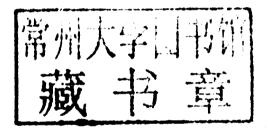


## **Contested Water**

The Struggle Against Water Privatization in the United States and Canada

Joanna L. Robinson



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**Contested Water** 

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### **Preface**

On a warm summer evening in June 2001, I attended a public meeting in the Canadian city of North Vancouver, British Columbia, along with hundreds of activists and members of the public. We were there to voice our opposition to a proposal by the Metro Vancouver Board to privatize the construction of the new Seymour water filtration plant, which would supply most of the drinking water for the region, a population base of more than two million. When I arrived at the meeting, there were literally hundreds of people pouring into the theater where the meeting was to be held. Many were dressed in costume, while others were holding banners and handing out pamphlets about the dangers of water privatization. Just outside the theater doors, a group of older women were singing songs chastising the local government for selling our water to the highest bidder. The atmosphere was festive, while at the same time I could sense a rising anger among the crowd as people filed in, greeted each other, and exchanged information. Soon most of the seats were full, and the meeting began.

The presenters—including senior Metro Vancouver bureaucrats and one elected official—began to speak, but were soon drowned out by a chorus of boos and shouts of "liars!" from the audience. With rising impatience, many people began demanding a chance for public input, stomping their feet and calling out "Let us speak!" When the time came for comments from the public, several dozen people, perhaps as many as a hundred, waited to speak, forming a line that snaked out the door. Almost all of the speakers were opposed to privatization. Their comments ranged from impassioned pleas to keep water part of the commons and angry derision about the lack of public input, to remarks on the legal risks under international trade agreements. After each public comment, the audience erupted in loud shouts of approval and intense applauding. As the two-hour meeting stretched to four and then five hours, with people still lined up to speak, the officials at the front of the room looked increasingly weary and uncomfortable.

Well past midnight, as the last comment was made and the meeting came to a close, with the Metro Vancouver representatives still seemingly entrenched in their position, the audience made its way out of the theater and into the warm summer night. Clearly, the momentum on the part of the audience would carry them to the next public meeting in Vancouver, scheduled for two weeks later. Although I was awed by the number of people who turned out for the meeting, and by their level of passion and commitment to keeping the water system public, I was surprised when, the next morning, while listening to the radio, I heard that the Metro Vancouver Board had reversed their decision to privatize the Seymour plant. They cited public opposition and the risks of contravening trade agreements.

How had anti-water privatization activists managed to mobilize so many people in such a short time and successfully reverse such an important policy decision? It was clear that the decision made by political elites had been reversed through the presentation of a powerful common message. I was curious to know more about how this happened and what made the movement so successful. That evening I began my journey to explore the politics of water and the growing conflict between the commons and commodification.

Why do people mobilize so passionately against the outsourcing of water services in their communities? What factors explain the trajectories of local anti-water privatization movements in an era of globalization? This book examines the struggles against water privatization that have emerged in communities around the world that challenge the marketization of water. The politics of water and the initiatives of social movements fighting to ensure protection of and fair access to water will be among the most important in human history. We all need water to survive. Many communities, particularly in developing countries, already experience severe water scarcity, while other areas are dealing with problems of pollution and failing infrastructure that are frequently seen in poor communities globally and—closer to home—occur all too often on First Nations reserves in Canada and on American Indian reservations in the United States.

In a world where the balance of power and material resources is more often than not tipped in favor of the wealthy and corporate interests and where a growing number of people lack access to life-sustaining water resources, it is no surprise that conflict over water is on the rise. A scarce resource, the ownership of water—who owns, manages, and has access to clean drinking water—will be critical for the lives of billions and will, ultimately, affect us all. Many activists argue that water is the next oil, and that the wars of the future will be fought over control and access to

water. The battles have already begun, as communities around the world, from Cochabamba, Bolivia, to Atlanta, Georgia, and Stockton, California, have wrestled with the question of who should control their water. A matter of life and death, the politics of water, including the movements that mobilize to protect water as part of the commons, is one of the most critical, visible, and contested issues of our time.

## Acknowledgments

This work would not have been possible without the help of many people to whom I owe a debt of gratitude. I especially want to thank the movement leaders who took time out of their busy lives to share their stories of activism. I was moved and inspired by their dedication to social and environmental justice, and heartened by their commitment to building better communities. This research would not have been possible without their generosity and willingness to meet with me for an interview.

