

## Notes from the World Summit in Johannesburg: “History in the Making?”

*By Michael Goldman*

On the drive from the Johannesburg airport to the wealthy white suburb of Sandton – host to the 2002 World Summit on Sustainable Development, the largest international conference ever — colorful billboards cajole Summit delegates to taste and enjoy the city’s tap water, boasting that it is as pure and clean as bottled water.<sup>1</sup> Suspended above the airport freeway, township boys splash joyfully in an endless bath of fresh blue tap water. Unlike bottled water, the messages imply that Jo’burg’s water is free, clean, and for all to enjoy.

Yet, after a few days of swimming through murky Summit politics, one learns that these omnipresent billboards were not purchased to assuage the fears of European delegates that African tap water is unsafe. Rather, the ANC-led, post-Apartheid South Africa has been busy packaging *all* of its public goods — water, electricity, sanitation, health services, transport systems — for sale to any willing

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<sup>1</sup>My special thanks to the Center for Political Ecology, the Research Board of the University of Illinois, and Wits University for sponsoring my trip to Johannesburg, and to my insightful guides there: Patrick Bond (*Unsustainable South Africa*) and his remarkable colleagues in the Wits’ Municipal Services Project, John Saul (*Millennial Africa*), Gillian Hart (*Disabling Globalization*), Virginia Setshedi, Dennis Brutus, Trevor Ngwane, and many more. My sources are a range of personal observations and interviews, as well as reports, news articles, books (such as those mentioned above), on-the-spot Summit reports (such as those circulating on the Debate listserv, including one summarizing the results of the Summit by Michael Dorsey of the Sierra Club), and reports on privatization by Public Services International’s Research Unit <[www.psir.com](http://www.psir.com)>. An expanded and revised version of this “note from the field” will become the epilogue to my manuscript, *Imperial Nature: The New Politics and Science of the World Bank*. I also thank Rachel Schurman for all her support.

buyer. From billboards to policy statements to business transactions, the message of the World Summit was loud and clear: Welcome to South Africa, where Everything is for Sale. Of the 60,000 Summit attendees, many were in town to buy (i.e., bargain-hunting large firms), sell (i.e., cash-strapped Southern governments), or mediate (i.e., entrepreneurial NGOs) these deals.

Only ten kilometers down the road, in classic Apartheid-like geography, the rigidly segregated and decrepit township of Alexandra (“Alex”) houses Sandton’s underemployed labor force. Without good public transportation, health clinics, schools, or basic public services, Alex stands as a grim reminder of all that has not changed since liberation. Three hundred thousand people in Alex are jammed into just over two square miles of land without access to affordable clean water, electricity, safe housing, or basic sanitation services. The key word is “affordable,” as many of these services *have* been provided but have now been shut off because people cannot afford to pay for them. In a dramatic political U-turn, the new politics of the post-liberation African National Congress (ANC) is one that conforms to the Washington consensus’ view of the market as “willing buyer, willing seller,” which has been imposed on poor (Black) South Africans in the most draconian fashion.

Today, South Africa is still reeling from a deadly cholera outbreak that erupted from the worst wave of government-enforced water and electricity cut-offs. At the outset of the epidemic, which has infected more than 140,000 people, the government cut off one thousand people’s (previously free) water supply in the rural Zululands for lack of a \$7 reconnection fee. In addition, 43,000 children die yearly from diarrhea, a function of limited or no water and sanitation services. The Wits University Municipal Services Project <<http://www.queensu.ca/msp>> conducted a national study last year that identified more than ten million out of South Africa’s 44 million residents who had experienced water and electricity cutoffs. Epidemiologists say that these cutoffs were the catalysts to the national cholera crisis.

Township activists struck back by forming by day the Soweto Electricity Crisis Committee (SECC) of the Anti-Privatization Forum (APF), Western Cape Anti-Eviction Campaign, the Concerned Citizens’ Forum in Durban, and the Soweto-based and working by night with stealth teams re-connecting homes before dawn (“Operation Khanyisa,” as it is called in Soweto, which the ANC has called the new “criminal culture” of the townships). Yet when a stealth team disconnected the Jo’burg’s mayor’s home from electricity in April, they

were met with live ammunition and arrest, spending 11 days in the notorious Apartheid Diepkloof prison without a bail hearing.

