

## **The European Citizens' Initiative on Water and the "austeritarian post-democracy"\***

### **§1-The context and the victories**

In times of savage austerity, strategies to privatise public services are multiplying. In particular, countries dependent on EU 'aid' are forced by the Troika to sell off water and other fundamental public utilities, as conditions for receiving EU loan packages. No surprise at similar "shock therapy": neoliberalism uses the crisis to destroy social rights and to privatise commons, public goods and public services. In other words, austerity is a tool of neoliberalism and the objective of the decision to pursue austerity policies was made to exploit the opportunities opened up by the crisis, not to bring the crisis to an end. And so it is a question of continuing, or rather, of accelerating, the redistribution of income, of wealth and political power from the bottom towards the top that has been taking place since the 1980s: an "upside-down" redistribution threatened by the sudden crisis and by the failure of neoliberal policies. At the present time, in the midst of a crisis of overproduction, public services become another vital area for capital to colonise, in order to ensure it continues to be rewarded with ample profit margins. Now the fairy tale about how "efficient" and how "economical" private management of fundamental services are has proven just that, a fairy tale, as far as public opinion is concerned, since empirical experience of privatisation has been of an increase in rates and a decrease both in the quality and in the universality of the services. And with a change of tack, that which was previously marketed as "better" and "efficient" is now simply passed off as "compulsory": they say that it is necessary to sell off and privatise in order to raise cash and thus decrease public debt, and they persist in describing a private debt crisis as a sovereign debts crisis.

The good news is that this process, far from being inexorable, can be arrested, as the successful struggles against the privatisation of water are showing all over Europe. Using and renewing democratic tools, building broad social coalitions, people are succeeding in stopping the privatisation of water at local, national and supranational level. These victories - and the impressive social alliances supporting them - deserve highlighting and may be taken as "models" for different struggles in different areas.

The list of victories is a long one: in Paris, thanks to the strong political will of the Municipality, the water service has been returned to municipal management and the two largest water multinationals in the world were ousted (public management has lowered tariffs by 8% and it is saving 30 million euro per year, money which previously constituted the profits milked by private management); two municipal referenda called by social coalitions have been won, in Madrid and in Berlin, where the Municipality recently decided to remunicipalize the service and buy out the private shareholders; two years ago, we also won the nationwide referendum in Italy, where 26 million Italians rejected the compulsory privatisation of

local public services and excluded the possibility that profit could be made from the management of water utilities. Now we are heading for our first significant victory at the continental level, as the European Citizens Initiative (ECI) on "Water as a Human Right" has collected nearly 2 million signatures in 13 countries, double the threshold required. This is the first ECI in history to have reached the quorum and will be presented to the European Commission by the end of 2013.

### **§ The ECI on water as a Human Right**

Let us take a step backwards. However weak, the ECI is the first tool enabling citizens to participate directly in the shaping of EU policy. The ECI allows a minimum of 1 million citizens from at least 7 EU Member States to put a significant issue on the European political agenda, "inviting" the European Commission to propose legislation on matters where the EU has power to legislate. On the one hand, to "invite" the Commission is far from any binding or strict obligation and the response to the initiative may be evasive; on the other hand, the social mobilisation around the ECI on water has already threatened the Commission. To quote from a statement made in June by the EU Commissioner for Internal Market and Services, Michel Barnier, "for months now, there have been reports that the European Commission is trying to privatise water by the back door, through its proposal on concessions. (...) Despite all the changes to the legal text, it is my judgement that the text we now have relating to water does not provide the reassurances that citizens expect. That is why the best solution now appears to remove water from the scope of the concessions directive". Barnier also added "I fully understand why citizens are both angry and upset when they are told their water services might be privatised against their will. It has led to the first European citizens' initiative and 1.5 million people signing a petition on water". In short, the ECI on water has already achieved a significant political outcome and an extraordinary victory even before it formally arrives on the Commission's desk. This proves that we are not at all powerless, but rather that it is possible to change the course of privatisation processes, which are unstoppable only in appearance. It proves the strategic importance of social alliances: thanks to the space opened up following the success of the 2011 referendum in Italy, the ECI was promoted and sponsored with considerable foresight and a huge organisational effort by the European Federation of Public Service Unions - representing over 265 unions and 8 million public service workers all around Europe - and it was supported by various transnational networks and organisations such as EAPN, APE, EEB and by social movements from all over Europe, starting from the Italian Forum of Water Movements and the newly-created network European Water Movement. These are organisations and movements fighting together against the privatisation and commodification of water, for the public and communal management of such a vital element, grounded in the democratic participation of

