THE TRAGEDY OF THE PRIVATE

THE POTENTIAL OF THE PUBLIC

James Parrish- Creative Commons

by Hilary Wainwright

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Preface

It is my pleasure to present this booklet to all union activists. Our collaboration with author Hilary Wainwright has allowed her to take an insider look into some of the most powerful campaigns that public sector unions have been a part of in the past few decades.

This booklet should be used by all activists who are responsible for developing union strategy, mobilising members, and building new power structures, both in the workplace and in the community. The examples that Hilary cites are but a few of the growing number of dynamic, innovative and powerful campaigns in which our unions participate.

From my own experience in Italy, I can attest to the power of alliances between trade unions and community actors. I also believe, from the perspective of a trade union leader, that we require new ways of thinking, new ways of talking, and new ways of organising and mobilising.

Trade unions are legally obligated to negotiate collective bargaining agreements with the employer and to defend against any violations. This is the bedrock of trade union work. However, as this booklet shows, public services unions which build alliances in their communities are better able to defend the rights and interests of their members. It is only when labour rights are understood to be part of the vital spectrum of human rights that we can begin to understand the imperative of joining forces.

As the leader of the global trade union federation Public Services International, representing 20 million public service workers around the world, I am committed to working with our unions to share their insights and experiences, build their strength in their workplaces and communities, and project the power of people united into the decision-making arenas.

We understand that in this era of globalisation, we must work together across our communities to develop our societies based on the principles of justice and equity, and on the foundation of quality public services.

In solidarity,
Rosa Pavanelli
General Secretary, Public Services International, 2014

Public Services International leader Rosa Pavanelli: "We require new ways of thinking, new ways of talking, and new ways of mobilising."

Introduction

This booklet is about how public service workers, with their fellow community members, are not only defending public services but also struggling to make them democratic and responsive to people's needs and desires. It is also about how these alliances are working at different levels – local, national and international.

We are publishing this booklet at a time when the privatisation of public services and utilities has been tried and failed. There is widespread criticism of privatisation. It is now leading to an increasing number of decisions, mainly at a local level, to bring services back under public control.

The failure of privatisation has led to notorious scandals. Since the days of Margaret Thatcher, Britain has been a laboratory for privatisation and has witnessed some of the worst cases. Most recently there was the case of multinational corporation G4S promising thousands of staff for the London 2012 Olympics who simply failed to show up. Before that there was Serco, a company that has built itself on the back of privatisation, being caught leaving National Health Service out-of-hours emergency cover dangerously understaffed, and then admitting falsifying data to hide the failure. An IT contractor, Atos, provides tick-box tests that are used to declare disabled people 'fit for work' and take away their benefits – and continues to do so even though some have subsequently died.

These and many, many more everyday calamities lie behind our reference in the title to the 'tragedy of the private'. We use this phrase to highlight the fundamentally inappropriate application of the logic of private business, based on maximising profits, to the management of shared resources, natural and social, and the meeting of social needs. The phrase turns on its head 'the tragedy of the commons', which was an attack on the idea that people can effectively manage common resources together for shared benefit, if they have suitable conditions. The tragedy of the anti-commons, and in particular of the private, arises from the presumption that people act only in their immediate self-interest (rather than taking account of mutual benefit and interdependence) and do not communicate, let alone collaborate, over shared problems.

'The potential of the public', by contrast, starts from exactly that awareness of mutual dependence, and an ethics of stewardship, mutual care and collaboration that arises from it. All of these are evident in the struggles to defend public services reported in this booklet, indeed they are often being re-introduced in the process of struggle.

The problem remains of how – through what forms of organisation – we can achieve this potential. The instinct behind producing this booklet is that the answer lies in experimentation and learning from practical attempts to create solutions.

Since the days of Margaret Thatcher, Britain has been a laboratory for privatisation.

The rise of insourcing

By bringing its water system back into public hands, the city of Paris has realised greater financial returns and efficiencies in service delivery to residents.

Across the world, municipal councils are deciding to bring services back under their control: in the USA for example, traditionally the stronghold of pro-private market ideology, a study found that a fifth of all previously outsourced services have been brought back in-house. The research found that primary reasons for 'insourcing' were a failure to maintain service quality by the outsourced contractor (73%) and a failure to achieve cost savings (51%). Nationally, President Barack Obama's administration is also looking at insourcing key services. Obama declared that in many government agencies outsourcing has gone too far and has eroded these agencies' core capacity to manage contractors effectively.

In the UK, over half of 140 local councils surveyed in 2011 were bringing services back from the private sector. The reasons council managers gave included ensuring that quality of service was the priority, and achieving greater efficiency savings from a public value standpoint – and for these savings to be invested back into service improvement rather than distributed as dividends to private investors or bonuses to chief executives.

In continental Europe the trend is the same. In 2010, politicians and public managers decided to remunicipalise Paris' water service. Under private management, too much money was being siphoned away from the public budget as profit. **'Remunicipalisation'** has meant more control and oversight from the elected authority and representatives of water users, leading to improved water quality and lower prices.

In Germany, there has been a major expansion in the direct public ownership of utilities in the last few years, away from a small group of multinational firms who dominate the energy, water and waste sector. By 2011, the majority of energy distribution networks had returned to public ownership. Many German public authorities are bringing services such as waste disposal, public transport, water, social care and social housing back in-house, not only to give better value for money but to help meet important social and environmental objectives. Similar trends are evident in Finland, the Netherlands, Norway and Belgium. And in Italy in 2011, 96% of the public voted in a referendum to keep their water services public *(see Chapter 3)*.

A moment of opportunity

For all those who share the values and vision of those who built the welfare state, these trends of returning to public delivery of public services indicate that we are in a unique moment of opportunity.

Over the past 30 years, since Margaret Thatcher and Ronald Reagan gained office, it is clear that the problems the welfare state was designed to alleviate – hunger, disease, unemployment, poor living conditions – have thrived once again, as these dogmatically pro-market politicians drove the destruction of the model. In the case of too much of the Global South, their ideology contributed to blocking attempts to build public services where they are most needed.

