‘People Is All That Is Left to Privatize’:
Water Supply Privatization, Globalization
and Social Justice in Belize City, Belize

DAANISH MUSTAFA and PHILIP REEDER

Abstract
This article presents the findings of an extensive survey on public and policy level perceptions of the failed water supply and sanitation system privatization in Belize City. Drawing upon the burgeoning critical geographical literature on the commodification and privatization of water, we formulate a conceptual framework for analyzing the ethnographic data on perceptions and experience of privatization by Belize City water users. The experience of water supply privatization was largely negative. Residents complained bitterly about an increase in water tariffs and excessive disconnection rates by the privatized Belize Water Supply Limited (BWSL). Many policy makers also accused BWSL of front-loading profits and not making strategic investments in infrastructure. But the symbolic significance of water privatization for the residents of a small Caribbean country like Belize exceeded its practical implications. We argue that the major themes to emerge from the ethnographic data collected for the study can be synthesized into three ‘popular privatization narratives’ (PPNs). The first was based on the perception that poor governance led to privatization; the second on a preference for national-over global-scale politics, so that objections to privatization were based on nationalism; the third on angst about losing control to the systemic compulsions of neoliberal globalization. Overall the privatization process not only had important (largely negative) material consequences for Belizeans but, given their historical and cultural geography, profound discursive and symbolic consequences for their sense of identity in a condition of neoliberal globalization.

Introduction
Through most of the twentieth century, except for the last two decades, provision of urban water supply was deemed to be one of the core elements of the social contract between the state and its populace. The recent trend towards increased private-sector control of water supply networks in urban areas is not unprecedented (Swyngedouw et al., 2002). Some of the earliest urban water supply networks, e.g. in London in the early eighteenth century, were also privately owned. What is unique about the recent

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round of water supply privatization is the global scale of capital interests acquiring water supply networks both in the global North and South (Bakker, 2003a; Swyngedouw et al., 2002). But simply because of its unique biophysical nature and the multiple values that societies attach to it, not to mention its obvious life-sustaining qualities, water is proving to be the slipperiest of customers for neoliberalism — or what Bakker (2003b) calls an ‘uncooperative commodity’. In fact, the experience of water privatization is creating spaces for the most intense and bitter contestation of neoliberalism’s triumphant diffusion under globalization.

Although there is a wealth of emerging literature within geography on water privatization and/or commodification and its implications (e.g., Budds, 2004; Bakker, 2005; Page, 2005; Swyngedouw 2005), and on the experience of water commercialization and commodification across urban spaces (Smith and Hanson, 2003; McDonald and Ruiters, 2005), few researchers (besides Loftus, 2005; 2007; and Deedat, 2002) have actually undertaken ethnographic research to articulate water users’ subjectivities and experience of commodified water. Commodification is defined by McDonald and Ruiters (2005: 20) as ‘any act, practice or policy that promotes or treats a good or service as an article of commerce to be bought, sold, or traded through market transactions’. In this article, accordingly, we present the results of ethnographic, questionnaire-based research on the failed water privatization in Belize City. We argue that people’s subjectivities about privatized water in Belize City are not formed in isolation from Belize’s geographical context as a Caribbean country. The Caribbean region with its experience of colonialism in the relatively recent past, and of post-colonial dominance by former colonial powers, has special issues of unstable post-colonial identities and notions of national sovereignty that are part of the public discourse on water privatization in Belize. Many Belizeans, already bitter over the poor state of the economy, corruption and dilapidated infrastructure have started to see privatization as colonialism through other means. As one of our survey respondents said, ‘people is all that is left to privatize for the politicians to make more money’.

Neoliberalism’s trickiest customer: social power and identity in water privatization

The water sector overall in the last two decades of the twentieth century underwent a paradigmatic shift from engineering-based supply management towards demand management, water markets, conservation, environmental quality and non-structural measures to enhance supplies (Serageldin 1995; Gleick, 2000; Rogers et al., 2002). Some of the earliest engagement by geographers with water supply and sanitation issues in the developing world cautioned against uncritical copying of Western technical and institutional standards and, furthermore, called for treating domestic water supply as a human right rather than an economic commodity (White et al., 1972; White, 1973). This notion of domestic water as a human right was to resonate with the next generation of researchers in the water sector. The research on the water supply sector in the 1990s focused on the ascendancy of neoliberalism on the global scale and the concomitant rush towards commercialization and privatization of water supply systems, particularly in the urban areas of the North and the South (see e.g. Swyngedouw, 1997; Loftus and McDonald, 2001; McDonald and Pape, 2002; Bakker, 2003a; 2003b; McDonald and Ruiters, 2005). Concern about privatization of publicly owned water distribution networks to global capital was accompanied by interest in the decentralization of state water management, the role of civil society in municipal and rural water sector reforms, and the impacts of water sector reforms on social power relations (Kaika, 2003; Brannstrom et al., 2004; Budds, 2004). The concern with water supply privatization has been nested within the larger political ecology agenda of critically evaluating the impact of globalization on resource use and social justice.
In historical surveys of the role of water development in Ecuador and Spain, Swyngedouw (1997; 1999) outlines how water development was the locus of various cultural, economic and political tensions that characterize the modern societies of the two countries. He argues that water development in urban Guayaquil, Ecuador and the national water development in Spain are illustrative of how nature and society exist in an interpenetrating dialectical relationship, which in the case of water development creates geographies reflective of the power relations and hybridized modernities in the two societies. The case of urban water supply is doubly illustrative of issues of social justice and production and reproduction of geographies of power according to Swyngedouw (1997) — a theme that is consonant with the experience of water supply privatization discussed in this article. Bakker (2003a: 338), in reviewing the pathways of water supply privatization in the urban areas of the South, argues that ‘state power did not operate continuously over the urban fabric, but rather in the case of public services was constructed as an “archipelago” highly correlated with socio-economic status’. These archipelagoes of differentially reliable access to water were evident in the case of Belize City, as discussed in the empirical section of this article. Swyngedouw (2005) calls the wave of water privatization part of a strategy of ‘accumulation through dispossession’ on the part of global capital, but a dispossession that is not going uncontested by its poorest victims.

