

WATER, CORPORATISM AND DEMOCRACY

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Abstract: *The paper aims to help the reader to see how a doctrine could sustain, serve and promote globalization, bringing with it seemingly unlimited possibilities, but in its background coming with wealth dispersion and capital concentration, and creating schemes for payment for a vital resource. High development in communication technology has supported economic globalization; but to promote it there was needed a doctrinal and institutional framework. Neo-liberalism, promoting a smaller role for state in economic affairs overlapped with institutional efforts carried on under the multilateral negotiations' GATT/WTO umbrella. Globalization of rules concerning foreign investments and services' providing focused on the possibilities to invest in business having as focal point a vital resource: water. The debate of state versus market is one of the longest and tensioned in the history of civilization. Reducing the role of state in economy, there has been created the possibilities of seemingly unlimited gains, but it brought not only that, but economic convulsion and environmental decay, too. Water and investment connected to this resource have made no exceptions. Global players from soft drink and food industry areas stepped into the lucrative bottled water's industry, while giants specialized in building great infrastructure projects headed to gain access on administrating big cities' network of water pipelines and pumping or cleaning stations. Huge profits started to pour into their pockets, but with them came in many cases higher costs for piped water, lower water quality, and hardship for poor to gain access to what is a vital resource. Large investments determined by the globalization of concrete revolution resulted in damming almost all rivers of the world with huge impoundments, strongly harming natural habitats, coupled with population's relocation together with a peculiar life-style's losing. International credits needed to finance such projects created an almost frenetic market for international lending institutions. Countries aiming at quick modernization stated to fight for access to these financial resources in order to create the capacities to build huge dams and irrigation schemes, but in numerous cases the results were far from what had been expected. All these have created a favorable framework for making water an asset which can be traded as any other commodity, strongly reflecting the neo-liberal tenets in relation with this resource.*

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JEL Classification: *F15; F21; Q25; Q34.*

Overview

Who does the water belong to? This is the starting-point question for debate. Is it susceptible to be *appropriated* by he who has capital, or can be it regarded as

belonging to *commons*? And in this case, which rights should common people have in relation to water?

There is an intense debate related to this problem. Of course there are vested interests to press for a position, or the other. Taking account of recent trends and especially of future evolution, the way we see water will strongly influence our future. In the context of limited access to clean water which has already become a pressing situation in numerous societies, there appears the necessity to better understand our position face-to-face with environment at large, and with water, especially.

If some regard water as an idle resource ready to be exploited by those who can, around one billion people still lack access to minimally safe drinking water, while over 2.6 people billion live without proper sanitation, a critical component for children's survival (Nickum, 2010). This is overlapping on the following reality: global population dramatic rose by a factor of 3.8 times in last century, water use increased 9 times and irrigated area around 7 times. Chemistry became during last century one of the key-components of modern societies. Agriculture and food production made no exception; fertilizers use rose 342 times (Chellaney, 2013), triggering rising levels of land and water pollution, with long term negative consequences upon environment, animals and population's health.

Put simple, *the faucet represents a symbol*: there is a unconventional definition which says that civilization can be ascertained through a faucet's turnaround. If water runs, it would mean that civilization exists in that place (Georgescu, 2016: 109).

Looming water's crises becomes visible if only one looks at the global water consumption rate's evolution, which has grown more than double the population growth's rate, over last century: from around 770 billion cubic meters/year (b.c.m./y.) in the year 1900 to 3840 b.c.m./y. in 2000; furthermore, it is heading toward a dangerous level, expecting to be around 5000 b.c.m./y. in 2025 (Chellaney, 2013).

