

Grabbing and financialisation of water and common goods: modes and implications

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1. Foreword. A crisis in resources? Threats and Hazards for the common goods and the ensured access to resources for all

1.1 The State of resources at a glance

The life of all living beings is based on the availability of natural resources to which they can access in various forms: arable land, water, energy in the form of gas or petrol, plants and animals living in the various environments and ensuring the continuation of the ecosystem and of the species. We human beings depend on the ability of nature to supply us with resources, both in the quantity and in the quality needed to insure the development of our societies.

Nevertheless, over the past few decades, the society model in which we live, based on a continuing exploitation of resources, has caused a crisis in the ability of nature to regenerate the same, and changed the climate dynamics that are the foundation of food production for the living beings, giving rise to consequences for humankind and the ecosystem.

In fact, we are witnessing several phenomena and natural disasters, including drought, floods, which endanger the survival of humankind, its ability to use nature for feeding and for creating society, with devastating effects on the achievement of human rights, especially in the poorer countries. At the same time, it is undeniable that today the resources themselves are the first to suffer from overexploitation, polluting processes, genetic modifications, endangering their life and often bringing about irreparable changes.

Climate change, however, isn't the only thing threatening the state of resources such as water and land, and modifying the possibilities of access to these by humankind all over the world. On the contrary, we know very well that the effects of climate changes are largely to be attributed to human activities, as highlighted by the studies of the International Panel on Climate Changes.

Many of the causes that are threatening and challenging humankind and the Planet are due, on the one hand, to factors such as the increase of energy demands, the increased demands of water, food, mining resources, and on the other hand to the increase of pollution and wastage, which reduce the availability of good-quality resources.

The consequences on the environment of the actual and foreseen exploitation are well known. On top of those, what is even more evident is that today 80% of the population lives with less than ten dollars per day. The forecasts are that the demand of resources will increase disproportionately because of those who

legitimately seek development, but also as a consequence of the demographic growth, which will bring the world population from today's 7 billions to around 9 billions in 2025.¹

Many international sources state that humankind is quickly consuming Planet Earth up, together with its resources. This exploitation has never been as fast as over the past 50 to 70 years.

The State of the Planet 2012 Report reminds us that we are living as if we had another planet available to us. This report was written by the international offices of WWF and by a few more research centres, including the Global Footprint Network². We are using more than 50% of the resources that the Earth can make available to us. Given this state of things and continuing at this pace, by 3020 we will need two planets in order to satisfy our needs.

Surely, an analysis of the real state of natural resources shows that the global environmental footprint is broader than the biological capacity of the planet, and that human pressure is seriously threatening the biodiversity of ecosystems³.

According to J. Randers, a researcher, the forecasts concerning the decrease of the available resources, as well as the worsening of the effects of climate change are already identifiable today; we only have to consider the expansion of desert areas of the Amazon forest and the reduction of the Arctic ice pack⁴.

All of this is caused, in particular, by the increase in the volume of produced CO₂, which, according to the WWF, has reached 34 billion tons in 2011.⁵ This has ominous consequences on the resources, because indeed the environment is no longer able to absorb the CO₂ we produce.

On the basis of the considerations above, it is possible to conclude that the main environmental and social challenges that the international

¹ Overconsumption, Friends of the Earth Austria and International, 2009 - <http://www.foei.org/en/resources/publications/pdfs/2009/overconsumption-our-use-of-the-worlds-natural-resources/view>

² State of the world 2012, http://awsassets.panda.org/downloads/1_lpr_2012_online_full_size_single_pages_final_120516.pdf

³ Ibid, page 9, http://awsassets.panda.org/downloads/1_lpr_2012_online_full_size_single_pages_final_120516.pdf

⁴ <http://www.famigliacristiana.it/articolo/il-giorno-della-terra-2013.aspx>

⁵ http://www.wwf.it/il_pianeta/lo_stato_di_salute_del_pianeta/cambiamento_climatico/come_reagiscono_gli_e_cosistemi/

community will have to face in the immediate future can be summarized as follows:

- **The decline of biodiversity** – according to the Living Planet Index, this decreased by 30% from 1970 until 2008⁶, the tropical diversity decreased by 60% over the same period. The WWF report also points out that those suffering most from this situation are the low-income countries, which mainly live off the products based on the very great biodiversity they feature;
- **The demand of resources is higher than the Earth's capability for regeneration** – apart from the increase in the ecological footprint, the consumption level of all fuels also grew, and taking into account the growth of the BRIICS countries, we can expect a further pressure on global resources;
- **The available water resources are getting rarer and rarer** – some 2.7 billion people live in places where water supply has been poor over the last year, and a monthly analysis of rivers that seemed to have enough resources on a yearly basis shows, on the contrary, that they are overexploited, thus becoming unable to carry out their function of ecosystem maintenance. Animal species linked with the water environments are suffering grievous damage because of human actions. The increase of water consumption for producing goods and the overexploitation of this resource are creating shortages in some areas.
- **Climate change** is seriously straining the availability of some natural goods, in particular of the available water resources in the sense of freshwater sources, and not only those. According to several studies (Polaris Institute and Pacific Institute), glaciers are visibly shrinking and as a consequence their capability of recharging rivers is being reduced. At the same time the sea level is rising, and the rise of the oceans is having an impact on the populations living in the coastal regions, forcing people to move. There is an impact on the economy of the involved territories, and on the land, which is at risk of erosion and salinisation.

1.2 The worldwide access to resources at a glance

Clearly, the overall health of resources and of water in particular directly impacts human life and

⁶ Ibid, page 12

the life of communities, especially in those areas where, for many groups, access to water and land is insufficient for survival.

According to the United Nations, notwithstanding the international community's commitments with regard to the Millennium Goals, to date more than 1/6 of the world population, that is some 894 million people – still lack access to drinking water, and currently 2.5 billion people have no access to sanitation⁷.

Just 63% of the countries in the world have improved the level of access to sanitation services over the past few years, and according to the U.N., this percentage will only be around 67% by 2015: well below the 75% provided for by the Millennium Development Goals.

Statistics about access to water often hide some inequality among countries.

Some 90% of the populations living in Latin America, the Caribbean, North Africa and most of Asia have access to water, while in the Sub-Saharan Africa, just 61% of the population can access "safe" sources of drinking water. Over 40% of the global population with no access to drinking water yet live in Africa, South of the Sahara.⁸

In rural areas of less developed countries, 97 persons out of 100 have no running water, and 14% of the population drink surface water – for instance, water from rivers, ponds or lakes. Of the 1.1 billion persons who, because of a shortage of toilets and sewage are still forced to defecate outdoors, most – 949 millions – live in rural areas⁹.

1.3 The main threats to the common goods and their access for all

Unfortunately, the resources as well as the access to the same for all citizens are threatened not just by the industrial growth and the effects of climate change. Several other factors affect them and contribute to the threat, factors that are linked with choices by the governments and the international community, with the management models of the water utilities imposed by multinational corporations, through the World Water Forums, and with the policies of the international financing institutions: first of all, the World Bank and the International Monetary Fund.

⁷ http://www.unwater.org/statistics_san.html

⁸ Dossier Quale cooperazione per l'acqua, by CICMA (www.contrattowater.it)

⁹ http://www.unwater.org/statistics_san.html

The processes of liberalisation and privatisation, as well as the most recent forms of resource grabbing and financialisation of common goods have affected the state of the resources but, above all, they have as a matter of fact hampered the possibility of accessing and directly managing the resources by the local populations.

According to International Land Coalition¹⁰, these phenomena jeopardise the sustainability of more than 2 billion people in the world. The policies set in motion through the World Water Forums, starting with the one held in Istanbul (2009), have introduced practice for the appropriation of water resources, meant for relaunching intensive agricultural production; these are, in turn, not so much intended for increasing the production of food, but rather for producing biofuels and hydroelectric power, in order to meet the growing demand for energy.

These phenomena no longer affect the countries in the South of the world only; they also take place in the wealthier countries. However, the worst consequences have been documented, for the time being, in Africa, South America and Asia, the areas where the figures concerning poverty show the most negative situations.

With regard to access to water, it is by now evident that this is not always caused by the lack or shortage of the resource. Shortages and decreases of water resources, as was demonstrated by several reports concerning the distribution and availability of water at the continental scale, are in fact caused by the exploitation of the resource for production uses, for intensive crops, for mining, and for the production of energy, by means of phenomena known as "land grabbing": the transfer of the use of environmental ecosystems to multinational corporations, by means of agreements.

Some egregious examples of these trends are the Latin American pampas, or the huge plots in Sub-Saharan Africa bought by Chinese companies or by European countries.

If the objective that the international community had set with the Millennium Development Goals (MDGs), i.e. ensuring access to water and to basic utilities by 2015 and reducing the gap between the North and the South, has not been achieved yet, the causes are not just a problem of resource scarcity or of inefficient distribution, or the shortage of financial resources for investments. They can also be found in the political choices, geared towards grabbing the

resources on the territories, together with models for the consumption and management of the resources that contribute to the decrease of the available, usable resources. This is because the deterioration is taking place planet-wide.

The economic theory of distributive efficiency, underpinned by the idea of shortage, was applied even to the water resources, and more in general to the common goods, thus imposing merchandisation, privatisation and financialisation processes upon these goods. These processes have distorted the modes for accessing the resources by the local communities, in some cases putting the life of whole communities at risk, and they have privileged the achievement of hefty economic and financial profits for the new managers or owners.

The solution for the growing levels of poverty and lack of development was found by means of private investments and by great capital concentrations in the construction of infrastructures, through the privatisation of the management of utilities, the transfer of the production cycles of the goods, and the colonisation of the territories by private operators such as, firstly, multinational corporations, and, secondarily investment funds and so on.

