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Book Notes: Karen Bakker, Privatizing Water: Governance Failure and the World's Water Crisis

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BOOK NOTES

Karen Bakker, *Privatizing Water: Governance Failure and the World's Water Crisis*, Cornell University Press, New York (2010); 303 pp; \$24.95; ISBN 978-0-8014-7464-4; paperback.

In *Privatizing Water: Governance Failure and the World's Urban Water Crisis*, Karen Bakker presents a historical analysis of why privatization emerged as an increasingly widespread mode of water supply management. The author's analysis focuses on the inability of public approaches to provide an adequate supply of water. In addition, *Privatizing Water* investigates the limitations of privatization and puts forth an alternative framework for addressing water supply problems, which incorporates a human right to water, community participation, and ecological governance.

Privatizing Water consists of two parts. Part One, *Development, Urbanization, and the Governance of Thirst*, offers a historical analysis of privatization, including a case study of Jakarta, Indonesia. Part Two, *Beyond Privatization: Debating Alternatives*, addresses limitations of privatization, the partial retreat of private participation in the management of water supply, and viable alternatives to privatization.

The introduction lays out the current debate over privatization. Proponents of privatization assert that private companies perform better, are more efficient, provide more finance, and mobilize higher-quality expertise than their government counterparts. Opponents of privatization argue that government-run water supply systems, when properly supported and resourced, are more effective, equitable, and perform just as well as their private-sector counterparts. Moreover, opponents of privatization often argue that water is a substance essential for life and human dignity, and therefore, proponents who wish to profit from water are unethical. The author attempts to illustrate that both private and public approaches have serious flaws and that we must reform the dualistic framework of debate in order to allow for alternative methods of remedying the urban water supply crisis.

Chapter One, titled *Governance Failure*, explores the interaction of three types of water supply governance, which are municipal hydraulic, market environmentalism, and community artisanal. State involvement in the creation and management of water supply infrastructure characterizes municipal hydraulic. The core of market environmentalism consists of three processes: the privatization of resources, the commercialization of environmental management, and

the liberalization of governance. Privatization of resources entails the transfer of ownership or management of resources to private persons. Commercialization of environmental management entails the incorporation of market-oriented institutions, such as rules, norms, and customs, in resource management. Liberalization of governance involves the retreat of government from water supply decision-making through deregulation, devolution, and decentralization. Finally, community artisanal involves local labor and participation, and often exists where formal supply networks are insufficient to meet the needs of the community, such as in lower- and middle-income countries.

Chapter Two, *Material Emblems of Citizenship*, presents a historical perspective on urban water supply, beginning with the industrialization of water supply that took place over the course of the late nineteenth and twentieth centuries. The author explains that the large-scale hydraulic works advanced by development agencies often produced highly inequitable, indebted, and poorly-functioning water supply systems because the focus of aid neglected issues of distribution, management and equity. The author argues that the urban water-supply crisis is in part the result of the application, and mishandling, of this municipal hydraulic model. The resulting problems were a central driver for the resurgence of water privatization in the late twentieth century.

The third chapter, *Watering the Thirsty Poor*, examines the expansion of the private sector in urban water supply in the late twentieth century. The author explains that by the final decades of the twentieth century the conventional paradigm for managing water, i.e. the municipal hydraulic paradigm, had begun to attract significant criticism for its failure to extend the water supply universally. Governments responded by adopting market environmentalism. Private sector participation increased throughout the 1990's; however, during the following decade, market environmentalism began to slow as private companies began to show an increasing reluctance to engage in long-term concession contracts. Relatively few cities were sufficiently large, with adequately developed water supply utilities and a large enough middle class able to support cost recovery to attract private sector interest. Private companies chose the more desirable cities early on. Consequently, private sector participation failed to achieve some of the key results promised by proponents, and a consensus developed by the middle of the decade that the role of private capital in urban infrastructure would be more limited than had been expected.

