Bolivians end foreign-owned water privatization in Cochabamba ‘Water War’, 2000

December 15, 1999
to: April 10, 2000
Country: Bolivia
Location City/State/Province: Cochabamba

Goals:
To end water privatization contract with foreign-led consortium Aguas de Tunari, repeal Law 2029, and reverse water rate hikes.

Methods

Methods in 1st segment:
- 002. Letters of opposition or support
- 003. Declarations by organizations and institutions
- 005. Declarations of indictment and intention
- 048. Protest meetings
- 122. Literature and speeches advocating resistance

Methods in 2nd segment:
- 002. Letters of opposition or support
- 003. Declarations by organizations and institutions
- 005. Declarations of indictment and intention
- 013. Deputations
- 021. Delivering symbolic objects
- 023. Destruction of own property → Burning water bills
- 047. Assemblies of protest or support
- 048. Protest meetings
- 107. Sympathy strike
- 122. Literature and speeches advocating resistance
- 172. Nonviolent obstruction

Methods in 3rd segment:
- 002. Letters of opposition or support
- 003. Declarations by organizations and institutions
- 005. Declarations of indictment and intention
- 007. Slogans, caricatures, and symbols
008. Banners, posters, and displayed communications
010. Newspapers and journals
013. Deputations
019. Wearing of symbols
021. Delivering symbolic objects
023. Destruction of own property  ›  Burning water bills
028. Symbolic sounds
036. Performances of plays and music
038. Marches
047. Assemblies of protest or support
122. Literature and speeches advocating resistance
172. Nonviolent obstruction

Methods in 4th segment:

002. Letters of opposition or support
003. Declarations by organizations and institutions
005. Declarations of indictment and intention
007. Slogans, caricatures, and symbols
008. Banners, posters, and displayed communications
013. Deputations
021. Delivering symbolic objects
023. Destruction of own property  ›  Burning water bills
028. Symbolic sounds
038. Marches
047. Assemblies of protest or support
122. Literature and speeches advocating resistance

Methods in 5th segment:

002. Letters of opposition or support
003. Declarations by organizations and institutions
005. Declarations of indictment and intention
007. Slogans, caricatures, and symbols
008. Banners, posters, and displayed communications
013. Deputations
017. Mock elections
021. Delivering symbolic objects
023. Destruction of own property  ›  Burning water bills
028. Symbolic sounds
038. Marches
047. Assemblies of protest or support
122. Literature and speeches advocating resistance

Methods in 6th segment:

002. Letters of opposition or support
003. Declarations by organizations and institutions
005. Declarations of indictment and intention
007. Slogans, caricatures, and symbols
008. Banners, posters, and displayed communications
Classifications

 Classification: Defense
 Cluster: Democracy
 Economic Justice
 Environment
 Human Rights

 Group characterization:

- Citizens of all occupations and ages
- Peasants
- Workers

Leaders, partners, allies, elites

 Leaders:
Óscar Olivera of Coordinator for the Defense of Water and Life (La Coordinadora)

 Partners:
Peasant irrigation farmers, local professionals, local water committees, urban neighborhood water cooperatives, unionized workers (e.g. MANACO factory workers), students, anarchists, residents near the main plaza, municipal water users, pieceworkers, sweatshop employees, street vendors, homeless children, other children, and the elderly.

 External allies:
Pacific News Service correspondent Jim Shultz, people in other Bolivian cities and rural areas who supported La Coordinadora, but whose water wasn’t being privatized

 Involvement of social elites:
Tito Solari (Archbishop of Cochabamba)

Joining/exiting order of social groups

 Groups in 1st Segment:
• Peasant irrigation farmers
• local professionals
• local water committees
• municipal water users
• unionized workers
• urban neighborhood water cooperatives

Groups in 2nd Segment:

Groups in 3rd Segment:

• Jim Shultz
• Students
• anarchists
• homeless children
• other children
• pieceworkers
• residents near the main plaza
• street vendors
• sweatshop employees
• the elderly

Groups in 4th Segment:

Groups in 5th Segment:

Groups in 6th Segment:

• Tito Solari (Archbishop of Cochabamba)
• residents of other cities and rural areas

Segment Length: 19 days

Opponent, Opponent Responses, and Violence

Opponents:
The Bolivian government and foreign-led consortium Aguas de Tunari.

Nonviolent responses of opponent:
Not Known

Campaigner violence:
On February 5th, many demonstrators came armed with bricks and stones, which they threw at police and soldiers.

On April 8th, after President Hugo Banzer declared martial law, protestors countered police tear gas and rubber bullets with rocks and Molotov cocktails

Repressive Violence:
On January 13th, police gassed a crowd waiting for the government to arrive to a town meeting.

From February 4th to 6th, soldiers and riot police unleashed teargas on demonstrators and used clubs, injuring 175 demonstrators and blinding 2.

