

# BEYOND WATER WARS: LESSONS ON FORMING COLLABORATIVE GOVERNANCE FROM COCHABAMBA

*By Travis Driessen*

The now famous Water War in Cochabamba, Bolivia, provided some of the first shots against privatisation of water services heard around world, as an awakened and politicized citizenry rose up to protest private participation in their water company SEMAPA and to reclaim their publicly provided water services. Cochabamba's resistance to neo-liberal water policies and its calls for public water service quickly resonated in the emerging transnational social movement on water.

In the early months of 2000, tens of thousands of people participated in the massive popular protests. These protests forced the Bolivian government to cancel the highly contested service contract with the private water provider, *Aguas Del Tunari*,<sup>1</sup> and to return the public water company SEMAPA to the state. While the state company SEMAPA was known to be inefficient, corrupt and controlled by party politics, the newly politicised and engaged public aspired to recreate *their* water company by reorganising it to include a new participatory democratic form of governance called "social control".

Eight years later, there are important lessons to be learned from the struggle to achieve participatory democratic water governance in Cochabamba. Because they involve reconfiguring power relationships, participatory processes can face intense resistance and possible co-optation from those who benefited from past forms of company organisation. Corruption and political elite control represent two of the greatest factors in poor performing water companies. They are also the key obstacles to creating new forms of transparency and expanding citizen involvement in decision-making. Moreover, the technical bias that traditionally exists among the professional staff of water companies often challenges greater community participation in the technical aspects of the service provision. Lastly, contentious social groups may struggle to create effective participatory institutions, develop new capacities, and form strategic relationships with company officials in order to effectively participate in collective governance.

## **PARTICIPATORY DEMOCRATIC APPROACHES TO PUBLIC SERVICE MANAGEMENT: SOCIAL CONTROL IN SEMAPA**

Social Control was envisioned by the actors of a social movement coalition that emerged during the Water War called the *Coordinadora*.<sup>2</sup> In practice, social control attempts to provide the participatory democratic mechanisms and processes with which to engage and integrate citizen's participation into strategic locales of the company's decision-making structure. By encouraging participation on water policies and project priorities, participants define a broader social demand for the water company to serve as a tool for equity rather than a limited economic demand, determined and expressed according to the logic of the market (namely by those who can afford to pay for the service provision) under private operations. Moreover, social control attempts to improving planning by reducing clientalistic service

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<sup>1</sup> A subsidiary of the transnational corporation Bechtel with headquarters in San Francisco, California.

<sup>2</sup> Translated as 'the Defense Coalition for Water and Life'.

provisioning and increasing the company performance by encouraging citizen monitoring and evaluation.

Creating social control in SEMAPA intended to provide a complimentary participatory decision-making presence to the existing technical responsibilities of the company's management. Pushing for participation within the executive decision making body, the SEMAPA Board, was an attempt to empower citizens and take away the control of this institution from the various municipal politicians and company elites who have historically exploited SEMAPA for personal gain.

## **FALTERING BEGINNINGS IN INSTITUTIONALIZING SOCIAL CONTROL**

After the massive street demonstrations, negotiations between social movement leaders, company officials, and local politicians took place within the SEMAPA Directory. Moving the protest from the streets and into the formal arenas of the municipal government created many significant obstacles for the Coordinadora. Within this formal setting, the Coordinadora was challenged by maintaining broad-scale mobilization in order to effectively exert popular pressure on municipal elites ensuring their demands for reorganizing the company were met. Also the legal procedures under which negotiations could be made and decisions approved favoured the municipal political elites who supported the privatization in the first place. Creating new forms of transparency and expanding citizens' control over decision making in SEMAPA ultimately requires empowering new actors, namely those who are traditionally marginalised, and, consequently, a loss of some control for others, namely municipal politicians and corrupt workers and managers. The control of the institution provides both a "botín político"<sup>3</sup> to politicians and illicit economic benefits for managers and workers of SEMAPA who participate in various forms of corruption to the detriment of the company. It is primarily for these reasons that developing, implementing, and practicing social control has been fiercely resisted by local elites, both in the municipality and within the actual company.

