

How to Quench the World's Thirst

The U.N.'s new water adviser talks about privatization, policy and the issue of 'virtual water'

By [ALEXANDRA ALTER](#)

Water has become a booming \$500 billion industry, by some estimates. Economists and investors call it "the new oil" and "blue gold."

Texas oilman T. Boone Pickens, who has bought water rights for a chunk of the Ogallala aquifer in Texas and owns more water than any individual in the United States, has said the natural resource should be treated like any other commodity -- bought and sold for a profit.

In the U.S., companies such as Nestlé, which owns Poland Spring, extract hundreds of millions of gallons of groundwater a year. The companies often pay little to nothing for the water that they bottle and sell.



AFP/Getty Images

A young worker goes looking for water on a cassava plantation in Los Chiles, Costa Rica, which has been hit by a severe drought.

But where some see profits, others see peril. The world is running out of fresh H₂O, which accounts for just 3% of the earth's water. Recent moves by multinational corporations to privatize water sources could spell disaster for poor countries and residents with no means to pay.

In Bolivia, price spikes following water privatization led to riots in 2000; eventually, Bolivia expelled Bechtel, the engineering company that the government had contracted to take over management of the municipal water supply in the city of Cochabamba. Similar clashes over privatization and price hikes have broken out in Argentina, Uruguay, South Africa and Mali.

Geopolitical experts warn that water scarcity poses not just a public health risk, but a threat to global security. Currently, some 1.1 billion people, one-sixth of the world population, lack safe

drinking water. Global water consumption is growing at unsustainable rates, doubling every 20 years, according to a March 2008 report by Goldman Sachs. A study by International Alert, a London-based conflict-resolution group, listed 46 countries with a combined population of 2.7 billion that have a "high risk" for violent conflict over water in the next two decades.

Maude Barlow, a Canadian water activist who has opposed privatization for more than 20 years, was recently appointed as the United Nation's first senior adviser on water issues. Her position, which is unpaid, was created by the Rev. Miguel d'Escoto Brockmann, president of the United Nations General Assembly. Here are highlights from her conversation with the Wall Street Journal.

WSJ: *You've been an outspoken critic of the U.N.'s and the World Bank's water policies, saying that both have aided the "corporate takeover of the world's water." Were you surprised to be offered an advisory role at the U.N.?*



The Council of Canadians

Maude Barlow

Maude Barlow: I don't think I would have been offered a role there by anyone but someone like Father Miguel. He cares deeply about the poor. He's a liberation theology priest from Nicaragua.

I've been critical and will continue to be critical of the overly close relationship of the U.N. to big water corporations. At a time when the need was growing so much, they said, 'Well, the private companies will pay for it,' and they didn't. No one has the right to appropriate water for profit while other people are dying.

What will you try to change about the U.N.'s water policies?

I would like to see it shift from reliance on water companies and privatization, what I call the hard path, to the soft path -- watershed protection, rain harvesting and watershed restoration. You can't have the human right to water if there's no water. Studies show that as we remove water from aquifers, we dry up the land. The rain won't come if there's no vegetation.

Some economists argue that privatization will reduce water consumption and waste, the way oil prices have spurred efforts toward more efficient energy use. Wouldn't putting a price on water actually help to reduce waste?

To me, the issue isn't whether you price or not, it's the conditions. There are three important conditions to putting a price on water. The first is that no one should be denied access because they can't pay. The second is that water is maintained by the public sector, so it's like a tax, not a fee. The third is, you're paying for the service, you don't own the water. It's very important that we say water is not a commodity.

Do you see any role for the private sector?

In the building of infrastructure and pipes. There's an important place for the private sector in water cleanup technology. There's no place for the private sector in water delivery. It should be delivered by the public sector on a not-for-profit basis.

The U.N.'s Millennium Development Goals to reduce global poverty include the objective of cutting the number of people without access to clean water in half by 2015. You have said that at the rate they're going, it will take much longer. What steps will you recommend to speed things up?

The twin pillars of a water secure future for the world are on the one hand, conservation and protection, and on the other hand, the human right to water.

One of my criticisms of the U.N. Millennium Development Goals about water has been the disconnect between those who are working on the environmental side and those who are working on the human-rights side. I don't think there's been nearly enough attention paid to protecting source water. Seventy-five to 80% of surface water in India, China or Russia is too polluted to bathe in, drink or fish in.

The U.N. bought into the World Bank's solution, which is, bring in water companies and let them provide these huge projects, and if you're wealthy you can pay for water. They don't see it as their responsibility to provide water for the poor. I've been in communities with prepaid water meters. There's water, but they can't afford to turn the tap on, so they go to the river, where there are cholera warning signs.

In your latest book, "Blue Covenant," you write about virtual water -- the water that is used to produce commodities like cars and computer chips -- as a big source of water consumption.

I think we're going to hear a lot more about that in the next few years. The U.S. is exporting a third of its water in the form of virtual water exports through commodities. Britain and Japan import most of their virtual water.

Europe grows its roses in Africa around Lake Naivasha in Kenya. The lake is so damaged now that these companies are looking for new lakes in Uganda. It's not just looking at our water footprint in our own country and community and household. It's where your water footprint is coming from.

Has the financial crisis slowed the pace of global investments in water indexes?

What worries me is the opposite. It's the one area where people are still going to invest. It's not going to fluctuate the way other commodities do, because we're a species running out of clean water.

The other thing I'm worried about from the credit crisis is that cash-strapped municipalities and states may sell off water treatment plants to the private sector.

You've criticized the Bush administration for "gutting the Clean Water Act." and have noted that funding for water research in the U.S. has been stagnant for 30 years. Do you expect to see changes under an Obama administration?

I'm sure hoping. I think this is a much more environmentally conscious president coming in, as the issues around food, water and energy are becoming more prominent. I do think that we may have an opportunity with a more open administration and a more aware public to really start to move these issues forward. But if it doesn't happen, the U.S. is going to be one big Atlanta .

Which countries would you hold up as models in terms of sustainable water management?

None. Europe is way ahead in terms of how it cares for its water. However, Europe imports the bulk of its water footprint, so the way it protects its own water is to use and abuse other countries' water.

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