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How "Water for All!" policy became hegemonic: The power of the World Bank and its transnational policy networks

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Abstract

As recently as 1990, few people in the global South received their water from US or European water firms. But just 10 years later, more than 400 million people did, with that number predicted to increase to 1.2 billion people by 2015, transforming water in Africa, Asia, and Latin America into capitalized markets as precious, and war-provoking, as oil. This article explains how this new global water policy became constituted so quickly, dispersed so widely, with such profound institutional effects. It highlights the prominent role of transnational policy networks in linking environment and development NGOs and the so-called global water policy experts with Northern high-end service sectors, and the ways in which the World Bank facilitates their growth, authority, and efficacy. This phenomenon reflects the World Bank's latest and perhaps most vulnerable development regime, which I call "green neoliberalism."

Keywords: Neoliberalism; Water policy; World Bank; Development; Environmental politics; Anti-privatization social movements

1. Introduction

On the drive from the Johannesburg airport to the wealthy white suburb of Sandton – host to the 2002 World Summit on Sustainable Development (WSSD) – colorful billboards suspended above the airport freeway depicted Black township boys splashing joyfully in an endless bath of fresh blue tap water.[1] These ads cajoled summit delegates to taste and enjoy the city's tap water, suggesting it was as pure and clean as bottled water. Soon after the World Summit began, it became crystal clear that these ads were not selling the idea of safe potable water to European delegates anxious about drinking water in the Third World; on the contrary, they were selling South Africa's water systems to interested European bidders in town.

In stark contrast to the well-secured and luxurious Sandton, 10 km down the road, the rigidly segregated and decrepit Black township of Alexandra ("Alex") houses Sandton's underpaid labor force. Without good public transportation, health clinics, schools, and basic public services, Alex stands as a grim reminder of all that has not changed since the end of apartheid. Three hundred thousand people in Alex are jammed into just over two square miles of land without access to affordable clean water, electricity, safe housing, or basic sanitation services. The key word is "affordable," as many of these services *have* been provided but have now been shut off because people cannot afford to pay for them. In a dramatic political turnaround, the new politics of the postliberation African National Congress (ANC) conforms to the view of the Washington Consensus of the market as a level playing field in which there are "willing buyers and willing sellers." This perspective has been imposed upon poor Black South Africans in the most draconian fashion.

In the poor Black township of Orange Farm, just days before the start of the 2002 World Summit, the French firm Suez rushed to install water meters as a test run for other parts of the country. The French insist its "pay as you go" system avoids the messy complications of nonpayment or theft. But in Orange Farm, public taps were dismantled

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and private meters were installed at homes with no income earners. Some of the new taps already leaked, and residents, with no way to recover the lost water, feared that their first month's free water would be their last.[2] As it is, many households can afford only four to five days per month of electricity from their recently privatized electricity meters. Township homes replete with fancy new French meters are otherwise ill-equipped: toilets are outhouses, there are few sewage connections, and homes are constructed from either thatched materials, concrete slabs, or collected pieces of scrap metal. Along with the 10 million people suffering from water cutoffs, and 10 million from electricity cutoffs, 2 million people have been evicted from their homes and many more live in substandard conditions.[3] With more than one million formal sector jobs lost since 1994, and the high-priority move by the ANC to privatize the heavily unionized public sector, many more jobs will disappear soon.[4] However much the ANC wishes it could constitute a willing consumer culture amenable to foreign investors, the only thing thus far being consumed are the township residents themselves.[5]

At the time of the 2002 World Summit, South Africa was still reeling from a deadly cholera outbreak that erupted after government-enforced water and electricity cutoffs. At the outset of the epidemic, which infected more than 140,000 people, the government cut off the previously free water supply to one thousand people in the rural KwaZulu Natal for lack of a $7 reconnection fee. South Africa has an ongoing water supply problem as is evidenced by the 43,000 children who die annually from diarrhea, a disease epidemic in areas with limited water and sanitation services. The Wits University Municipal Services Project[6] conducted a national study in 2001 that identified more than 10 million out of South Africa's 44 million residents who had experienced water and electricity cutoffs. (These figures are disputed by South Africa's Water Ministry.) Epidemiologists interviewed by the study's authors say that these cutoffs were the catalysts to the national cholera crisis (Bond, 2003, 2004).

