

AFTER THE WATER

Land-locked Bolivia put water privatization on the map. A complex issue? Not for some people.

COCHABAMBA, Bolivia. During the first wave of protests to shake the town in early February of 2000, Juan Marcelo Rojas ran through a cloud of tear gas to rescue a Bolivian flag. A policeman had just seized it from another protestor. Rojas grabbed the flag and for a moment the two played tug of war. With his free hand, Rojas pulled down the policeman's gas mask, and as the officer choked he ripped the flag free. Blinded by the gas, Rojas chose a direction at random and ran. "I was very lucky," he said, smiling. "I ended up in the arms of my fellow water warriors." Ever since, people have called him Banderas, from the Spanish word *bandera*—flag.

Banderas, a works inspector, is an enthusiastic young man with a boyish face who showed me around Semapa, the city's public water utility. Wearing a track suit under his canvas technician's vest, he stood out from the rest of the workers, who know and like him. Last April, he participated in a four-day hunger strike to oust the utility's

by Daniel Aldana Cohen

REVOLUTION

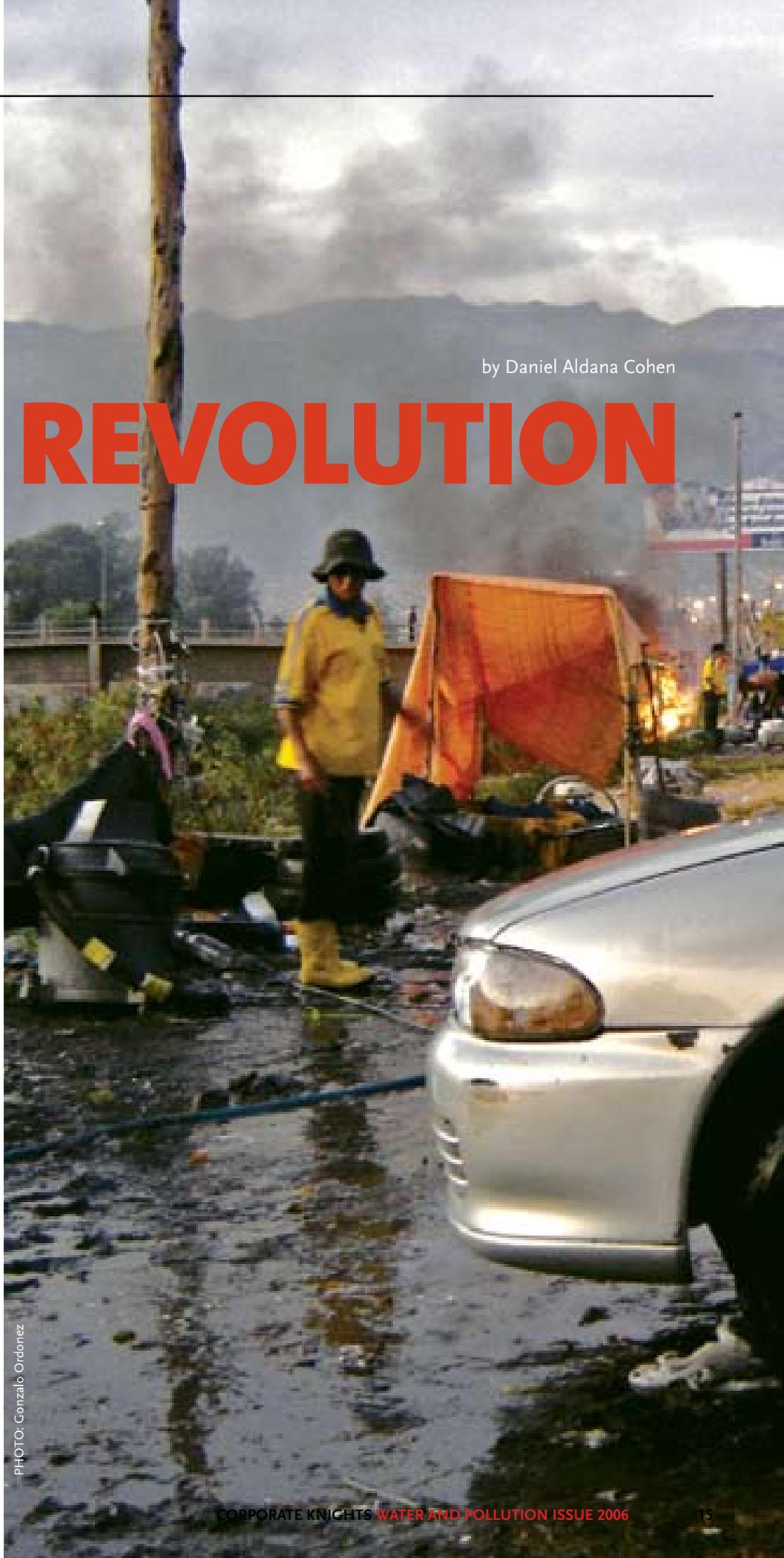


PHOTO: Gonzalo Ordóñez

corrupt manager. The following November, he went on a 15-day hunger strike to bring down the corrupt leadership of Semapa's workers' union.