Loftus (2007), using ethnographic data to evaluate the experience of commodified municipal water supply in Durban, focuses on how women negotiate the tension between the use value of water to fulfill their care-giving roles and the exchange value of water in their capacity as economic actors. On this evidence he argues that the feminist approach opens up new possibilities for democratic change. Deedat (2002), using ethnographic data as well, documents how poor people in the rural Northern Cape region of South Africa first welcomed prepaid meters and then turned against them when they ended up being deprived of water because of their inability to pay. The ethnographic approach used in this research can convey the nuances of subjectivities in privatization contexts (instead of objective realities) and hence engage with questions of social justice and identity, which are key concerns of this article, over and above the narrower question of the efficacy of privatization.

Much of the literature on neoliberal-inspired water supply privatization is attentive to the institutional and theoretical nuances of both water supply privatization and the neoliberal project in general. Bakker (2005) posits a typology of water privatization, with reference to the water privatization experience in England and Wales. Her typology lists commodification (defined above), commercialization and ultimately privatization as the three tiers of the neoliberalization of water. Commercialization, according to Bakker (2005: 544), entails changes in management practices that ‘introduce commercial principles (such as efficiency), methods (such as cost-benefit analysis), and objectives (such as profit maximization)’. Privatization implies either private management or, as in case of Belize City, downright private control of the water delivery infrastructure.

Peck (2004), engaging with the larger debate on neoliberalism, cautions against treating it as a monolithic concept or praxis. Instead, he also argues that the larger neoliberal project in practice has been ‘a series of institutionally mediated and geopolitically specific hybrids’ (Peck, 2004: 395). Barnett (2005: 11) criticizes Marxist-inspired narratives of ‘neoliberalism as hegemony’ and Foucauldian-inspired narratives of ‘neoliberalism as governmentality’ for their inability to ‘account for the forms of receptivity, pro-activity, and generativity that might help to explain how the rhythms of the everyday are able to produce effects on macro-scale processes, and vice versa’. In a later part of this article we will be reviewing the undercurrents of pro-activity that undermined the neoliberal project in the case of Belize.

While the theoretical literature for framing the field study results in Belize is fertile, the empirically based literature on the country of Belize is quite barren. Most of the nation-specific literature for Belize is in the form of government and non-government technical reports (e.g. USAID et al., 1995; PAHO, 1998; CEPIS, 2000; Maza and Flowers, 2000; National Human Development Advisory Committee, 2004). Very few
studies published in peer-reviewed journals relating to specific globalization issues in Belize were found to exist. Two exceptions are Collins (1995), in which Belizian experience with Central American refugees within its borders is documented, and Few (2001), who develops a comparative analytical framework to explain disparities between planners and stakeholders in the project planning process — a situation very relevant to the privatization of, and subsequent changes to, the Belize City water system. Other aspects of privatization and economics in Belize are discussed as parts of larger, more regional studies such as Copes and Rybeck (2000), Blanchard-Boehm (2004) and Uchida and Cook (2003). Although, the above literature provides some data and scholarship on Belize, the lack of empirical literature on the nation of Belize and specifically Belize City, attests to the importance of our Belize-specific research.

The conceptual framework for the analyses of the field study results is mindful of the institutional nuances of the water supply decentralization/privatization as pointed out in the literature. The theoretical framework further treats access to clean water supply as a human right, and considers geographies of access to safe and reliable domestic water supply services an outcome of geographies of social power, across national and global spatial scales. Lastly, following Newstead’s (2005) discussion of the rescaling of the Caribbean countries’ (in)dependence in the face of decolonization and neoliberalist globalization, the conceptual framework for this article is also attentive to the discursive role of water supply privatization in the Belizian’s sense of their national and regional identity, and their relationship with the colonial past and the uncertain post-colonial present. Newstead (2005) argues that the complex and ambivalent production of scales from local, through national to regional in the Caribbean context, can also be viewed as a cultural enterprise of identity formation in the face of an apparently disempowering historic experience of colonialism and contemporary globalization. As McDonald and Ruiters (2005) describe commodification, particularly of water, as a systematic and comprehensive transformation of material life, it is little wonder that such a transformation would also bear upon social discursive formulations. Public discourse on water and sanitation services privatization in Belize accordingly also stands as an exemplar of how Belizeans negotiate their identities and sense of national sovereignty in the face of globalization.

Geographical context and methodology

The subtropical country of Belize was known as British Honduras until 1973 (Figure 1). The present territory of Belize had been under British influence since the early seventeenth century, but it was not until 1862 that it was declared a crown colony. The country officially gained its independence from Britain on 21 September 1981 (Leslie, 1997). British armed forces, however, have maintained a substantial presence in Belize. This presence has been the guarantor of relative stability in the country, in a very turbulent region, while at the same time serving as a reminder of the country’s very recent colonial past. These relationships frame much of the Belizeans social discourse on water privatization, as will be demonstrated below.

