

<b>Institution: Newcastle University</b>
<b>Unit of Assessment: 23 Sociology</b>
<b>Title of case study: The struggle for material democratisation: contributing to the defence of essential water and sanitation services in Latin America</b>
<p><b>1. Summary of the impact</b></p> <p>Lack of access to water and sanitation services (WSS) is a long-term material deficit in Latin American democracies, worsened since the 1980s by privatization and commodification policies. Research at Newcastle since 2005 has played a major role in supporting policy change to defend and enhance public services by providing evidence-based grounds for policy interventions and informed citizen participation. It has:</p> <ul style="list-style-type: none"> <li>• supported the implementation of Brazil's first National Basic Sanitation Law and Plan for Basic Sanitation;</li> <li>• contributed to campaigns against commodification and privatisation and to re-publicise privatised WSS, improving the quality of public debate;</li> <li>• informed training activities in influential public and civil society organizations.</li> </ul>
<p><b>2. Underpinning research</b></p> <p>The research, funded by Leverhulme Trust and Latin American funders, was undertaken at Newcastle from 2005 by Professor José Esteban Castro, who coordinates the research networks GOBACIT and WATERLAT. It involved substantial empirical research in Argentina, Brazil, and Mexico on: the long-term impact of neoliberal WSS policies including privatization, commodification and deregulation; the influential role of international financial institutions, OECD governments, aid agencies, and other actors in relation to these policies; public-sector and civil society initiatives to protect access to WSS; and emerging trends, obstacles and opportunities for the democratization of management and access to water and sanitation services.</p> <p>The research focused on working with 'end users', including government departments, citizen organizations, user and consumer associations and NGOs in Latin America and Europe, and engaged with these actors as research partners. The research findings, published widely in English, Spanish, Portuguese and German, have established a critique of neoliberal WSS policies, and contributed to developing strategies and practical action to democratise WSS.</p> <p><u>Key research findings:</u></p> <p>(1) Neoliberal WSS policies implemented since the 1980s failed to achieve their stated objectives to solve the WSS crisis. Their fundamental tenet was that privatization would attract private funding to extend services to the unserved population, but this has not happened. Instead, where WSS have been privatized, the poor and very poor have either been left unserved or have been severely affected by increased tariffs. Also, whilst these policies were supposed to free the public sector from financial responsibility for WSS, in most privatization cases the state had to step in to fund private operators or even rescue bankrupted private companies, providing a <i>de facto</i> public sector subsidy to private investors rather than users (1, 3, 4).</p> <p>(2) Too often, the stated objectives of these policies, such as enhancing transparency, ending monopoly provision or improving service efficiency, ended in failure. These reforms were supposed to empower consumers and break down (public) power monopolies. However, not only have they failed to protect consumers but they have also created private monopolies to deliver WSS that are opaque to citizen scrutiny and control and are often marred by corruption. In addition, they have privileged the interests of private monopolies over those of users and citizens, who have little say on substantive questions such as tariff levels, investment needs, or ownership and management arrangements (2, 6).</p> <p>(3) Although neoliberal WSS policies have failed, international financial institutions, OECD governments, aid agencies and other actors continue to promote them (and not just in poorer countries) as the only solution available to the crisis of WSS. The underpinning research explored the enduring influence of these policies in eroding the principle that access to life-sustaining services is a public good and a social right (these being the principles driving the democratization</p>

## Impact case study (REF3b)

of WSS in developed countries), not a commodity. These policies have: weakened the capacity of the public sector to monitor, regulate, and deliver safe WSS; led to radical changes in priorities, with governments and providers of essential public services now prioritizing financial and commercial criteria over the provision of safe and universal access to WSS; and worsened on-going social conflicts by curtailing the rights of ordinary citizens to exercise democratic control over service providers (2, 5).