Semapa's headquarters is a sprawling complex of weather-worn brick and white-washed cement buildings. Just past the employee entrance, I saw drops of water trickle from a stone fountain. Nearby, a gardener hosed down a patch of grass already so wet that water had collected in puddles. This was the dry season, when it rained less than once a month.

Under orders from the World Bank in 1999, Bolivia effectively sold Semapa for 30 years to the California-based multinational Bechtel, only to have the people of Cochabamba win it back in early 2000 after a series of huge demonstrations involving everyone in the city. This was the now-famous Water War. But six years later, how much has the water situation improved for Bolivia's poor?

problems—corruption, inefficiency, mismanagement—and has also had to deal with hostile national governments.

Most of the city's poorest inhabitants, who live in the Zona Sur, a dusty, unpaved, urban improvisation, are still where they were in 2000—stranded without service. The people here comprise close to half of Cochabamba. They get their water from street vendors or if they're lucky, small wells dug and operated by neighbourhood collectives. Water is scarce here and costs up to ten times as much as the wealthier people in the city centre pay. The quality is far worse. Many people bathe in the water they use to wash their clothes.

Abraham Grandenier, the President of Asicasur—an association of water collectives—told me that Semapa's failure to bring more water to the Zona Sur is the reason his organization is pushing to turn the area into its own independent municipality.

The situation has improved, however. To-

to privatize the country's water services, and he's been described to me by various people as incompetent, corrupt, ridiculous, and "a clown". His installation by Semapa's directors showed that the city's social movements still haven't succeeded in exerting effective social control over their utility.

Semapa's "endless crisis," as a local academic put it, is a classic example of the difficulty of institutionalizing revolution. Eradicating local corruption turned out to be much harder than booting out a foreign intruder. Plus, since the Water War, there have been other struggles to absorb the energies of activists. La Coordinadora often chose to divert its resources toward other fights, like trying to nationalize the country's gas and oil reserves.

His straight black hair aside, Jim Shultz, director of the Cochabamba-based Democracy Centre, bears an uncanny resemblance to John Kerry—he's tall, thin, and has the same long face. He had recently moved to

Under orders from the World Bank, Bolivia effectively sold Semapa to the California-based multinational Bechtel in 1999. The privatization of Semapa was an intolerable insult.

One thing is certain: they couldn't be worse off. The privatization of Semapa was an intolerable insult. The Bechtel subsidiary got control of the municipality's entire water system, including the city's aquifer. Its contract contained a guaranteed profit margin of at least 15 per cent, indexed to US inflation rates. The company had intended to charge tariffs on all water consumed by everyone in Cochabamba—even if it came from neighbourhood wells built by consumer cooperatives whose construction was paid for by users and international aid. The subsidiary's start-up capital was US\$12,000—laughable, given that privatization had been sold as the only way to generate massive investments. During the few months the Bechtel subsidiary was in charge, water rates were hiked in inexplicable ways, with many users facing raises in the neighbourhood of 200 per cent.

Beyond the grotesque particulars of the Bechtel deal, the rate hikes exemplify the fundamental problem of privatization policy: it passes the cost of infrastructure expansion on to consumers who simply cannot afford it.

Since the Water War was won in mid-2000, Semapa has faced legion internal

day Semapa pumps almost 50 per cent more water into the city than it did in 2000, and at higher pressure. Water service to many homes has increased from five to eighteen hours a day. Water quality has improved. Drinking water and/or sewage services now reach close to 60 per cent of Cochabambinos, up from 50 per cent in 2000. In 2005, after its internal shake-up, the utility finally became financially solvent.

In his office, under a large poster of Che Guevara, the new secretary general of the Semapa workers' union Hector Ugarte Rivero spoke to me about finally honouring the city's citizens' sacrifices in their fight for a public water service. He was grinning. Semapa had just secured a long-sought \$10 million loan from the Inter-American Development Bank to modernize its pipes and expand its infrastructure into the Zona Sur.