It is now clear that public service managers and local politicians, those taking decisions on the front line of public services, are in practice rejecting the claims of private business and their political champions. They are asserting pragmatically an understanding of 'efficiency' that is based on a different logic from that of private commercial accounting. Instead it is grounded in an understanding of the distinct concept of 'public value' – the meeting of social needs – as the central criteria for efficiency in the management of public services. This turning point is drawn from their everyday experience of the failure of services delivered by private business.

How can we strengthen this pragmatic – and still modest – turn away from privatisation, to challenge the national and international institutions that continue to drive outsourcing and impose it on an increasingly disaffected public? And how can this pragmatic rejection of the private market in the sphere of public goods become a source of energy and creativity, sparking a process of improving and expanding public services to meet the new needs and desires that have emerged in recent decades? These are the questions which this booklet seeks to answer.

Peter Bennett

A toilet in a township in South Africa, where 1.5 million still live without proper flushing toilets.

Coalitions for public services

The champions of quality public services in response to the social disasters of privatisation have often been new political actors – not politicians, but coalitions in which those who depend on public services for a decent quality of life (public service users) ally with public service workers. In Uruguay, Brazil and Italy, for example, such coalitions at a national level – with international support – effectively defended and helped to improve the public management of water. In Norway, the UK and Germany, local coalitions of public service workers, managers and users pushed back privatisation and became a source of innovation and renewal in the quality of local service provision.

This booklet is intended to be a resource summarising lessons to be learnt from those who have successfully built such coalitions, as well as those who have tried but are facing difficulties from which we must also learn. We have focused especially on lessons for public service workers and their unions, but always with the importance of coalitions with communities and the challenge of winning over public support nationally and internationally to the fore.

A general lesson to be drawn is the need for resistance to take place at many levels: the workplace and the locality, the national, and the more opaque level of challenging unelected and secretive international bodies such as the World Trade Organisation, the International Monetary Fund and increasingly the European Union.

The local workplace of particular services is where decisions made at other levels are actually implemented – and where strong resistance and convincing alternatives from those directly affected can block the imposition of privatisation by national governments or international bodies and force a process of reversal. At national level, politicians' free market dogma has driven attempts to destroy public institutions, and coalitions of resistance have had to build up a powerful counter-hegemony in order to win. But it is important not to ignore the significance of US-dominated international bodies as institutions through which free market ideology, especially as personified in the governments of Reagan and Bush, has driven, spread and reinforced the process of privatisation.

Municipal Services Project

Berliner Energietisch organised a referendum initiative to remunicipalise the electricity grid and create a public, democratic energy utility in Berlin, Germany.
See more at www.municipalservicesproject.org/blog

Pulling the strings

This helps explain why and how neoliberal political parties have in a matter of a decade been able to destroy many popular public institutions that had been built up and embedded in national life over many decades. In other words, behind the scenes of elected legislatures – which have increasingly degenerated into stages for the performance of democratic rituals – the US in particular has used its power in international bodies to impose privatisation as part of the international neoliberal regulatory regime.

Sometimes this regulatory regime is backed by law, or rather treaties between government representatives – rarely debated, let alone agreed by national legislative bodies – and sometimes imposed as conditions of loans or in the context of threatened or implied financial sanctions, from withdrawal of US aid to investment strikes by US companies. It is often reinforced through more subtle means, co-opting and pressuring leading politicians and experts who might otherwise be critical.

Yet the neoliberal regulatory regime has also been challenged, from the point when, in 1999 at the meeting of the World Trade Organisation in Seattle, the US tried to build what has been termed 'a global constitution' with the WTO at its centre. The 'alter-globalisation' movement was the result: a movement that had local, national and global presence and in many ways helped to spread collective confidence at each level, that there are alternatives, and hence there is nothing natural about the supposedly unchallengeable constraints of the global market. The challenge now is to build, on the basis of lessons learned and victories gained locally and nationally, an entirely different regulatory regime which protects public services and enables democracy-led reform.

This booklet starts with a chapter on South Africa, for a number of reasons. Firstly, the state of public services nearly two decades after the end of apartheid is a notably damning indictment of the failure of neoliberal economic policies and the tragic emptiness of the promise that economic success would 'trickle down' to improve the lives of the mass of people.

Secondly, the struggle to dismantle the apartheid-era public services and replace them with democratic, universally accessible services is an exceptionally stark illustration of the challenge to defend public services with practical policies for improvement through democratisation.

Post-apartheid, the status quo was clearly not an option. The argument of this booklet is that it rarely is. Public sector trade unions frequently met this challenge, but the difficulties and defeats they endured points to the third reason why South Africa is a touchstone: it illustrates the importance of being alert to the different levels at which the drive to privatise operates and the ways in which resistance is vulnerable if it cannot shift the balance of forces in its favour at every level.

The international pressures on the new post-apartheid South Africa not to break from the neoliberal global regime were decisive, though highly opaque. The considerable forces for a democratic reconstruction of society were not fully ready for this and so were vulnerable in the face of Washington's efforts.

Washington State Labor Council, AFL-CIO

Trade unions and environmental movements challenged US attempts to build a global neoliberal regulatory regime through the World Trade Organisation in Seattle in 1999, and continue to do so wherever unfair free trade deals are being negotiated today.

Making links with communities

The starting point of the efforts we report of democracy-led transformation and improvement of public services is the know-how and creativity of both public service workers and those who use the services. Such knowledge is often embedded in public service workers' commitment to their work and to the satisfaction of service users themselves – and the users will often, of course, include the workers themselves and their families and friends.

The way to harness this know-how and creativity is through strengthening democracy, and it is this that makes the process of democratisation essential to public efficiency. We could call it 'productive democracy'. The participatory forms of democracy described in this booklet are in practice about creating sources of power which exploit the vulnerabilities of the drivers of marketisation (for example the remoteness of politicians from the daily life, needs and anxieties of the population) and at the same time mobilise the capacities of workers and communities positively to transform public services for the benefit of all.

As far as building this kind of productive democracy by reaching out to create coalitions with service users is concerned, this booklet describes how trade unions have deployed their resources to make effective links with communities. An example of this we look at is the South African Municipal Workers' Union (SAMWU) Cape Town Metro branch setting up a network of stewards to reach out to community groups where they live. A key part of working this way is unions seeing that the community is often taking action on a problem before the union even recognises it – campaigning is not about parachuting in and taking over, but about linking up, making alliances and finding ways to work together, combining different sources of power.