(4) The underpinning research concluded that neoliberal policies and their long-lasting influence are major obstacles to the democratization process. Evidence shows that countries which succeeded in achieving universal provision of essential WSS relied on heavy state involvement and public funding. WSS must be under public control, with strict regulation, and supported by institutions guaranteeing democratic monitoring and accountability (1, 5).

### 3. References to the research

1. Castro, J.E. (2007) 'Poverty and citizenship: sociological perspectives on water services and public-private participation', *Geoforum*, 38 (5): 756-771. DOI: 10.1016/j.geoforum.2005.12.006. [An updated Spanish version is forthcoming in a book published by the Institute of History, Higher Council of Scientific Research, Madrid.]
2. Castro, J.E. (2007) 'Water governance in the twentieth-first century', *Ambiente e Sociedade*, 10 (2): 97-118. DOI: 10.1590/S1414-753X2007000200007 [Internationally peer-reviewed and indexed journal publishing in English, Spanish and Portuguese on environmental-society interface.]
3. Castro, J.E. (2008) 'Neoliberal water and sanitation policies as a failed development strategy: lessons from developing countries', *Progress in Development Studies*, 8 (1): 63-83. DOI:10.1177/146499340700800107 [REF2 output: 77644].
4. Castro, J.E. (2010) 'Private-sector participation in water and sanitation services: the answer to public sector failures?' in C. Ringer, A. Biswas, and S. A. Cline (Eds.) *Global Change: Impacts on Water and Food Security*, Berlin and Heidelberg: Springer, pp.169-193. URL: <http://www.springer.com/environment/global+change+-+climate+change/book/978-3-642-04614-8>. [An abridged Portuguese version has also been published.]
5. Castro, J.E. and Heller, L. (Eds.) (2009), *Water and Sanitation Services: Public Policy and Management*, London and Sterling, VA: Earthscan (Hbk), 2009 and Routledge (Pbk), 2012. URL: <http://www.routledge.com/books/details/9780415507035/>. [A definitive text for analysis of water and sanitation services policy and management. An updated and extended version was published in 2013 in Brazil by Editora UFMG and Editora FIOCRUZ.] URL: <http://www.fiocruz.br/editora/cgi/cgilua.exe/sys/start.htm?infoid=1070&sid=52>.
6. Castro, J.E. (2012) 'Social participation in basic sanitation' (Spanish), in L. Heller (Ed.), *Water and Sanitation: in Search for New Paradigms in the Americas*, Washington, DC: Panamerican Health Organization, pp.137-155. [Publisher of significant texts for Latin American policy debates. An updated English version was published in 2012 by the International Water Association, London.] URL: <http://new.paho.org/blogs/paltex/wpcontent/uploads/2012/07/flyeragu01.pdf>.]

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- a. Castro (PI), WATERLAT Network grant, Leverhulme Trust, Ref: F/00 125/AE, Jan 2009-Dec 11, 36 months, £123,896.
- b. Castro (PI), two Post-Doctoral Fellowships Level 1, Brazilian National Council for Scientific and Technological Development (CNPq), both based at the Federal University of Minas Gerais, Brazil, Sept 2010–Jan 2011, 6 months, £8,000, and Oct 2008–Jan 2009, 3 months, £6000.
- c. Castro (PI) Post-Doctoral Visiting Fellowship, Institute of Advanced Studies, University of Sao Paulo, Brazil, July-September 2007, 3 months, £6,000.
- d. Castro (PI) Visiting Professorship, State University of Paraiba, Brazil, yearly visits since 2008, one month per year 2008-13, total for six visits £18,000.
- e. Castro (PI), Visiting Professorship, Ministry of Science, Technology, and Productive Innovation, Argentina, based at National University of Rosario, National University of Buenos Aires, National University of Córdoba, National University of Cuyo, National University of General Sarmiento, and others. Yearly visits since 2010, of 1-3 months in 2010-13, total for four visits £6,000.