Looking at this numbers, and at other dangerous aspects which haunt humankind – on top of them all climate change – a sound debate regarding water is more than welcome. As water is a key-element in nature and society, its disappearance, reduction, pollution brings with them strong blows to man, society, and environment. Developed countries generally have a more favorable per capita water availability than developing countries. South American continent enjoys exceptional position regarding per capita water availability; it holds 29% of world's freshwater reserves, while the most populated continent – Asia – holds quite the same share of water resources availability (Chellaney, 2013). In order to create propitious conditions for cereals' harvesting, Asian countries had to build large irrigation infrastructures: 70% of irrigated land in the world is located in Asia. India has 66 mil/ hectares of irrigated land, followed by China (623 mil.), while the USA has just 25 mil. ha. Over 70% of cultivated land in Asia is linked to irrigation systems, which means that any water shock could trigger food crisis in Asian countries, and due to their position in population size, this would mean a world food crisis. Africa remains the least developed continent in relation with irrigation systems used in agriculture (only 3,2% of cultivated land is irrigated).

The most exposed economies to water-stress are Yemen, Burundi, Burkina Faso, Ethiopia, Malawi, Pakistan, Rwanda, Somalia, and the two Sudan.

From the perspective of water consumption per capita, the leading position is held by the US (some 500 liters/day/capita), followed by other developed economies (Italy, Japan, Norway, France, Austria, Denmark, Germany).

As a standard, if there are available less than 1700 cubic meters/year/capita in a given country, that nation is under water stress, posing great challenges to a well-functioning economy, while water poverty threshold is hit when there are available less than 1000 cubic meters/year/capita (Chellaney, 2013).

There are some debates hinting to the point that technology can solve all problems, and it appeals individuals, and especially corporate interests which see opportunities, not dangers in this context. On the other hand, there are sound studies pointing to the fact that man must live in harmony with environment and nature in order to survive, thrive, and to be happy. If there are people who regard the possibility to appropriate all they *want* and *can* and think this as a normal situation, which can be attached to those who believe that mankind must use its capacity to dominate and manipulate nature in order to gain power and maximum benefits from it, other would advocate for a more equilibrated behavior, linked to reflections of a wise man which says. If first group could be dominated by greed (and as a consequence by pride), the second group is dominated by common sense.

Competition and comparison are the ways of life for seduced people belonging to the first group, while equilibrium is the way of life for those belonging to the second. Related to this, in order to survive and thrive as society, there is needed for its members to give sleeping short lapse, to eating small quantities, while warding with care everything.

If corporatism culture has peculiarities similar with people belonging to unrestricted use of nature and its exploitation, self-restriction and awareness is more connected to nature and individual's welfare; wisdom and happiness takes dissatisfaction's place, together with nature's revival. Earth gives us enough in order to live, but cannot breed one individual's greed, said Ghandi.

Even there is an ecological movement which had gained momentum during last two decades of last century internalization in each consciousness of this possibility to live a more equilibrated life, with a better connection to nature and environment.

If there are societies prompting people to search their happiness through material possessions' pursuing, and material the freedom of spirit could bring a more equilibrated life-style.

And what is more important related to our subject, pursuing excessive possessions by someone comes with high environmental and social costs, because of water consumption and reduced availability to other people, which in most cases live far away from the greedy and "blind" consumer.

Anyway, water constraints on rapid economic growth are large.

Corporatism and water

Beyond water's material role for life's sustaining, it has a unique spiritual meaning and component; in Urdu "*abadi*" means human settlement, this world's root being "*ab*" – water (Shiva, 2016: 20). As Shiva (2016) mentions, from this concept aroused the doctrine of riparian right, meaning that dwellers supported by a river system have

a *natural right* to use that water. It aroused out of human conditions, vital needs, and justice; these rights did not originate concomitantly with the *state*, or globalization, or *corporate culture*. They were connected to a peculiar context of human existence. Seeing water as only a *material* thing ready to be appropriated, exploited, traded and sold has to do more with a cowboy economics, that with a reasonable reflection, facilitating those who can while depriving others' rights to this vital resource. This paradigm of seeing water is based on a fraudulently doctrine because it promises rewards for a better adapted company, neglecting the water's role in a well functioning environment; but seeing water only from *spiritual* angle could push humankind into a new mythological era, with its dangers and irrational attitudes and behaviors. In this context, equilibrium is required now more than ever.

Globalization geared to wild capitalism inspired from an excessive liberal doctrine and Earth's resources unsustainable exploitation have been moving together during last 4 decades. As a consequence, pollution of land and that of water from rivers, wetlands, and of oceans hit alarming levels. But this is not all: it overlapped to an excessive capital concentration, affecting democratic processes even in well established democracies.