The other side of pushing for democracy-driven transformation is the building of democracy in the internal running of the public sector. This booklet explores examples of this including the experience of the UNISON branch in Newcastle, UK and the Model Municipality Project in Norway.

Newcastle was a public-led process of public service transformation, where the union branch successfully stopped outsourcing and then negotiated with management to implement an in-house alternative to privatisation. It up-ended the usual top-down hierarchy of the public sector to truly involve workers and citizens in identifying ways in which the council's IT service could be improved – including making savings that could be reallocated to front line services such as caring for elderly people and improving services for young people.

Norway saw a similar but more formalised process. Public service workers were put in the driver's seat, given the chance to make the changes they wanted to public services. This meant supporting what they called 'change guides' getting time off from their jobs to work on setting out new ways to improve the services, submitting proposals 'from below' to a group of managers, politicians and workers' representatives who could implement them.

Finally, this booklet looks at the importance of international co-operation. Campaigns against water privatisation illustrate the importance of research and active collective monitoring and tracking of what water multinationals are doing on a world scale. These corporations co-ordinate and plan internationally – our resistance and alternatives need to have the same global scope.

Out of the highly effective transnational struggles against water privatisation has emerged the innovative idea of **public-public** or public-civil partnerships, through which the public and civil organisations managing public services collaborate across national boundaries to share expertise, collaborate in finding funding, and generally strengthen the power of public and civil institutions in managing public services and utilities. This public-public/public-civil model is becoming an increasingly central institutional tool in the struggle against privatisation and for high quality public management. *(This is discussed in more depth on page 35.)*

All the case studies in this booklet illustrate the creative capacities that are developed through co-operation and solidarity, autonomously from both the markets and the political system. They provide practical evidence that there is an alternative to the neoliberal economics that is causing despair and waste and destroying democracy across the world – and it is an alternative being built right now.

This booklet is a work in progress: a working document to which we'd like readers to continue to contribute.

Please email ***communications@world-psi.org*** *with any feedback and examples from your own experience.*

Chapter 1

Post-apartheid South Africa:
A stark indictment of market-led politics

'We knew apartheid was a deeply rooted system, we knew it would be difficult, we knew it would take time – but we did not think it would take forever. Eighteen years. Eighteen years. And we are still living like this.'

Municipal workers collect and empty bucket toilets in Ezenzeleni township in the eastern Free State province town of Warden.

'This', for Lennox Bonile, is a cramped sitting room, bedroom and cupboard of a kitchen in the Khayelitsha area of Cape Town, with a bucket instead of a toilet and no running water in the house.

Lennox is a shop steward in the South African Municipal Workers' Union (SAMWU) at the local city council. He and his wife Priscilla have graduated from a plain bucket toilet system to 'bucket plus'. That means they have a 'porta-toilet' to empty their bucket into, and that toilet is itself emptied each week. (The task is done by casual workers working for a labour broker contracted by the city council.)

Eighteen years after the mass of black South Africans lined the streets to vote in the first government of the African National Congress, 1.5 million people (almost all black or coloured) still lived without proper flushing toilets. 1.7 million still live in shacks, with no proper beds, kitchens or washing facilities.

While there has been a very small narrowing of the gap between black and white people, as the result of a small minority of black people moving up the income ladder, there has been a widening of the gulf between rich and poor – and the majority of the poor are black. South Africa, as the World Bank reported in July 2012, remains one of the most unequal societies in the world.

The statistics are shocking. The bottom 20 per cent in South Africa get less than 3 percent of the total income, while the top 10 per cent of earners get more than 50 percent. This is a wider gap than in Mexico or Brazil – wider even than the gap between the poor and the oligarchs in Russia.

Almost a third of South Africa's population still live on less than $2 a day. Child malnutrition is now higher than even under apartheid, as is unemployment.

Broken promises

'There Shall be Houses, Security and Comfort!' 'There Shall be Work and Security!' 'The People Shall Share in the Country's Wealth!' These were the promises of the Freedom Charter, the document that inspired and united the struggle against apartheid – and was cited as prosecution evidence in the Treason Trial that led to Nelson Mandela's imprisonment. But over two decades after Mandela walked free, they are promises that have not been fulfilled. 'It is disturbing, an affront to our dignity and respect,' says Lennox Bonile, frowning at why these should be his circumstances and those of millions like him.

The enormity of the injustice that was supposed to have been conquered with the end of apartheid, and the extreme social consequences of a market unleashed and facilitated rather than re-regulated and constrained by a state based on majority rule, has made South Africa a particularly stark indictment of the market-led politics that has become the orthodoxy of the dominant economic powers and hence the regulatory regime implemented by US-dominated international economic institutions.

Across the world, every public service, from national water or transport systems to the local post office, has been threatened with privatisation, broken up and sold off or turned into a corporate-dominated public-private partnership as a consequence of economic policies driven by corporate interests rather than public needs.

In the process, public service workers become defined as a 'cost' to be cut. In opening up public services to profit-seeking companies, governments have blocked the necessary resource for improvement and change in the public sector: the knowledge and ethical commitment of those who actually provide and use public services.

Free market orthodoxy was initially championed by evangelical right-wingers such as Margaret Thatcher and Ronald Reagan, but it spread rapidly across the political spectrum, including – all too often – to parties of labour. These parties, by acquiescing in the global pro-market regime, effectively turned their back on their own supporters: public service workers and users whose knowledge and commitment could, with political support and leadership, have been the driver of democratic public service change and improvement. In spite of the readiness of most public service unions in the country to play this positive role, South Africa was no exception.

The ANC government chose marketisation and privatisation as the main means of reconfiguring the apartheid state, codified in the government's 1996 programme, the Growth, Employment and Redistribution (GEAR) Strategy. Despite its name, GEAR made explicit the ANC government's commitment to the private sector as the driver of economic growth, to opening up capital markets, reducing state expenditure and introducing privatisation.