citizens and of workers. It is clear once again that if we are united and we manage to build solid social alliances around specific, unifying objectives, we can achieve victory and change power relationships.

What of the content of the ECI on "water as a human right"? Given the "principle of neutrality" towards the public or private ownership of the company providing services of general interest already established in the Treaty of Rome and still formally valid in the EU, we have strategically chosen the human rights approach in order to combat the neoliberal wave of privatisation and the "austeritarian post-democracy", with the objective of encouraging re-publicising processes. Indeed, in 2010 the human right to water and sanitation was recognised by the United Nations General Assembly, thanks to the initiative of governments of the global South (particularly Bolivia), and thanks to the long, hard work by social movements all around the world. Every person is now entitled to access to a sufficient daily quantity of clean water and to sanitation that meets international quality standards. But this right risks remaining just a formal right, written on paper, without any implementation by, or accountability of, public institutions. The aim of the ECI is to push the European Commission to focus on ensuring water and sanitation for all European residents, adopting a rights-based approach in place of its current market-based approach. In the EU-27, over one million people lack access to improved water or sanitation and the privatisation of water utilities is leading to disconnections of poor people who are unable to pay for the daily "vital minimum" of water. The EU should support States lacking the capacity to achieve 100% provision of water and sanitation, and a legal framework is needed to hold governments accountable and support citizens in claiming their right, where States lack the political will. Governments cannot transfer their responsibilities or leave control over natural water resources to private companies: such services cannot be left to market forces. Up to now, the European Union's main aim has been to create a single market for goods and services. That is why the rights-based approach is important for removing common goods and public services from the capitalistic market and the process of accumulation. Water is not a commodity opened up for competition, to be managed in order to generate private profits, but it is a common good belonging to everyone, which must be safeguarded also protecting the interests of future generations. "The human right, not competition or the completion of the internal market, must be central in developing water policy", as we repeated during the successful ECI campaign.

To sum up, the three main ECI demands are: 1) that EU institutions and member States must be obliged to ensure that all inhabitants enjoy the right to clean water and sanitation; 2) that the European Commission should stop its constant push for liberalisation: management of water resources must not be subject to internal market rules and water services must be excluded from liberalisation. "No money, no water" is the consequence of introducing a market for water services, and was another

slogan of the ECI campaign; 3) that the EU increase its efforts to achieve universal access to water and sanitation: worldwide 1,400 million people still lack access to clean water and over 2 billion people do not have access to sanitation. Europe should do more to make sure that people can enjoy the human right to water and sanitation also in other parts of the world, by making the achievement of universal access part of EU development policy.

The points made above give rise to many very specific obligations, not all of which can be listed here. Just as examples: not to include water and sanitation services in Trade Agreements such as CETA; to truly promote the participation of residents and forms of "communal" management of water; to promote public-public water operator partnerships based on not-for-profit principles and solidarity between operators and workers in different countries; to support public water companies in the EU and other countries that lack the capital to invest in the extension of the services to the poor, and so on.

### **§3 -Democratic paths against "austeritarian post-democracy"**

Apart from water, there is another fundamental element which connects the Italian, Berlin and Madrid referenda with the ECI, and that is democracy itself. All of this is about putting democracy before corporate interests and financial markets: the right to water and democracy are closely linked just as privatisations and post-democracy are linked. The people of Europe should be the ones who decide on common goods and public services, not the Troika. Through democratic tools such as referenda, citizens' bills and ECIs we can oppose the top-down silent revolution going on in Europe: these are all pieces of one collective and bottom-up democratic answer to the great economic and financial powers which have decided, to use a brechtian expression, to "dissolve the people" and govern directly through the ECB, the IMF and the Commission. Our Europe is built through democracy and the direct participation of the inhabitants of Europe, whereas the Europe of Austerity is being built with post-democratic methods.