That was then.

This summer, Eduardo Rojas Castelú was installed as Semapa's new manager, against the wishes of the union and the Coalition for the Defence of Water and Life, or la Coordinadora—the umbrella group that organized the water warriors and expelled Bechtel. Rojas Castelú's curriculum vitae includes working for a previous government

Cochabamba from California when the Water War broke out. Shultz told me that Semapa has been hamstrung by politics ever since, and that "Cochabamba is better off now, though not outrageously—and not as much as foreigners think."

In Bolivia, the poorest country in South America with a population of about nine million, the Water War marks the beginning of recent history. I once heard Shultz say that Evo Morales—the country's first-ever indigenous president and a firm leftist—didn't create the massive social upheavals that culminated in his landslide election victory as the head of his political party, Movimiento al Socialismo (MAS), in December 2005. Rather, he was the man who had ably positioned himself as the social unrest's electoral outlet. "You should think of him as a surfer who caught a really good wave," Shultz said.

To extend the metaphor, the Water War was the tsunami that set the events in motion. In fairness, as the leader of a massive union of *cocaleros*—coca leaf growers—Morales took part in the Water War, fighting in the street alongside la Coordinadora. But he didn't lead the Water War any more than he led the massive mobilizations of Black

February in 2003, the gas war of 2003, the second water war of El Alto in 2004, the second gas war of 2005, or the numerous smaller waves of protest that have rocked Bolivia since 2000. Though he has been called the puppet-master of these protests, the reality is almost the opposite. “Evo is the product of the Water War,” is a sentence I have heard over and over.

Ever since the state mines were dissolved in 1985, relatively non-hierarchical, social movements have slowly taken over from centralized unions as the main force of social change in Bolivia. The 2000 Water War was their culmination.

The Evo Morales administration constantly pays homage to the social movements without whom it wouldn't be in power. Morales has incorporated (some say co-opted) many of their leaders into his administration, even creating a national water ministry—the first in the Americas—in response to their demands.

The new water minister, Abel Mamani, used to be the leader of the militant neighbourhood association of El Alto, a fast-growing 800,000-person city built by poor, indigenous migrants. It sits on the plateau overlooking La Paz at an altitude of 4,000 metres. In El Alto you can get a sunburn at noon and frostbite at midnight. It is also the most politically organized and radicalized place in Bolivia, having toppled two presidents in three years.

In 2004, during the country's second Water War, the city rose up against a subsidiary of Suez, a French multi-national that had taken over water services in La Paz and El Alto in 1997 (after protracted negotiations, Suez is now leaving Bolivia). Some 200,000 residents in El Alto still had no water hook-up, and would have had to pay about US\$200 to get one, an impossible price here. A recent audit found that since arriving in Bolivia, Suez has failed to meet the requirements for new connections laid out in its contract by 33 per cent, among other violations.

Mamani, 38, has a striking, photogenic face—dark brown with clean features. When I spoke to him in his office in late August, he seemed tired. The local media had been hounding him about the delays in expelling Suez—he had said they would be gone within weeks—and the ministry was suffering from internal squabbling. I asked him if the people of Cochabamba and El Alto were better off today after their respective Water Wars.

He had little to say about El Alto, “Wait and see. Suez will be leaving soon and we'll get to work.

MAKING THE MOST OF EXISTING SUPPLIES

There are only two ways to ensure safe, adequate water supplies for human consumption and agriculture: increase supplies or improve management. IDRC's main approach is to support research on the management of existing supplies. Because people are more likely to use water sustainably if they have a say in the way their water is managed, the research involves communities in identifying problems, finding solutions, and managing resources.

Here are some examples of that approach.

AN END TO THE WATER WARS

In Bolivia, researchers combined state-of-the-art modeling and GIS technology, field surveys, and public consultation to identify the most efficient and equitable allocation of water on the arid altiplano. Findings led to the adoption of an irrigation law that guarantees farmers' and Indigenous people's traditional rights, and to the establishment of a Water Ministry, a Bolivian first.

FROM SINKS TO GARDENS

Near Amman, Jordan—one of the most water-scarce countries in the world—researchers developed an inexpensive wastewater recycling and treatment system that allows “greywater” from household sinks and showers to be reused in gardens. Initial water savings were estimated to be at least 15% and the use of greywater increased household incomes by 10%. More than 1,000 systems have now been constructed for low-income families.

