

Water World

What if H₂O is Traded like Oil?

By Jay Walljasper, *Ode Magazine*

Green activists have been predicting for at least 30 years that fresh water will soon join petroleum as a coveted commodity capable of sparking military conflict and spawning all-powerful cartels. These predictions, of course, proved premature. But recent events indicate the day may soon be upon us when water emerges as a key factor in global politics.

The National Post, a Canadian newspaper, calls the country's water resources "blue gold." *Fortune*, the business magazine, unequivocally states, "water will be to the 21st century what oil was to the 20th." Consider the following information from Maude Barlow, chair of the Council of Canadians, an Ottawa-based environmental and social justice organization.

- S Accessible fresh water accounts for less than 0.5 percent of all water on earth. The rest is seawater or polar ice.
- S Global water consumption doubles every 20 years.
- S More than 30 countries already face water shortages.
- S Five million people, mostly children, die each year from illness related to contaminated drinking water.
- S The U.S. National Intelligence Council reports that water will become the world's chief resource issue by 2015.
- S 80 percent of China's rivers are too polluted to sustain fish populations.
- S In India, some households already pay 25 percent of their income for water.
- S In 1997, Malaysia threatened to cut off much of Singapore's water supply as a political protest.
- S Botswana and Namibia have been at loggerheads over Namibia's plans to divert water from the Okavango River.

"Forget OPEC. Some experts say the next cartel will be an organization of water-exporting countries," writes

Mark Clayton in the December 30, 2004, *Christian Science Monitor*. "Signs of corporate interest are already popping up," the article continues. "It's not as wild-eyed as it sounds. In the late 1990s, Aquarius Water Transportation became the first company to tow bags of fresh water for export, delivering commercial bulk quantities to the Greek islands. In 2000, another company, Nordic Water Supply, began using five-million-gallon bags...to float water from Turkey to northern Cyprus."

Turkey appears to be positioning itself as one of the countries to benefit most in the new water trade. Plans are also underway to ship or pipe Turkey's "blue gold" to Central Europe, Egypt, Malta, Israel, and even its long-time adversary, Greece. Barcelona already depends on France for much of its water supply. And some Canadians are eyeing this new chapter in global commerce as an opportunity to become a watered-down version of Saudi Arabia.

"It is impossible to overestimate the importance of a pure water supply," notes A. Fred Paley, president of the Vancouver-based Global H₂O Resources, which has a contract to sell 4.8 billion gallons (18 billion litres) of glacier water yearly for 30 years. The World Bank estimates that the global water market may be worth up to \$800 billion U.S. (615 billion euros).

Of course, the creation of this lucrative market depends upon big changes in how water finds its way to our homes. Throughout most of the world today, water is seen as a public service that is supplied by municipal or other government agencies. But many free market advocates and corporations believe that it should become a commodity that is bought and sold like any other product. Barlow notes that trade agreements like the North American Free Trade Agreement and the proposed Free Trade Area of the Americas set the stage for water privatization on a massive scale.

Some, like Irish banker and political commentator David McWilliams, contend water privatization makes sound

economic sense. He says, "Up to now the world has taken a very odd approach to water... Water is rationed rather than priced."

"It is highly likely in the near future," he continues, "that water will be priced according to its scarcity like any other valuable commodity. Therefore the price of water will increase dramatically... Countries with abundant supplies of water will see their wealth rise immeasurably."

But Barlow, from water-wealthy Canada, wonders what this will mean for the world's poor. That's why her organization, the Council of Canadians, is one of many citizen and environmental organizations pushing the United Nations to designate water as a basic human right.

Inspiration for this idea comes from the protesters in Cochabamba, Bolivia, who drove out foreign corporations who wanted to make a profit on the city's water supply. A summit meeting of farmers, workers, indigenous people, environmentalists and citizens groups from a number of countries was later held in the city, which resulted in the drafting of the Cochabamba Declaration, which reads: "Water belongs to the Earth and all species and is sacred to life. Therefore, the world's water must be conserved, reclaimed, and protected for all future generations and its natural patterns respected. Water is a fundamental human right and a public trust to be guarded by all levels of government. Therefore, it should not be commodified, privatized, or traded for commercial purposes."

A version of this article appeared in the July/August 2005 issue of Ode and is reprinted by permission. Learn more about Ode by visiting their Web site at www.odemagazine.com.