I am grateful to the Social Sciences and Humanities Research Council of Canada (SSHRC) for funding the research for this book. A special note of thanks to David Tindall, whose encouragement and guidance from the initial idea to the final stages of the research helped improve the quality of the work. Several people also provided valuable feedback on early drafts of the work. I want to thank Jennifer Chun and Rima Wilkes for their guidance on the research design and data collection, and Jamie Peck and David Pellow for their suggestions on improving the work. I am especially grateful for the support and helpful advice of Clay Morgan and Robert Gottlieb at The MIT Press and to the anonymous reviewers for the Press, whose recommendations for revisions helped strengthen the book.

I also appreciate the encouragement of other scholars at the University of British Columbia who enthusiastically supported my research, including Ralph Matthews, Dawn Currie, Gerry Veenstra, Julian Dierkes, and Peter Dauvergne. As an undergraduate student at McGill University, I was fortunate to learn from and be inspired by many accomplished scholars. In particular, I want to thank Prue Rains and Karin Bauer, as well as Suzanne Staggenborg, who introduced me to scholarship on contentious politics and motivated me to complete a qualitative study of social movements. I am grateful, as well, for the support and mentorship of Kim Voss at the University of California, Berkeley. I also want to thank Jeffrey Cormier for his support of my work.

I am very fortunate to have a wonderful network of friends who have helped me keep balance in my life during the writing of this book. I thank Alan Jacobs and Antie Ellermann for their constant support and friendship, and for the many adventures we have shared over the years. I am grateful to Shannon Daub and Ryan Blogg for their friendship; our great conversations and laughter over delicious meals and lazy days on Bowen Island have been a delight in my life. For the past twenty-five years, Juliette Pelletier has been my closest friend and has supported me through thick and thin, helping me keep perspective and always giving me a reason to laugh. I thank her for her friendship. Trish Winston was my second mother during my undergraduate years in Montreal, and I am truly grateful for her kindness and generosity. I am very appreciative of Barbara and Syd Bulman-Fleming for their support and encouragement. I also thank Kyla Tienhaara and Kyle Horner for their friendship; their global adventures and commitment to environmental justice are inspiring. I also thank Sam Jones and Pierre Koch for their friendship, and for opening their home to us during our visits to Toronto. Veronique Sardi remains a wonderful friend and one of my greatest champions, and I have enjoyed her frequent visits to Vancouver. I greatly appreciate the support and friendship of my SPEC friends and colleagues Carole Christopher, Gerry Thorne, Dan Rogers, and Tara Moreau, whose passion for environmental justice is a constant source of inspiration. In addition, I thank Catherine Bischoff, Janelle Martin, Ken Hildebrand, Wendy Roth, Ian Tietjen, Amy Hanser, Nathan Lauster, Jeremy Weinstein, Rachel Gibson, and Molly and Ty Sterkel for their friendship and support.

My parents, Cam and Helen Robinson, always provided me steadfast support and encouragement of my academic pursuits as well as unconditional love, generosity, and friendship. I am grateful to my father for teaching me the importance of social justice from the beginning. I want to thank my mother, who recently passed away, to whom I owe an enormous debt of gratitude for showing me what matters most in life: love, friendship, honesty, perspective, and a sense of humor!

I thank my sister Leslie for her support and for always believing in me even when I doubted myself. My sister Michelle has been one of my biggest champions throughout my life, and I am grateful for her love and friendship. I also want to thank my brother-in-law Charles for the many delicious meals over the years and for being such a wonderful host during our many trips to Gatineau. My nieces, Kate and Elise, and nephews, Georges and Graham, are a joy. I am thankful, as well, for the love and support of Toni and David Owen and Jean Vivian over the

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# Introduction: Anti-Water Privatization Movements in the Age of Globalization

Stockton: "Let the People Vote!"

On the evening of February 19, 2003, a crowd of people gathered inside the city hall in Stockton, California, to observe a city council vote on whether or not to approve a private water contract for the city's water services. The atmosphere was emotional and intense as dozens of activists went head-to-head with business leaders and politicians and spoke out against water privatization. Despite the boisterous protests of anti–water privatization activists, proponents of the private sector model were firm that Stockton's water would not be at risk under a private contract. After more than two hours of heated debate, the crowd grew silent as the council members cast their votes; in a vote of four to three, the private contract was approved. This decision marked the culmination of a two-year battle between the mayor and his supporters and a coalition of activists determined to prevent the privatization of the city's water.<sup>1</sup>