ENLISTING FARMERS' HELP IN CHINA

Although China's Tarim Basin is Eurasia's driest spot, agriculture thrives on oases watered by snowmelt. But expanding agriculture and industrial development are leading to declining water supplies and environmental degradation. Researchers have identified a number of water management innovations, many of which were adopted by the provincial government. They are now working with farmers to increase water availability, reduce risk, and improve livelihoods.

A BIOLOGICAL APPROACH TO TREATING WATER

Overcoming the environmental and health hazards posed by wastewater and providing water for gardens in poor neighbourhoods of Dakar, Senegal is the promise held by an aquatic plant—water lettuce (*pistia stratiotes*)—which grows in treatment ponds. Communities are involved in managing and evaluating the system, which could help Dakar address its water supply problems while increasing food supplies and incomes.

A CLEANER CITY AND BETTER HEALTH

Waterborne and helminthic diseases are rampant in Kathmandu, Nepal, where all five rivers are seriously polluted. Among the causes are a lack of sanitary facilities and the use of rivers as dumps for waste meat from open air butchereries. Research has led to a new Animal Slaughtering and Meat Inspection Act, and to collaborative remedial action by the city's competing social groups and castes.

ENLISTING YOUTH IN THE FIGHT AGAINST POLLUTION

Honduran high school students are being trained to collect and analyze data on water resources in the Tascalapa River. Wastewater and solid waste management is a chronic problem in the country. Working with communities and local authorities, the project aims to increase demand for improved environmental services and lead to the design of a wastewater and solid waste management system.

ANCIENT TECHNOLOGY, NEW HOPE

In the arid highlands of Yemen, researchers and farmers have found ways to rebuild and buttress ancient water-saving terraces that had fallen into disrepair. As a result, men who had left the area to seek jobs in the cities eagerly returned to farming, discovering that food production in the newly fertile fields was a profitable occupation.

—by Michelle Hibler

For more information: www.idrc.ca/water

“The case of Cochabamba is very particular,” he continued. “When you initiate a movement, you’ve got to stick with it until it’s been finished. When you’ve destroyed your enemy, the multinational company in this case, it doesn’t mean your work is over. Ultimately, it depends on the people of Cochabamba, because now there is investment.”

Of course, Mamani understands the slow pace of change in Bolivia and the constraints of working in such an impoverished country.

The ministry was started from scratch in January. It’s still finding its feet and it’s run on a shoestring. With a US\$800,000 annual budget, it’s heavily dependent on international funding (the research that will underlie several new water laws was funded by Canada’s International Development Research Centre). Its obligations are vast, from coordinating national, regional and municipal water uses to managing the nation’s water resources to resolving international disputes. And then there’s the colossal challenge of meeting basic needs.

By 2010, the government wants to extend clean water coverage to 78 per cent of the population, and sanitation services to 60 per cent. The price tag is US\$528 million, 70

per cent of which is to come from international aid. This will mean long, difficult negotiations with donors who prefer to finance public-private partnerships, which Bolivians simply will not accept. Donor preferences may change over time as research around the world finds more and more problems with private participation in water delivery.

The country’s social movements want to construct new models for public utilities, banishing the corruption and inefficiency of the past and building into their structure a hearty amount of population participation. Oscar Olivera, a very humble man, has been the most visible spokesman of la Coordinadora during the Water War and since. He thinks the new utilities—including Semapa—should rest on four pillars: transparency, popular participation, social justice and efficiency. What this will look like in practice remains to be seen.

What is clear is where the money must go. Nearly everyone in Bolivia agrees now that the public utilities can—and must—be able to pay the cost of water delivery and treatment with affordable consumer fees. What the consumers can’t afford to pay is the cost of Bolivia’s infrastructure gap. If the country can indeed secure the funding that

will allow its public institutions to cover the gap, there is ample room for optimism.

For all its problems, Semapa has put its fiscal house in order while modestly improving and expanding its service. The knowledge and willpower needed for a revolution in water delivery here are in place.

“People need to understand that this is a long process,” Mamani insisted, “and that it needs the participation, first, of Bolivians.

“But it also needs the support and participation of the international community.”

All the water people I spoke to are conscious of their responsibility to the citizens who fought in the streets for a public water system. They don’t think the slow drips of progress made so far are nearly enough.

In a quiet, determined voice, Olivera said to me, “This solidarity can’t be frustrated. Before my life cycle ends, I want Semapa to become the public utility the people dreamed of. It’s an obligation, and we have to succeed.” **CK**

Daniel Aldana Cohen is editor of the upcoming collection *Notes From Canada’s New Activists*, to be released in the spring of 2007



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