

**Going Down the Road  
The Water Profiteers**  
by **Jim Hightower**  
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Where's the Department of Homeland Security when we really need it? I suppose that Homeland czar Tom Ridge is too busy with his color codes and his TIPS snitch patrols to notice or care that dozens of American communities presently find themselves under assault by foreign powers with names like RWE, Suez, Vivendi and Perrier. These global corporate raiders are grabbing for our most essential public resource: water. In just the past few years, such transnational conglomerates (along with such US players as Bechtel, T. Boone Pickens, Monsanto and, until recently, Enron) have quietly privatized all or part of the water delivery systems in Atlanta, Berlin, Bolivia, Buenos Aires, Casablanca, Chattanooga, Houston, Jacksonville, Jersey City, Lexington, Ky., Peoria, San Francisco and many other places (some of which have reverted to public ownership), plus laid claim to whole bodies of water, including the Midwestern Ogallala Aquifer, Blue Lake in Alaska and Canada's huge James Bay.

The water profiteers are seizing control by using weaselly politicians, campaign contributions, outright bribery, hordes of lobbyists, multimillion-dollar propaganda campaigns, NAFTA, the WTO, the IMF and the World Bank. An example of their reach can be found in the Water Investment Act moving through Congress, a generally worthy bill to provide funds for local cities to upgrade or expand their water systems. But industry lobbyists have tucked two little bombs into it, which remain in the House version: (1) a city cannot get federal financing unless it "has considered" privatizing its water system; and (2) private water corporations could get public subsidies for their water schemes.

### **The Grassroots Rebellion**

While politicians -- from Congress to city halls -- have been bamboozled by privatization hucksters, who promise to bring "market efficiency" to the distribution of scarce water, ordinary folks have shown themselves to be way warier of surrendering public control. They know instinctively that the corporations are simply trying to grab a monopoly over a substance no one can live without, then squeeze maximum profits from it by firing experienced city workers, slashing wages, raising consumer rates, cutting service and ignoring repairs.

The great story here, untold by the establishment media, is of courageous rebels who are daring to step in front of the Great Corporate Water Rush. Meet two of these.

Hiroshi Kanno, 64, works a small farm in central Wisconsin. He stands only 5'6" tall, but -- with his family and neighbors -- he became a giant killer, beginning two years ago when the multibillion-dollar Perrier Group arrived in the towns of Newport and New Haven. It informed startled locals that it had a wondrous plan to begin continuous pumping of 500 gallons per minute of the area's pure spring water into its assorted bottles (Perrier's labels include Arrowhead, Calistoga, Deer Park, Oasis, Ozarka, Poland Spring and Utopia). But Kanno asked, "Who needs this?" He and others began asking more pointed questions, but got

only evasive answers, so they got to organizing, with "Perrier Go Away" as their rallying cry, and also launched referendums in both Newport and New Haven.

Perrier responded with hired lobbyists, a PR offensive and cash -- including \$20,000 to the city of New Haven. But money didn't buy love. New Haven voted 3 to 1 against the water scheme, and Newport voted 4 to 1 against it. New Haven went further, voting overwhelmingly to recall the town chairman, who'd accepted Perrier's \$20,000 -- then they gave back the money. "This is about the people versus the powers that be," said the new town chairman.

But Perrier wasn't about to give up. It had the backing of then-Governor Tommy Thompson, whose natural resources agency quickly obliged Perrier with pumping permits. In response, Kanno's group, with the help of Ed Garvey, the savvy and scrappy people's lawyer from Madison, sued the state to revoke the permits. While Perrier retains local water leases, a state judge has ruled that the state erred in granting the permits.

### **The Big Sleazy**

Several global corporations have been drooling over the possibility of getting a billion-dollar contract to privatize New Orleans's water and sewage systems, the largest such deal in US history. Outgoing Mayor Marc Morial had stacked the water board that would award the contract, and he thought he had the deal wired . . . but the people of New Orleans, informed by three major experiences, had other thoughts. First, part of the city's sewage treatment system has been privatized since 1992, with US Filter (owned by Vivendi) now holding the contract. When it was up for renewal five years later, at a time when another company, now also owned by Vivendi, had the contract, company executives got caught bribing a water board member. Second was the sewage incident. Last year, raw sewage spread from a treatment plant onto surrounding lands and into the Mississippi River for two hours, even though equipment problems had been known to US Filter for weeks. Third, while Morial talked of huge savings, an independent analysis found Hizzoner's numbers to be Enronesque.

Then, Josephine Elow got on the case. A 70-something retired public health nurse, Elow is an activist with Seniors with Power United for Rights -- SPUR! She and the group went door to door, making calls and eventually helping to put on the ballot a charter amendment that said simply: no water privatization without voters' approval.

This people's amendment passed last March by a stunning vote of 9 to 1, changing the balance of power -- one corporate contender withdrew, citing "political volatility," and the new mayor says he doesn't like the old mayor's deal. A 9-to-1 margin is daunting to those who dared hope they still might slip privatization past the voters.

Wisconsin and New Orleans are only two skirmishes in the long and hard struggle we face against this antidemocratic power grab, but the stories confirm that the only thing that'll stop it is people like Kanno, Elow . . . and you. To join the fight, contact Public Citizen's water staff (202-546-4996 or [cmep@citizen.org](mailto:cmep@citizen.org)).

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