The success of a model for the globalisation of the markets has caused, as a matter of fact, the curtailment of the states' national sovereignty. They have slowly witnessed the decrease of their ability to control, plan, and supply tools and means for local development to their own citizens. In this way, a model for the exploitation of the local resources available on the territories was set in motion, and in most cases the citizens have suffered the dispossession of the resources, an increase in the prices for accessing them, and environmental deterioration in their living space.

Water and land certainly are the most affected resources when it comes to these merchandisation phenomena and grabbing actions. We will deal with the development of these processes in the following sections.

2. Natural resources: from common goods to commodities – the paradigm of water

After having studied in depth the scenarios defining the availability of resources and the main crucial problems concerning the chances of access to good-quality water for all living beings, we deem it useful to focus on the development of the policies adopted by the international community as to the natural resources that are available on Earth, starting with the developments in the policies adopted as to water.

¹⁰ <http://www.landcoalition.org/news/two-billion-people-risk-losing-access-land-water-livelihoods-global-conference-tackles-land-gra>

These have begun in the first years of the 21st Century, with the transformation of water into a commodity. They were then developed into the processes for the privatisation of the management, the grabbing of the resource and finally the financialisation, supported by the shortage of resources that, as of the past few years, marks every development forecast by the United Nations or the World Bank.

The development of these policies is pushing everyone towards a ruthless grabbing of natural goods. They are the new frontier supporting a global development model based on economic growth and defined as the "green economy", focused on the exploitation of environmental resources. Within this context, the water resource has gained a paradigmatic meaning, since it's the first common good to which an economic value was assigned.

2.1 Commodification and Privatisation of Water Utilities in the Governance and Management of This Resource

This section studies in greater depth the development of the management policies of water resources, starting from the international context and ending with an examination of the consequences for the national policies in individual countries.

Commodification means the treatment as merchandise of goods that generally are not part of the class of products and services that can be sold and purchased in the market. Merchandisation is associated with the fixing of an economic value for the good, which amounts to defining a price for a given good. Economic value and price make the good tradeable, so that it can be sold and purchased in the market. These conditions transform a common, public good into a commodity, i.e. a merchandise that is ready to be sold in the market, through processes of privatisation but also by means of property grabbing.

Water was one of the first resources to which the "**commodification**" process of the good was applied, because of the growing scarcity. In the first years of the 1990s, the United Nations themselves contributed to starting this process, by transforming access to water from a human right into a need and later into an economic good¹¹ and no longer a common good. This approach was followed at least until the recent declaration by the General Assembly of the U.N., in July 2010, upon

¹¹

<http://www.wmo.int/pages/prog/hwrp/documents/english/icwedece.html>

the initiative of Latin-American countries that had had a direct experience of the effects of water merchandisation and privatisation.

"*The Dublin statement on water and sustainable development*", dated 1992¹², is the first document introducing the principle underpinning the sustainable management of water as an economic good.

Even though on the one hand the international bodies and the United Nations' agencies (Unicef, Unep, Undp, World Bank) continued denouncing the figures concerning the lack of access to water and the importance of water for all uses, also promoting it as one of Millennium Goals (nr. 7), on the other hand the same organisations have worked to change the status of this resource in order to make it tradeable as any other merchandise, making it possible for private subjects and capitals to intervene in the management of the integrated water utilities, that is, in the tools ensuring access to water for the most basic needs.

The recurring theme of the 1980s and 1990s was that water is a scarce resource. Later on, with the water crisis getting more acute, also because of the effects of climate change, these elements were used in order to support the starting of processes for the "**privatisation of the management of the resource**", claiming that that would be the most efficient and economically sustainable mode for ensuring the service. The privatisation processes are based on the transfer through concessions by the states or local communities of the management of the water utilities, i.e. of the aqueducts or springs. This solution is known as the "public-private partnership", and it started with the second World Water Forum (The Hague, 2000), organised by the World Water Council and by the Global Water Partnership. Side by side with this participative approach, the forum also launched the integrated management of the resource, the water utility rates based on the principle of the full cost recovery, the associated "Polluter pays" principle, the increase of public funding for this sector through the main international financing agencies (the World Bank, the International Monetary Fund, and the European investment banks), the implementation of models for the "integrated management of resources" and for project financing, as projects that would ensure an efficient and effective management based on the hydrographical basins.

This approach was consolidated starting with the Johannesburg Conference (2002). It was

¹² Ibid 8 "Water has an economic value in all its competing uses and should be recognized as an economic good"

proposed to the governments of Africa and South America, by the European Union, by the investment banks (both the European and international ones) and by the main financing agencies, getting inspiration from the Camdessus Report. As a matter of fact, they were focused on promoting a privatisation model, i.e., of entrusting the water utilities to private companies.

The World Bank's and United Nations' policies, supported and promoted for the implementation of a water management based on the economic value of water and on the delegation of its management to market economics were crucial in promoting the merchandisation of water and the privatisation of its management. These approaches contributed to limiting the access to drinking water only to those who could afford paying the water rates.

Therefore, we can conclude that because of the merchandisation, the first steps towards making water lose the status as a common good and a human right were achieved through the liberalisation and privatisation of the services for collecting, distributing and treating water – that is, the so-called integrated water utilities.

The reasoning that was promoted and sponsored, first of all, by the international community, was, in fact, that only an effective and efficient management, based upon the resorting to the market and private enterprise, could ensure the right of access to water for everybody, and such a management required, for its implementation, advanced technologies and investments.

The tools and policies of international cooperation also contributed to spreading the merchandisation and privatisation principles, and from this point of view, Europe played a major role, too.

At the Johannesburg Conference (2002) the European Union launched the "Water for Life" initiative, based upon funding and public-private partnerships. In 2004, the Council established an ACP-EU Fund for water with an allocation of 500 million Euros, which was later supplemented by further funding for projects intended for the promotion of access to water, by means of the approaches described above.

These are the policies that, as a matter of fact, favour the spreading of privatisation models, especially by multinational corporations, especially by European companies, which were able to acquire the management of integrated water utilities in important cities of Latin America, such as La Paz, Cochabamba, Buenos Aires, but also in Africa, with cities like Ouagadougou and Dakar, and, in Asia, in important cities and regions of India.

The majority of these experiences of privatisation of the water utilities, that have involved millions of citizens in the largest cities in the world, did not yield the announced results, either from the point of view of the increase of the population having access to water, or as to the improvement in the service provided.

The effects caused by many of these experiences were the mobilisation of the local populations, which, in several cases, have caused the national governments to stop the entrusting of concessions to private companies or the non-renewal of concessions to multinational corporations.

The most telling example of the mobilisation processes contrasting the privatisation processes was the *Waster War* in the Bolivian city of Cochabamba in 1999¹³, which was followed by mobilisations in other Latin American countries: Argentina, Uruguay, Ecuador, and most of the countries in Central America.

Meaningful experiences of mobilisation and of denunciation of the effects of water privatisation took place in India, too, as described in *Share the World's Resources*¹⁴.

The main negative effects caused by the privatisation processes, recurring in almost all the experiences, can be summed up as follows: worsening of the quality of water; corruption and opaque management; indiscriminate increase of the rates; increase in the cutting of the supplies due to arrearages in the payment of the utility bills; management monopoly; export of large amounts of water, by bottling and other means.

The privatisation of the utilities was also accompanied, in a few cases, by the construction of great works, such as dams, intended for energy production or irrigation, instead of for the drinking water needs of the local population.

The mobilisation and refusal by the populations, as well as the decrease in the profit margins, have caused a growing loss of interest by the companies as to the privatisation of water for human use, or for production purposes, in the various continents. The corporations are thus now shifting their attention from the management of water utilities to the appropriation of water sources, and to gaining ownership over whole catchment areas, and also to their candidacy for the management of services for water treatment, as well as for services meant for the protection of eco-systems.

This is the outlook: the basins are strategic resources because they underpin energy – the engine of development and growth of our

¹³ <https://nacla.org/blog/2013/6/5/water-wars-water-scarcity-bolivia%E2%80%99s-cautionary-tale>

¹⁴ <http://www.stwr.org/land-energy-water/-implication-of-water-privatization-in-india.html>

production systems, but also the areas allowing, by means of the use of new technologies, new profit margins.

Not just the corporations, but also the international bodies, however, keep promoting private management as the most efficient solution for handling the resource, notwithstanding the fact that dissenting voices grow more and more numerous.

These proposals found legitimacy even in the recent Water Summit in Budapest (November 2013) by representatives of the European Union and the World Bank, and of a few multinational corporations, notwithstanding the criticism by civil society movements. *"It seems lessons are not being learned: Public Private Partnerships (PPPs) are shit in Indonesia"*, denounced Sigit Budiono, an Indonesian activist from Jakarta, during this conference¹⁵. *"And the consequences were: massive increase of debt, worsening service, and increase of the bottling that destroyed the local water heritage, subtracting underground water from food production"*¹⁶.

The European context of privatisation

Even though the privatisation phenomena were chiefly carried out in the poorest countries, especially by the main multinational corporations, which, as we know, have their headquarters in Europe, the pressure of these actors was felt even by the European Commission and in many member states.

Water resources are considered by the Commission as state property, subject to the member States' sovereignty; therefore, Europe could only undertake the definition of regulations concerning the environmental aspects, i.e. the quality of the resource. These limitations as to the competence have not prevented the Commission, notwithstanding the Parliament's declarations that water is no merchandise, from trying to classify water among the goods and water utilities among the services having economic relevance, and from promoting the liberalisation of the services within the scope of the GATT international negotiations.

