

# CURRENTS

News from the Water for All Campaign

February 2006

## Bechtel versus Bolivia: THE PEOPLE WIN!

The water revolt in Cochabamba, Bolivia, began six years ago when people in Bolivia refused to bow to the demands of Bechtel for more profits and control over their water. After months of popular protest the company was forced out of the country. Licking its wounds, Bechtel filed a \$50 million lawsuit (for claims of lost future profits) against the government of Bolivia in the World Bank court, despite the fact the World Bank forced the water privatization model on Bolivia in the first place. Now, six years later the battle of Bechtel versus Bolivia has ended with a victory for the people! Bechtel formally abandoned its legal effort to take \$50 million from the Bolivian people. Faced with protests, barrages of e-mails, visits to their homes, and years of damaging press, Bechtel executives finally decided to surrender, walking away with a token payment equal to thirty cents. This retreat sets an important global precedent. The international support from activists like you have helped to make this victory possible!

## RWE shirks responsibilities; Communities step up

RWE, the third largest private water company in the world, says it's committed to preserving the environment, participating in local activities, and adding value to the communities where it operates. Yet when the opportunity arises to serve those same communities, RWE abandons its own principles. In November 2005, when RWE announced its plans to sell American Water Works, citizens and local elected officials in the U.S. began organizing an effort to bring their water systems under local control. Yet American Water continues to court Wall Street investors. Cities like Urbana, Champaign, Pekin and Peoria in Illinois say, not so fast! They are joining together to reclaim their water. If you live in a community served by American Water (known locally as California American Water, Illinois American Water, etc.), or want to be involved, email Vicki at [vkaplan@fwwatch.org](mailto:vkaplan@fwwatch.org) or call 202.797.6556.

## Biwater files claim in Tanzania; NGO launches campaign

The Tanzanian Network of Non-Governmental Organizations (TANGO) launched a campaign against privatization at a successful rally in December which attracted over 500 people. After the failure in the capital Dar es Salaam, people are fighting back. The campaign challenges the government to secure access to clean and affordable water for all and demands that the public be included in working towards these goals. The privatization of water in Dar es Salaam was pushed by the World Bank; a contract was signed with British Biwater and German Gauff Ingenieure in 2003. The 10-year lease came to an abrupt end in 2005 when the government canceled the contract after the companies failed to deliver on contractual promises. In response, Biwater held secret proceedings in the British High Court and in November filed a claim for lost future profits (allegedly \$25 million, but proceedings are kept from the public) in the secret World Bank dispute court: ICSID (International Centre for Settlement of Investment Disputes). ICSID has apparent jurisdiction over the case in accordance with a bilateral trade agreement – yet another document kept from the public. Worse still, Biwater is insured by the UK Export Credit Guarantee Department, so wherever Biwater seeks compensation on its inability to deliver the service, Tanzanians will end up paying the bill. This is the unhappy logic of our current global rule of corporate control – corporations can trample on people and nations, while governments, such as Tanzania, have little recourse. For updates e-mail Maj at [mfiil@fwwatch.org](mailto:mfiil@fwwatch.org).

### EDITOR'S NOTE

*We are delighted to formally introduce Food & Water Watch to you. Our mission is to challenge the corporate control of our food and water resources by empowering people to take action and by transforming the public consciousness about what we eat and drink.*

*As a spin off from our former parent, the national non-profit organization Public Citizen, Wenonah Hauser, our executive director, and 12 former Public Citizen staffers moved into our new headquarters in early January 2006. Our existing campaigns will expand with new resources, and because we carried all of our institutional memory and knowledge with us on these issues, we are confident we can pick up where we left off at Public Citizen.*

*We're the same team who helped develop these programs over the past eight years. The Water for All Campaign will continue to work hard in fighting for the right to water for all people. We are devoted to maintaining the existing partnerships that we cultivated while at Public Citizen with other non-governmental organizations, journalists and citizens.*