Belize’s very diverse ethnic makeup is another outcome of its colonial past and its location in a Spanish-speaking region of the Americas. Although many, mostly urban, Belizians continue to hold on to the demographic fiction of Creole (mixed African or East Indian and European) ethno-cultural dominance of Belizian society, they constitute only 30% of the populations with Mestizo (mixed Maya Spanish) making up 44% of the population. Of the remaining population 7% are Garifuna (mixed ex-African slaves and Caribbean Indians) and 15% are native Indians, mostly Maya.

The total population of Belize according to the 2005 census was 291,800, evenly split between the rural and urban areas of the country. Belize City is the largest of the urban areas and is home to almost 70,000 people, close to 25% of the country’s
The city is, however, plagued with many disadvantages. It is built on low-lying reclaimed land that is less than one meter above sea level, making drainage difficult. Fresh water is piped for several miles to reach the city. The city is exposed to hurricanes and flooding, and is surrounded by an insect-infested swamp. The destruction of Belize City by two hurricanes within a span of 30 years in the mid-twentieth century prompted the shift of the capital to the preplanned city of Belmopan further inland. Belize City, however, continues to be the cultural and economic hub of the country.

Figure 1 Political map of Belize (source: University of Texas at Austin, Perry Castaneda Library map collection)
To administer water supply and sanitation, primarily in the urban areas of the country, the Belize Water and Sewerage Authority (WASA) was established in 1970 and charged with responsibility for the development, operation, maintenance, marketing and control of water supply and sewerage systems throughout Belize. It was a quasi-governmental agency established by the Water and Sewerage Ordinance, under the Water and Sewerage Act (Maza and Flowers, 2000). Belize Water Services Limited (BWSL) was incorporated by the Anglo-Dutch multinational CASCAL (BV) in January 2001 and took over management control of water supply and sanitation systems in Belize in March 2001. This new company operated on a 25-year exclusive license to provide water and sewerage services in the major municipalities of Belize (Figure 2).

Three local enumerators, two female and one male, all of them University of Belize employees or students, were hired for the actual conduct of the surveys. Although almost all residents in Belize City can speak and understand English, most of them are much more comfortable conversing in the local Creole language, which is virtually impossible for an untrained English speaker to understand. The questionnaires solicited basic information about the respondents’ household profiles and the state of their access to water and sanitation services. The questionnaire further had open-ended questions on how water supply privatization has impacted on respondents’ wellbeing, if at all. The questionnaires were supplemented with three focus group discussions.
Each of the enumerators was given cadastral maps of Belize City and assigned areas of responsibility. Convenience sampling was used for administration of the questionnaire with the aim of getting an even geographical spread of respondents’ households in Belize City in addition to representation across social classes and of residential versus business customers. A total of 225 questionnaires were administered in all the localities of Belize City, including informal settlements. The enumerators were cautioned about over-representing middle-class types of respondent who might hail from similar backgrounds to their own. Given the somewhat socially segregated geography of Belize City, the insistence upon an even geographical spread and the initial training session before the conduct of the survey helped temper any systematic class-based biases that the enumerators may have had (Bernard, 1994). Figure 2 is a map of Belize City with each of the dots representing locations where surveys were completed. Figure 3 is the same map, but with the survey locations omitted and neighborhood information added.

Policy level discourse on water privatization
CASCAL BV operated BWSL for over four years, but in August 2005 the Government of Belize (GoB) signed a re-purchase agreement with CASCAL to buy back the
company. A press release issued by the Government’s press office on 12 August 2005 (GoB, 2005) stated that the government ‘under the Share Purchase Agreement signed between Government and CASCAL BV, [would] re-purchase CASCAL’s shareholding for the original price of US $24.8 million at the rate of BZ $1.50 per share’, adding that the completion of the Share Purchase Agreement would take place on or before Monday, 3 October 2005 when the Government would pay CASCAL a down payment of US $14.9 million and CASCAL would formally transfer its shares to the government and relinquish the management and control of the company (ibid.). The press release further stated that, at the completion date, the agreement would also bring to an end the current dispute between the parties. That dispute stemmed from the legal recourse that BWSL had sought to get the 12% guaranteed return on investment that government legislated for CASCAL BV, which according to them had not been received. More tangibly, CASCAL BV was asking for a 32% increase in the water tariff, while the Public Utilities Commission (PUC), the main GoB regulatory body, was willing to concede only a 17% increase based on an independent consultant’s report (Hern, 2004). When the fieldwork for this research was being conducted in the summer of 2005 the talk about renationalizing the water utility was becoming quite loud and ultimately, as we found later, it did come to pass. Below we outline the decision makers’ perceptions of the experience of privatization in Belize.

Problems between CASCAL BV and the Belize Government started very early after the privatization. CASCAL protested that it had been cheated by the fine print in the privatization contract and had been handed a ‘puss eena beg’ meaning they had been handed an overvalued company with more long-term debt than they had known about. CASCAL consequently went back on its commitment to invest at least BZ $140 (US $70) million in infrastructure improvement (King, 2001). The dispute on tariffs that culminated in the termination of the contract was the outcome of this long process of disputes that started relatively soon after the privatization.

During our interviews with water users and decision makers, many reflected back on the process of privatization and said that at the time there was a sense of inevitability to the process (the same as documented for Buenos Aires water privatization by Loftus and McDonald, 2001). Some even made a very strong connection between privatization and globalization, saying that they were aware that globalization was ongoing, and privatization of government assets was part of a worldwide trend, which Belize was inevitably going to follow. A water user, for example, said the following:

I was taught in school that privatization is because of globalization and it is for the development of the country. I thought people with more money will spend money to make it [the water supply system] better. But they have not done anything. It is just the same as before (interview respondent B15, 19 May 2005).