But fierce elite resistance is not the only challenge to creating participatory processes. Progressive social actors also bear the responsibility of developing effective collaborative governance models in cooperation with the public who is expected to utilize the new participatory institutions. In addition, social control implies a new logic of politics that often challenge contentious social organizations. Within collaborative governance, adversarial social organizations must develop new capacities and strategic relationships with company officials in order to be able to successfully negotiate service projects and monitor performance.

A common myth about the transfer from private to public hands was that the Coordinadora controlled the restructuring and implementation of the social control model in SEMAPA. Indeed a temporary Board was created to define, negotiate and implement the model of social control. This temporary board included two representatives of the Coordinadora out of five seats. Two other Directors represented the interests of the mayor and one represented the interests of the union. During this negotiation the actors

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<sup>3</sup> Translated as 'political booty'. This Bolivian expression is used to describe the political benefits that politicians who control these institutions receive, in particular in two forms: rewarding political supporters with well-paying government jobs and providing service provisions to various constituencies in exchange for political support during election time.

representing the municipal power structure waged fierce battles both to discredit the temporary management of the company by the Coordinadora and to derail the social movement's project for social control.

The Coordinadora's strategies for institutionalising a participatory form of management focused on three levels. At the executive level, the Coordinadora proposed inserting citizen representatives within the Board in order to more directly represent the interests of the population. Their original demand was to have 14 Citizen Directors to represent each of the city's districts. This demand however was rejected by the other board members. At the company level, the technical team of the Coordinadora proposed making institutional changes in SEMAPA operations that would create more cooperation between the engineers, workers, and the communities within the various stages of service provision. In particular, they proposed the creation of Technical Committees composed of representatives of the company and the community, which would oversee any service expansion project that SEMAPA implemented and evaluate its performance. This proposal, however, was denied by the then current General Manager. At the community level, the Coordinadora proposed creating participatory institutions called Basic Sanitation Committees. These committees would be organized at the neighbourhood level and allow water users to elaborate their demands and evaluate city wide proposals for water services. Political challenges in reforming the state participatory institutions called Base Territorial Organizations prevented their institutionalization. The presidents of these community organizations are known to practice a politics of clientelism with the local politicians in exchange for service provisions. The leaders feared opening their institutions up to broader participation would result in a loss of their control and therefore resisted creating the new basic service committees.

The model of social control which was finally approved by the board and implemented in SEMAPA reflected many concessions made by the social movements. It did not provide adequate institutional changes which would allow the integrated participation of the broader community into the daily operations of the water company. The final version also lacked mechanisms to empower citizen oversight of the work of representatives and administrators of the company. Within the negotiated model, the role of the broader community was less guaranteed.

One of the most important opportunities for change however has been the new addition of the Citizen Directors to the Board representing the various geo-political zones of the municipality. These Directors are universally elected by *Cochabambinos* (residents of Cochabamba). This small step towards building effective social control has been an important initial advance; however it yet lacks many supporting mechanisms to effectively interface community interests into the decision-making structure of SEMAPA.

## **CONTINUING ELITE CONTROL, CORRUPTION AND INEFFICIENCY**

Whilst the Citizen Directors compose four out of the nine Board's members, the new board is still embedded within a traditional governmental and institutional power structure of political party influence from above and blatant company corruption from below. To the despair of the social movements, by law the mayor still retains the presidency of the SEMAPA board. The resulting poor performance and administration of the company demonstrate the characteristics of what has been called an "elite captured public service".

Under this scenario, there is continuous evidence of political party influence determining who gets the service and when, as well as broad scale corruption.

Clientalistic politics affect service planning and the most efficient use of limited resources within public service companies by reducing the scope of the service provision to focus on a short-term limited political demand. This political demand represents the interests of incumbent elite representatives, rather than needs of society, represented by all of those without access to quality services. Under clientalistic planning, infrastructure expansion projects become a fragmented hodgepodge, governed more by geopolitical calculations of securing electoral support rather than a coherent and technically viable approach to provision. Clientalistic planning ultimately denies maximising the potential for redistributing limited state, company, and community economic resources in order to meet the current and future demand for services within a particular locale.

