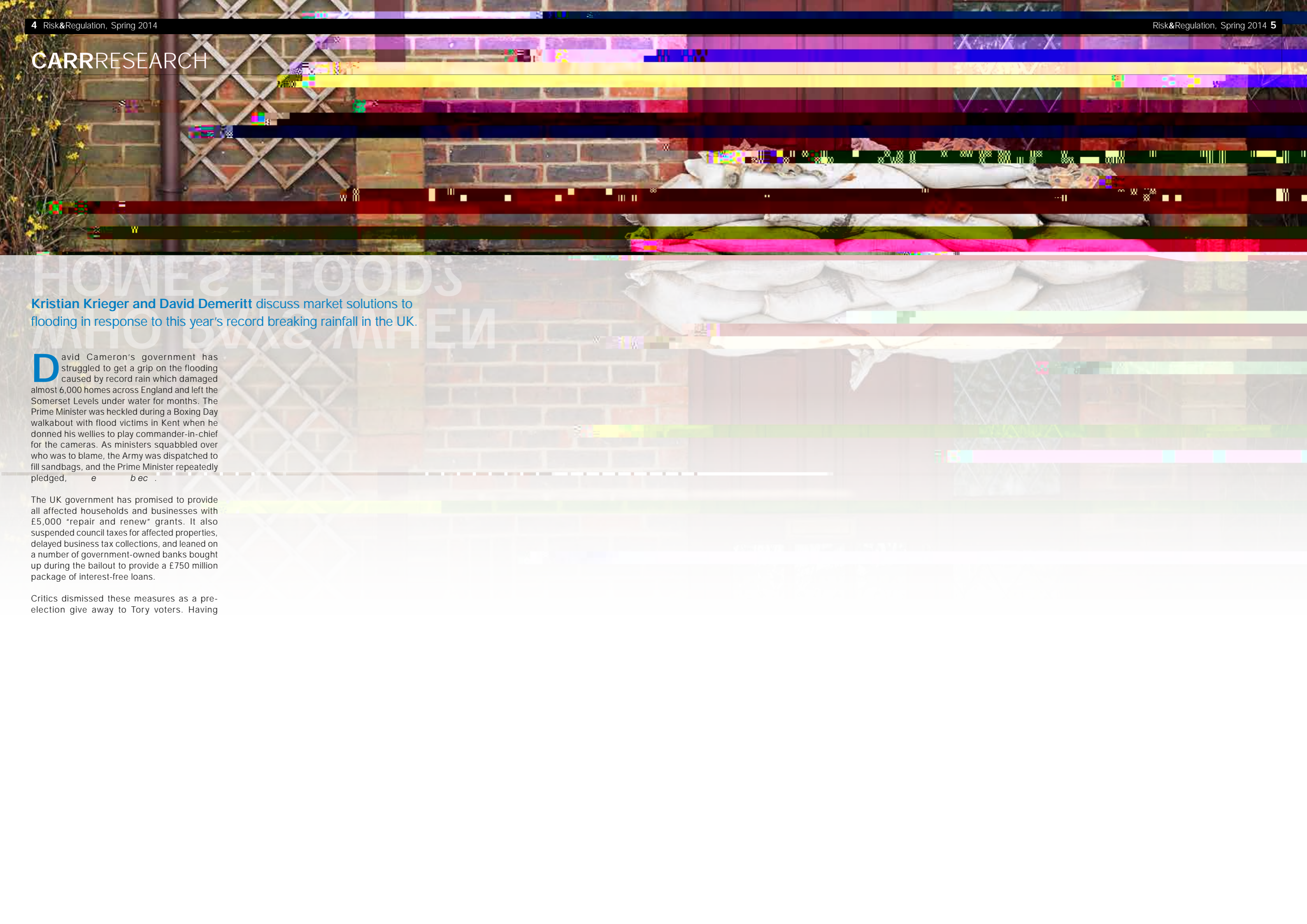


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HOWE? EFOOD'S WHO BWA? MHEM

Kristian Krieger and David Demeritt discuss market solutions to flooding in response to this year's record breaking rainfall in the UK.

David Cameron's government has struggled to get a grip on the flooding caused by record rain which damaged almost 6,000 homes across England and left the Somerset Levels under water for months. The Prime Minister was heckled during a Boxing Day walkabout with flood victims in Kent when he donned his wellies to play commander-in-chief for the cameras. As ministers squabbled over who was to blame, the Army was dispatched to fill sandbags, and the Prime Minister repeatedly pledged,

The UK government has promised to provide all affected households and businesses with £5,000 "repair and renew" grants. It also suspended council taxes for affected properties, delayed business tax collections, and leaned on a number of government-owned banks bought up during the bailout to provide a £750 million package of interest-free loans.

Critics dismissed these measures as a pre-election give away to Tory voters. Having