GEAR was announced as 'non-negotiable' by the government after a run on the rand in the first few months of 1996. It effectively replaced the more democratic, popular transformation blueprint known as the Reconstruction and Development Programme, which was drawn up with the participation of both workers and communities.

The democratic alternative

This process played out across the world. In South Africa, the ANC welcomed Biwater, Suez and other multinational corporations to make profits from water, land, minerals and other common goods, and to manage public services on the principles of private business. Similarly, parties of labour on every continent have looked to the private market as the main means of public service 'reform'.

But this was not the end of the matter. Public service workers across the world, organising both as citizens and with fellow citizens, have refused to give up on either their achievements so far or on the continued struggle for social and economic rights. As trade unionists, and in alliance with communities, they are the ones now effectively taking the collective responsibility for the quality of public services which in the past they handed over to political parties. Their variety of 'public service reform' is not for profit, but by and for the people.

Rarely, however, does this grassroots struggle gain public attention or find a political voice. The purpose of this booklet, therefore, is to draw attention to examples of how public service trade unions, together with movements of the people who use these services, have campaigned to defend public services but also to ensure that services are of the highest quality. At the same time, that fight also means workers struggling for the rights, security, tools and resources they need to truly serve the people.

The resistance

Lennox Bonile is one of many hundreds of shop stewards campaigning, along with community groups, to build up local government's capacity to provide the services that he knows from his own daily experiences in Khayelitsha are desperately needed.

Workers for municipal government like Bonile have seen the possibilities for building quality public services eroded by the casualisation of public service work, through the introduction of labour brokers or schemes based on temporary work, like the Expanded Public Works Programme (EPWP). This programme creates temporary jobs to do environmental work in communities. 'You get a job for a few months, then it ends and you get no more,' he says. 'Pay is poverty level and they work under appalling conditions, without safety clothing, even when they are working in the sewerage.'

Bonile's task is to explain SAMWU's arguments to local organisations in Khayelitsha. The outcome is an effective combination of the moral and media impact of community protests – many communities are in an almost permanent state of readiness to protest – and trade union negotiation.

These same roots among impoverished service users have been central to SAMWU's role in leading the on-the-ground struggle against corruption and for political accountability. 'Communities come to us. There is no other voice they trust,' said Jacob Modimoeng, provincial secretary of SAMWU. He was speaking the week after a 4,000-member strong protest in Katone, where the mayor drives the latest Mercedes Benz while municipal workers have no transport to get to the communities they are trying to serve.

High levels of trade union and community mobilisation attempt to stop corruption as South Africa's public services are increasingly put out to 'tenderpreneurs'.

SAMWU's stand against corruption

Katone is one of the small towns near Rustenburg in South Africa's rich mining area. Marikana, scene of the 2012 police killing of striking miners, lies nearby.

Many South Africans say Marikana was a wake-up call. Increasingly, all those across the world who watched Mandela walk free from jail, imagining that the sufferings of the mass of black South Africans would soon be over, are starting to ask questions. The gulf between the 4,000 rand a month salary of the platinum driller and the 45 million rand a year income of those who manage the mines became one of the dynamite facts that has driven escalating wage demands – including in other unions such as

SAMWU – making 12,500 rand a month effectively the going rate for a living wage.

SAMWU's provincial organisation in the North West is leading a parallel struggle of public service workers and local communities, many of whom work or have family members or friends in the platinum mines. They want to claim what is their right in terms of public money for public services.

Rustenburg is one of the richest municipalities of the North West province. It receives considerable revenue for the bulk water and electricity that the mines depend on. If Rustenburg was carrying out its municipal responsibilities, this revenue from the mining companies should be paying for water, electricity, sanitation and roads in Marikana and Katone and the small settlements that surround them. In reality, people in these areas are surviving without proper roads, with holes in the ground rather than proper sanitation and electricity as occasional as a birthday treat rather than an everyday right.

Some of the reasons for this became clear to SAMWU members, many of whom either lived in or tried to serve these impoverished areas. 'Members kept coming to the office with similar problems,' remembers Jacob Modimoeng. 'The sense was growing that the community [resources] were being embezzled. Municipal money was being misdirected.'

The difficulties the union was up against in acting on this information became clear as shop stewards found themselves threatened. Jacob describes how 'our shop stewards became targets. They told us they and their families received death threats. Unknown faces hung around them. Life became miserable.' Some, on the other hand, were approached with bribes. 'The mayor, Matthew Wolmarans, approached them and said "I'll give you one million",' says Jacob, 'but these guys were soldiers of the revolution…'

SAMWU

Labour union protests against road tolls in South Africa, including a one day general strike, led ministers to rescind local tolls.

The seriousness of the attempts to clamp down on whistleblowers became clear when an ANC councillor and active trade unionist, Moss Phakoe, was shot dead as he left his house for work on 9 March 2009, two days after he had handed over a dossier on corruption that implicated mayor Wolmarans and a business associate.

It was only in July 2012, after a long fight for justice, that Wolmarans was jailed for 20 years for masterminding the murder of Phakoe. (Though he has since been given leave to appeal.)

This is just one story. It is symbolic though of the endemic nature of corruption – a product of the 'tenderisation' of public services, and of the extent to which public office is being abused to pursue private gains. By the same token, however, the campaign to bring Moss Phakoe's murderers to trial is symbolic of the determination, mutual solidarity and organising capacity of citizens, whether as betrayed service users or responsible public service workers, to pursue the democratic and social rights that they and their families believed they had through the overthrow of apartheid.

SAMWU sees corruption not as a distinct 'single issue'. Rather it understands it as the direct product of letting the profit motive come to dominate public services. It exposes the rotten core of neoliberal politics – and it could enable those who truly stand for people's public services to cut through and clear the way to build democratic public provision.

A democracy-driven alternative to water privatisation

Let us focus on another campaign SAMWU has been centrally involved in. To solve the problems and grasp the opportunities of dismantling the South African apartheid state, SAMWU mobilised the skills and commitment of its members to develop a public, democracy-driven capacity for restructuring public services, without privatisation, to meet the needs of all. At the same time, it has had to resist the ANC government's drive to privatise. Several other unions in the COSATU federation pursued the same strategy of what we could call 'transformative resistance'.