The fight began in the spring of 2002, when the popular conservative mayor, backed by a majority on the city council, announced plans to privatize the municipal wastewater treatment plant, through a public-private partnership (P3) model. The mayor and his supporters on the council argued that contracting with a private company to run the city's water system would save the city money and keep water rates low. Soon after the initial plans to privatize the water system were announced, a coalition of environmental, labor, and voter rights organizations began to mobilize in opposition to the contract, organizing regular delegations to council meetings to speak out against the proposed privatization deal. Many of the people involved in the anti–water privatization movement were unhappy with the mayor's right-wing agenda and were already involved in political campaigns opposing his reelection. This group of individuals included Bruce Owen, a retired businessman and board member of a local chapter of a national environmental organization and one of

the founding members of the coalition steering committee.<sup>2</sup> "The mayor and council effectively shut us out that night," he told me as he described the February 19 city council meeting. He called the opposition to privatization a "natural fight" against the mayor and his "ultra conservative, anti-government" position.

The coalition in Stockton soon began holding meetings to organize a campaign against the privatization of water services. According to Bruce Owen, the strategy was to present a "rational and reasonable argument to the mayor." "Our first priority was to gather the facts," he said, explaining that the coalition wanted "to make sure that we had a valid analysis to present to council." As part of their strategy to appear "rational" and "professional," some members of the steering committee opposed the recommendation by other coalition members—union members and youth activists, in particular-to use more militant disruptive tactics, including street protests and sit-ins. Owen felt that the "radical" element of the coalition and their focus on "candlelight vigils" would detract from the professional approach of the steering committee, and result in the dismissal of their arguments by the mayor and council. "We needed to be professional and business-minded," he said, adding that the coalition chose to focus on pushing for a public referendum on the privatization issue rather than staging protests because they "didn't want to be seen as too radical or as working for the unions."

Despite a concerted effort by a coalition of union members, environmentalists, and voter rights advocates to block privatization plans by the city of Stockton, divisions within the movement about the choice of tactics and frames-including the decision to focus on a ballot initiativefailed to generate widespread mobilization and also divided members of the coalition. Many of the union members who were involved in early mobilization efforts felt alienated by the focus on voter rights rather than on the risks from corporate control of water. While the coalition steering committee emphasized local democratic process, the plant employees who feared losing their jobs under a private contract—felt it was important to focus on the negative track record of multinational water firms in terms of job losses and water quality. Still other members of the coalition stressed the global nature of the problem and wanted to draw attention to the negative consequences of water privatization in other communities around the world as well as the risks to local democracy from international trade agreements.

Bruce Owen and others on the steering committee believed that these arguments would shift attention away from what they believed was

the critical issue: the democratic accountability of the municipal council. Owen thought that heavy involvement by the union representing the plant workers would be a "conflict of interest," Although he appreciated their support for the cause, he was convinced that the coalition should remain neutral and not overtly support the union in their efforts to safeguard their jobs. He also believed that a focus on the global nature of the problem would detract from the local nature of the struggle and the importance of focusing on municipal electoral politics. He described how he felt the conflict between the more radical elements of the coalition and those who advocated a less disruptive tactical approach ultimately prevented the movement from blocking privatization because it allowed the city a significant head start. "We failed because we started too late," he explained. "By the time we got organized to do the initiative, the city was already making plans in secret in smoke-filled back rooms that the public was not aware of. Meanwhile, we were busy holding vigils. That hurt our cause."

In the fall of 2002, when it appeared that the Stockton City Council would proceed with the plans to privatize the water system despite growing opposition from the public, the anti–water privatization coalition organized a ballot initiative that would require voter approval on all privatization contracts. They began organizing and collecting signatures, and by February 2003, had gathered over eighteen thousand signatures, successfully qualifying the initiative for a public vote on the issue of privatization.<sup>3</sup>

In light of the predicted ballot victory for opponents of privatization, the Stockton City Council decided to accelerate the vote on the private water contract. On February 19, 2003, just thirteen days before the scheduled ballot initiative vote, the city council voted to approve the \$600 million contract, handing full control of the city's drinking water, sewage treatment, and storm water systems to OMI-Thames Water—one of the major multinational corporations that own and operate water services around the world. Two weeks later, on March 4, 2003, the ballot initiative organized by the anti–water privatization coalition passed by a margin of 60 percent. Yet, it was not retroactive, and thus did not reverse the city council's decision to privatize Stockton's water treatment system.<sup>4</sup>