These changes in the townships epitomized the politics of the World Summit agenda. As a follow-up to the momentous Rio Earth Summit in 1992, the mission of the Johannesburg World Summit was to assess the accomplishments and failures of the past ten years and to agree upon a program for the future. The agenda emphasized five basic issues: water, energy, health, agriculture, and biodiversity. Even though a series of preparatory committee meetings were held in sites around the world (e.g., Jakarta, New York) in an effort to get feedback and participation from a wide array of diverse actors, the final WSSD document read much like a World Bank policy paper, and a wish-list for the world's largest service sector firms: *Water privatization is the best policy to tackle the global South's poverty and water-delivery problems*. That such a seemingly diverse set of actors should carve out a document that is so "consensual" and full of "common sense" to many sectors and professional classes around the world – from the International Chamber of Commerce to environmental NGOs to South Africa's ANC – should give us pause.

This trend toward water privatization reflects a major shift in the global development industry. From the 1950s through the 1970s – the period of national development – economic objectives in the global South emphasized repatriation and nationalization of natural-resource-based sectors. But since the debt crisis of the 1980s, and the full-throttle imposition of structural adjustment by the World Bank and IMF, Southern states have been forced to sell off their public enterprises, including those that had successfully produced national wealth, widespread employment, and social stability. By the 1990s, under the neoliberal logic of privatization, even the most essential public-sector services, such as education, electricity, transport, public health, water and sanitation, were being put on the auction block (World Bank, 2003c; Hall and de la Motte, 2005). The shift is fairly recent and yet widespread; it has received the cooperation and consent of a broad base of professional class

[2] Interviews in Orange Farm, August 2002.

[3] See Trevor Ngwane interview in New Left Review, July 2003; Patrick Bond, "Rolling Back Water Privatization," ZNet Commentary, August, 4, 2003.

[4] One of the strongest voices *against* privatization is the Southern African Civil Society Water Caucus. Of its members, the South African Municipal Workers Union campaigned against private-sector and NGO-based rural water schemes; the National Land Committee and Rural Development Services network rallied pressure on the government for its failure to provide water to millions of rural South Africans; Earthlife, Environmental Monitoring Group, and other environmentalists have protested against the financing of the expensive and corrupt Lesotho Highlands Water Project's Mohale Dam; and numerous civic groups organized a national network of anti-eviction and anti-privatization campaigns to reverse the government's efforts to strip poor households of their access to water, electricity, and sanitation services. See Bond (2004). By the time of the World Summit, these different campaigns coalesced into a nation-wide social movement in which "anti-privatization" became the rallying cry, and brought into the fold activists from the rural landless people's movement, the fisherfolks movement, the trade unions, and AIDS/HIV and human rights campaigns. Finally, these South African groups joined hands with thousands of activists who comprised a series of anti-Summit meetings and protests, traveling from neighboring countries as well as from across the continent, and from Brazil, South Korea, India, Thailand, western Europe, Canada, and Northern California.

[5] The government's strategy has been to develop its own neoliberal agenda to sell off some of its public infrastructure and goods to European firms (with its devastating effects on union-dominated labor markets) *at the same time* as buying up public-sector infrastructure and goods throughout the rest of Africa, which the World Bank and IMF have forced indebted African governments to package up at bargain-basement prices. Hence, the South African government and corporations have been buying up state-owned airlines, breweries, health facilities, concessions at national parks and hunting grounds, and energy, water, and sanitation industries throughout economically depressed Africa. Critics decry South Africa's sub-imperialist role on the continent, arguing that the post-liberation government has become one of the prime instigators of a very harsh form of neoliberalism, and is doing the bidding for Northern firms and the IFIs, the financing of which (and authority) comes from the selling off of its own public sector industries and goods. In other words, many of the more powerful Southern governments and their elite classes generate their own green-neoliberal agendas, with transformative effects on regions (such as China, Chile, India, Brazil, Thailand, Indonesia, and Taiwan).

[6] For the report, see http://www.queensu.ca/msp.