On the eve of the World Summit, following a full day of talks at one of the official “anti-Summit” forums — the International Forum on Globalization — several hundred people (including myself) left the Wits University campus for an evening candle-lit march down to the John Vorster Square jail to express their solidarity with the hundreds of activists from the anti-privatization, landless, and soldiers’ rights movements who have been periodically locked up by the state. But having only walked two blocks, we were stopped by riot police who set off percussion grenades that exploded in sound and smoke. One grenade hit a young woman just a few feet away and seared the skin off her legs. Others were hit with swinging batons. Seated before a multi-racial police force was an international (e.g., from South Africa, Malawi, Zimbabwe, Mozambique, Uganda, India, the Philippines, Canada) group of activists arm-in-arm, shocked that they, many of whom were active in the anti-Apartheid movement, sat on the other side of the gun barrel of the liberation movement’s riot squad.

Over the last few years, the ANC government has worked hard to demonstrate its leadership of the World Summit, the new African Union, the Non-Aligned Movement, and as a promoter of an aggressive neoliberal agenda for Africa that has been benefiting South African corporations in their purchasing spree of IMF-devalued African public goods. As well, the ANC is trying to prove to the world South Africans can be good customers. Under the newly privatized water system, operated on concession by Suez, one of the largest water-service firms in the world, the lowest-income township households now being connected to the grid are allotted a quota of water to consume per month. The “customer” then charges up a meter key by purchasing the value of a month’s supply of water at a local store, which s/he spends during the month; the household pays to recharge the meter key like a prepaid phone card. The system is believed to be highly individualized, market-based, efficient (with no billing services required), and, of course, conservation-minded. (Although these moralistic policies emphasize the “conduct” of “delinquent” township residents, this population consumes less than 2 percent of the country’s total, with mining, industry, and agri-business consuming the lion’s share.) The French water meters are supposed to remedy a deeply flawed system in which the underground pipes lose up to 45 percent of distributed water just in seepage, where poor consumers have a high rate of nonpayment, and individual taps designed to serve a single household often serve up to 40 households. Most people get their water through illegal taps or

by walking great lengths to purchase water sold from mobile water tankers or from a tap far from home. The question then, is not whether the public water distribution system is broken but how to best fix it.

In the poor township of Orange Farm, just days before the start of the Summit, French firm Suez rushed to install water meters as a test run for other parts of the country. The French insist its “pay as you go” system avoids the whole mess of nonpayment or theft. But in Orange Farm, these meters were installed at homes with no income earners. Some of the new taps already leak, and residents have no recourse to get back the lost water, fearing this first month’s free water will be their last. As it is, many households can only afford four to five days per month of electricity from their recently privatized electricity meters. Township homes replete with fancy new French meters are otherwise ill-equipped: toilets are out-houses, there are few sewage connections, and homes are constructed from either thatched materials, concrete slabs, or collected pieces of scrap metal. Along with the ten million people suffering from water cut-offs, and ten million from electricity cut-offs, two million people have been evicted from their homes and many more live in substandard conditions. With more than one million formal sector jobs gone since 1994, and the full-throttle move by the ANC to privatize the heavily unionized public sector, many more jobs will disappear soon. However much the ANC wishes it can constitute a willing consumer culture amenable to foreign investors, the only thing thus far being consumed are the township residents themselves. The government and its police can only do so much to contain this political pressure cooker. The tensions running through Jo’burg exemplify this problem of containment.

Suez already has a big image problem amongst non-elite South Africans; though it currently runs the Johannesburg water system, it has refused to install necessary sanitation infrastructure despite dangerously high counts of e.Coli bacteria in the water tables. Its earliest pilot project, Nkonkobe, was cancelled by the town’s mayor last year for Suez’s refusal to serve the poor who continue to use the horrible “bucket system” — in which excrement is collected in small pails each morning by municipal workers — even though the ultra-modern French Suez had already profited from selling the town’s water supplies for eight years.