These approaches found a formal introduction first by means of the European Directive n.60 of 2000. This, even though it was intended for promoting and safeguarding the good quality of water, introduced in the member states the economic management principles such as "the user pays" and "the polluter pays". These, in turn, implicitly promoted the creation of a market for public goods and basic utilities. This was followed in

2006 by the very controversial "Bolkestein directive", which attempted to place water among the services to be liberalised, and a few other attempts by the Environment Commissioners to adopt measures intended to govern and regulate water resources within the competition and market rules.

However, thanks to many lobbying initiatives by several quarters, in particular by the civil society movements in Italy and in other countries, including the World Water Contract¹⁷, the Italian Forum of Water Movements etc., some of these measures were successfully stopped or delayed, and national sovereignty was safeguarded, as opposed to the choice of management models for water as a public good.

The thrust towards privatisation, nevertheless, had a marked influence in some countries, which, pleading alleged European commitments, tried to favour the acceleration of the privatisation processes of water utilities and other local public utilities.

In Italy, for instance, several decrees adopted by governments, including the so-called Ronchi decree, have tried to introduce an obligation to call for tenders for the Municipalities, and to entrust private subjects with the management of the water utilities, in order to improve the economic efficiency, to the detriment of public management.

This attempt, however, was blocked by the referendum initiative (June 2011), which eliminated the tender obligation. It also restored the licensing models acknowledged by the European jurisprudence and provided the foundations for a potentially new legal definition of the water sector as a whole, by the Italian parliament.

Unfortunately, this will of the people that the citizens expressed has not found an implementation yet, and this stalemate situation, this lack of a political will, increases the threats of new privatising raids.

Not just Italy, but also Germany, France, Great Britain have had experiences with private managers of the utilities, in many cases built upon a public-private partnership, but in Europe, too, the results were unsatisfactory. So much so that it was necessary to change the model and to go back to public management arrangements. The city of Paris, and, recently, Berlin, too, have taken back the management of the water utilities as a service directly managed by municipal companies,

¹⁵ <http://www.tni.org/article/blunt-speaking-reality-privatised-water-opens-important-debate-budapest-water-summit?context=599>

¹⁶ Ibid. 26

¹⁷ <http://contrattoacqua.it/documenti/documenti-e-dichiarazioni-sull-acqua/diritto-all-acqua-e-parlamento-europeo/>

after experiencing mixed and private management entrusted to French multinational corporations, which turned out to be inefficient and costly for the citizens as to the rates.

The current situation in Europe, notwithstanding the statements of the Treaty of Lisbon, features a relaunching of choices by the Commission not just in favour of privatisation processes but also and more importantly of new models for the monetisation and financialisation of water resources and of the main common goods.

Starting in 2012, and with a view to renewing the current Directive 2000/60, the Commission began a process for reviewing and relaunching a new European Water Agenda, in order to define water policies until 2030 by redefining the Environmental Agenda and the Local Public Services Agenda. The principles and guidelines of the Commission are described by the "Blueprint for Europe's water" and in the Water Plan 2013; actually, they are meant to define water policy lines from 2015 until 2030.

Both of these documents appear to be intended to increase the efficiency of public utilities and to reanimate the European market of the utilities, and, as a matter of fact, they introduce parameters for the accounting of the resource in all the sectors in which it is used and for the economic valorisation of the good by the definition of a cost for the good.

Commodification and Cocacolisation of water

Simultaneously with privatisation, the phenomenon of the "**commodification of water**" was introduced, by exploiting the quality of the water utilities and on the accessibility to drinking water in any location through the market. This meant classifying access as an "individual need" to be satisfied according to market rules and principles, that is, on the basis of the purchasing power of the citizen as a consumer.

The access to drinking water at home, by means of the utility network, was complemented by the need to have access to water anywhere, and any time. This objective was achieved by bottling water and by advertising and spreading the assumption that bottled water is better than "tap" water.

This approach, supporting the social processes resulting in the "merchandisation of drinking water", was possible thanks to the complicity of States and local administrations, which adopted laws allowing the licensing to private multinational corporations for the exploitation of springs and sources of water, with licensing rates often negligible, and without the application of the "polluter pays" principle or of environmental costs.

The merchandisation of drinking water not only put it in the same class as Coca-Cola, i.e. a bottled drink, but it also caused significant effects on the environment, caused by the pollution produced by transporting the bottles and producing and disposing of the same.

According to the most recent estimates, by Ocean Conservatory¹⁸, plastic bottles are the main polluting agent of oceans and beaches, there are 46,000 floating plastic bottles for every square mile, and 10% of all the plastic bottles produced ends on the ocean floor, without ever being naturally biodegraded. But more importantly, according to the Earth Policy Institute¹⁹, 50 million barrels of oil per year all over the world are needed to produce, ship, and refrigerate bottled water.

Today, Italy is the first country in Europe as to the consumption of bottled water, and the third in the world, according to the estimates of Altreconomia del 2010²⁰, and this is mostly due not to the specific characteristics of the different types of water but rather to the advertising supporting their merchandising and sales.

Side by side with the merchandisation of drinking water, there are also other new forms of resource merchandisation. As evidenced by Food and Water Watch, too, there are other ways to carry out trading about water: e.g., the trade of water quality (water quality trading) and the trade of fishing rights²¹.

Before Europe, the United States have already experimented with water quality trading schemes, in which the trade of pollution is nothing else but a way to introduce market and trading principles in the issue of pollution control, rather than principles for the overall reduction of the pollution produced.

All of these processes have, as a matter of fact, begun excluding the State and the local communities from the choice of the management model for their own resources, assuming that only private enterprise could provide know-how, efficiency and capitals that would ensure the service for everybody.

2.2 From the monetisation of resources to the financialisation of common goods

¹⁸ http://www.huffingtonpost.com/norm-schriever/post_5218_b_3613577.html

¹⁹ Ibid 22

²⁰ "Imbrocciamola" by L.Martinelli, 2010, Ed.

Altreconomia

²¹ www.foodandwaterwatch.org/blogs/the-water-racket-and-the-financialization-of-nature/

The privatisation of the management of the water utilities by their entrusting to operators, and to the market rules, and the subsequent merchandisation of the water resource in terms of access to it through bottling and market principles have become the prerequisites for a subsequent phase, which is defined as the monetisation of water.

Access to drinking water both for household use and for personal well-being does no longer take place as a universal right coming with citizenship, i.e., like for other rights associated with the welfare state models, by the payment of a tax; it requires a "rate" that must cover all costs, including the environmental ones, and the return on investments. Access to water, therefore, takes place depending upon the purchase power of the individuals, as a user of a service or consumer of a good having economic value. At most, access to water is granted to needy social classes by means of social rates, being paid for by the other citizens. The adoption of rate models depending upon the income and rate systems based upon the income or on the principle that the consumer pays, applied as rate models or differentiated prices for bottled water depending upon the provenance are the most evident examples of monetisation of water and common goods.

The application of the principles "polluter pays" and "consumer pays" for every use, in other words, have introduced the *monetisation* as a tool for the measurement of the access to drinking water, but depending upon the increasing scarcity of water resources and of other common goods, such as the forests or the air. This approach is now being applied to all the "eco-systemic" services and all the goods that the Earth made available. The monetisation of water and common goods is the tool that allows to orientate the investors' choices *on the basis of the return on financial investments*.

The monetisation of water resources, by means of the attribution of economic value to every stage in the use and transformation of water resources, is therefore the premise for the **financialisation of water resources**, i.e. the creation of a market for the exchange of resources, i.e. a "water stock exchange", or of financial markets for both water and other common goods, which will support both the sale of the resources and of new financial instruments, including speculative ones.

Financialisation is possible when the goods themselves, and not just the services deriving from their exploitation, become assets (i.e. financial products), to which financial instruments can be applied, such as futures on water and

water credits, which will complement the already existing carbon credits²².

The processes of merchandisation, privatisation, and financialisation, concerning water today, but already experimented on other natural resources, did not happen by chance. They were made possible by the role of specific actors, such as the multinational corporations, the banks, and above all the governments who have prepared legislative systems supporting these processes.

Indeed, we should not forget that the start of these trends can be identified in a specific historical period that witnessed the crisis of the existing financial model, previously orientated towards natural resources that are growing scarce today, like oil and gas, turning to other goods, linked with consumption needs and therefore to growing demand in the face of a decrease of the available resources.

Since 2008, the global crisis in the food prices, followed by the financial crisis, have literally upturned the economic system, and major investors have begun looking for, and inventing, new investment modes.

The shortage of and the growing demand for resources have become trading opportunities, which brought about the speculation on food prices on the food market. The food and foodstuffs market was the first example of the achievement of the financialisation and of speculative financial activities that caused an enormous increase in the food prices, especially as to basic foodstuffs, hitting hard the most deprived sectors of the poorest countries, that is, the 2008/2009 crisis of the global food system²³.

However, the experiment went ahead, and the last frontier of financialisation is the one that was opened today by the worsening of the "environmental crisis", coming with the rarefaction of natural resources. The solutions that were identified as a response to the environmental crisis by the Conference of Rio+20, based on "green economy" and technological innovation, have paved the way to the business of environmental and eco-systemic services.

The financial sector thus opened a breach for the new instruments, such as the trading of CO2 emissions, the *cap and trade process* – a process that, lacking rules because of the weak political will of the governments, entrusts the environmental regulations and the standards to be complied with to the "market".

²² Food and Water Watch, Don't bet on Wall Street – The Financialization of nature and the risk to our common resources, June 2012, page 2

²³ Ibid. 13

The financialisation of nature as a new process comes with specific features and consequences, which were identified by several analyses²⁴.

The first factor is the change taking place within the financial system, where some actors operate as banks even though they are financial mediators, therefore not regulated like conventional banks. Examples of this are the investment banks and the speculative investment funds.