SAMWU's post-apartheid strategy was to pursue a double track of 'stopping the privatisation of municipal services (in whatever form)', and 'contributing to the transformation of the municipal services to allow for effective, accountable and equitable service delivery'.

In other words, the union engaged with restructuring with the aim of demonstrating the public sector's capacity to reorganise state services on the basis of the social rights enshrined in South Africa's democratic constitution. In this it was joined by several other unions, most notably transport union SATAWU, which faced the privatisation of the railways and the ports.

In 1997, after a national campaign of demonstrations and extensive public argument, SAMWU won agreement with the employers' South Africa Local Government Association (SALGA) on a protocol for how restructuring would take place. The key commitment, as far as the unions were concerned, was that the public sector would be the preferred option.

The union, although recognising the inadequacy of the public sector being defined as merely a 'preferred option,' made the most of the space this legal agreement provided for municipal workers and managers to develop alternatives with a chance of implementation. At every level its members initiated plans for public reconstruction, big and small – from union members mending water pipes for their own communities in their own time to working with sympathetic municipal managers on overcoming the institutional legacy of apartheid.

Well-organised public service workers are often a strong antidote to corruption in management.

One exemplary initiative over a two-year period beginning in 1996 was in the Hillstar area of Cape Town, involving three townships. Their water departments were separate and the inequalities of service delivery under apartheid had meant that water for residents in the townships was not piped into houses but had to be fetched, usually by the women walking around 15 miles to taps served by leaking pipes.

The union brought together staff and managers across townships to integrate the fragmented water department and equalise the service up, to provide piped water for all. Management and unions shared a belief that the integration could be best achieved through mobilising public and community capacities. The knowledge of the community of where the pipes and valves were located was essential to the process of repair and upgrading. Alf Moll, the senior engineer, explained, 'One of the aims of the Hillstar meetings was to demonstrate that there was an in-house capability to tackle service delivery.' Lance Veotte, the leading SAMWU official involved, adds, 'We believed that once there was proper public integration of the municipal administration, there would be no return. It was a way of preventing outsourcing – we all believed that outsourcing would perpetuate the separation, and inequalities.'

SAMWU's belief was put to the test during the Hillstar process when Cape Town council employed consultants to investigate options for management of the water supply. They were funded by a government grant intended for pilots on public-private partnerships. After pressure from unions and water management,

the council agreed that the investigation should include all options. In the end, the consultants recommended that the council keep the management of water services in-house.

The result was a real improvement in the infrastructure so that after one year water was piped to people's homes – and the poor received the 50 litres of free water per person per day that the ANC had originally promised in the Reconstruction and Development Programme of 1994. Graham Reid, Cape Town's senior superintendent of water distribution, commented: 'Council came up with the idea to privatise in the first place because they saw that the water services of the area were in disarray. We then started the Hillstar process and because of its success on the ground, the idea of privatisation was shelved – they saw it was possible to deliver services in-house.' The consultants did add, however, that if additional finance was to be necessary, privatisation might have to be considered in the long run.

Why was it not possible to generalise the Hillstar experience, with its key elements of the combined commitment of union and front line public managers to in-house capabilities, the active involvement of the community, industrial pressure and constructive solutions from the unions? Certainly SAMWU, among others, tried to use the experience as a template for other larger-scale attempts to reconstruct water services, as well as making it central to its education programme for shop stewards. Major attempts at union and community-led reconstruction, however, came up against the wider context of the political party that led the struggle against apartheid becoming the same political party driving through privatisation.

First, as the consultants for Cape Town council implied, finance became a problem. An aspect of the neoliberal framework of the ANC government's macro-economics was that, from 1994, it was imposing tight restrictions on municipal finances, depriving municipalities early on of the resources they needed to expand and restructure their services to meet the needs of the neglected black communities. Take Johannesburg. Between 1991 and 1999, the finance department had cut the central-local grants by 85% (after inflation). On the ground, municipalities under this kind of financial pressure turned to privatisation.

Furthermore, in 1996, as if to consolidate and generalise this ad hoc privatisation, the minister of local government announced the Municipal Infrastructure Investment Framework (MIIF) – prepared on the basis of advice from the World Bank. At first, SAMWU resisted on a branch by branch basis, on the Hillstar model, with the national union's full support; but with MIIF, SAMWU shifted to a higher gear. 'A key element of MIIF was proposals for public-private partnerships, so we had to address the issue of privatisation systematically,' remembers SAMWU's general secretary at the time, Roger Ronnie.

A further problem was that the unions were effectively alone up against well-resourced multinationals like Biwater and Suez. Not only did the ANC government establish a fiscal framework which made local government highly vulnerable to the pressure of these corporations, it also directed all development support towards these private companies. This could be seen in the operations of the Municipal Infrastructure Investment Unit, and the Development Bank of Southern Africa.

Phil Velasquez, Chicago Tribune

Stephanie Hayes of Ashe Elementary School reacts to the successful conclusion of the Chicago Teachers Union strike in September 2012.

Lance Veotte, the SAMWU officer who was the guiding spirit behind attempts to develop alternatives in water management and delivery, summed up the asymmetry built into these institutions: 'Instead of capacitating municipalities to deliver services better, these bodies are hell-bent on ensuring private sector involvement in basic services like delivery in water, sanitation and refuse removal.' Efforts to develop the Hillstar model demonstrated that SAMWU could not then carry through plans for reconstruction on its own, in the face of the combined forces of water multinationals like Biwater, the government, and teams of US/World Bank trained consultants.

In the next chapter we will look at how struggles over water in Brazil, Uruguay and Italy have addressed some of these wider structural obstacles – and begun to overcome them.

Chapter 2

Alternatives to privatisation: Building blocks for the future

This chapter looks at three major struggles to defend water as a public good and to improve the quality of its delivery. Water is emblematic of mutual dependence on a shared resource, a commons. In the struggle against concerted and continuing efforts to privatise it, water workers in alliances with other citizens have shown how unions can become an effective custodian of the commons working with others who use and have an interest in the sustainable management of the shared resource. But all victories in an economy which remains dominated by the restless and predatory capitalist market are precarious. In all these cases, the struggle against privatisation and commercialisation of public services continues. At the end of each story, therefore, is a summary of lessons learned for the future.