After President Hugo Banzer declared martial law on April 8th, police used live ammunition and tear gas on demonstrators, and a Bolivian army captain killed 17-year-old student Victor Hugo Daza. By the end, the protests left 6 demonstrators dead, and dozens injured.
Success Outcome

**Success in achieving specific demands/goals:**
5 points out of 6 points

**Survival:**
1 point out of 1 points

**Growth:**
3 points out of 3 points

**Notes on outcomes:**
La Coordinadora achieved all three of its goals. The government ended a water privatization contract with foreign-led consortium Aguas de Tunari, and reversed water rate hikes. Although they did not repeal Law 2029, they modified it along the lines La Coordinadora proposed. However, the campaign was not entirely non-violent.

La Coordinadora survived after the end of the campaign, and went on to tackle issues related to gas.

Supporters of La Coordinadora and participants in the blockades and occupations grew a large amount.

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Throughout the 90s, Bolivia came under increasing pressure from the World Bank to privatize public goods in order to fulfill loan conditionality. In September 1999, in response to this pressure, the Bolivian government auctioned off the municipal water system ‘SEMAPA’ of Cochabamba, a city of 800,000 residents. When the auction drew only one bidder, the government signed water resources over in a 40-year concession to Aguas del Tunari, a foreign-led consortium of private investors dominated by the Bechtel Corporation. The company waited until October to announce the concession it had been granted. By then, the Bolivian Parliament had rushed through a new water law –Law 2029—to ensure the legality of the privatization. At the time of the law’s creation, only half of Cochabamba’s population was hooked up to the municipal water system. Many communities met their water needs with autonomous systems, such as cooperative water houses and cisterns. However, Law 2029 stated that only the contracted company could distribute water within the territory covered by a privatization contract. This made it legal for Aguas del Tunari to take over smaller systems that people had invested their own time and money in, without compensation or reimbursement. The company could install meters on cooperative wells and begin charging. Gathering rainwater in collection tanks was prohibited. Water used for irrigation by peasant farmers was also under threat. Furthermore, the contract guaranteed the company a determined percentage of profit, regardless of quality of service.

At first, local professionals and peasant irrigation farmers called public meetings, but the government paid them little attention. Then, as word of impending price hikes and expropriations spread, concerned groups grew to include water cooperatives, neighborhood associations, and labor unions. In early November, irrigation farmers brought word of Law 2029 to the office of Fabriles (Cochabamba Federation of Factory Workers), a federation of factory workers’ unions that had been organizing and reaching out to people for some time. A broad coalition to oppose the policy emerged under the name Coordinator for the Defense of Water and Life or simply La Coordinadora. Óscar Olivera, long-time union activist and executive secretary of Fabriles, became La Coordinadora’s leader. Throughout the campaign, Olivera would work to unite peasant farmers, irrigators, local water committees, urban neighborhood water cooperatives, municipal water users, and blue- and white-collar workers throughout the manufacturing center. He would tell crowds “It’s become a fight between David and Goliath, between poor people and a multinational corporation. They have a lot of money, and they want to take away our water.”

In December, La Coordinadora called its first mobilization of urban and rural workers. At an open town meeting, it gave the government a deadline of January 11th to end the contract, repeal Law 2029, and reverse the rate hikes, and pledged an indefinite blockade of regional highways and roads if changes did not come.

In January, two months after the takeover, the first monthly bills from Aguas del Tunari began to arrive. Stunned middle-class householders and business owners responded to rate hikes by joining La Coordinadora’s protests on January 11th. Protestors set up roadblocks. On January 12th, MANACO factory workers held a twenty-four-hour strike in Quillacolo in solidarity with the
road blockade, and five hundred workers biked to Cochabamba, tangled up traffic, and encouraged people to stop work. On January 13th the government promised to come to a town meeting in the plaza, but they were late in arriving, and police gassed the crowd. The government signed an agreement promising to take 3 months to consider revising the privatization contract and water law. However, people were enraged when the government refused to reconsider rate hikes, especially people on $80 a month salaries whose bills skyrocketed from $5 to $25 a month, and many people refused to pay. La Coordinadora symbolically burned stacks of unpaid bills in front of the Aguas del Tunari offices.

In order to let the government know they were still alive and active, La Coordinadora planned to hold an assembly and stage a mobilization—a non-violent demonstration slated for February 4th called ‘la toma de Cochabamba.’ Organizers reassured the government that la toma would involve white kerchiefs, flowers, and musical groups. Nevertheless, frightened businessmen and politicians asked for soldiers.

On the day of la toma, columns of marchers formed at cardinal points in Cochabamba and prepared to march to the main plaza. Participants included peasant irrigators marching under village banners and retired factory workers. Soldiers and riot police unleashed teargas on the demonstrators and used clubs almost immediately, but many demonstrators outmaneuvered them. Downtown residents watching from their windows joined the cause. Many provided water and relief from tear gas. Peasants manned barricades to seal off roads to the city. Meanwhile, pieceworkers, sweatshop employees, and street vendors came out as Coordinadora supporters. Crowds grew as students, some of them middle-class anarchists, joined as well. Demonstrators flew banners denouncing neoliberalism, the I.M.F., and the World Bank. Cochabamba’s homeless children also joined the crowd.