Another feature is the increase of the individual participation to financial operations, by way of the employment of savings in speculative investment funds operating on water (use of retirement funds and other credit instruments, etc.).

Finally, the role played by the States, which intervened massively in supporting the expansion of the financial market, by setting monetary policies, lowering the taxation, helping and saving bankrupt financial institutions, that is, creating ideal conditions for a global-scale financial market.

Because of this, we deem that resorting to financialisation will prevent the search for actual and sustainable solutions for all public policies: economic, social and environmental policies. On the contrary, the search for natural assets to exploit for feeding the system will be reinforced.

Today, therefore, the ecosystem is the final frontier of the "monetisation" processes. By attributing a monetary value to the ecosystems, and not just to the resources making it up, the trend is to create a market of services meant for safeguarding the ecosystem, using technological innovations and setting an economic value for the ecosystems' functions within the national and international budgets, so that said value can be traded and exchanged.

The implementation of sustainable development models and the proposals put forth by the Conference of Rio+20, underpinned by the green economy, the technological innovations, and the new governance models based on the stakeholders, is, therefore, the tool that will make possible the acceleration and the consolidation of the financialisation processes.

2.3 Who is involved in the water markets?

To conclude this analysis of the policies and attitudes that defined the development of the relationship between humankind and water as a common good, it may be useful to recall who the main actors are, in contributing to the

development of these processes: the actors who brought about the transformation of water first into a merchandise and today in a source of profit serving the capitals and interests through the financial markets.

The main parties responsible for this development can be thus identified:

- **water multinational corporations**, which are certainly the foremost promoters of the policies we described above; they have played the role of lawmakers as to the water policies by creating the World Water Council and then the World Water Forum;

- **the international community**, that is the Nation/States and the United Nations Assembly, who acknowledged the protagonist role played by companies and the market in defining water policies;

- **the financial agencies of the UN and of the European Union** – the World Bank, the International Monetary Fund, the European Investment Bank are the third class of actors carrying out the development of water policies towards its financialisation, especially with regard to the promotion of privatisation processes and the granting of investments to States, which often worsened the indebtedness of many developing countries, and of other countries, too;

- **the banks and financial institutions**, which have accelerated the financialisation processes, seeing in the decrease of water resources and in the increase of the demand for water and for investments needed for a response in terms of water supply, the potential for the creation a water financial market, on the basis of the assumption that the investments on water networks will markedly exceed those for oil and gas, which, together with the investments needed to support the desalination, depuration, storage and distribution of water, will be the technological solutions for facing the water crisis of the 21st Century;

- **the financial markets and stock exchanges**, which have forecast, on the basis of the analysis of the investments needed to ensure good-quality water, estimated around 60-100 billion dollars per year, coupled with the population growth and the decrease of available, good-quality freshwater, that the volume and demand of investments in this sector will increase. The financial internationalisation of the water sector, i.e. of water, today is a fact, and it is one of the faces of this model of globalisation, which underpins the financialisation processes.

The first International Fund specializing in investments on water was launched in Switzerland in 2000, by the Swiss bank **Pictet**, and over the first five years it achieved a total value of 3.9 billion dollars, guaranteeing a 20%

²⁴ From: World Rainforest Movement Bulletin: The Financialization of Nature, 31st August 2012, <http://climate-connections.org/2012/09/03/world-rainforest-movement-bulletin-the-financialization-of-nature/>

performance. Later, other investment funds operating with water companies were established, especially by banks and financial institutions like Merrill Lynch, which gave birth to *Miliif New Energy*. Today, there are specialised water investment funds focusing on speculative operations, i.e. derivatives, but also equity and bond funds, in Switzerland, America, Canada, Belgium, Italy, and workers' retirement funds often subscribe to these.

The most impressive example of the financialisation processes is the British paradox: the privatisation of the management and of the water resources themselves made it possible for an Australian bank, Mac Quaire, to purchase, by means of a 14 billion dollar operation, the equity stock of the British *Thames Water* company, managing the water utilities of Great Britain. Thus, as a matter of fact, the water of the British no longer belongs to the British, and the rate for the water utilities in Britain is decided by the stockholders of the Australian bank. The financial sector dealing with investments in the management of water services scored, over the past few years, 35% yields, as opposed to 29% from oil and gas, and 27% from the metals sector. Over the next years, a growth in the financial investments in the water sector is expected, in particular because of the demand for investments linked with the development of technologies concerning the *desalination, depuration, and other sectors such as the storage, shipping and distribution of water.*²⁵,

- **the stakeholders and the new governance models**

We'd like to conclude this description of the main actors who contributed to building this "vicious circle of water", by pointing out the new scenario that after the grabbing of water resources by international finance amounts to the last step: the expropriation of parliaments and local communities of the democracy of water, i.e. the places where water rules and policies are set, in order to entrust them to informal places, such as the circles where the "stakeholders" may meet.

2.4 The impact of commodification on common goods, humankind and society

The merchandisation of resources, and in particular of the water ones, since its first stages up to today, when we have to face the consequences of the processes for the financialisation of nature, has produced, albeit in different modes, catastrophic impacts not just on the environment but also on society and economy.

Regardless of whether we're dealing with water, land, forest or biodiversity, the most important effects can be summed up as follows:

- negative impacts on the condition and quality of resources and the environment
- negative impacts on the possibility of access to basic rights by the local populations
- negative impacts on the local and national governance and management processes for the resources
- negative impacts on national sovereignty, on democracy models, and on community rules

The most significant testimony about some of these effects, caused by these processes as practiced on water resources, can be found in some countries in the South of the world, where they began practicing them in the 1990s.

A detailed treatment of these effects is provided by the case studies, which were compiled and are available within the scope of the European Campaign titled "Grabbing Development", a project that is co-funded by the European Union.

Here we will only recall a few of those effects, in particular with regard to water resources:

- *the appropriation of water resources and the construction* of huge infrastructures in the water sector, including dams, have caused, and could continue to cause (where the projects have not been completed yet and) in Africa as well as in Asia and Latin America, the following effects: the grabbing of lands and water for the building of the basins, therefore the loss of arable land for local populations, the loss of water and fish stocks to be fished; the loss of security and food sovereignty; the loss of the possibility itself of living in one's own territory; the eradication and deportation to other locations, and, last but not least, the loss of access to water as a basic right for drinking and for sanitation utilities;
- *the acquisition of land and resources* for the agricultural production of goods not intended for human consumption but, for instance, for the production of biofuels, both in Africa and in South-Eastern Asia, is now causing: the destruction of primeval forests; the increase of food prices; chronic pollution; the impoverishment of the resources; the inability for local populations to gain access to the good through the market; the loss of the right of access to the land; the decaying of whole communities; the

²⁵ http://www.huffingtonpost.ca/2011/07/21/water-market-bigger-oil_n_906003.html

challenging of traditional systems for the management of local resources.

Apart from these effects, already well known at the international level, the most important aspect that is subtracted or modified is the social construct of the various territories, the traditional relationship in the governance and management of common resources, and the chance of getting involved in the processes for choosing and steering the resource use by a territorial population or a nation.

Indeed, by means of the financialisation processes, which were developed over these years, the sovereignty of governments was decidedly tampered with, and in many cases it was affected and placed at the service of multinational corporations that promoted the grabbing of resources and common goods by the corporations themselves, by banks and by major international investors.

The most evident effects of the financialisation processes make it so that today the multinational corporations control a third of the planet's wealth and that the groups controlling the resources, from the seeds to water, are more and more organised and controlled by the financial markets. With regard to the financialisation processes and to their effects on the safeguard and protection of common goods, there are today two opposing theories.

The World Bank, through economist David Pearce, maintains that the merchandisation of the natural heritage is the only way to preserve it²⁶ and that the global crises we are facing today can be solved only by means of global solutions. According to this approach, the prevailing one today, capitalist democracy is able to promote the protection of the common goods.

Other economists and environmentalists who are committed to the defence of common goods promote, on the contrary, different approaches. Vandhana Shiva believes that "the subversion of traditional and local rules caused by globalisation produces a violent cultural reaction. If such a reaction does not give birth to new forms of economic democracy and does not develop into alternative economic models, a loss of cultural identity and ideology may result"²⁷.

The movements for the defence of water, on their part, deem that the opposition to the processes of globalisation and financialisation of common goods should take place through new participative

modes, both at the local and the global levels, so that they can define the rules not just of "economy" but also of "finance".

The globalisation and financialisation of nature, in fact, tried to modify thoroughly the status of the global and local governance of nations over these decades, and, even though they succeeded in many cases in enforcing the reasons of the market over the human rights, they had and have to face the local and national protests and uprisings by citizens who did not benefit from the promises of market economy, having on the contrary only suffered its negative effects.

In the future, it will be necessary, therefore, to stop the dominance of finance over economy through new institutions or the acceptance of new rules by all the actors (Contracts for the Common Goods, or Authorities for the Common Goods); at the same time, it will be necessary to restore the States' and the citizens' sovereignty over the territories, as to the definition of public national and international policies, in order to avoid the total dispossession of sovereignty on the use and access to their own goods and resources, to the advantage of markets and finance.

Indeed, these could well be the causes of the next internal and international conflicts for the survival, both as a matter of access to one's own resources and therefore the actual individual and collective survival, and as to the survival of the Planet and its resources – which have to be considered as entitled to rights as part of the world's ecosystem.

²⁶ From "Il bene comune della terra" (Italian translation of *Earth Democracy*), by V. Shiva, 2008, Ed. Feltrinelli

²⁷ Ibid 54, page 132

3. The many faces of water grabbing

After recalling the development of the management policies for water resources and those that later determined the new governance policies for the resources themselves and the ecosystem, we would like to study in greater depth a few phenomena that accompanied the privatisation and merchandisation of water, but, above all, that favoured its financialisation.