A detailed analysis of traditional democratic states sheds light upon a surprising fact: they are in fact altered democracies. We already have few public debates, while "key-decisions are adopted one by one beyond public's back, very often contradicting its opinion" (Sachs, 2011). This is a peculiarity of an oligarchic regime, oligarchy being a kind of conspiracy in replacing democracy through forming a coalition of groups which in sociology are called cliques, in order to run the state. No revolution is necessary while the transfer of power from the key-factor of democracy – middle class – is transferred to the few in an imperceptible manner (Malița, 2012: 133). *Free* elections are being held favoring clique's members, while criticizing *old* democratic system, hinting at its ineffective capability to run on behalf of society's interests, corruption practices. This is a solemn way of stealing a whole state, with applauses, in an absence of convulsions and without any revolution. Instead of violence we see a chosen path of refined fraud, its object being for a period great and the most sophisticated heist.

When this aims not only various state and society resources is one thing, but when this concerns water resources in another way. Excessive concentration in a few hands of the means who favors the control of water could bring to life and sustain political regimes which have nothing to do with a strong and health democracy and its equilibrium. In this regard Wittfogel's (1957) remarks are more than opportune.

To hint that this is not a simple ascertainment, the example of a food giant is welcome: nowadays Swiss company Nestle owns 70% of world drinking water resources (Georgescu, 2016: 46). One million tons of water which extracted through drilling in different countries which allow Nestle to do this cost it only USD 3.5, while selling this amount of water in plastic bottles (read waste) with USD 2 million! Furthermore, Coca-Cola is made using the water of countries where this resource has become scanty; in few words, drinking Cola, one drinks the water of other people, people who already miss it. Whole societies are abandoned in hunger and thirst (Georgescu, 2016: 47). This process of water appropriation manifested with stronger influences during the 8-th decade of last century. Economic impact of this

process is serious: in India, for example, one liter of bottled water (Evian) is sold for USD 2, which is double the minimum hourly wage there (Shiva, 2016); while the same country boasts some 500 rich families which use Evian water for drinking paying each around USD 210/month. Even India is considered the largest democracy, these numbers point to an anomaly. There is no real democracy in such a situation. Furthermore, commodification of water where it had been considered a gift, *free* of any charges indicates that this trend is getting momentum: the Indian packaged water is estimated at USD 105 mil/year, with a growth of 50-70%/year. From 1992 to 2000 sales rose from 95 mil liters to 932 mil liters (Shiva, 2016).

Great capital concentration is favored by technological progress in transportation, communication, information sectors on which is overlapping a global trade regime, favored by international institutions and a free-market doctrine. In this context people could lose control over water resources.

Imperceptibly, a right could be transformed into a commodity. A right to safe and clean water resources turns into a tradable good, with its own price, while access to it depends on financial resources, not on natural rights.

Without arguing for a whole free access to unlimited resources of water resources, the message focuses on a call to awakening for citizens, states and corporations. If last four decades trend continues, nature will avenge itself, and in one way or another some equilibrium will gain momentum, but with great costs for all economic actors, be they individuals, states, and corporations.

Of course, in a scarce resources world, a price on water can limit its unreasonable use, but in the same time, water means life. And it should remain that way.

Democracy and water

From socio-cultural point of view, there is no democracy in the absence of a population aware about its risks and opportunities; from economic angle, a large middle class is the warrant of a healthy democracy. A well-connected society at a molecular scale (read communities in villages) could create in the world which is rising, a more stable society and a healthier economy in a better used and preserved environment. This *civic economy* points to the fact that a society's welfare depends on each individual's prosperity. Distributism takes the stage's central position, gradually pressing to the corner economic resources' concentration. The central role of the family in this context will bring with it a stronger society with healthier and happier people.