1. Brazil: Full mobilisation for public water

In Brazil, the story of labour's transformative resistance to privatisation starts in 1996, with the attempt of the 1995–2003 Cardoso government to require state governments to sell off their state sanitation company and to move responsibility for the management of water from a municipal to a regional level.

This was part of a wider process of reorganising public water companies to make them more attractive to private investors. The move to regional responsibility would have meant the break-up of the well-established public companies in many municipalities where the political left was relatively strong. From the mid-1990s, this had already meant large-scale layoffs – but resistance had so far been restricted to the isolated struggles of particular groups of workers.

As preparations to privatise public companies accelerated, 'the workers began to confront "the war" more politically', reports Abelardo de Oliveira Filho, then sanitation and environment secretary of the urban workers' union Federação Nacional dos Urbanitários (FNU), an affiliate of the CUT union federation. He explains: 'It became necessary to expand the struggle beyond the unions and make society as a whole aware of the importance of defending such essential services – in other words, to become the Citizens' Union.'

A powerful alliance

This approach led the union to reach out to all those with a shared commitment to the public management of sanitation and water as a public good and basic human right. The result was the founding of the Frente Nacional pelo Saneamento Ambiental (FNSA) in 1997. With 17 co-founding organisations, it was a powerful alliance of consumer organisations, NGOs involved in urban reform, public managers, the church and social movements.

Especially important was the participation of ASSEMAE, the organisation of water managers. It played a key role both in the technical arguments against the government and, together with workers and others in the alliance, in plans for improving the management and delivery of municipal water companies. This made these public companies less vulnerable to the pressures to privatise.

Several public water and sanitation companies themselves joined the FNSA, including the departments of municipal water and sanitation in Porto Alegre and Santo Andre, near São Paulo. Both these cities were then under the leadership of the Partido dos Trabalhadores (PT, or Workers' Party), which had pioneered participatory budget-making and public management more generally.

The FNU and CUT provided organisational resources for the FNSA, including the executive secretary. Logistical help was also provided by the Federação de Órgãos para Assistência Social e Educacional (FASE), a radical Brazil-wide NGO with a long history of popular education, campaigning and research with popular movements.

Felipe Tavares - Creative commons

Street slogan: water is for everyone.

The combination of such core sources of support indicates the broad base of the alliance. It chose its name, 'National Front', to indicate that it was not dominated by any one social group, whether it be trade union, NGO, faith organisation or social movement.

Experience in organising

A particular contribution of the trade unions was to provide well-organised and informed networks of politically conscious activists, experienced in organising in their communities, right across Brazil's hugely differing regions.

CUT had been a central organising force in the struggle against the dictatorship less than 15 years earlier. It had established a strong legitimacy as a hub for the coordination of different autonomous movements with shared goals.

For example, in 1983 CUT had created ANAMPOS (Articulação Nacional dos Movimentos Populares e Sindicais) as a means of coordinating social movements and trade unions when the need arose. In the struggle against the dictatorship, just over a decade before the struggles over water privatisation, a culture of mutual respect (although not without tensions) was nurtured among different kinds of movements – urban and rural, industrial and social, religious and secular.

The FNSA's framework of principles, 'for the universal guarantee of sanitation and water services to all citizens regardless of their economic and social condition', acted as the basis for a massive process of participation. Each constituent organisation worked to develop proposals and strategies to resolve the still dire state of water supply in Brazil, to overcome endemic corruption, and to come up with coherent alternatives to privatisation. It sought to generalise and apply the principles of participatory democracy developed in practice by the Brazilian left.

This participatory process was combined with strategic and high-profile interventions in the parliamentary and judicial process. Interventions in the federal capital Brasilia, for example, would always be accompanied by mass activities, demonstrations, or other high-impact events.

International support

The international dimension to the campaign contributed to these high-profile interventions. At a key moment in the government's attempt to get its privatisation proposals passed, the FNSA organised a well-publicised seminar in the Chamber of Deputies with speakers from South Africa, Canada, and global union federation Public Services International. This documented the social and environmental costs of the corporations leading the process of privatisation in Brazil and elsewhere – and showcased alternative models of public improvement. 'International help and exchange has been essential in our struggle,' affirmed Abelardo de Oliveira Filho.

By 2000, this multi-level campaign had successfully challenged the constitutional legitimacy of shifting responsibility for the management of water from the municipal to the regional level, and had defeated the government's proposal for the sale of the National Sanitation Company. After Lula's election in 2002, the success of the campaign was symbolised by de Oliveira Filho's appointment as minister of water.

The proposal for wholesale privatisation was dropped. However, this was not a perfect victory. The government did later bow to demands from international capital to enable public-private partnerships in public services, including water. Several municipalities also submitted to pressures from Brazilian companies for privatisation of their water services.

LESSONS TO CARRY FORWARD

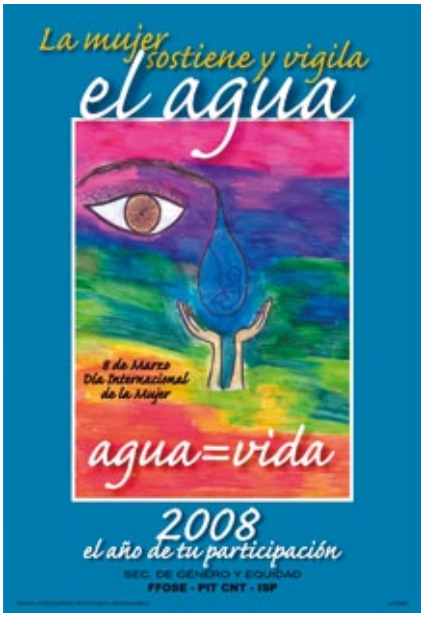
- Essential to the success of the campaign was the unions' ability to create sustained relationships, or 'deep coalitions', with service users and citizens more generally, rather than merely tactical and instrumental alliances. These alliances and relationships had a dual purpose. On the one hand, they brought together sources of expertise – practical, expert, investigative – that were vital to transforming the service and its quality. The local and regional assemblies that developed alternatives illustrate this process of building up 'counter-knowledge'.
- A strategically vital dimension of these alliances was international collaboration. Whether through Public Services International or through direct cross-border collaboration, it led to a sharing of information and strategic understanding otherwise not available on a national basis. On the other hand, the success of these alliances in countering the pressures of global corporate and financial power depended on their ability to use a variety of sources of power and influence to win legitimacy and build political support for the public option.
- This brings us to a further feature of this campaign: the importance of strategies and forms of organisation to challenge the power of capital beyond the workplace and in the new circumstances of the globalisation of the capitalist market. The water unions in Brazil were part of wider class and popular alliances. They did not depend on the Workers' Party to address the wider political issues, though they did draw sections of the party into the process. The ambitious initiatives of the FNSA to mobilise popular power over the political process were calculated to counter their governments' willing submission to the pressures of the international financial institutions.
- It's worth highlighting the relative autonomy of the FNSA from political parties, including the Workers' Party, which many members probably voted for. It built up autonomy of perspective and knowledge as well as organisation, underpinned by the independent resources and institutional capacity of the unions. On the basis of this independence, there can be strategic relationships with political parties – at least in theory. In practice, relations with political parties have been complex and uneven, depending, for example, on the timing of the electoral cycle.