Similar sentiments were expressed by an official of the Belizean Public Utilities Commission (PUC) when reflecting back on the process of privatization:

The workers’ unions were very skeptical about the privatization, but they accepted it as inevitable. We also expected more efficiency... Some people thought that WASA operations were not fair, e.g. political appointments. So they thought that privatization would level the playing field... It did not because we never got to find out. They had so many lay-offs that almost everybody who worked there is no longer there (PUC official, 10 June 2005).

The head of the PUC and other functionaries also mentioned that pressure from international donors for rapid privatization in addition to biases on the part of some of the government ministers at the time also contributed to the decision to privatize. This was further confirmed by the World Bank’s country assistance strategy for Belize that called for private sector participation in the water supply sector (World Bank, 2000)
Laying off workers in the interest of financial efficiency and profitability is a standard practice with corporate entities. BWSL did likewise, laying off about a third of its predecessor’s staff in the first year of its operations (PUC, 2003). Urban water supply delivery, however, may be an exception to the general rule regarding efficiency because of the nature of its complex monopolistic integrated network, its relatively inelastic demand, the lack of substitutes, its importance for health and sanitation, and the particular susceptibility of the networks to leakages, tampering and contamination, which all require high labor inputs for operation and maintenance. As one of the former employees of BWSL stated:

BWSL has always maintained that water theft is the main problem and not system leakages. Besides when staff is reduced by a third, system maintenance inevitably suffers. They [BWSL] have introduced red tape [in the name of efficiency] that keeps people from doing anything in a timely fashion, e.g., PVC pipe procurement for repairs. Someone has to go evaluate the stock, write reports to the management and then perhaps something gets done (ex-employee of WASA and BWSL, 19 May 2005).

This was a classic situation, where BWSL blamed water wastage on criminal behavior, e.g. tampering with meters, illegal water connections etc., whereas the government regulators focused on the lack of strategic investment in the infrastructure, particularly in terms of expanding the network or improving the conveyance efficiency and reliability of the network. In fact, in public hearings many knowledgeable stakeholders bitterly contested BWSL’s contention that water theft was the main cause of system losses and instead drew attention to higher salary outlay of the firm despite massive layoffs and lack of investment in infrastructure (PUC, 2003). When asked the same question about lack of promised investment in the infrastructure, a BWSL functionary made the following very revealing remarks:

From a management perspective the gathering of data is better and monitoring is leading to a better, more efficient service. In the area of non-revenue water, the loss has been reduced to 35–40% by replacing the old meters. In terms of infrastructure investment, the yard to yard connections have been eliminated, now the [water] main is on the public street and we give connections from there. So that and changing the water meter are investments (middle manager at BWSL, 12 June 2005).

As the above quote illustrates, the emphasis of corporate water utility is on cost saving and streamlining the management systems. Yard to yard connections are where water subdivides into smaller pipes and is impossible to distinguish by user and meter. Consequently the first priority of BWSL was to make all connections from the water main so that they could be easily metered. The infrastructural investments, i.e. in water meters and elimination of yard to yard connection, have direct short-term linkage to revenue maximization, not to longer-term strategic expansion of the system and only partially to improvements in the network in terms of conveyance efficiency or quality. Cost recovery and revenue maximization, in the short to medium term, are core values of corporate capitalism that are inconsistent with the Belizean public’s value of water as a human right to which all need reliable and equitable access. BWSL after all did have a contractual obligation to its shareholders for a 12% annual return on their shares, in addition to debt servicing, which was their core argument for a tariff increase to the PUC (PUC, 2003). Cost recovery is fair enough, but in the perception of the water utility regulators, the emphasis in BWSL’s tariff policies was more on ‘front-loading’ the revenue without any comparable long-term strategic investment or even planning, to give confidence to the government and the people that the company was there for the long term. Another PUC employee, however, commenting on the revenue generation ethos of the BWSL said, that in a way BWSL had done a favor to the Belizean people by making
them realize that water is not free but an economic resource to be used wisely. Beyond this comment though there were not too many positives mentioned about privatization by any of the policymakers at the PUC.

As all of the policy makers pointed out, the government has to pay for water supply expansion and then BWSL charges depreciation on the infrastructure put in place at the government’s expense to the customers (*ibid.*). Furthermore, as is the norm in other places as well, water access from public pipes, on which many of the poorer residents of Belize City depend, is paid for by the government according to PUC functionaries. BWSL only took over when private connections were made from the water main. So water access from public taps, which is the norm for many poor, not just in Belize City but in most of the developing world, is not and cannot be provided by corporate entities with their focus on revenue maximization.

Belize was not the only nation that broke ties with CASCAL BV or its parent company Biwater in 2005. Biwater was ‘kicked out’ of a controversial water privatization by the Government of Tanzania, just two years into a ten-year contract, after Tanzania claimed the company was making less than half the required investment and failing to improve services in the commercial capital Dar es Salaam (WDM, 2005). According to the Government of Tanzania, City Water (the joint-venture company involving Biwater) was to have invested US $8.5 million during the first two years of the contract, but in reality only invested US $4.1 million. Peter Hardstaff, head of policy for the Tanzanian government said: ‘This case provides yet another example that the central claim made by supporters of water privatization, that it is the only way to get the necessary investment, is a myth’ (WDM, 2005). This was a comparable situation to Belize, where the company claimed to have invested BZ $40 million during the first three years of its operations but mostly on completing the projects that its predecessor had initiated and replacing some older pipes. It had not increased its customer base from what it had inherited, and it was not bound to pay according to the terms of the initial agreement for infrastructure expansion (PUC, 2003).