#### 4. Details of the impact

The research has had impact on public policy design and implementation, and on civil society initiatives that challenged and proposed alternatives to neoliberal WSS policies in Latin America and Europe. In terms of reach, it contributed to government efforts across different national contexts to raise awareness and promote a better understanding of complex policy decisions among implementers and citizen movements. In terms of significance, it has raised the quality of public debate among public sector workers' unions and civil society groups about the implications of neoliberal WSS policies and the existence of viable alternatives based on public-sector ownership and management of these services. It supported the elaboration of strategies, campaigns and other actions to oppose neoliberal WSS policies, to republicalise privatized WSS, and to strengthen public-sector management and provision of these services.

##### (1) Implementing the National Basic Sanitation Law in Brazil

This law is a significant achievement of the Lula da Silva government; it gave back to the public sector the leading role in financing and organizing essential water and sanitation services. The research contributed directly to the government's work in the implementation process. The National Secretariat of Environmental Sanitation (SNSA) in the Ministry of the Cities, one of the key actors behind the law and its implementation, invited Castro to contribute in supporting the understanding, take up, and implementation of the law across the country. In 2009, they published *Perspectives*, a three-volume study that became the prime source of information and support for policy makers, experts, practitioners, and other relevant actors implementing the law. Castro's input was praised by the SNSA as a '*brilliant contribution that this researcher adds to the contemporary debate over water and sanitation policy in Brazil*' (IMP1). SNSA's Director of Institutional Articulation, who is in charge of the process, stated that:

*'Castro's contribution has been fundamental in supporting our task of clarifying and deepening the understanding of the principles and guidelines of our public policy, [...] has been a great support for us in public debates on these matters, and has contributed to the defense of our vision of essential public services. [...] [The research] has contributed to the incorporation of international experiences of water and sanitation policies in the Brazilian debate. This has been a major contribution in support of our task of raising awareness among decision makers, professionals, elected politicians, public managers, social organizations, among other actors, about the principles, objectives and scope of the national policy for the water and sanitation sector'* (IMP2). See also (IMP3).

##### (2) Shaping the National Plan for Basic Sanitation (PLANSAB) in Brazil

The Law required the development of PLANSAB, the main instrument for WSS policy in Brazil. PLANSAB was launched in 2011, was subject to public consultation, was approved by the National Council of the Cities in June 2013, and is currently awaiting the signature of President Dilma Rousseff. The SNSA invited Castro to make a key contribution to a seven-volume *Overview (Panorama)* of PLANSAB, prepared to support the public consultation. His chapter is cited by the editor and most co-authors, who also cite 15 additional publications by Castro (IMP4). The author of Chapter 3 of the study dealing with the 'fundamental principles [...] to understand the future of basic sanitation in Brazil' recognizes Castro's contribution as one of their main sources (IMP4). The SNSA officer in charge of PLANSAB stated:

*'[the study] has been used during the process of public consultation over the Plan's contents, which involves discussion and approval of the Plan by different platforms of social participation and government entities at all levels in the whole country. The publication has been a key instrument in this process, providing conceptual clarification, becoming a reference, and helping to raise the quality of the public debate about both the new Law and the Plan. Prof. Castro's research has been one of the central references in the process'* (IMP2). See also (IMP3).

##### (3) Training, raising awareness, and enhancing public debate in Brazil

The research has contributed to the training of public servants and members of civil society organizations, and thus to the enhancement of understanding and public debate about privatisation and re-publicisation. The research introduced an international dimension into national debates in Brazil on essential public services, bringing lessons of policy failure and success that were unknown to the participants. This included lessons about the negative impact of privatization (such