What’s all this have to do with the World Summit? More than a tale of disasters for the poor, the changes occurring in the workers’ townships were mirrored in the agenda of this international forum. As a follow-up to the momentous Rio Earth Summit in 1992, the Jo’burg Summit’s mission was to assess the accomplishments and failures of

the past ten years, and to agree upon a program for what should be accomplished over the next decade. The agenda emphasized five basic issues (or goods): Water, Energy, Health, Agriculture, and Biodiversity (or “Wehab”). After a series of preparatory committee meetings were held on each continent, with government officials, staff from major intergovernmental agencies, international environmental organizations, and including “open” invitations to all members of so-called civil society, the agenda and its main policy document read like both a World Bank policy paper and a wish list for the world’s largest service sector firms (e.g., Vivendi, Suez, Saur, Bechtel, RWE/Thames Water). They, meanwhile, have spent these last few years signing large contracts with Southern governments to manage their public water, electricity, garbage and sewage services, along with their airports, highways, telecommunication services, and cable TV. Some governments have signed over their billing and collection services to Northern business firms for everything including parking tickets. Prisons, schools, and health services are next in line. How could corporatization of the world’s public sectors be the result of ten years of Rio-inspired “environmentally sustainable development”? The answer requires a brief look back at the consequences of the momentous Rio Summit.

### **From Rio to Jo’burg: The Rise of the World Bank’s “Green Neoliberalism”**

Fifteen years ago, when social activists from borrowing countries and environmentalists from Washington, DC began public campaigns documenting highly destructive projects of the World Bank (e.g., India’s Narmada dams, Brazil’s Polonoroeste, Indonesia’s Transmigration Project), the World Bank employed only a handful of environmental technicians. Within the rigid Bank hierarchy, these technicians were low-level and powerless. Pressure from worldwide campaigns against the World Bank and US Congress forced the Bank, however, to fill its ranks and “take the environment seriously.” Hundreds were employed as permanent staff and as consultants on projects. Yet, six weeks before the historic 1992 Earth Summit in Rio, the western media interviewed World Bank President Lewis Preston about the Bank’s official position, the World Bank had neither a policy paper nor plans to attend. The Bank had not even reserved hotel rooms in an over-booked Rio. In 1992, the Bank was organizationally clueless on what to do with the mounting criticism of its destructive work.

As pressure against the Bank mounted and conservative Northern politicians debated the idea of de-funding the Bank, senior management realized it had to either “reform or die.” Within a few short years the Bank had accrued a list of remarkable accomplishments. It had become

the secretariat for the Rio-produced Global Environmental Facility, the official overseer for extractive reserves in the Brazilian Amazon, the financier of “environmentally sustainable” projects worth billions of dollars, and the inventor and promoter of a globally circulating set of scientific protocols and terms of reference for environmental and social assessments for large development projects and policies. By the late 1990s, through large loans, the Bank significantly restructured and financed state ministries overseeing forests, fisheries, water, mining, power, and natural resource industries, retooling them to diagnose national environmental problems through a particular lens of eco-developmentalism. At the same time, the Bank has trained not only its own people but many staff members of these state agencies in environmental assessment and eco-project management, and trained and hired as consultants environmental experts from NGOs, universities, and engineering firms. These professionals have become the Bank’s “champions” in borrowing countries, helping to expand and indigenize Bank policies and projects, and enabling the Bank to become the world’s largest financier not only of “development” projects but of new regimes of rule, regulation, and knowledge production on the environment.

Similarly, as conditionalities to its large loans and debt repayment schedules, the Bank has compelled many countries to rewrite national constitutions (since 1989, 60 percent of the world’s constitutions have been rewritten, many with a U.S.-style Bill of Rights), and national laws governing the management and use of forests, land, fisheries, biodiversity, and water supplies. The Bank has also financed the creation of stock markets, the restructuring of judicial court systems and the re-training of judges, the reconstitution of accounting laws and practices, the writing of patent laws, the creation of research programs, and the liberalization of rules to open up national markets to foreign investors.