The phenomenon we want to deal with is that of the new “water grabbing”, that is the appropriation of water. Unlike the privatisation processes, based on the acquisition of control and property of the raw resource in order to draw a profit from it by means of production uses, this is a form of capitalisation of water resources, i.e. a mode for turning out speculative investments.

The water-grabbing processes concerning water sources is based on the idea of an economic model of development in which the accumulation of capital is linked with the increase in the control of a resource the demand for which is growing, at a cheap price: for instance, water, food or energy²⁸.

As the experts of the Transnational Institute have stated, the appropriation of water through water-grabbing processes has not so much to do with controlling the resource or the supply of food or energy, but is more linked with the ensuring of an economic profit for the companies, who will be able to enjoy great benefits from a monopoly management of the sales on global markets²⁹. I.e., this is one of the steps that count as a precondition for the financialisation processes.

This section strives to make known, through the analysis of some of these policies as they were already implemented as to other goods, a few possible scenarios for the future of water and of water resources.

We will try to do this by briefly recalling some of the experienced that were studied and documented by a few case studies, witnessing the impact of some of the various types of water grabbing, which is going to become a growing phenomenon.

3.1 The grabbing of resources for drinking water use – the first approaches to water grabbing

As mentioned in the second paragraph, the first two experiences of water grabbing having the

longest history can be counted among the first forms of water grabbing concerning drinking water. They feature the appropriation of water sources through the processes for the privatisation of drinking water, by means of the bottling of water, and for the privatisation of the management of the integrated water utilities, as practiced in the industrialised countries, and of water sources, as implemented in poorer countries, supporting and promoting the merchandisation of bottled water and drinks for individual well-being.

Bottled Water

The appropriation of sources for bottling water is a trend that grew in several areas of the world, as a response to personal mobility and to the growing demand for access to drinking water or other drinks, at any time of the day and anywhere. In order to satisfy these growing needs, the water supermarkets were born.

From Europe to the United States of America to India, the multinational corporations dealing in food and drinks satisfied this potential market by buying, or getting as licensees, from governments or local communities, sources for the exploitation of water both for the production of bottled water and for the production of drinks or other products having a high content of this resource. The boom in the consumption of bottled water is a record-breaking consumption event in Italy and many other European countries, but in other countries the records concern the grabbing. Let's see a few cases.

In **India**, the experiences of resource grabbing and in particular of water grabbing are countless, and they definitely make up a paradigmatic case. As to the exploitation of sources for drinking water and for the production of bottled water, the most emblematic cases are those of Pepsi and Coca Cola. The fight of the women of Plachimada against the actions by Coca Cola in Kerala, described by Vandana Shiva in her “Water Wars” and “Earth Democracy” certainly are among the best known cases.

Since 2000, in Plachimada, the Coca Cola plant began its activity, to produce 1,224,000 bottles of drinks per day, with the approval by the local government that had granted the building of a plant for water provisioning. In a short while, the local community realized that the amount of water taken was much higher than that granted, and that the water table is lowering. Farmers, natives and producers realized that a massive, unauthorized drilling of wells had taken place, endangering the water reserves for the territory and, with that, the

²⁸ <http://www.tni.org/primer/global-water-grab-primer>

²⁹ Ibid 31, page 5

chances of cultivating and producing³⁰. Apart from the springs, all other water sources turned out to be involved in the phenomenon. It's worth mentioning that besides the drainage of springs, the same were also polluted, by the abandoning of wastes close to the plant, the rice paddies and the water courses in the area. Eventually, it was estimated that some 260 wells for drinking and agricultural use were drained.

In 2003, the dwellers in the area were informed that water was no longer drinkable, thus forcing the women to go get it from very distant sources. According to the local population, Coca Cola thus created a water shortage in an area where it had always been abundant. At the end of 2003, after several protest actions by the women, and by the local movement, the High Court of Kerala acknowledged the women's protests and forced Coca Cola to stop stealing water; but it was only in 2004 that, also because of a severe drought, the protesters managed to convince the State to close the Coca Cola plant.

This protest for the right to water determined the birth of movements against the grabbing and destruction of the water resources throughout the country. Similar cases have taken place in Rajasthan and in the Varanasi region since 1999.

The description of this case amounts to an example of the role that the multinational corporations have been able to play in terms of pressure upon the governments for the support of their own privatisation policies of water resources, and therefore in grabbing the water resources, denying them to the local communities to the point of causing a shortage, and at that point abandoning the countries where they had made their investments.

Water and Integrated Water Utilities

On the front of the first forms of grabbing of this resource, the privatisation of the water utilities for supplying drinking water in the homes and for sanitation is a second form of grabbing. Cases in all continents may be documented. The most famous one, which focused international debate on the issue of the right to water and encouraged many movements and governments to fight for the recognition of the right to water at the UN level, certainly is the Bolivian case.

Since 1985, **Bolivia** suffered from strong pressure by international institutions for the planning of structural adjustment policies as proposed by the International Monetary Fund and by the World Bank. Since the 1990s, the Bolivian government began indulging the financial institutions, and in 1995 they began overhauling the legislative

system that regulated water resources, by introducing principles such as the one of full cost recovery – in order to be able to shift to the monetisation of the utilities and therefore to open to the market forces. The two most impressive cases are the following. The first one is the privatisation of the utilities in the cities of El Alto and La Paz in 1997, a case in which the management of the utilities was granted, for 30 years, to the French multinational corporation Lyonnaise des Eau – later known as Suez, by expropriating the local communities of the possibility of procuring water for territorial uses, and most importantly by introducing unsustainable rates, while not bringing in the planned investments.

The other one is the privatisation of the utility in the city of Cochabamba in 1999, by the North American corporation Bechtel. In this latter case, the privatisation brought about a direct clash between the citizenry and the State, with a true and proper water war, caused by several factors: the price of water was trebled, in order to access to the resource an obligation to purchase permits was imposed, and, last but not least, even for gather rainwater licenses were demanded. After a year of this management, 55% of the inhabitants still had no access to water³¹ and the licensee company, Agua de Tunari, had gained a complete monopoly over the sources and the water distribution network. For these reasons, in 2000 the citizens began taking it to the streets against the government, demanding that steps back be taken in the laws concerning the governance of the resource, in order to try and stop the privatisation of this good. This fight was violently repressed by the State, with tens of wounded and even five dead, but the outcome was the termination of the contract with Bechtel, the annulment of the previous laws concerning water, and the expulsion of Agua de Tunari.

The civil society thus won the battle against the privatisation of water, which, instead of bringing more water and of better quality for everyone, had increased the rates, left the water and sewage networks in poor condition, adjusted the rates to the US dollar thus putting the families in dire economic straits, and denied the communities the chance of using alternative sources of water provisioning³² – thus, as a matter of fact, threatening the right of access to water.

It is worth recalling that the Bolivian government, again on the basis of the pressure applied by the movements and the civil society, undertook the task of welcoming the proposal, put forth for over ten years by the water movements, to present to

³⁰ From “Il bene comune della terra” (Italian translation of *Earth Democracy*), by V. Shiva, 2008, Ed. Feltrinelli

³¹ <http://www.cdca.it/spip.php?article107>

³² Ibid 34

the United Nations Assembly a resolution for the recognition of the universal human right of access to drinking water and to sanitation utilities.

3.2 The grabbing of resources for production uses: food, energy, mining

The increase in the demand for water for various uses, in particular for the production of food and energy, has determined and is causing an increase of the level of contention in the access to the resource, and the phenomenon of the new water grabbing was very often associated with land grabbing – the appropriation of land.

It is estimated that the production of food, foodstuffs and also produce for energy purposes such as the biofuels has caused a land rush, between 2005 and 2009, for more than 32 million hectares³³. It is often deemed that these lands, defined in many cases as low-quality and non-fertile, have actually been chosen for the amount of surface or underground water that is present and potentially to be exploited.

Indeed, in many cases it was documented how the presence of aquifers strongly influenced the processes for grabbing lands with a view to producing food³⁴.

In a recent report, "Water Grabbing – a primer"³⁵, Transnational Institute accurately describes the links between land and water grabbing.

The exploitation of water and land by the subjects who acquire these resources feature the same traits: expropriation/exclusion, exploitation, and profit-making. The grabbing of water and land is driven by the production of food and non-food monocultures, the latter for biofuels.

There are countless cases, spread all over several areas of the planet, documenting the relationship between the grabbing of water and land. We only provide some figures that may highlight the very important relationship between the two resources, as well as the land grabbing phenomena that take place to grab water, too.

According to the data supplied by several research centres, including Land Matrix, which has tried to aggregate the diverse information about Land Grabbing, it turns out that the first ten target countries, in which land acquisition agreements were entered into, include seven

African states, two in South-Eastern Asia, and one in Latin America³⁶.

In particular, if we study the issue in greater depth and we look up the countries that were the object of the agreements, we see that they include Sudan and South Sudan, the Democratic Republic of Congo, Ethiopia, Indonesia, Liberia and Argentina, that is, some of the countries with the wealthiest water resources in the world, with their rivers and underground deposits, for instance the Nile the Congo and so on.

Also, by analysing the main purposes of these land acquisitions, we almost always find the use and exploitation of land for agricultural purposes; however, for the production of goods that are almost always not intended for the food market (in particular, the local market), but almost exclusively for the production of biofuels or biomass.

In other words, wide swaths of land for the production of palm oil, which is then exported and transformed into biodiesel fuel, suitable both as vehicle fuel or for the production of energy.

These lands, therefore, are taken away from the local populations, who will no longer have the possibility of living there, tilling those lands, and drawing benefits from its produce; and, even more importantly, lands that grant access to other resources, such as water, both for drinking and for production purposes.