as increasing tariffs with little or no improvement in service quality or extension of coverage, lack of compliance with contractual arrangements, heavy costs involving the cancellation of privatization contracts) and evidence that in most European countries and the US most WSS are successfully run by public, not private companies. The Director of International Affairs of the National Association of Municipal Water and Sanitation Services (ASSEMAE) in Brazil noted how Castro's research '*has been a key and invaluable reference for our activities. [...] I promoted the regular participation of Prof. Castro in ASSEMAE's activities, particularly in the annual assemblies that are attended by thousands of municipal public managers from around the country and also from neighbouring countries [...] to develop the capacities of municipal public workers through training activities and informed debate*' (IMP5). ASSEMAE represents the public water utilities of around 2,000 municipalities in Brazil, where training and debates tend to focus mostly on technical management aspects. The research has made a major contribution to achieving a more complex understanding of the relationship between technical and socio-political aspects of utility management. Training activities were organized at the local level by ASSEMAE's members. For example, training organized by the Secretariat of Sanitation of the Municipality of Recife was central to raising awareness among public managers and workers about the implications of privatization and commodification for the democratic management of WSS in Recife, and this included Castro's brokering work enabling Recife to learn from the Parisian experience of re-municipalisation (IMP6). ASSEMAE has re-launched an anti-privatization campaign in their 2013 Assembly Statement (Carta de Vitória), and Castro's research findings were given prominence in an event to support the initiative (IMP7, IMP2, IMP3).

**(4) Impacts on civil society organizations internationally in Latin America and beyond**

The research has contributed to campaigns against privatization and for the re-publicisation of WSS utilities, and informed initiatives to democratize public WSS, across Latin America. It helped to enhance understanding of neoliberal WSS policies and their alternatives by providing evidence-based arguments to defend public provision. For example, the research informed the development of policy guidelines and proposals for Public-Public Partnerships as an alternative to privatization and public-private partnerships by the UN Secretary General's Advisory Board on Water & Sanitation (UNSGAB), which stated: '*from my position as member of the United Nations Secretary-General's Advisory Board on Water and Sanitation (UNSGAB), I have also counted on Prof. Castro's research, notably the work done in his research network WATERLAT (www.waterlat.org), to support our work in defense of public operators of water and sanitation services at the global level*' (IMP5). The underpinning research informed the development of policy documentation for political campaigns by the Inter-American Network for the Defence of Water and Life (VIDA Network) (IMP8); and Uruguay's public sector workers union (OSE) (FFOSE) (IMP8). In Mexico, El Salvador, Nicaragua and Argentina, the research provided inputs for training workshops and public debates organized by institutions including the Heinrich Böll Foundation offices for Mexico, Central America and the Caribbean, and for the Southern Cone, aimed at enhancing the capacities of members of NGOs, workers' unions, and other civil society groups for successful campaigning (IMP9).

**5. Sources to corroborate the impact** [All Portuguese originals available in English translation.]

- (IMP1) *The Basic Sanitation National Law. Perspectives for Public Policy and Management of Public Services*, Brasilia: Ministry of the Cities, 2009. Various pages
- (IMP2) Testimonial: Director of Institutional Articulation, National Secretariat of Environmental Sanitation (SNSA), Ministry of the Cities, Brasilia, Brazil.
- (IMP3) Testimonial: Superintendent of Solid Waste, Regulatory Agency for Water, Energy and Basic Sanitation of the Federal District (ADASA), Brasilia, Brazil.
- (IMP4) *Overview of Basic Sanitation Services in Brazil*, Brasilia: Ministry of the Cities, 2011.
- (IMP5) Testimonial: Member of the United Nations Secretary-General's Advisory Board on Water and Sanitation (UNSGAB) and ASSAMAE, Recife, Brazil.
- (IMP6) Collated documentation on Recife-Paris knowledge exchange brokered by Castro.
- (IMP7) ASSEMAE invitations to provide keynote addresses to 2011, 2012 and 2013 conferences.
- (IMP8) Collated documentation on Castro's contribution to VIDA network and OSE FFOSE's work.
- (IMP9) Collated documentation on Castro's contribution to Heinrich Böll Foundation's work.