In sum, besides expending a tremendous amount of energy fighting its environmental and social critics, these times have been amazingly productive for the World Bank. The twin accomplishments of *environmentalizing* development (redefining what it means to be environmental) and *liberalizing* major state institutions in its borrowing countries have been major victories for the World Bank. Taken together, these twin movements signify a victory for “green neoliberalism,” led by the World Bank. Besides using its enormous leverage as the world’s most powerful creditor, the Bank has also sponsored “autonomous civil society” institutions of policy and knowledge production in strategic sites around the world.

If we look just at the hot issue of “water policy reform” dominating the World Summit, we see that the World Bank has initiated and financed most of the water policy forums that have occurred around the world. Since the mid-1990s, the Bank has funded its own Water Forums, the Global Water Partnership, the International Symposium on Water, the Global Panel on Financing Water Infrastructure, the Water Media Network, World Water Council, World Utility Partnership-Africa, and “high-level” regional and global conferences on water policy reform. Other major funders of these “civil-society” forums include DFID (the British Aid Agency), SIDA (The Swedish Aid Agency), the French Ministry of Foreign Affairs, the Netherlands Ministry of Foreign Affairs, and USAID — in other words, the bilateral aid agencies of the countries in which the world’s largest water firms reside. Most of these water forums have happened in the past six years; all have been sponsored by the World Bank; and their agendas closely mimic the Bank’s water privatization agenda. (At the 4th International Symposium on Water, John Roberts of the Platts Global Water Report scolded this “global water community” for being too narrowly doctrinaire, and looking to the media like mere “advocates” of privatization rather than interested in a more general process of reform.) The Bank and its funded forums educate journalists, development consultants, state officials, and NGO staff on the ins-and-outs of water policy reform, as perceived by the World Bank, the major financier of water privatization. Not surprisingly, the “global water community” has yet to host a public discussion on how to democratize and socialize water delivery services and ecosystems.

But if these pro-privatization forums are not enough, the Bank and the IMF have a more direct system of persuasion: Water policy reform (in the direction of privatization) has become a new condition for future financing and debt relief. The threat is that the capital spigots will be shut off for those governments refusing to conform. As overwhelming debt has toppled governments and created dire social conditions such as poverty and today, famine in southern Africa, and as populist movements demand that their governments stop servicing these odious and unjust debts, the Bank and IMF are using the lever of debt relief to force water policy reform on borrowing-country governments. Hence, privatization has become much more than a policy that *economically* benefits a few multinational firms; it also increases the *political* roles of international finance institutions and TNCs in the global South. Thanks to the Bank’s arm-twisting, indebted governments are allowing Northern firms to become institutionally embedded in the everyday lifeworlds of the people of the South: They now provide their water,

their power, their cable TV, their garbage pick-up, and they even send them a consolidated bill to collect their money. It is to these firms that one must go if one needs basic goods for household survival.

### **Reading the Summit Script**

The rise of this World Bank-style green neoliberal politics can be clearly read in the script of the 2002 Jo'burg World Summit. On one level, the discursive regimes typical of these international forums remain the same: targets, goals, heartless steamrolling by the US, and last-minute heroics by a few fearless Southerners. The defensive World Bank generates press releases that decry Europe and the US for their huge subsidies for agribusiness; a Bank vice president even apologizes for the Bank's role in the famine in southern Africa, by forcing highly indebted countries to eliminate subsidies to their farmers who could not afford the inputs to produce this season. Perhaps millions will starve as a consequence. The Bank's presence can also be felt in the final agreements of the Summit. The official negotiations concluded like this: Under the category of water, government leaders agreed to halve by 2015 the number of people — estimated at 2.4 billion — who live without basic water and sanitation (a guideline doggedly opposed by the US). Under the category of energy, the US and OPEC would not allow targets to pass for renewable energy, especially the Brazilian proposal endorsed by most countries to quadruple the world's use of clean energy by 2010. The EU pushed a more modest plan for a one per cent increase over the next decade. Under the category of agriculture and fishing, the World Bank's GEF was given the authority to fight against desertification and to rebuild fish stocks "where possible" by 2015, all in very vague language that critics argue may undermine existing and more concrete agreements. US and European delegates refused to phase out their own agricultural subsidies, support organics, or restrict genetically modified crops. Under the category of biodiversity, the Summit took a big step backwards in watering down existing wording to "stop and reverse the current alarming biodiversity loss" to language that could satisfy the US. The big news was under the unexpected category of corporate accountability: Due to a well-constructed campaign by North-South pressure groups, governments accepted that binding rules *could* be developed to govern the behavior of multinational companies, language which the U.S vigorously fought, even after the agreement had been signed. No timetable, however, was set for such negotiations.