Grain International, in its report "Squeezing Africa dry: behind every land grab is a water grab"³⁷, reports the figures concerning water grabbing, concealed behind the phenomenon of land acquisition. The report explains how the changes to the watercourses in order to build the networks for the intensive irrigation canals caused a very dangerous growth in the food insecurity for many populations living in regions like Ethiopia, Sudan, the Horn of Africa, Niger, Central Asia and many others.

Water, Land and Biofuels

The grabbing of water and land for the production of food goods not intended for human consumption is defined as "flex crop sector", that is, the production of food goods intended for biofuels. This is one of the policies introduced starting with the World Water Forum of Istanbul (2009).

Sugarcane, oil palm and soy are the main types of agricultural production, requiring a high

³³ <http://www.landmatrix.org/>

³⁴ <http://www.future-agricultures.org/research/land/7698-qgreen-grabsq-journal-issue#.UWfVu6xrzXQ>

³⁵ Ibid. 3

³⁶ <http://www.landmatrix.org/get-the-idea/web-transnational-deals/>

³⁷ <http://www.grain.org/article/entries/4516-squeezing-africa-dry-behind-every-land-grab-is-a-water-grab>

consumption of water and land, that were encouraged in many poor, developing countries over the years.

The incentives favouring these crops were accompanied by those intended as a response to the growing trend in the "flex trees sector", i.e. the monoculture of trees that can be used for producing construction materials, pellets, but also for the "clean development mechanisms" such as the reforestation and the carbon credits³⁸.

Among the many emblematic examples of this tendency for land/water grabbing, Friends of the Earth documented the impact of the grabbing of more than 300,000 hectares by Sime Darby Corporation in Liberia, denouncing its negative consequences³⁹.

Sime Darby, a Malaysian company, is one of the most important producers of oil palm in the world, and its business moved from Malaysia, which is by now entirely covered with oil palm plantations, to other countries, including Liberia, in order to increase production and to be able to export in Europe, too, which shows a growing need and demand for energy and biofuels.

Since 2009, the Liberian government granted 311,187 hectares of land to the corporation, under an agreement according to which it would till them for 20 years, paying a share of 5 dollars per hectare and employing some 30,000 Liberians.

Several studies carried out by the University of Reading and by Friends of the Earth Liberia, and collected in the 2012 fact-sheet⁴⁰ by FoEF International, highlight the human rights violations that were committed during these activities from 2009 until today, the infringements of the Liberian laws as to the licenses, and the environmental violations deriving from inaccurate environmental impact assessments.

First of all, Sime Darby was successful in gaining a grant license for the land by the Liberian government for 63 years, which violates the local law, providing for a maximum of 50 years. Also, it seems that the license for some 100,000 hectares was granted without a tender and without a certification for the license certifying that said license is complying with the country's economic objectives⁴¹.

The operation by Sime Darby was clearly made possible by the grant by the Liberian government, but apart from the latter, other actors intervened, particularly European investors, such as: banks,

retirement funds, and private equity funds, for a total amount of 280 million Euros.

Starting from the awareness that all the European investors demand that the companies adopt certain standards as to the compliance with human rights and environmental protection, Friends of the Earth started an information campaign about what is happening with Sime Darby, demanding that measures be undertaken as to the ongoing operations.

Water, Land, Dams and Energy

A further example of new water grabbing is the one practiced by relaunching the construction of dams and artificial basins for the economic development of countries in the South of the world, and elsewhere. This form of water grabbing had its maximum expansion in the 1980s and 1990s, decades in which there were numerous examples of infrastructural projects designed for exploiting water for large-scale power production, instead of the provision of energy for the local communities, upon which the projects were carried out.

The projects for the construction of dams, artificial basins, irrigation networks very often involve several basins and cross-border catchment areas, changing, often in irreversible ways, the status and quality of water, causing strong social impacts and the resettlement of populations. Also, they often do not improve in any way the quality of life of the local populations, or the development of financial markets, water exchanges, and environmental credits.

The experiences concerning (the designing, and only in some case the complete implementation) of the construction of large dams, such as those in Congo, in Ethiopia, the Narmada ones in India, up to the recent ones in the Chilean Patagonia and in Guatemala, have shown how the exploitation of the resource by means of huge infrastructures has caused, or might cause (according to the impact studies carried out both at the local and at the international level) very questionable, or outright negative, environmental, economic and social impacts for the local populations involved, while on the other hand it guaranteed a return on the capital investments for those who participated in the construction of the works, even though many of them have not been completed yet.

The foreseen impacts of the construction of large dams are mainly: a threat to food security of the local populations, the forced eradication from the places where they lived and worked, the changes in the environment and in the river ecosystem and fauna existing in the area, the loss of rights on the territory resources that in many countries in the

³⁸ Ibid. 31, page 5

³⁹ <http://www.foei.org/en/media/resources-for-journalists/sime-darby-and-landgrabs-in-liberia/fact-sheet-sime-darby-and-land-grabs-in-liberia/view>

⁴⁰ Ibid 42

⁴¹ Ibid 42

South of the world is implicitly connected with living in the territory itself.

If we also consider the construction of huge canal networks for agricultural purposes, we will realize that very often, such projects were put forth together with models of intensive, industrial, subsidized agriculture, rather than promoting the valorisation of local crops and the food sovereignty of the countries involved⁴².

In this way the use of fertilizers, pesticides, controlled seeds was favoured, all of which changed the quality of water and land, and making the farmers unable to carry on with the crops once the aid and governmental incentives were over.

Therefore, the motives underpinning the grabbing of lands to be exploited across a territory, as mentioned above, is also driven by the presence of water, which makes it multi-functional: for agricultural, energy-producing, and mining purposes.

The new phenomenon of water grabbing by means of dams and artificial basins is different from the past, because the idea is they are built simply to make the stored good visible, so that it can be placed on the market as a deposit. We go back, in other words, to the concept of financialisation, already described above. Apart from the food and foodstuffs, the presence of water in a territory very often makes it attractive in order to satisfy the new demand for energy, especially in the developing and emerging countries. This is both for the growth of the home industries and for exporting energy in neighbouring countries.

The recently identified phenomenon of energy grabbing, closely linked with the relationships between water and dams, and the various experiences in South America and Asia, show how gigantic hydroelectric-power projects have potential negative impacts on the resource and on the access to the same for human consumption by the communities and populations involved by these projects. Apart from the examples mentioned above and only partially completed, a few recent and very controversial projects are those of: El Quimbo in Colombia, the huge Hidro Aysen project in the Chilean Patagonia, and the Kumtor dam in Kyrgyzstan.

In all these three cases the construction of dams had as the main purpose the provision of energy for the large mining sectors of these countries, and secondarily the exporting of power to neighbouring countries, too. However, on top of

that, in particular in the Colombian case, as documented by Recommon through a case study on the dam in 2013, another purpose of the operations is the capitalisation of the growing market of carbon credits, too.

That is, the dam, by means of the clean development mechanisms (CDM), is also used as a means in order to acquire carbon credits from projects for emission reduction in the developing countries.

All of that looks rather paradoxical, because the theory according to which the dams can be considered as clean energy is still very controversial, given the methane emissions from the reservoirs' surfaces, the turbines and the spillways⁴³.

So on the one hand, a territory is deprived from a resource by pumping it in the turbines, which transform it into energy that can be used to mine gold or other minerals by great local or multinational corporations, on the other hand the local environment is damaged and disfigured by the construction of infrastructures for transmitting the energy and with the depositing of debris derived from the mining. This is the case of Kumtor, a situation in which the very national water reserve based on the glacier is threatened by the nearby mine⁴⁴.

If we consider, in particular, the case of El Quimbo, in Colombia, we can say that up to today the project is very controversial as to its benefits and social and environmental impacts.

The ongoing project, according to the report by Recommon, is one of the largest in the country, 151 metres in height, 632 in length of the façade over the Magdalena river. Apart from the specifications of the dam, one has to take into account a huge 489-metre tunnel, used for facilitating the construction, removing the water and so on.

The hectares that will be covered with water are some 8,586, of which about 5,000 were for agricultural purposes, as set by the agricultural reform of the 1960s.

As to the impacts that the dam will have on the river and on the life of the local populations, the Surcolombiana University and interviews with local representatives have demonstrated that they will be dramatic and irreversible, profoundly changing the region in social, economic, environmental and cultural terms.

Once again, in this case as in the one described as to land grabbing, and as in the examples of

⁴² Water Grabbing: a Primer. Transnational Institute 2012

⁴³ See: El Quimbo Hydroelectric Project – case study, Recommon 2013

⁴⁴ See Recommon and Bankwatch Reports – Grabbing Development Project 2012

dams in Patagonia, in India and in Kyrgyzstan, the key point is the opposition implemented by the local populations, who brought forth research, studies and facts supporting the criticism against such huge projects, in order to try and stop the works, or at least reducing their impact in all sectors.

Also, another consideration is that the benefits that should have arisen from these works, for instance with regard to energy provided to local populations, never actually came to fruition.

These fights often achieved an international renown for various reasons, including, first and foremost, the involvement of European and Italian actors in the ownership, construction and functioning of the proposed projects: next-door companies, banks, and investment funds, seeing in the immense water resources of the countries in the South of the world potential investment areas and growth chances for economic and financial business.

Water, Scarcity and Water Footprint

Another factor that boosted the land and water rush was exactly the scarcity of these resources for some countries undergoing major economic growth.

It's a few years already that countries like China, India, South Korea and the Gulf states, because of the decrease of water due to the growth of the home production of foodstuffs and to industrial pollution which degraded the resource and made it scarcer, have decided to reduce significantly the use of it, shifting the production of their goods elsewhere, for instance in Africa⁴⁵.