2. Uruguay: The trade union backbone of a popular movement

In Uruguay, the story began in 2002 with a newspaper leaking a letter of intent between the 2000–2005 government of Jorge Batlle and the International Monetary Fund (IMF), which set out a timetable for the privatisation of Uruguay's national water company, OSE.

The publication of this letter led to the formation of a popular and effective alliance – the Comisión Nacional en Defensa del Agua y de la Vida ('Commission for the defence of water as a source of life'), or CNDAV. It had its roots in an alliance involving the water workers' union, the Federation of State Employees of OSE (FFOSE), to resist initial moves towards privatisation in the Maldonado region.

FFOSE is part of the trade union federation PIT-CNT which, like the Brazilian CUT, played a key role in supporting resistance to the dictatorship (between 1973 and 1985) and thus has a high degree of popular legitimacy. The water workers had been part of that resistance too. The struggle for water as a human right and a common good was widely seen as a continuation of the struggle for democracy, and the union continued to play a central role. Union organiser Carmen Sosa described the union as providing the 'spinal column' of the CNDAV.



Joint union public water campaign brochure.

PSI

In Uruguay, the Federation of State Employees of OSE (FFOSE) has resisted privatisation in the Maldonado region.

Strong connection with water

Like the water workers in Brazil, the union's initial concern was the interests of its members as jobs were frozen and workload increased – but union members' concerns soon went beyond their jobs. As staff of the national water company, which from the late 1990s had been threatened with break-up and privatisation, they also felt a strong connection with the farmers and rural population whose livelihoods were dependent on the supply of water.

'For us', explained Adriana Marquisio, president of FFOSE between 2004 and 2010, 'the problem of water shortage in rural areas is very sensitive. There are staff of the public water company in even the smallest rural towns. They grew up there, they live there, and they are part of the affected population. Water is too vital for the task of providing it to be carried out as just any other job.'

The union and its partners in CNDAV believed that the strongest institutional defence against the IMF would be a constitutional one. They had to find a political route that outflanked the existing government. A previous success against privatisation provided a solution. In 1992, 72 per cent of the electorate voted against a law that would have opened up virtually all state enterprises to privatisation. CNDAV followed this example and made the most of a clause in the constitution enabling citizens to call for a referendum if they could win the support of at least 300,000 people (more than 10 per cent of registered voters).

The referendum would be over an amendment to the constitution to include a reference to access to water and sanitation as 'constituting fundamental human rights' and to such a public good being provided 'solely and directly by state legal persons'. Within a year, they had gathered the 300,000 signatures they needed.

Their task was undoubtedly helped by the long tradition and culture of public service in Uruguay. But they knew that culture had to be activated. People had to be alerted that something they had taken for granted as naturally common was under threat of private appropriation.

The horseback campaign

In the capital Montevideo, NGOs and urban movements played a major role in CNDAV. They tried out every way of reaching people: going to schools and universities was very important, not only as a way of educating young people on water issues but also 'we knew they would go home and talk to their parents,' explains Adriana. Outside the city it was mainly FFOSE, working with rural organisations, which led the campaign. Carmen Sosa describes how 'in 2004, the general secretary of FFOSE (with other compañeros) went round the country on horseback for 23 days, from village to village, to talk to people about the need for constitutional reform'.

The union also used its membership of Public Services International to organise international support. This included research and arguments – drawing especially on the international experience of privatisation – that the union used to build support in the successful referendum.

The other side of the union's commitment to water as a common good and its delivery as a public service has been its concern to make OSE an organisation that is properly accountable for public money. 'Not only do we defend public water as a right', declares Adriana, 'but we also work for the best efficiency of water management. The health of the population is in our hands.'

One threat to public efficiency in OSE has been corruption. Union members played a leading role in 2002 in ridding the company of corruption and participating with management in its transformation into a model public utility. An important element of this model was a formal requirement, after the success of the referendum,

Uruguayan campaign for public water.

that citizens and staff have an effective role in the running of the company. The process of making this a reality is still under way, but the level of citizen and NGO participation in CNDAV has prepared the ground. 'Citizens insisted on it,' remembers Maria Selva Ortiz from local Friends of the Earth affiliate REDES, 'and as a result of the role citizens played in the campaign, we could not be refused.'

Public-public partnerships

A further and developing dimension of this ideal of a model public utility is a strong emphasis on co-operation with other public water companies, to find the best solutions to problems, to share technical and other kind of expertise and to support each other. Central to this is the process of creating 'public-public partnerships', an alternative to public-private partnerships which create networks of mutual support without necessarily involving any exchange of money.

FFOSE has been a pioneer in this strategy, persuading OSE to work with them to establish such partnerships with public water companies across Latin America: including DMAE in Porto Alegre, Brazil; AAPOS in Potosi, Northern Bolivia; and Sedacusco in Cusco, Peru.

An example from the co-operation with AAPOS illustrates the practical meaning of 'partnership', that rather slippery term. Potosi is so high above sea level that, until recently, there was at least one small village that was not able to receive running water. OSE and FFOSE made a visit to understand the problem. An OSE engineer went over and spent some time there investigating, free of charge beyond his travel, and drew up a note on what needed to be done.