Belize is something of an anomaly in Central America in that it has had a parliamentary democracy with two political parties throughout its existence. Some of the most important voting blocks, e.g. the National Trade Union Congress of Belize, and the parliamentary opposition were active in voicing their opposition to the proposed rate hikes by BWSL (*ibid.*). The tariff dispute that finally reversed the privatization was based on the government’s realization that, given the already high water tariffs, if they conceded to the 32% increase BWSL was demanding, in the words of the PUC chairman ‘there would be a revolution’— not a welcome prospect for any sitting government.

**Public perceptions of water privatization**

Of the 225 survey respondents, 152 or 68% were self-identified as Creole, followed by 15% Spanish-speaking Hispanics with residual representation from East Indians, Garifuna, Chinese, Mayans and Lebanese ethnic groups. The average household size of the survey population was 5.3, with an average of three minor children per household. Furthermore, the most educated person in the survey respondents’ households on average had a little over twelve years of schooling, with all of the households reporting at least one educated member of the household, indicating a relatively educated populace by developing world standards. The median household income was reported to be BZ $1,100 (US $550) and mean income was BZ $1,525. Although there is a distinct possibility that much of the income was being under-reported, the overall distribution of income is consistent with the known high levels of poverty in Belize City and the region (Perry *et al.*, 2006).

Although Belize City is a typical example of a poorer Central American city, more than 82% of the survey respondents reported having a proper water connection with indoor plumbing. The remaining 18% from the poorest parts of the city had assorted
sources of domestic water including public faucets, neighbors, street pipes and most commonly a vat for storing rainwater, in addition to bottled water for drinking purposes. Many of the people with water connections still maintained vats for storing rainwater to supplement water supply from BWSL. Although the coverage of the water supply system was quite impressive by developing world standards, the survey respondents had split opinions on water quality and reliability. Figure 4, shows the distribution of responses to the question about reliability and water quality. Of the 167 responses to this question, 54% of the respondents considered the water supply to be safe, while 44% considered it unsafe, with the remaining 2% not having access to piped water. Twenty-five percent did not answer the question and indicated that they had no opinion on the matter.

One of the key concerns of the survey was to understand people’s perception of the changes that had come about as a result of the privatization of the water utility in Belize City. The survey respondents were generally long-term residents, with 41% having lived in their current location for longer than 10 years, 44% having lived between 3 and 10 years while only 15% were newcomers with less than 3 years of residency at the surveyed location. Consequently, most of the respondents had a very good basis for comparing their relative access to domestic water supply pre-March 2001 when the water utility was privatized with the post-privatization situation. Of the survey respondents 31% thought that their access to water was better in 2005 than five years before, while, 42% and 27% of the respondents thought it was either the same or much worse, respectively. On the water quality issue, however, only 17% of the respondents thought that it had improved significantly compared to five years before. Fifty-five percent perceived the water quality to be same, while 29% thought that it had deteriorated significantly. In the poorer neighborhoods in particular, there were very strong complaints about water access and quality, as the following quotes illustrate:

The water is brown at times, and yes they do sell the 5-gallon water for drinking but we can’t afford it, we are poor. I try to get water bottles for the children, they are sold for BZ $0.25, but one night the shop was already closed and my son was very thirsty and I was forced to give him the pipe water but I boiled it first. He got very sick and was sent home from school with vomiting. I took him to the doctor and the doctor asked me what he ate and I told the doctor that I know it is the water that got him sick, because I had no purified water to give him when he was thirsty (focus group participant, 10 June 2005).
I go to the water pump and carry my water from there. I don’t have enough money and connections are expensive. In the Jane Usher Blvd. area the majority of people don’t have water access and use the public pipe (focus group participant, 10 June 2005).

The affordability of water, however, seemed to have deteriorated most substantially since privatization. An overwhelming 84% of the respondents thought that it was less affordable than before, while a very small 5% thought that it was more affordable and 11% thought it was just as affordable as before. In fact, 12% of the respondents reported that their water bill was more than one third of their total household budget whereas international research indicates that water should not be more than 2% and at most 7% of the household budget (Baroudy et al., 2005). Table 1 gives the basic water tariffs for government-controlled WASA in 1995 and the privatized BWSL in 2005. The WASA tariffs were the same until March 2001 (USAID et al., 1995; BWSL, 2005).

According to Howard and Bartram (2003), the low-health-risk intermediate level of water access is between 50 l/p/d (liters per person per day) and the very-low-risk optimal level of water access from indoor plumbing is at least 100 l/p/d. The average household in our sample would accordingly, under WASA tariffs, have had to pay US $12.26 monthly in 2005 and US $27.76 in 2005 for intermediate and optimal levels of access, respectively. Under the BWSL tariff structure for the same levels of consumption the water users would have had to pay (2005) US $13.42 and $32.40 per month respectively for intermediate and optimal levels of access.