Today, it is crucially important to link the struggle in defence of commons and public goods and services with the construction of a new and real democracy. The union between capitalism on one hand and formal and representative democracy on the other, far from being "natural", has been the product of historically determined, and hence changeable, events. The social-democratic compromise which prevailed in post-war years and which set up, side by side, capitalism, welfare state and representative democracy, is proving to be a mere interlude in the history of capitalism itself. This has been dramatically proven by the referendum supposed to take place in Greece on the Troika's memorandum, but which was prevented from being held; by the shocking letter from the ECB to the Italian government, in which the former asked the latter to privatise

public services, going against the people's 2011 referendum; but above all it is proven by the way new European governance is built, through the two pack, the six pack and the fiscal compact: from the democratic deficit which has afflicted the European project right from the start, up to the current oligarchic involution. A few dozen people closed inside a few, extremely restricted, central organisms are making all the decisions, and now even the EU Treaty – where democracy is the object of less attention than the free market and competition – is outdated and sidestepped from the legal and constitutional standpoint by the latest authoritarian provisions determined by the governments and the Troika. This is what I would define "austeritarian post-democracy"; in other words, the post-democracy described by Colin Crouch has made another quality leap: it is distinguished on the one hand by austerity in economic policies, on the other hand by an authoritarian approach in its control of social dynamics and its explicit denial of a considerable part of the 20<sup>th</sup> Century instruments of representative democracy, thus putting a definitive end to the cycle of social-democratic compromise.

And so it is no coincidence that the social movements and what is left of the workers' movement from the last century, in other words, trade unions, are coming together to start afresh precisely from building new democracy, including the use of instruments such as Referenda or ECIs. The quest for forms of direct democracy and deliberative democracy is a uniting factor for social movements (from the commons movements to the *indignados*), trade unions and other grass-roots associations. These are common paths which go beyond single issues and attempt to redesign whole pieces of the shape of the Union and of European policies, starting from the "social campaigns with a common purpose", such as that over water. I stress the word Europe to make it clear that the European dimension is decisive and irrevocable: the European space is the "minimum space" necessary if we are to build a credible social and economic alternative. To underestimate the global dimension of the clash between capital and labour is a mistake and would constitute a severe weakness for commons, welfare, nature and labour, certainly not one for capital. We cannot hand over the project of Europe to the Troika and to the financial markets.

This is the reason why we are building thematic continental networks together, such as the EWM, and that is why, following the crisis of the grass-roots altermondialist "institutions" (such as the European Social Forum), social movements from all over Europe came together again at "Firenze 10+10" and at the Altersummit, with the purpose of elaborating a common strategy, comprising common actions against the austerity policies and in favour of solidarity, rights for all and social justice in Europe. But the construction of a Euro-Mediterranean social alliance, going beyond the fragmentation of the existing social struggles in order to change power relations, is not an easy task. For the moment the first, and fundamental, step of the process seems to have been successful: broad

coalitions have been created over specific objectives and symbolic struggles such as those for water commons and basic income. The ECI appears at the present time a suitable instrument for coalescing social forces around a common objective and developing Europe-wide campaigns which get people involved and are cohesive. A coordinated group of continent-spanning "coalitions for a purpose" born as a consequence of specific ICEs to plan together, could provide a solid basis for an alternative social programme for Europe, born and built from below.

However, there is one question which remains open and unresolved: how to collectively set up a unifying campaign in Europe, over elements which are transversal to individual issues. Probably, the mother of all campaigns is and will remain that against the Fiscal Compact, which needs to take a different shape in each country, yet to be constructed together and in a coordinated fashion all over Europe. We should start by ascertaining the possibility of calling national referenda against the incorporation of the balancing of the budget into constitutions, which carves austerity into the DNA of our countries and Europe. A way of striking to the heart of both *austeritarian post-democracy* and the finance-capitalism which is the cause of it.

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