



Resolutions To Action

LCWR Global Concerns Committee

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Privatization of Water

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EXPERIENCE

More than a billion people in the world lack access to clean water. More than two billion do not have adequate sanitation. Pollution, waste, depletion and a rapidly growing human population are contributing to a global water crisis. On our present path, by 2025, nearly two-thirds of the world's population will experience serious or severe water shortages. Whole eco-systems, dependent on water, will suffer devastating effects.

The private sector, especially a handful of transnational corporations, have recognized that water is the "blue gold" of the 21st century. Fortune Magazine of May 2000 stated: "Water promises to be to the 21st century what oil was to the 20th century: the precious commodity that determines the wealth of nations."

Ten major corporations are now delivering freshwater services for profit. The three biggest are Suez, Vivendi and RWE-AG. Ten years ago, multinationals serviced about 51 million people in just 12

countries. Today, they deliver water and wastewater services to nearly 300 million customers in more than 100 countries. At their present rate of expansion, in a decade, the top three will control over 70 percent of the water systems in Europe and North America. For these multinational corporations water is a tradable commodity to be bought and sold for profit.

SOCIAL ANALYSIS

The privatization of water is part of an economic philosophy that defines natural resources as "commodities," the availability and delivery of which will be determined by liberalized trade and investment policies of the free market. The World Bank, the International Monetary Fund (IMF) and the World Trade Organization (WTO) are major actors in determining policies that flow from this philosophy. New loans or the renewal of loans to developing countries are dependent on these countries' agreement to privatize water. In trade agreements negotiated through the WTO, multinational corporations are free to buy and sell water rights. Major trade agreements like the North American Free

Trade Agreement (NAFTA) and the General Agreement on Trade and Tariffs (GATT) define water as a commodity. Countries risk censure from the WTO if they try to control the export of their water.

Multinationals are beginning to concentrate on the nations of Europe and North America because of the greater security of their markets. Vivendi, Suez and RWE have bought leading US water companies -- United Water, American Water Works and US Filter -- which service many town and municipalities throughout the country.

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However, a growing “track record” is revealing the serious flaws in these private takeovers. Water prices soar with cut offs for customers who cannot pay. The water quality deteriorates. Local workers lose jobs. With the loss of local control, transparency in the operations is minimized and bribery and corruption can and do occur.

A rapidly strengthening, international “grass roots” movement is finding its voice and power as civil society reclaims its water rights. The determined efforts of people

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in villages and cities in countries as diverse as India, Bolivia and the United States are beginning to result in success and are raising public awareness.

The book, *Blue Gold, The Fight to Stop the Corporate Theft of the World's Water*, by Maude Barlowe and Tony Clarke (The New Press, NY, NY) includes excellent analysis of the issue, including facts such as those mentioned above.

REFLECTION

Water is crucial for the existence of all living beings. In its natural cycle, water is at the heart of the web that connects all life. It is not surprising that all major religions acknowledge the sacredness of water.

Water is the element mentioned most frequently in the Bible. In

the Roman Catholic tradition it is recognized as a sacramental “commons” revelatory of the presence of the Spirit throughout creation.

Catholic social teaching is clear in its insistence that water is a “commons” that exists for the good of all. “Water by its very nature cannot be treated as a mere commodity among other commodities. Catholic social thought has always stressed that the defense and preservation of certain common goods such as the natural and human environments cannot be safeguarded simply by market forces, since they touch on fundamental human needs which escape market logic.” (Centesimus Annus, 40)

“The principle of subsidiarity acknowledges that decisions and management responsibilities pertaining to water should take place at the lowest appropriate level. While the water issue is global in scope, it is at the local level where decisive action can best be taken. The engagement of communities at the grass-roots level is key to the success of water programs.” (“Water, An Essential Element for Life,” Pontifical Justice and Peace Council)

Water belongs to all living beings. It is not a commodity to be bought and sold for profit, but rather a common good and a legacy we have received and are responsible for preserving and passing on to future generations.

ACTION

- Know your water. Where does your tap water come from? Where does it go on leaving your home/office? Is your water company a subsidiarity of a larger (private) water

company. What is the quality of your water? By law, your water company must provide you with this information.

- Ask the US Ambassador to the UN, the White House, your congressperson how the US is contributing to the Millennium Development Goal (to which the US agreed) to halve by 2015 the 1.2 billion people who do

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not have access to fresh water and 2.4 billion who do not have adequate sanitation. Express your concern.

- Eliminate bottled water (an aspect of privatization) in your home and institution. Use filters instead.
- Learn how trade agreements and policies of the World Bank, IMF and WTO are influencing availability and delivery of water.
- Change a personal habit relative to water (e.g. shorter shower, elimination of chemical cleaners, fertilizers, pesticides, using grey water for watering gardens) each time being conscious of the sacredness of water.