Water users in Belize were having to pay 9% more in real terms for intermediate levels of access and 17% more in real terms for optimal levels of access. This is all assuming that there were no leakages or incorrect billing, which is something that many respondents frequently complained about. It is little wonder then that 64% reported that although the bill was less than one third of their total budget it was still a significant portion of it. The water rate increases would have been somewhat more reasonable if they had been accompanied by

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**Table 1** Basic water tariff comparison between WASA and BWSL

<table>
<thead>
<tr>
<th>Category</th>
<th>Tariff (US $)</th>
<th>WASA 1995</th>
<th>BWSL 2005 per US Gallon</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum fee up to 1,000 gallons</td>
<td>$4.45</td>
<td>1.201 US gallon</td>
<td>$4.62</td>
</tr>
<tr>
<td>Connection fee</td>
<td>$25.00</td>
<td>2005 $30.60</td>
<td>$42.50</td>
</tr>
<tr>
<td>Reconnection fee</td>
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<td>2005 $6.12</td>
<td>$12.50</td>
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<td>Sewerage connection fee</td>
<td>$25.00</td>
<td>2005 $30.60</td>
<td>$847.50</td>
</tr>
</tbody>
</table>

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*aUS $1 = BZ $2
bWASA used the imperial gallon as a standard measure for its pricing while BWSL used the US gallon (1 imperial gallon = 1.201 US gallons)
cWe use the US government published ‘implicit price deflator’ (IPD) for GDP to convert the 1995 $ to 2005 $. The IPD for 2005 is 112.78 and for 1995 is 92.106. We multiply the 1995 prices with the ratio of the two IPDs 112.78/92.106 = 1.224 to convert the 1995 prices to 2005 prices.

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1 Higher standard (5.3*100*30) = 15,900 liters = 3,533 imperial gallons = 4,184 US gallons. And the lower standard (5.3*50*30) = 7,950 liters = 1,767 imperial gallons = 2,092 US gallons (Bureau of Economic Analysis, 2006).

2 WASA tariff higher water quantity standard (9.90 + (0.01320*1000) + (0.01452*1533))/2 = US $22.68 = yr 2005 US $27.76; WASA tariff lower water quantity standard (9.90 + (0.01320*767))/2 = US $12.25; BWSL tariff higher water quantity standard (9.23 + (0.01589*1000) + (0.01743*1000) + (0.01845*1000) + (0.01948*95))/2 = US $32.4; BWSL tariff lower water quantity standard (9.23 + (0.01589*1000) + (0.01743*98))/2 = US $13.42.
improvements in service delivery and reliability — this was unfortunately not the case. It is therefore not unsurprising that only 24% of the respondents deemed their water bill or expenses on water procurement as insignificant.

To gain a better understanding of the role of water in the household budget, we also asked the respondents if their water expenses were equal to, or exceeded, their expenses for food, clothing, education, medical expenses and electricity. More than 55% of the total 225 respondents reported that they spent more on water than one or more of the above five household budget items (Figure 5).

This fact alone speaks to the unreasonable strain that water is becoming for the poorer segments of the Belizean population. As it is, poorer households sometimes spend up to half of their household budgets on food according to international research on poverty and poor households (Lancaster et al., 1999) and the price of water in Belize can impose considerable sacrifice on the poorer consumers, as the following quotations illustrate:

Nowadays, you have to run to pay your bills and go without food to pay the bill because reconnections are so high and rather than being disconnected and having more to pay, you just hurry and pay (focus group participant, 10 June 2005).

Privatization causes rates to go up. For a small country people can’t afford it. The utility must be more lenient so the poor side of town can develop. It is hard for people having to pay for a bill that is so high when some people can barely afford food (interview respondent B49, 3 June 2005).

Beyond the quality, quantity, accessibility and affordability issues, most of the survey respondents were not very positive about improvements in the responsiveness of BWSL to their complaints and concerns. Customer service is often deemed to be a major advantage that the private sector enjoys over the public sector but that was not the case with BWSL. Only 17% of the survey respondents reported that the water utility had been more responsive to their concerns after privatization, while 61% rated the privatized BWSL’s customer service as worse than that of its publicly owned predecessor. The remaining 22% of the respondents said that they had not experienced any change in the quality of customer service in the transition from WASA to BWSL. Some of the respondents did concede that BWSL had more professional-looking bills and nicer offices, but the quality of the service itself was generally considered unsatisfactory:

We report leaks on the streets, they are not addressed quick enough. Main pipelines that are burst aren’t fixed right away. You make several calls reporting and they just take their time . . .
often hear complaints about the customer service at BWSL. It is not what you say, but how you say it. It is very important to treat people well... Complaints are not addressed with greatest concern. Instead they chant, ‘that’s your business, you waste the water’. If you can’t afford to pay your bill, you suffer... I went to BWSL to query the condition of the water, I was very concerned because I have seven children and I really can’t afford purified water. I was told I need to speak to the manager about the complaints and that I needed to make an appointment to see him. But, they don’t need no appointment to disconnect us, they just come and do it (focus group participant, 10 June 2005).

The neighbor’s house is too close to mine. BWSL thinks it’s a [vacant] lot. We showed them our land papers, proof of two different properties, but they insist we pay the neighbor’s bill. Until I do so we can’t get water (interview respondent B67, 7 June 2005).

By BWSL’s own admission their disconnection rates during their first 3 years in business were a whopping 113% of their customer base, with some of the customers getting disconnected repeatedly. Of the 40,000 customers that BWSL had disconnected, it had reconnected water to about 32,000 (PUC, 2003). Clearly lack of affordability was a major factor in the disconnection rates, especially in the case of repeated disconnections.

The above outline of field research data paints a picture of the highly unsatisfactory domestic water supply situation in the post-privatization era in Belize City. Practically all the expectations that advocates of privatization have cultivated in favor of privatized utility services, particularly water, are challenged by the evidence presented above (e.g. World Bank, 2004). The CASCAL-owned BWSL made very inconsistent or non-existent improvements in water quality, quantity and customer service, while increasing the cost to the customers significantly, as was the experience of privatized water in Argentina (Loftus and MacDonald, 2001). The geographically inconsistent level of water supply services has been one of the most consistent criticisms of publicly owned water distribution systems. There is little evidence that BWSL had effected any improvements to enhance geographical equity in water supply or even expand the system (PUC, 2003).