It is hard to determine the cost of corrupt practices to the company due to the culprits' efforts to hide their activities. There is, however, no doubt that it is ubiquitous and perpetually present in the company. Within the last two years, the last two General Managers have both been fired for corruption charges that represent an economic impact of over \$US one million. Several other representatives and company managers have also been fired for similar charges. In many cases, the corruption aims to provide infrastructure that is less technically viable and therefore less expensive so that the culprits can share in the profits. Under this form of contract corruption, company officials negotiate public works projects with less reputable companies in exchange for bribes. Nepotism, another form of corruption, contributes to the lack of technical capacity and experience of the managers and staff. Family members or political supporters are hired on the basis of family ties rather than merit and often lack expertise. In a recent interview a former manager estimated, "80% of the SEMAPA management staff is not qualified to perform their responsibilities."

## **PRACTICING WITH SOCIAL CONTROL**

Social movements and participants in the Water War view the original protest events in 2000 ever more as the first battle in a broader, unfolding process and effort to reform SEMAPA, redefine the company's technical and political relations, and to influence government policies on water and public services management. Social organisations are working to strengthen the existing participatory process and create new mechanisms to build the capacity of, and effectively engage, the public within the collective governance of the water institution. Their post-water war strategies can be classified in three categories: efforts to reform company statutes to improve social control, protests to fight corruption and political influence, and forming strategic relationships with Citizen Directors and various company professionals to advocate service projects and monitor company performance.

Attempts at reforming the statutes of SEMAPA regarding social control have been quite limited. Shortly after the transition to social control complaints from social organizations began to develop around the citizen directors. These critiques were that the representatives had too few responsibilities, they were not responsible to provide reports to update their constituencies on the performance of the company, and that they were not able to be sanctioned by citizens for poor performance. In 2004, the Coordinadora submitted a regulatory proposal to the board outlining new responsibilities for the Citizen Directors in

order to enhance the role and optimise their relations with water users. The Directory however rejected this proposal.

In 2005, various social movements entered the SEMAPA grounds to protest the corruption that was allegedly occurring by some of the union representatives. The protestors stormed the facility and demanded that the union representative position in the Board be removed. In front of the protestors, the board voted unanimously to remove the union representative from the decision making body. In this way, the social participation in the form of protest successfully put pressure on corrupt company workers and representatives to improve their performance.

The third form involves social organisations developing strategic relationships with the Citizen Directors and various company professionals in order to both propose infrastructure projects and access key company data used to evaluate management official's performance. ASICA-Sur,<sup>4</sup> the association of community water committees in the city's marginalised southern zone, has led the way in creating pressure for improved water services. ASICA-Sur has continuously criticised the company's poor performance and demanded a comprehensive non-politically determined plan for water expansion into the southern zone.

Shortly after the Water War this organisation worked with their citizen director representative to propose a plan for service expansion into the southern zone of the city. In 2003, the Directory approved the community backed proposal for the plan of expansion.

As a result, SEMAPA is now in the initial stages of executing a Plan of Expansion. For the first time in its history, it is focusing on providing water service infrastructure to a vast number of southern zone inhabitants where more than 60% are not yet connected to the municipal public water provider.

Another successful collaborative campaign was carried out in 2007. Over several months, key social organizations, the Citizen Directors, and several SEMAPA professionals conducted a joint investigation of the company management under Eduardo Rojas (General Manager 2006-2007). The widespread corruption allegedly occurring under Rojas's direction had caused significant financial damage to the company making it difficult for it to pay employees and jeopardized the international loan from the Inter-American Development Bank that was financing the plan of expansion. Over a several month period, these diverse actors strategically combined their unique capacities and authority in order to collect and analyse the company's financial data to prove widespread corruption was occurring in the company and Rojas was indeed responsible. After several months of pressuring union officials and local political representatives, who until this time still publicly supported Rojas, in October 2007, the Board voted unanimously to suspend and open an official investigation of the General Manager for charges of corruption.