The members of the coalition were furious and defiant, declaring that the battle would continue. During the next thirty days, they attempted to gather enough signatures to overturn the city council vote in a referendum, as allowed under California law.<sup>5</sup> Despite their efforts, and as a result of a counter-referendum campaign headed by the mayor of Stockton

and OMI-Thames, the coalition was unable to collect the required number of signatures for the referendum to be placed on the ballot and to repeal the vote by the city council. The anti–water privatization movement was unable to stop the privatization of the water treatment plant; ownership of the Stockton water system was turned over to OMI-Thames in March 2003.<sup>6</sup>

The failure to prevent privatization was devastating, with major consequences for water treatment and delivery in Stockton, including job losses at the treatment plant, increased water rates, and lack of investment in the required facility upgrades by OMI-Thames. Yet, rather than giving up in the face of defeat, the anti–water privatization coalition—along with prominent environmental and voter rights organizations—filed a lawsuit under the California Environmental Quality Act (CEQA) in May 2003. With the goal of reversing privatization of the treatment plant, they charged the city of Stockton and OMI-Thames for failing to complete an environmental assessment required under California law for any major new construction or facility upgrade.<sup>7</sup>

The court battle lasted for over five years, with judges twice ruling in favor of the coalition. Both of these decisions were appealed by the city of Stockton and OMI-Thames, which were granted a new trial in 2004. After losing a third appeal in July 2007, the city of Stockton decided not to appeal the decision by the California Superior Court in favor of the coalition members. As a result, they voted to rescind the contract with OMI-Thames, a move that cost the city \$1.5 million. After five years under the control of a private company, the Stockton wastewater treatment plant was returned to municipal control in 2008. Despite the initial loss of the anti–water privatization movement, their successful ballot initiative, combined with the council's tactical error in rushing the decision to privatize, set the stage for future victory. After a long and costly legal battle, the anti–water privatization coalition ultimately prevailed over the city of Stockton and succeeded in overturning the private contract.

#### Vancouver: The Globalization of Risk

On a warm June evening in 2001, several hundred people attended a public meeting in Burnaby, British Columbia, to voice their opposition to the Metro Vancouver region's plan to privatize the Seymour water filtration plant. As municipal bureaucrats and elected officials waited inside the theater to begin their presentation to the public, a group of activists made their way from the nearby subway station along the street toward the

theater. People chanted slogans and sang, while drums beat out a constant rhythm that grew louder as the crowd neared the entrance. Others carried banners with such slogans as "Keep our water public!" and "Don't P3 in our water!" A ripple of blue—a theater group, dressed in flowing blue costumes with faces painted blue and silver—snaked its way along the street. As they danced silently into the theater and surrounded the elected representatives, they resembled a wave of water, flowing and moving in unison. "Those dancers were amazing," said Amanda Jones, one of the organizers of the anti-water privatization protest, as she described the scene. "I remember them dancing behind the chairman of the meeting, doing all these crazy movements right behind him with their costumes and their banner, and it was like his head was just going to spin off his neck. I mean the imagery was so fantastic. It was brilliant." The meeting was the beginning of an intense public battle between the Metro Vancouver government and anti-water privatization activists over the decision to contract the region's water services to a private firm.

The decision to outsource water services occurred in the spring of 2001 when the Metro Vancouver Board announced plans to contract a private sector company to design, build, and operate a water filtration plant at the Seymour reservoir in North Vancouver, which supplies water to 40 percent of the region's population. Because of the high cost of the proposed treatment plant—estimated at \$150 million over twenty years—the board made a decision to privatize the construction of the plant in order to reduce the financial burden for taxpayers. The proposed contract was the largest public-private partnership contract ever proposed in Canada. Canada.

The announcement of plans to privatize the water treatment plant sparked a public outcry and within days a coalition of concerned citizens and organizations had formed in opposition to Metro Vancouver's proposal. Prominent environmental, labor, and social justice organizations organized public information sessions, sent delegates to the meetings of the water board, and commissioned a legal opinion demonstrating the risk to local control over water from multinational trade agreements, such as NAFTA.

Amanda Jones, a community activist and thirty-seven-year-old mother of two children, was one of the leaders of the anti-privatization movement. She had been involved in international human rights and social justice campaigns since she was a teenager. In 2001, she was working as a community organizer for a national social justice organization, the Citizens Action League (CAL), when she heard about the Metro Vancouver proposal to privatize the construction and operation of the new water