The water supply privatization experience does not stand in isolation in the public discourse and consciousness in Belize. Because of the nature of the resource involved, and the history of the country and society of Belize, privatization of the water supply and its control by a multinational corporation from the former colonial power resonates with issues of national identity and social justice in Belizean society. It is to that discussion that we now turn.

Water supply as a conduit of identity and social justice in Belize City
As mentioned earlier, Belize was the last country in Central America and the Caribbean to formally gain its independence (1981). That very recent experience of colonialism, along with a parliamentary democratic system, a sizeable tourist economy and stark contrasts of poverty and affluence have spawned very ambivalent notions of national identity, globalization and ethnic politics between the Creole, Mestizo and other ethnicities in the country. The deep resentment felt by many Belizeans at the life of extreme poverty and crime that much of the population, particularly in Belize City, live is well expressed in the following verses by the popular Belizean poet, Leroy Young:

With the same script
And a different cast
What more can I say
Same shit different day
Take a look around
What you see going down
After a while, here’s what I have found
Every five years, the same circus
Comes to town
The only thing new they bring
A different set of clown
Taking us for a set of jackass
With the same script
Different cast.
(Poem handed to one of the authors by the poet at a recital in Belize City, June 2005)

In the restaurants, bars and public places of Belize City during the authors’ stay there, frequent recitals by poets like Young seemed to draw vivacious applause from a large number of Belizens. The same sense of being exploited and used expressed in the verses above was a frequent theme in conversations with survey respondents in Belize City. In the context of water privatization, there were three types of what we call popular privatization narratives (PPNs) that emerge from the ethnographic data collected during our research. The first and commonest PPN was anchored in popular perceptions of government corruption and the propensity of the politicians to forget the interests of the people in order to line their own pockets. In the context of the survey question about what they thought was the primary reason for privatization, the following responses are illustrative of the corruption-based PPN.

[The reason for privatizing the water utility was] to relieve government of responsibility to the public and for the private companies and government to make more money (interview respondent K2, 5 May 2005).

Water is more expensive. The government sold it to their cronies so that people can’t say that government raised the prices. [Privatization was] to rape the country. Yes they take advantage of us. No benefit to the Belizian people (interview respondent, K14, 19 May 2005).

They must have been out of their mind to privatize it [water]. They probably needed money, for their personal benefit. So they sold off the [people’s] assets to foreigners. No advantages — not one . . . The ordinary people don’t know what’s happening. The higher uppers know but won’t do anything about it. Belize is heading down the road that Jamaica has gone. The more affluent people will move out because of the devaluation shadow hanging over Belize (interview respondent K23, 25 May 2005).

Along the lines of the last quote, the second PPN is anchored in the angst about loss of national assets to foreigners, thereby denying the Belizian people the benefits of owning their own infrastructure as well as the advantage of holding the utilities accountable. The following quotes illustrate this second type of popular narrative:

I don’t understand why they privatized the water. It is essential to life — Belizians should own it (interview respondent K33, 29 May 2005).

[Privatization is a] Disadvantage to the country because the money does not stay in the country (interview respondent D11, 19 May 2005).

Reason was to rip off the people. They keep selling our assets. We see no advantages at all from the privatization. As a people we have access to nothing now (interview respondent K35, 31 May 2005, emphasis added).

The government should stop spending our [stolen] money in other countries and use it on infrastructure. Fix all the drains not only the ones on their [the politicians’] streets (interview respondent B12, 19 May 2005).

The government isn’t thinking clearly. They are selling all of our assets. These utilities are vital for our survival. If the government didn’t sell them we would have profited. The poor aren’t getting anywhere (interview respondent B45, 3 June 2005).
We could have afforded to handle the water utility. All we needed was good management. The country is not profiting from the privatization. All the money is going to another man’s country. I do not approve of it (interview respondent B49, 3 June 2005).

The above quotes illustrate the emerging nationalistic sense of ownership that Belizeans feel about their country. Water as an essential resource in this popular narrative is an inherently Belizean resource, which ought to be in Belizean hands instead of benefiting foreigners. The second PPN echoes the findings of Page (2005) in Cameroon where the local community, by withdrawing itself from the national water entity, was in a way refusing to participate in the national project and was instead reproducing its social relations and identity at the local level. On a different geographical scale here, the Belizeans were expressing their angst about having to participate in a global project of integration through neoliberal capitalism. Just as the citizens of Tombel, Cameroon expressed their preference for a local scale of politics over a national scale by withdrawing from a national water entity (Page 2003; 2005), the Belizeans registered their preference for a national scale of politics over a global scale.

Closely linked to the whole issue of national identity is the third PPN, which is anchored in the understanding of privatization and its consequences as a systemic phenomenon, echoing the prevailing discourse on globalization in the literature and even in Belizean policy circles as pointed out in the previous section. The following quotes are a sampling of the flavor of the narrative:

They just like to sell. They sold all our assets. If it were possible they would have sold our Barrier Reef (interview respondent B37, 2 June 2005).

Only the government knows [why they privatized the water utility]. They wanted money to pay for money they borrowed from other countries (interview respondent B34, 26 May 2005).

The investors would have profited the government more because of taxes. The government was afraid to raise rates. They didn’t want to become unpopular (interview respondent B47, 2 June 2005).

The above set of quotes illustrates the opacity of the process of privatization in the public mind. But beyond a sense of bewilderment at the decision to privatize is the understanding that there were systemic compulsions like foreign debt and the need for politicians to curry favor with the public and bring in new tax revenue that led to the decision to privatize an ostensibly critical resource like the water supply system.

In terms of the consequences though, the following quote illustrates an understanding on the part of water users of the essential need of a corporate business to recover costs and bring in profits, regardless of the interests of the consumer.