Yet the two most significant elements to the official World Summit was the "consensus" or the widespread acceptance by NGOs, foundations, governments, intergovernmental organizations, and of



course corporations, of the mechanism of Public-Private Partnerships (PPPs) or the leasing of traditionally public services to private firms and the circumventing of international agreements and agencies that have often mediated between strong firms and weak states. In other words, as a complement to UN Secretary General Kofi Anan's Global Compact with firms, no longer are the TNCs the silent partner and discrete beneficiary of the "world of development;" now, they become the legitimized main driver. The second element, equally as pernicious, is the agreement to give the World Trade Organization (WTO), which seeks to eliminate all obstacles to "free trade," the power to override international environment agreements. This marks the re-ascendancy of the WTO when some thought, post-Seattle that the hubristic WTO was withering away.

### **Conclusion: The Rise of *Un-Civil* Society**

Antonio Gramsci once wrote that one of the new sites of struggle over hegemony would not necessarily be the state or the work place but the "civil society" of capitalism. Indeed, as an activist from Nigeria explained to me, a major shift has occurred in Nigerian alternative politics over the past decade, marked by a flowering of NGOs and organizations filling the widening space of civil society. These civil society organizations so happily embraced by western onlookers are in fact funded by the World Bank, western bilateral aid agencies (e.g., US-AID), foundations (e.g., Ford, Rockefeller), and NGOs (e.g., WWF). He saw dozens of them represented at the World Summit, each of them focused on single issues such as human rights, gender, and the environment. This phenomenal proliferation of a dollar-supported middle class has come with its loathsome twin, the death of what he called "Nigerian politics," or the attempt to organize a unified progressive force that offers a real challenge to the bankrupt alliances among the state, Northern oil and mining firms, and these international agencies. In South Africa, cracks in the alliance are beginning to show, some of which began to surface during the World Summit itself.

These cracks were actually induced during decidedly *un-civil society* events. These events were separate from the Summit in that they were free and open, unlike the Summit meetings that required security clearances, official invitations, or even the official "civil society" forum which used to be where activists hung out but in Jo'burg cost US\$150 to attend. Meanwhile, Wits University campus, the former Women's Prison, an Apartheid-era Soweto entertainment center, ShareWorld, and other sites were jammed with thousands of self-proclaimed un-civil society members. These forums were run by *militant particularist* South Africans with *global ambitions* to counter what I call green

neoliberalism. The Landless People's Committee organized a week-long forum trying to jump-start a "movement" across South Africa demanding land (the ANC in 1994 promised 30 percent of private land would be given back to the landless Blacks, but thus far only one percent has been disposed thusly, in large part because of a World Bank-designed willing-seller/willing-buyer land reform program that had earlier failed in Zimbabwe was imported to South Africa in 1994). The forum included landless people's movements from southern Africa and Latin America (e.g., Brazil's MST). The World Fishers' Forum brought together South African fisher groups with others from the rest of coastal Africa, and successful movement leaders from South Asia too. Anti-eviction and housing activists, anti-privatization activists, World Bank boycott campaigns, and environmental groups also had their forums. Across the board, groups were fighting the World Summit agenda in general and the ANC-led South African agenda specifically.