On February 5th, when leaders of La Coordinadora made their way back downtown, they realized the entire city was blockaded. The government had sent in dálmatas—motorcycle police from La Paz—which people refused to put up with. People at home who’d seen live broadcasts had come out to join. Kids placed shredded pieces of paper with tacks in the road and built barricades with their toys. Elderly people banged on pots at a safe distance from the struggle. However, the occupation did not remain non-violent, as many demonstrators came armed with bricks and stones, which they threw at police and soldiers. Over the course of two days, soldiers and police injured 175 demonstrators and blinded two. Finally, on Sunday, February 6th, the government agreed to freeze rate hikes.

On February 8th, Pacific News Service correspondent Jim Shultz brought news of Bechtel’s involvement in Cochabamba to a worldwide audience by publishing “War Over Water” on the Internet. He also organized an email campaign directed at Bechtel’s CEO.

Then, on Mar 22nd, La Coordinadora held a ‘consulta popular,’ or unofficial referendum about Aguas del Tunari’s water contract. Of nearly 50,000 voluntarily cast votes, 95% demanded that the government terminate the contract and change Law 2029. The government’s response made it clear they had no intention of conceding.

The ‘Last Battle’ began on April 3rd. Protesters occupied Cochabamba’s main plaza again. Peasants set up and manned blockades to cut off the main highway and seal off all roads to the city. The government responded by essentially ignoring the demonstration, and refusing to send out soldiers and police. La Coordinadora called a meeting to decide on a response. Small sector-based assemblies met to discuss complaints and advance proposals, and sent representatives to the larger Coordinadora assemblies, where strategic political analysis took place. Decisions were presented for validation at cabildos (town meetings) in large public plazas, which were attended by up to 70,000 people. When leaders presented the idea of giving the government 24 hours to destroy the contract, people didn’t want to wait for the deadline. Instead, they went to the Aguas de Tunari office, non-violently occupied it, and tore down a sign. La Coordinadora leadership urged people not to destroy the offices, and people listened. Despite the occupation, not one soldier appeared.

On April 6th, after Olivera and other Coordinadora leaders gained entrance to a meeting at the governor’s office, police arrested them and charged them with sedition and destruction of private property. Thanks to efforts made by the Archbishop, Olivera was released on bond after four hours, and proceeded to release a statement to the press. On the first day of the occupation of the plaza, 20,000 people filled it. On the following day, 5,000 people showed up. However, arrests and sedition charges galvanized
people such that 40,000 people came out on the third day. Meanwhile, national peasant organizations had begun to hold demonstrations in other cities throughout Bolivia (La Paz, Oruro, and Potosi) and rural communities. Demonstrators continued to block most of the country’s major highways.

President Hugo Banzer declared martial law on April 8th, allowing for arrests without warrants. As people again moved to occupy the plaza, young people donned gloves to throw back gas canisters and string barbed wire across streets. Violence began to break out. When police brought tear gas and rubber bullets, protestors brought rocks and Molotov cocktails. A Bolivian army captain killed 17-year-old student Victor Hugo Daza. Despite violence, protestors continued using many non-violent tactics to support each other in the struggle. Individuals took wounded protestors in their homes to nurse them. Others placed bowls of vinegar, water, and baking powder outside their doorways for protestors to soak bandannas in and protect themselves from tear gas.

On April 9th, police continued using live ammunition and tear gas. By the end of the protests, violence left 6 demonstrators dead, and many were injured or forcibly detained by authorities. The end of the demonstrations mobilized 100,000 people. When police told the Aguas de Tunari executives they couldn’t guarantee their safety, the consortium fled Cochabamba. The government then informed Aguas de Tunari that its contract was revoked since it had ‘abandoned’ its concession.

On April 10th, Olivera signed an accord with the government guaranteeing the removal of Aguas de Tunari. The agreement returned control of Cochabamba’s water to public utility SEMAPA, with La Coordinadora representatives on the new board of directors. The government assured the release of detained protestors, and drastically modified Law 2029 along the lines La Coordinadora had proposed—“giving legal recognition to usos y costumbres—traditional communal practices—by protecting small independent water systems, guaranteeing public consultation on rates, and giving social needs priority over financial goals” (Olivera). La Coordinadora maintained rural blockades until Congress made correct changes in the water law, then lifted all remaining blockades and barricades.

Aguas de Tunari later filed suit against the Bolivian government in the International Centre for Settlement of Investment Disputes (ICSID), asking for $25 million in compensation for lost profits. They never received the money.

Research Notes

Sources:


Mexican film. Even the Rain. (Not viewed.)

Additional Notes:
The argument for privatization typically goes as follows: only private capital, often from multinational corporations, can afford to expand water systems enough to reach the poor and underserved, and only market discipline and efficiency can correct ‘corrupt’ public subsidies. However, when Aguas de Tunari increased rates to meet its bottom line, Bolivians decided they’d had enough of the neoliberal model of unleashing market forces into every aspect of peoples’ daily existence, and were tired of seeing their government hand the nation’s resources to transnational corporations.

Edited by Max Rennebohm (06/04/2011)

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