*In the coming months, we have lots of exciting developments, including the launch of our new Web site, re-designed newsletters to keep you informed, and new and improved e-mail lists to keep you in the loop on all the news and actions taking place around the world.*

## Funding clean water infrastructure in the U.S.

The Water for All Campaign, as part of the Water Infrastructure Network, has worked tirelessly to get the needed funds for U.S. water infrastructure to prevent privatization and ensure a sustainable future for locally owned water. Congress has not been supportive in past years and instead continues to cut essential funds when substantial increases are desperately needed. In the 2007 budget, President Bush has proposed an overall 10% cut on water infrastructure resources, putting the budget under \$1 billion annually at a time when what is needed, according to the Congressional Budget Office, is \$17 billion annually over the next 20 years. Meanwhile, our population overwhelmingly supports additional funding. Insufficient funding cuts jobs, delays needed upgrades and undermines public water. Congress is out of touch with local needs and popular support for the issue. To highlight the needs, the Water Infrastructure Network collectively proposed legislation which would create a trust fund for clean water (similar to the highway trust fund). House subcommittee Chairman Duncan (R) embraced the idea, but in the legislation introduced as HR4560, he added problematic language, including incentives for privatization, regionalization and/or consolidation of utilities. Furthermore, the re-written bill has provisions which will fuel additional sprawl and weaken public participation, while providing inadequate funds for alternative and small-scale solutions. For updates e-mail [mfiil@fwwatch.org](mailto:mfiil@fwwatch.org).

## COMING UP: World Water Forum to meet in Mexico City, March 2006



The 4th World Water Forum (WWF), an international meeting dominated by governments, international financial institutions, and major corporate interests will take place in Mexico City on March 16-22, 2006. Since its first session in 1997, the WWF has been a major vehicle promoting transnational water corporations and “public-private partnerships” as the preferred solution to the global problem of lack of access to clean and affordable water. The registration fee of \$480-\$600 blatantly exposes the disregard for ordinary citizen participation at this event. But a small number of water activists have crashed the WWF party since its meeting in The Hague in 2000, followed

by a larger number at the WWF in Kyoto, Japan, in 2003. There, wearing bright blue headbands that said “Water Is Life” in several languages, we challenged the proposals being put forward by CEOs of 22 corporations. Now global water activists are preparing again to challenge the events in Mexico City. Numerous events are planned including protests, parallel conferences involving farmers, indigenous organizations, human rights groups, NGOs and others, and a tribunal where major water cases will be heard with judges and jury. For more information call Sara at 202.797.6552 or [sgrusky@fwwatch.org](mailto:sgrusky@fwwatch.org).

## Watchdogging Desalination: Critical votes in weeks to come

We continue to track ocean water desalination proposals across the nation while challenging the assumptions of new federal subsidies. While there are no desal plants working to full production in this country, proposals are still moving forward in California; Huntington Beach, Carlsbad, and Moss Landing are competing for who will be first on the west coast to build a large-scale boondoggle. Not to be left behind, Florida, Texas, and Massachusetts are also moving forward. Stay tuned to hear desal plans for Baja California marina resorts and whether Huntington Beach finally votes on Feb. 27.

**TAKE ACTION!**

### World Water Day 2006: Plan an event in your community!

Join people around the world fighting for local control of water by celebrating World Water Day! On March 22, host a house party, screen a water film (you can borrow one from us!), write a letter to the editor of your local newspaper, or organize a call-in day to American Water headquarters in support of the campaign for local ownership. Contact [vkaplan@fwwatch.org](mailto:vkaplan@fwwatch.org) or call 202.797.6556 for an event kit, and to tell us what your plans are. Your involvement to educate your neighbors is especially important this year. Coinciding with World Water Day, the Water Barons of the world—Coke, Nestle, Suez and American Water—will gather in Mexico City for the 4th World Water Forum, where they will conspire against locally owned water. With your help, we can make our voices louder than theirs!

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