One of the fissures occurred after a stirring evening speech by Cosatu's (South Africa's trade union congress) general secretary Zwelinzima Vavi, who spoke to a packed house of red-shirted Jo'burg residents (and their international allies) about the independence of the trade union movement, and its longstanding commitment to workers' rights, even under this wave of privatization. Cosatu is a pillar of the ANC alliance and has, up until now, stood behind ANC policies, however much they have hurt formal sector workers. Afterwards, with his fist clenched high, the crowd burst into a mellifluous old trade union song, and the aisles were jumping with everyone doing the *toyi toyi* revolutionary dance, with a deep bass harmony resonating through the audience and the hall. Yet, in the middle, as Anti-Privatization Forum leader Virginia Setshedi took the microphone to amplify the lyrics, Vavi slipped out the back door, and the crowd erupted even louder. Somehow, the audience changed the words to the old fight song, and openly called the Cosatu general secretary "a traitor." People were stunned. In the middle of the tribute, the crowd had expressed the new politics of the street, one that did not defend a political party but the people.

Two days later, front page news declared a "Split in Cosatu," and an infuriated South African President Mbeki called for a national rally in support of the "ANC alliance." ANC publicists promised that their allies in the unions, townships, and NGOs (SANGOCO) would fill the Alex soccer stadium to hear ANC politicians, Fidel Castro, and Yasser Arafat speak; instead, the NGO coalition SANGOCO pulled out at the last minute, Castro and Arafat stayed home, and fewer than 3,000 supporters showed up, many of whom were bussed in.

By contrast, on the very same day, when heads of state flew into Jo'burg to sign the final document and officially end the World Summit, 20,000-30,000 marchers took to the streets under the banners of "Africa is Not For Sale" and "Phansi W\$\$D, Phansi!" (the Zulu command for "away with!" plus the initials of the World Summit) organized by these irascible un-civil society groups. But these were not any streets. The march started in the township of Alexandra and snaked through its run-down and dusty lanes (with side streets blocked off by armored vehicles and riot squads, skies filled with helicopters and roofs marked with police snipers holding guns and video cameras). More than twelve kilometers later, we found ourselves in the tree-studded, wide-open boulevards of the Beverly Hills-style neighborhood of Sandton, a place that most of the marchers have never been allowed to enter, except through the servant's door. Many of the experienced organizers and old-time activists were starry-eyed. Once again, history was in the making. Although the U.S. press did not bother to cover this phenomenal event, the major African and European media filmed the red sea of singing marchers mostly from South Africa but also from Zimbabwe, Malawi, South Korea, India, and many other countries. By the time we struggled up the long hill to the glitzy shopping center and convention center, barbed wire and riot squads everywhere, stuck between towering skyscrapers owned by the world's largest banks and insurance companies, everyone sat down in exhaustion and relief. Because police helicopters flew so low over head, the pounding sound of their engines periodically drowned out the podium microphone and few could actually hear the speakers. But it did not matter; everything had already been done and said. It was the first show of independent-left opposition since the ANC took power, and it reflected not just a politics of anti-ANC but a politics of anti-neoliberalism.

Fifteen years ago, protests against structural adjustment and fiscal austerity policies of the World Bank and IMF were vibrant but hard to transform into a social movement because of, until recently, the lack of organizational coherence to respond to the end of state support ("subsidies") for healthcare, education, food, transport, and decent public-sector jobs. But this new turn toward "green neoliberalism" may be the Achilles' heel of the World Bank and of governments such as South Africa's. For these are frontal attacks on the majority's rights to livelihood, to water, to power, to natural resources, to land, and to survivable environments. Green neoliberalism is transforming the public sector and civil society into corporate-like actors and institutions. This shift is unambiguously hitting people where it hurts. Behind the bureaucratic machinations of World Summit unmet quotas

and targets, stirred savvy and politicized social activist networks that seem ready to build movements that bring together people across national borders and traditional political allegiances. As anti-apartheid activist and former Robben Island prisoner Dennis Brutus chanted throughout the two weeks of the World Summit *and* the anti-Summit, “Another World – a *decommodified* world — is Possible.”