The importance of strong family for a creating a strong state and a stable regime could be mentioned presenting Roman state's evolution toward what Rome has become (Mommson, 1987: 33-34; 51-62), while another philosopher indicates to a lower probability of leaning into dissensions for a democracy, while the nation of highest quality is that where people are involved in works connected in one way or another to agriculture (Aristotel, 2001: 119; 155), and it can be mentioned – through extension – to nature and environment.

This activity oriented as to create civic movement at society's grass-root level would not only favor a better distribution of resources, a higher employment rate, a more decent life in a higher quality environment with better food and water resources

coupled with lower wastes, but it could transform an amorphous population into a proactive and participative political force. Departing from higher capital concentration objectified in land concentration, huge concrete structure and vast irrigations schemes (Sneddon, 2015) related to a strong chemical agriculture and in key-global players met in food production, storage and transportation could create even economy in energy consumption, because consumption and production places would be much closer.

In order this to become reality, there could be brought in discussion the main tenets of water democracy, development based on Shiva's (2016) principles.

Water is nature's gift for humankind; as humankind has been receiving it freely from nature for millennia, it should be remain that way. But taking account of population growth's rate, urbanization and industrialization, this should come together with a type of education aiming at preserving it clean and to use it in a very aware manner; while any unnecessary use or waste being taxed. Any diversion scheme that creates arid or waterlogged areas should be avoided in the future; any great impoundment scheme should be strong weighted with all its risks and costs (from environment disturbances brought by a high dam's construction, to social costs generated by population's relocation and the effects of depriving downstream nation of the waters of a common watershed). This is important to be debated because in most cases these mega-structures violate the principles of ecological democracy. Furthermore, to produce food on large areas in distant countries, using their precious land and water resources in order to create food for export on global markets, without taking into account those societies' needs, could prove being unsustainable from social and ecological points of view in the long run.

Water is essential to life and life on Earth is linked through this precious liquid, be it in gaseous, liquid, or solid form, and as a consequence all species and ecosystems must be warranted to the right to a share of water in order to survive and refresh. As living beings which have brought this plague upon them, people should change their attitude toward a more aware one, all having the duty to secure that our doings are friendly to other people, plants and living beings.

Water must be kept free for sustenance needs: because of creation of a system aiming at buying and selling it for profit is against the right to have access to nature's gift, for which no one has done something, water's marketization could create the premises of access denial to it for the least fortunate.

Water resources are limited and they can be exhausted. Even that a great part of society has been acting upon based on a philosophy inspired by the extremely wealthy John Locke, which effectively legitimized the theft of common resources (including water), manipulating nature through technology for humankind's rising power in face of nature, extracting more water from ecosystems than nature can recharge and consuming more than one's normal needs and legitimate share brought with it ecological havoc and social unrest.

Because of these *water must be conserved* with all efforts, and it must be used taking account on ecological limits determined by its flow through a specific area (smaller or larger, as is the case of international rivers).

Like air, water is not due to humankind invention; both of them could not be inwrought; both of them *are commons*. In order to have a sustainable social,

economic, ecological, and political stability, water should not be owned as private property and sold as a commodity. Furthermore, no one must be given or could appropriate the right to *destroy* (through overuse, abuse, waste, pollute) water.

In this regard we should look to what means the damming of great rivers and which could be the politico-military evolution in international rivers' basins. The case of Turkey and especially China are noteworthy to be mentioned in this regard. And More, tradable pollution schemes and the arising international water market (at national level, there are already functioning domestic allocation schemes based on market mechanisms, as in USA or Australia) are against the *principle of sustainable and just use*.

And the most important fact is that *water* – like air – *has no substitute*. It is one more strong reason why water must be kept out of any tradable schemes.

Conclusion

As a conclusion, equilibrium is required now more than ever; capital concentration – especially when it is connected to water use and distribution – can hinder democratic process, because this concentration facilitates the creation of characteristics and capabilities of influence which have to do more with political decisions which are against the peoples' will, and as a consequence with a more oligarchic character, while social distribution – especially when it is connected to water – means there is a more equilibrated society, situated more to democracy field. Put shortly, there are face-to-face two world views connected to water: water as a tradable commodity (facilitated by a political regime with oligarchic elements), and water as right to live (connected more to a democratic regime).

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