Water stress is a factor of risk to the internal economic stability of several countries. Therefore, those who can afford it are running for cover, by purchasing land abroad, where to produce food for their own requirements. They use someone else's resources and thus they can more easily protect their own heritage.

Only a few years ago a practice was begun of mapping the amount of water that is present in a country also in the form of products from those territories, by means of the definition of the "water footprint" of products and countries. The flow of virtual water, linked with the produce, was thus defined, too.

The "*water footprint*", and the notion of virtual water, if linked with the phenomenon of water grabbing, also amount to a mode of water

grabbing. This helps us understand how many diverse and multiple ways can be used today to have water resources travel, by transferring them from one place to another, thus increasing, as a matter of fact, the inequalities in the access to the goods coming from them.

Virtual water is the water contained in the goods themselves, and the water used to produce them⁴⁶. The resource flows can be measured by identifying the water footprint of each country and of the goods produced in the country, and of those that are then imported or exported.

For this reason, if we think about countries that are undergoing severe water stress, and we also analyse the trends in land grabbing for production purposes, we will see that many of these countries are now shifting abroad the production of primary goods, such as: rice, corn, soy, in order to satisfy their internal demand while saving water.

Apart from that, virtual water is useful to remind us how we waste resources when we throw away foodstuffs and other goods not coming from our own country.

The analysis acquires critical importance if we also verify in which countries these goods are produced (often, regions in Africa or South America), and the level of access to water and sanitation for the local populations.

This allows us to understand how much the grabbing of water for production use in the developing countries is taking away water for drinking purposes from the local populations.

We recall here, indeed, that 20% of the global population "consumes" 80% of the worldwide produces and services. This product consumption, which equates to a consumption of resources, is both direct, meaning that it derives from the exploitation of the internal resources of each country, but also more and more indirect, i.e. by means of the use of resources and products coming from afar, and containing huge amounts of virtual resources.

The water footprint of a billion Indians and Africans is by far smaller than that of a million of US citizens⁴⁷.

To these consumption levels we have to add the enormous wastage of these goods. For instance, we have to remember that in Europe 90 million tons of food are consumed per year⁴⁸ and that

⁴⁵ High-level panel of experts 2011, Land Tenure and International Investments in Agriculture. A Report by the High Level Panel of Experts on Food Security and Nutrition of the Committee on World Food Security. Rome

⁴⁶<http://www.iefc.unibocconi.it/wps/wcm/connect/d09bf6eb-158f-49a2-91f019c756b4c605/Ridolfi+22+marzo.pdf?MOD=AJPERES>

⁴⁷ "*L'impronta idrica delle nazioni*", in *Le Scienze*, February 15, 2012

⁴⁸ <http://ec.europa.eu/food/food/sustainability/>

one third of the food produced for human consumption is wasted every year⁴⁹ according to FAO estimates.

As we learned thanks to the recent research by the Water Footprint Network, these goods, that get thrown away, are resources (water and land) that we indirectly take away and "consume" from our own territory and from that of third countries, to the detriment of local populations who lack access to those goods even for their primary needs: eating, drinking and washing.

4. A new model of governance for water and common goods

4.1 The scenarios to be countered

The international Rio+20 conference (June 2012) ended, as we mentioned above, with the summit postponing to 2015 the drafting of the New Agenda of Sustainable Development Goals, to be associated with the assessment of the Millennium Development Goals (2005-2015) and with the identification of a strategy to face the environmental challenges and the economic and financial crisis of the development model based on globalisation and on financial capitalism.

The most appropriate solutions for building a "sustainable future" were identified as "green economy", the investments in "new technologies" as implementation devices, and a governance model based on the "stakeholders".

Green economy, in particular, was identified as the necessary tool for promoting sustainable development, for the actions fighting poverty, for protecting natural resources, for improving a more efficient consumption of resources, and for fostering sustainable production processes and the development of technologies consuming less coal.

The implementation of a new worldwide economic growth based upon "green economy", on the financialisation and monetisation of the ecosystems, reflects, as a matter of fact, the current economic and financial system as practiced over the past 30 years, promoted through globalisation, which does not take into account the level of indebtedness of the States and entrusts the application to the recognition of a general principle of inclusive responsibility focused on the individual.

At the same time, while the recent reports by the United Nations (UNEP GEO 5) continue to point out as urgent the measures for the conservation of resources because of their impoverishment and

unsustainable exploitation – as evidenced by the analyses about the environmental and water footprint, both at the global level and in some continents in particular – the global emergencies of hunger and poverty, of the loss of biodiversity, of the governance of resources and ecosystem protection remain on the agenda, and become more and more compelling, especially in some regions of the Planet.

The present-day policies about common goods are those already described above, giving away greater profits to speculative revenues and creating capital economies, rather than the redistribution of resources, equal opportunities of access, and a recognition of human rights for everybody.

The scenarios described above, denouncing the merchandisation and monetisation of resources such as the common goods; the privatisation of the management of utilities deriving from the use of common goods; the grabbing and financialisation of common goods, are, unfortunately, more and more common and quickly developing phenomena both in the South and the North of the Earth.

The consequences of these policies bring about the expropriation of the citizens and territories, who are deprived of the governance, i.e. the direct management of the resources and the possibility of defining the policies concerning the common goods.

This expropriation is supported exactly by the idea that the governance on the global, interstate or international level of goods and resources of the Earth may be more efficient and equitable than a local or territorial management. In this context, the economic stakeholders propose themselves as the main subjects who should gain ownership and control over the goods and then, as a matter of fact, also be entitled to their management, by means of their sprawling entrepreneurial forms, whose organisation is often difficult to understand.

The defence of common goods and in particular of water, therefore, necessarily relies on the recognition and realisation of the human rights and the nature's rights, together with the ability of the citizens and of the populations in the territories to mobilise in order to oppose these trends, and in particular to get involved in defining alternative proposals and political visions, different from those proposed by the main interest groups.

Therefore, it seems possible to oppose the scenarios described above only by recognising and implementing human rights. The implementation of the right to water and the safeguarding of water as a common good are, therefore, a "matter of democracy", because those

⁴⁹ Ibid. 9.

own and control the management of water, i.e. of reservoirs or sources, as a matter of fact can control, and has power of life and death over the communities living in those territories.

If water is a common good, the responsibility for managing and safeguarding this good, just as for all the other natural goods and resources, belongs to the citizens and local communities, not to the stakeholders, mostly represented by users and market operators.

Water is thus the most advanced and significant paradigm of this process, intended for proposing a new model of so-called sustainable development based upon the relaunching of environmental capitalism, which, as such, should be opposed.

4.2 The realisation of the right to water and the recognition of water as a common good

The recognition by the United Nations Assembly of the right to water and to sanitation utilities by U.N. resolution n. 64 in July 2010 amounts to the most important result achieved by the Water Movements, after decades of mobilisation supporting this proposal, not just during the World Water Forums but also through strong mobilisation actions all over the territories.

Resolutions taken by the UN General Assembly are deeds that are not legally binding *per se* for the States. Nevertheless, they are statements by the body adopting them and by the governments sitting in the Assembly; but, in order to be actually implemented, they need subsequent actions at the international and national levels.

Currently, the Earth's resources are under a powerful attack, and, in particular, vulnerable to the exploitation and merchandisation of the water resources, and the prevailing policies are focused on providing access to the resource and an increase of the collective welfare by means of capitalist models for the exploitation of the territory and infrastructures. In this context, the clearest thing is the violation of human rights of the persons and of the right of the resources to be safeguarded, even though they are proclaimed by specific resolutions.

The priority commitment is to make the July 2010 resolution by the United Nations really binding upon the States, and to define the standards and principles deriving from it, so that at least the right of access to the resource be respected in any case, and, therefore, that this may also become a means to oppose the illegal appropriation of water and land.

There are several levels of commitment to be worked out, in particular the international and the national ones.

At the international level, a first possible procedure for transforming the contents of the Resolution about the right to water dated July, 2010 into a legally binding document is the signing of an international Treaty (or of a Protocol or amendment to an already existing treaty) that will reproduce the contents, possibly specifying them in greater detail, too, through the elaboration of legal regulations contained in a Protocol for the Right to Water by the Human Rights Council of the United Nations.

Such a proposal could be made by the States that promoted the July 2010 resolution, first of all Bolivia.

This working approach would deserve to be relaunched nowadays, especially by those grassroots movements for water that in South America amount to the most advanced examples when it comes to the constitutional recognition of the Right to water and to community, participative models for the management of water resources.

This is because the UN resolution must contain the cultural and local aspects characterizing the various contexts and continents in which it will have to be implemented. The resolution should avail itself of the experiences of local movements for the realisation of the right to water, because these already feature examples for the constitutionalisation of the rights of "nature". For instance the constitutions of Ecuador or Uruguay are an important testimony to the mobilisation paths that can be reproduced or practiced in other countries, too.

At the national level, it is urgent that the national governments start working in order to implement the UN resolution. Where this is not taking place, or is, even worse, opposed, a strong mobilisation is urgent, involving the civil society and the citizens in applying pressure on the parliaments, so that the recognition of the right to water be added to the respective constitutional documents, and so that national laws can be adopted, amounting to the realisation of the UN resolution.

It's worth recalling that several Countries have already welcomed in their constitutions the right to water: ten are in Africa (South Africa, Democratic Republic of Congo, Egypt, Kenya, Morocco, Niger, Uganda, Somalia, Tunisia, Zimbabwe); five are in Latin America (Bolivia, Ecuador, Mexico, Nicaragua, Uruguay); one in Asia (Maldives); one in Oceania (Fiji); no European country has introduced the recognition of the right to water yet⁵⁰.