## **INSTITUTIONAL AND CONTEXTUAL CONSTRAINTS ON EXERCISING EFFECTIVE SOCIAL CONTROL**

Yet these advances by the participatory actors have been constrained by several factors relating to both institutional design and embedded cultural contexts. Citizen Directors have been significantly hindered by the fact that they receive no formal training when they enter

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<sup>4</sup> An association of water committees which includes the participation of over 120 committees, representing about 60,000 people in the southern zone.

their positions. Many of the Citizen Directors who begin energised and ready to create positive changes are quickly challenged by their inability to propose technically viable plans or effectively scrutinise their implementation. Moreover, the expansion of the Board to include citizen representatives was not complemented by changes to the internal management of the company in order to accommodate these new actors, such as providing information suitable for non-expert actors in a format they can effectively comprehend in order to appropriately analyse company plans and performance reports.

Moreover, a technical bias generally exists within the technical and professional staff of water companies that discounts the value of contributions by ordinary citizens. The initial efforts to create the technical committees were rejected by the then current manager who was also a member of the Coordinadora. This internal disagreement within the Coordinadora demonstrated the strong division between socially and technically oriented players who formed the coalition. There is still a strong disconnect between company technicians and the general public.

Moreover even pressure by ASICA-Sur which is delivering service infrastructure expansions can not be described as a clear victory for social control. The process has often been manipulated by the Mayor and the Governor who seized the opportunity to energise their political bases and to marginalise the association and Citizen Directors from the project. It demonstrates the tendency of political elites to control service provisions in order to provide them to their electoral bases. Moreover, the lack of capacity amongst Citizen Directors and social organisations has prevented them from effectively proposing technical viable service plans and critiquing the formal plans created by company professionals and municipal technocrats.

Struggles against SEMAPA's inefficiency and corruption have shown that whilst protests may deliver some results, they do not address the root causes and organisational problems which allow these types of acts to continue. It is clear, in the context of popular desire to participate, specific mechanisms must be established to strategically channel this interest. The continuing poor performance and corruption in SEMAPA have created significant mistrust between the social organisations, the municipal officials on the board, and the company managers. Although in some cases social organisations may be effective in collaborating with company and public officials, it remains to be seen if their relations will improve to encourage a more effective environment for collective governance and company performance for the benefit of the entire Cochabambino community.

## **CONCLUSION**

Collective public service management based on social control intends to provide well performing water companies and equitable service provisions. This feat has not yet been achieved in Cochabamba. These profound institutional and cultural changes can not happen over the course of a *water war* or even less within a symbolic restructuring of the board of the public service institution.

Creating effective forms of social control require the creation of viable participatory institutions and long-term commitments and broad cooperation by engaged and active citizens to work diligently and strategically to develop consensual service demands and erode the political and organisational cultures of corruption and exploitation. In addition to the political will of the people, company decision making structures must be reformed in

order to effectively accommodate citizens' capacities. For example, collective governance in public service companies requires creating new forms of transparency that provide information to service users in a format that accommodates the needs and interests of non-expert participants. Moreover, contentious social organizations must work to develop new capacities and strategic relationships with company officials and local politicians in order to effectively enter and negotiate their demands for services and monitor company performance. Under these conditions, participatory democratic governing structures can provide well performing and equitable public service institutions that respect and respond to the social demand and needs of the entire community in which it is embedded and which it is meant to benefit.

Although the many setbacks in SEMAPA must be addressed in the broader debate on social control, it is equally important to focus in on its emerging strengths and the positive effects that merely attempting to develop this process have had, not only in Cochabamba, but within the global water justice movement as well. The experiments taking place within SEMAPA revitalise radical progressive debates on conceptualising collective governance models. As the world water movement matures and strengthens its demands for collective governance, these initial experiments are providing crucial experience and collective learning that can lay the groundwork for deepening activists' strategies for building robust and sustainable empowered participatory governance within public service institutions worldwide.

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The Working Group on Social Control <http://www.aguabolivia.org/controlsocial/> is a social platform to encourage critical reflection and cooperation among various social organisations whose efforts relate to social control and citizen participation in Bolivia.

The two principal projects this network is involved with are designed to:

- 1) create better transparency and enhanced mechanisms for public scrutiny related to the management of SEMAPA and
- 2) increasing the public's role in the planning, monitoring, and evaluation of policy and public budgets.

For further information, please visit: [www.aguabolivia.org](http://www.aguabolivia.org)

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