

# AN ISLAND IN A SEA OF PRIVATIZATION

## MARCELA OLIVERA REFLECTS ON COCHABAMBA'S WATER WAR, FIVE YEARS LATER

**Marcela Olivera knows first-hand that privatization of water services is a disaster for people who can't afford to pay the bills. She was at the forefront of Bolivia's "water war" in 2000, when citizens flooded the streets, reclaiming the city's water system from a consortium of international corporations controlled by Bechtel.**

The unrest began when the water company – which had signed a 40-year deal with the Bolivian government – increased its rates by 200 per cent or more. Workers living on minimum wage were told to pay as much as a quarter of their monthly income on their water bills. When they couldn't afford to pay, the company shut off the taps. The Council of Canadians joined with hundreds of civil society groups across the globe to support the Bolivian people in their fight for water justice.

After five months of street protests and intense negotiation, Bechtel eventually left the country and the water system was handed over to a public board elected by citizens and the city government. The new publicly managed company immediately rolled back water rates to what they had been before Bechtel's price hikes. Five years later, Bolivia's water system is still managed by a board of directors elected by citizens.

While the Cochabamba story has inspired water activists all over the world, people don't often hear about the challenges of running a citizen-controlled water system. Olivera was recently in Orangeville, Ontario, for the Council of Canadians' Water Activist Forum. She sat down with *Canadian Perspectives* Editor Ariel Troster, to reflect on what Canadians can learn from the Bolivian experience.

**AT:** What have been the biggest accomplishments of the Bolivian water movement since the Cochabamba "water war"?

**MO:** We kicked out Bechtel in April 2000, but we implemented laws to protect the public nature of Bolivia's water system and prevent water from being considered a commodity. We also succeeded in getting a law passed that respects indigenous customs around irrigation, guaranteeing water for small-scale farmers. And ever since the people took over the water system, the price of water remained the same as it was before the system was privatized in 1999.

**AT:** The concept of a public utility being managed by citizens (as opposed to a municipal government) is a foreign one to people in North America. How do citizens participate in the

management of water in Cochabamba? What are the challenges associated with this kind of model?

**MO:** The community does the labour, the city supplies the pipes, and the water company provides the expertise and testing. People organize themselves into committees and bring forward proposals to the water company, reflecting local communities' needs and priorities. Still, I don't think that this is a good model, since there is a lot of corruption among municipal politicians. The system should include even more involvement from peoples' organizations.

**AT:** Why do you think that water has been the major rallying cry in Bolivia, given that so many other services have been privatized?

**MO:** In Bolivia everything was sold. We are owners of nothing. There is a huge deficit and we depend completely on international financial institutions to prop up our economy. How can we get money to expand water services without extending our hands to those who pushed our governments to privatize the system? Our water company, the one that we rescued from Bechtel, is like an island in a sea of privatization.

**AT:** What do you think Canadians can learn from the Bolivian experience?

**MO:** The most important lesson we learned is that everything is possible if we are united. We can always reverse the privatization that is being imposed on us without our consent. But we also shouldn't look at the water struggle like it's something disconnected from other struggles. We won the water war but our daily lives didn't improve that much. People still don't have jobs. We are living under the same conditions. So, when people from Canada see our struggle for water, they should know that a bigger struggle is behind it – the struggle for democracy.



**Marcela Olivera in April at the Council of Canadians' Water Activist Forum in Orangeville, Ontario.**

Photo: Ariel Troster

**Ariel Troster is the Publications Officer for The Council of Canadians and the Editor of *Canadian Perspectives*.**