The fourth chapter, *Citizens without a City*, examines the fragmentation of water supply networks through a case study of Jakarta, Indonesia. The author suggests that both public and private providers contributed to the disintegration of water supply access. In Jakarta, colonial powers implemented a system of unequal access to the water supply network. The colonial water supply system sought to provide free water to the Europeans, while deliberately excluding native residents. The postcolonial governments gave low priority to

increasing the water supply network, and large tracts of the poorest areas of the city remained without access altogether. In the mid-1990's private companies largely took over the management of water supply in Jakarta. Although they installed new connections, most were directed toward middle- and upper-income households. The author explains that this failure to connect poor households undermined the central justification for involving the private companies.

The fifth chapter, *Protesting Privatization*, documents the transnational campaign for a human right to water as an alternative to privatization. Beginning with protests against privatization in the late twentieth century, an international movement emerged, bringing together development-focused aid watchdogs, such as the United Kingdom's World Development Movement, mainstream international organizations, such as the World Health Organization and environmental and consumer groups. A human right to water creates legal avenues, enabling citizens to use legal means to compel states to supply basic water needs. There are many difficulties, however, in successfully implementing a human right to water. Many activities require water, such as food production and preparation, industrial production, and environmental protection, and therefore, addressing these broader issues requires a flexible definition. Furthermore, the author notes that there is a potential problem with enforcement. International law is likely to treat a human right to water as soft law, easily trumped by the hard law requirements of bilateral trade and investment treaties. Soft international law is non-binding, and therefore, governments can decide to voluntarily implement a human right to water, but international law will not enforce it like a binding contract. Finally, environmental issues present another source of concern. Critics view a human right to water as anthropocentric, and as a result, countries may over-allocate water at the expense of the environment. Even though it is difficult to define and implement, the author believes a human right to water is a useful tactic for those without water to legitimize their struggles and, therefore, it provides a strategy for creating the context in which people can pursue claims for social justice.

The sixth chapter, *Commons versus Commodities*, focuses on the role of community control of water supplies. Community control often arises when there are no other means of distributing water to people, and for this reason it is a valuable institution of water deliverance. However, the author points out some limitations of community-controlled water supplies. Collective ownership often entrenches the fragmentation of the water supply system through the creation and support of parallel networks, which leads to the establishment of two tiers of service with vastly unequal state funding and water quality. In addition, the establishment of a two-tier system of water supply risks condoning rather than addressing governance failure. The author explains that an equitable and universal water supply system requires community governance as part of a cohesive water management scheme, rather than community control of a separate water supply

network.

In the final chapter, *Politics and Biopolitics*, the author proposes a concept of ecological governance. This concept views water in ecological terms in addition to seeing it as a resource input to water supply systems. The most widely-promoted alternatives to privatization – the human right to water and various forms of community water-supply management – address redistributive concerns in economic and social terms. They overlook, however, important environmental aspects of the urban water crisis: water scarcity, threats to water quality, and ecological sustainability. The author argues that policy makers must take these environmental issues into account in order to successfully address the urban water crisis. Environmental concerns are central to the livelihoods of the urban poor because degraded environmental quality is costly in both health and economic terms. Ecological governance, therefore, incorporates environmental concerns to better remedy both the social-economic and the ecological injustices suffered by the urban poor.

Privatizing Water offers novel insight into the contemporary debate over urban water supply management. The first part of the book provides an analysis of the conventional public-versus-private delivery models and examines the limitations of both models. The second part of the book puts forth a new framework for examining the urban water crisis that incorporates a human right to water, community participation, and ecological governance. The book would be an asset to policy makers involved in urban water issues and to anyone interested in water law and environmental justice.

Richard Lynch

Aline Baillat, *International Trade in Water Rights: The Next Step*, IWA Publishing, London (2010); 242 pp; \$142.20; ISBN 978-1-843-39361-0; paperback.

Aline Baillat holds a Ph.D. in International Science from the Graduate Institute of International and Development Studies in Geneva. She developed the thesis for this book during her doctoral research from 2003 through 2008. The book explores the consequences of classifying water as an economic good in domestic water policies and the subsequent effect on international watercourse management.

The *Introduction* discusses the effect of property regimes on international watercourse management. Baillat states that water is a multi-property regime resource because multiple users, both public and private, compete to use watercourses for a multitude of purposes. Baillat focuses on the question of how to allocate property rights among competing users, particularly for international watercourses. She argues that a lack of clearly-defined water rights along international watercourses could lead to an inequitable distribution of