⁵⁰

http://www.rampedre.net/concrétisation/territoires/national/legislation_summary

From the institutional point of view, therefore, a lot has to be done. On the other hand, if we consider the aspect of the mobilisation by local communities and committees, they might strive to achieve the objective of the enactment by law of the principle acknowledged by the UN resolution. Thus, they could also undertake initiatives with the European Human Rights Court or the Inter-American Court for Human Rights.

This objective – enforcing the implementation of the UN resolution as well as defining adequate venues where to act in order to have that right acknowledged – appears to be an utopia in the current context, where national sovereignty is being dismantled and the welfare state is interpreted through a mercantilist lens, a model in which all rights are transformed into needs and, as such, they have to be handled by the market and competition.

We know that in the past the common goods that today are sold in the market, including water, land, beaches, forests, were State-owned assets, managed by the State, and many of the public utilities linked with them were likewise public, because they benefited the community. We were thus closer to an economy of the common goods than to a market model, in which several particular aspects, such as ownership, management, maintenance and control were run by public bodies and working on democratic principles. We also know that in some of these situations, efficiency has not always been high, and sometimes the quality of the services also had significant shortcomings. Nevertheless, the privatisation, as it was proposed and implemented, did not provide better solutions, or changes that would provide more advantages to the citizens, especially with regard to those fundamental services such as the water utilities.

It is exactly for this reason that the diverse actions opposing these models, born in several European and non-European countries, were successful in preventing this privatisation drift in the management of public utilities, and in setting in motion mechanisms for the recognition of the right to water at the local and regional levels.

Thus, the initiatives by the civil society must continue, and gain a major role in the process for redefining the rules of democracy concerning water and the common goods. This must be done by starting with the realisation of the human right and with its recognition in the Constitution of individual countries, and in particular in the European Union's Constitution.

Another issue to be raised is the recognition of water as a "common good", i.e. as a good to be removed from the rules and mechanisms of trading markets and finance. Notwithstanding the recognition of the right under the UN resolution, the stakeholders still tend to both oppose this recognition and also to propose themselves as the promoters of protection policies for water, seen as a "resource".

Corporations, banks and all the subjects mentioned above and operating in the market are slowly taking on the concept of water as a common good, because it's a scarce and valuable resource that cannot be wasted. Therefore, they are promoting awareness campaigns and "green economy" policies, mindful of environmental sustainability, echoing the catch-phrases and the messages that were put together over the years by the civil society all over the world and by the UN institutions.

In spite of the failure of privatisations in the management of the utilities, the multinational corporations are readjusting their commitment on water and common goods, by using the bywords such as "everybody's good, common heritage, sustainability" and so on, in order to kickstart the new green economy policies based on the grabbing of natural resources.

Therefore, nowadays we also have to rebuild the language of the common goods. We have to identify the real implications deriving from this definition, in order to deny leeway to raids whose objective is to reduce the common goods to natural resources that can be summed up by ecosystems, which can be assessed by figures and monetary values.

In particular, the value of water must not be made to correspond to a price or cost of the same. It must not be seen as an exchange value. Otherwise, this will open the way to the idea of a market economy of the common goods, and to the proposals for the private management of this resource.

Also, as already mentioned above, the principle "the polluter pays" goes on strengthening the idea that it is possible to remedy pollution by working out mechanisms for clean development and for the purchases of carbon credits or water credits. At the European level, the Blueprint drafted by the Commission is the most clear-eyed summary of this transformation of water from a "common good" into an "economic resource" for sale.

4.3 A new model of global governance for common goods

After these first conclusions and possible actions to be undertaken in order to oppose the

financialisation scenarios, what seems most important nowadays is trying to promote new models of governance and management of the common goods, based on the participation by citizens and territories and on different principles than those featured by the markets.

This path goes through several stages.

The first is the political and cultural challenge to achieve the recognition as "common goods" of those goods, i.e. those natural resources, that are indispensable for living together on this Planet, for all human beings and for nature itself. These goods must be managed, therefore, on the basis of principles and management modes underpinned by individual and collective responsibility, by solidarity, by safeguarding.

The second stage is the recognition of management and governance models of these goods meant to protect the rights and of welfare models. The models not to be used are the economic ones, based on the destruction of resources and supporting profit, as well as increasing conflicts instead of promoting equal access to the goods for everybody. Therefore, we need to move from a governance by the market and the corporations to a grassroots governance, in which the involvement of and participation by the population have a continuing and acknowledged role to play.

For this political vision of the common goods and these governance models to come to pass, they have to rely on active, pro-active international and national institutions, including the participation by the civil society and the social networks.

The expropriation of democracy on its own territories, committed by the market, as mentioned in paragraph 2.4 above has corralled the role of the state as a controller of the corporations, and often not a very effective one. It also caused a centralization of functions, to the detriment of the intermediate levels of sovereignty and governance of resources and territories.

One of the various actions that were identified in order to rewrite the governance of water and to oppose the market drift, side by side with the implementation of new forms of participative democracy at the national and regional levels, is the urgency to promote the proposal for a International Treaty for water as human right or an additional Protocol to the International agreement of economic, social and cultural rights (PIDESC). These as possible instruments, of international law, for the realization of the UN resolution on water-right. In addition is necessary to promote the proposal of a World water

Authority to guarantee water as human right and protection as common goods⁵¹.

Such an institution might be defined as a "world" body, not just an international one (just like the main organisations of the UN). In other words, it could be a true "World Authority of Water" or of the Right to Water, having independent decision-making functions and therefore supranational powers, also above multilateral agreements.

The Authority should be under the United Nations aegis and amount to an autonomous subject, having both planning powers (decision-making independence as to policy and governance) and judicial powers, i.e., for punishing those (States, companies or communities) who adopt harmful behaviour or destructive uses of water resources or violate the human rights or the ecosystem's rights.

In order to strengthen the power and role of the World Water Authority, this body could be placed under the aegis of the UN Security Council instead of the UN Assembly, as a first step towards the transformation of the same into the "Security Council of Common Goods". Above all, such an organ should provide for modes for the inclusion and participation not just of governments but also of the international civil society.⁵²

In fact, we know that the governments are a direct manifestation (in many cases, but not always) of the popular vote, but, unfortunately, as we have seen, this does not guarantee that they then respect the people's interests under every point of view. This is why finding forms of active participation in the international organisations, too, is a fundamental measure for stopping those processes promoting oligopolies as to the resource and the principles of market and economic utility to the detriment of the social and environmental utility.

The engagements at national and international levels for the water rights and the chance of

⁵¹ Proposal of Italian and European Agenda for Water and Common Goods – (www.contrattoacqua.it) <http://contrattowater.it/chi-siamo/il-comitato-italiano/il-manifesto-italiano-del-cicma/> and Proposal for an international Treaty : <http://contrattoacqua.it/riconosciamo-il-diritto-all-acqua>

⁵² In the encyclical letter "Caritas in Veritate" by Pope Benedict XVI, the proposal was launched of a World Authority organized in a subsidiary and polycentric way, as a juridical, economic and political body intended for achieving the common good (in relation to problems that are global by their nature), without sacrificing the role of states, social groups, businesses, persons.

activating and experimenting modes of participative democracy, side by side with the representative one based on the election of parliaments and governments, i.e. the chance of allowing the citizens to take part in the local and national decision-making processes, voicing their stance, seem to be the most powerful weapons for opposing the ongoing financialisation processes, but, above all, for promoting paths for undertaking personal and collective responsibility, which can oppose the environmental crisis.

Even though the march of the financialisation of the economy and society seems unstoppable, there still is some leeway for trying and building different systems for the governance and management of resources. With this view, water is the common good that might become a reference model for the defence of all the others, both from the point of view of the research done and of the level of mobilisation of civil society.

In order to promote a new political vision of water as a common good, and therefore different governance models, a remarkable cultural investment is necessary in supporting new educational and training models for the governance of the common goods, based on the recognition of the resources as common goods and heritage, and therefore not to be exploited to extinction, or solely with a mindset based on scarcity.

Such a commitment is very up to date, especially at the European level. Our continent and above all the European Commission, in fact, are among the actors most focused on promoting policies that support monetisation and financialisation, not just of water but of all natural resources, with the aim of setting this standard at the international level, in the framework of the trade negotiations.

The four European agendas for water that can be inferred from the documents that the European institutions have worked out this far⁵³, in particular the European Commission, are guidelines that both the European citizens and the local institutions should urgently think about and then mobilise against.

The European environmental agenda, apparently meant for promoting in the member states the achievement of the environmental "good status" by 2027, as a matter of fact, by means of the Agenda of the utilities aims to relaunch the liberalisation of all local public utilities having economic relevance, including water. At the same time growth and poverty eradication, goals to be reached by 2030, are entrusted to the promotion of "green economy" and to a model of water governance centred upon the stakeholders.

Sustainability for economic growth, merchandisation and monetisation of water and the ecosystems, efficiency for finance, European economic government are the models with which Europe wants to face the environmental crisis and to promote a new model of sustainable development.

Therefore, taking into account that the processes for the financialisation and grabbing of resources are critical trends that are present in Europe, it is very evident that citizens and local institutions urgently acquire a greater awareness as to these processes.

The documents produced within the framework of the Project "Grabbing Development"⁵⁴ are a contribution for an in-depth study of the scenarios and consequences. We hope they can contribute in stimulating and accompanying processes for promoting the responsabilisation and awareness of the citizens.

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⁵³ <http://ec.europa.eu/environment/water/blueprint/>

⁵⁴ <http://www.manitese.it/advocacy-campagne/campagne-in-corso/il-futuro-giusto/mappagiustiziambientale>