The government privatized the company, the management changed. The company is trying to make back the money they bought the water utility for. They are holding the consumer at ransom. The government really messed up (interview respondent B14, 19 May 2005).

Clearly under the popular privatization narrative anchored in the systemic nature of the process, there is an acute understanding of the consequences based on an understanding of the institutional nature of the corporate entity managing the water resource.

Each of the above PPNs has interlinked and cross-cutting thematic elements. Financial corruption in the government and among the decision makers, in the minds of the people, puts the country in a situation where the sovereignty of its people is compromised. In order to perpetuate the corruption, or to escape from its consequences, the powerful elements in the society get into deals that are disadvantageous for the general population but to the advantage of the more powerful foreign elements. But, following the third type of popular narrative, the process is not just an outcome of the contingent elements of corruption and the power of the foreigners, but also of an opaque systemic process that seems to have its own logic. This process, also called globalization,
involves linkages with the broader world, where the government has to balance its international obligations with its domestic compulsions. Privatization is one way that the government of Belize tried to balance those, but in the process it left corporate capitalism, albeit temporarily in this case, in charge of the most important of the resources — water. The institutional logic of corporate capitalism according to the popular narrative is unlikely to distribute this life-giving resource — and hence perhaps life — fairly or equitably. It is little wonder then that through many interviews and focus group discussions statements similar to the following recurred quite frequently.

> If it were left to them they would have sold us (interview respondent B59, 7 June 2005; emphasis added).

### Conclusion

The failed experiment of privatization of the water utility in Belize holds important lessons for similar prospective or ongoing experiments elsewhere. First, the motivation for undertaking the privatization was partially the acceptance on the part of the Belizean decision-making elite, and to a lesser extent the populace, of the benefits and perhaps even inevitability of the globalization discourse of neoliberalism and concomitant privatization. Partially, the decision was also the outcome of the advice/pressure that the government of Belize was getting from multilateral donors. Secondly, the actual experience of service delivery from privatization was much more mixed than is often touted by apologists of neoliberalism. Many of the expected benefits of privatization, in terms of better quantity and quality did not materialize for the vast majority of the survey respondents in Belize City. Thirdly, the decrease in the affordability of water supply was unreasonable for most Belizeans, thereby rendering the lack of improvement, or at times the worsening of accessibility and quality, all the more painful. Lastly, the customer service improvements, which are deemed to be one of the main strengths of corporate service delivery, did not materialize and in fact customer service was perceived to be worse by the majority of the survey respondents.

Beyond the direct impact of privatization on access to water and water quality were the implications of water privatization for Belizean popular discourse on identity, nationalism and good governance. The three popular privatization narratives outlined in this article point to the emblematic nature of water privatization in Belizeans’ sense of nationalism, identity, good governance and their place within a supposedly globalized world. The narratives outlined point to the Belizeans’ sense of resentment and recognition of the interlinkages between national and global power structures that impact on their everyday lives. For a population with a historical memory of the worst type of human degradation — slavery — the rhetorical refrain that ‘people are all that is left to privatize’ or sell is particularly poignant and political. But, consistent with the work by others, Belizeans did not become passive victims in the face of neoliberalism. Unlike many developing countries Belize does have a two-party democracy where public opinion matters. Beyond the occasional riots over water and other utility rates in May 2005, the tariff dispute between the PUC and CASCAL finally caused the roll-back of the privatization. The Belizean PUC, aware of how far they could go, had to break off the contract given CASCAL’s position on water rates. Even the imperfect Belizean democracy mattered and worked in this case. What that victory means for the material issue of safe and reliable access to water, and the broader context within which this resource is accessed and consumed, remains to be seen. The challenge in outright privatization of water utilities will continue to be how to bridge the discursive and practical divide between water users as citizens and water users as customers, as well as between water as an economic good and as a human right.
References


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**Résumé**

*Cet article présente les résultats d’une vaste enquête sur les impressions, de la population et des acteurs des politiques publiques, concernant l’échec de la privatisation du réseau d’approvisionnement en eau et d’assainissement de Belize City. Utilisant les publications géographiques critiques qui se multiplient sur la marchandisation et la privatisation de l’eau, un cadre conceptuel est formulé pour analyser les données ethnographiques sur les impressions et l’expérience de la privatisation émanant des usagers de l’eau de Belize City. L’expérience de cette privatisation a été en grande partie négative. Les habitants se plaignent amèrement de l’augmentation des tarifs et de taux de coupures excessifs par la société privée Belize Water Supply Limited (BWSL). De nombreux décideurs politiques ont également accusé BWSL de prélever les bénéfices sans effectuer d’investissements stratégiques d’infrastructure. Toutefois, la place symbolique de la privatisation de l’eau pour les habitants d’un petit pays de la mer des Antilles comme Belize dépasse les incidences pratiques. Les principaux thèmes dessinés par les données ethnographiques collectées peuvent se résumer en trois ‘récits populaires de la privatisation’. Le premier repose sur l’impression que la faiblesse de la gouvernance a conduit à la privatisation; le deuxième sur une préférence pour une politique à l’échelon national plutôt que mondial, de sorte que les objections à la privatisation étaient liées au nationalisme; le troisième sur l’angoisse de perdre la maîtrise des pressions systémiques exercées par la mondialisation néolibérale. En général, le processus de privatisation a eu des conséquences matérielles importantes (en grande partie négatives) pour les Beliziens mais aussi, étant donnée la géographie historique et culturelle nationale, de profondes implications discursives et symboliques sur leur sens de l’identité dans un contexte de mondialisation néolibérale.*