The promotion of these public-public relationships, always involving the water workers' union as well as the public company, is a high priority for FFOSE. Adriana is proud to report that there is now an office in OSE devoted to developing these partnerships – the 'office of co-operation and solidarity, national and international'. Relations with the union are pivotal. 'Every week,' stresses Adriana, 'there is a day, an institutional space, for working with the unions.' And in many ways it is the unions that are the driving force of this process, including in the companies – for example in DMAE, where the union pushes the management to be involved.

It's not always easy though. There are bursts of activity in a collaboration and then it can fade away. 'The most difficult problem is that leaderships often change and the co-operation stops,' sighs Adriana. Still, this is an important and innovative process which is still putting down roots. It is a process that their office of co-operation is also spreading to other parts of the public sector in Uruguay, such as housing. Adriana says, 'We help them build co-operation with other public bodies to exchange ideas, skills and expertise and maybe initiate joint projects.'

PSI unions demand that the UN Human Right to Clean Water and Sanitation be implemented through public services.

Street mural in Uruguay calling for public water systems to be protected from privatisation.

LESSONS TO CARRY FORWARD

- The campaign shows the importance of reinforcing and giving voice to the latent popular commitment to the natural commons, of which water is the most everyday symbol. Global corporations, and the political bodies which clear their path, assume public opinion to be weak and passive. A key to the success of CNDAV was the way that it turned this contempt for the people into a decisive weakness for the government and the IMF. It did so by explicitly naming and celebrating water as a commons, re-awakening people's assumption that it was theirs by right and therefore was not for sale. This ran through the character of the campaign, from the very title of the coalition, 'Commission for the defence of water as a source of life', to all its efforts to reach and mobilise those conscious of their dependence on water.
- A second key feature of the campaign is the importance of water workers taking a special responsibility as custodians of this commons. Here, FFOSE's role in creating CNDAV and actively mobilising for it – not only among workers but using its resources and leadership to reach out to farming communities – sets an example.
- CNDAV recognised that the logic of defending water as a common good, and protecting it as such through the constitution, was that its management must be democratic and transparent. It further understood that entrenchment of the right to water in the constitution was necessary but not sufficient. Real democracy requires the effective participation of citizens and workers in the running of the public company, to ensure that it is in practice managed as a commons, available to all.
- As with all these experiences no victory is secure and the contracting of casual, low paid workers from private companies is a growing problem. FFOSE is resisting and has achieved some success. But it is a reminder that the union and CNDAV need to keep on educating, explaining and campaigning around the importance of water as a common good, needing to be managed with skill, care and commitment. At the same time, the union has won the passing of a law to protect the rights of informal workers, which discourages the company from using them as a 'cheap option' and encourages more regular jobs being created.

3. Italy: 'write water but read democracy'

Marco Menu

A demonstration in Rome for a 'Yes' vote in the referendum to keep public water in public hands - 95% of voters agreed.

It's not just in Latin America that struggles over water have been important. In 2009, the Berlusconi government in Italy passed legislation requiring municipal public water operators to embark on privatisation. One of the laws on water privatisation stated that private companies that wished to participate in public water services could do so with 'equal treatment and no discrimination' and they were encouraged to buy up to 70% of any listed public water company.

A second law stated that the price of water services would be decided on the basis of a guaranteed 7% return on investment. This meant that the private water companies could then charge as much as they wanted to guarantee a higher profit and further their view of water as an economic good instead of a common good. But activists determined to defend water as a commons, having watched the international water grab and the already successful resistance to it, were ready for this. From the late 1990s, they had been coming together from different localities and movements to prepare a public campaign.

A million signatures for water

Their immediate response was to form a Forum for National Water Movements and organise for the million signatures that were needed to force a referendum on keeping water public. In the end 1.4 million people signed – more than any previous referendum petition – rallied by the goal of keeping water as *il bene comune*, a common good. The next hurdle to overcome before the referendum would have legal effect was to achieve a turnout of over 50 per cent of the electorate. This was successfully done – there was a 56 percent turnout, with 94 per cent of these voters voting 'si' to keeping water public. This in a context where Berlusconi directed his media outlets (meaning most mainstream Italian television) not to put out any news about the referendum.

Behind this success is the story of a new kind of multi-centred, molecular campaign, bringing together all kinds of social actors. It co-ordinated horizontally and rotated responsibilities, developing over the years a diffuse leadership through which capacities were spread. It used virtual means of communication as well as extensive popular mobilisation in the streets, marketplaces and cultural centres. These methods overtook and then overwhelmed the mainstream media.

In some respects the achievement was similar to that in Uruguay with the emphasis on popular mobilisation, a referendum and so on, though political parties did not play the same visibly and actively engaged role in Italy that the Frente Amplio did in Uruguay. The organising committee was made up exclusively of civic organisations, both local and national. All members were able to bring their own strengths, and join together at local, regional or national level.

The Italian public service workers' union Federazione Lavoratori Funzione Pubblica (FP-CGIL) was active at all levels of the coalition. Political left parties, on the other hand, gave rise to a parallel supporting committee. 'The many identities and the different cultural roots of the subjects – both individuals and collectives – coming together along the way generated a new common identity,' comments Tommaso Fattori.

The struggle continues

But the battle is far from over. Even though the majority of Italian citizens voted against the privatisation of water in the referendum, the technocratic government of Mario Monti later tried to include water among the public services to be privatised under austerity policies.

The Italian water movement reacted promptly, mobilising people and lobbying parliament. Some regions also brought a case to Italy's constitutional court, which in July 2012 ruled against attempts by the government to bypass the results of the referendum. However, that looks unlikely to be the end of the matter. 'We foresee many more years of fighting ahead,' said Rosa Pavanelli, president of FP-CGIL. 'There is still the obsession to privatise water.'

After all, water privatisation is part of the continued neoliberal drive to bring every previously public, uncommodified activity into the market – it cannot be defeated on a purely national basis. The Italians have therefore added their energies and skills to campaigning to collect one million signatures to pressure European Union governments to implement the new Human Right to Water and Sanitation agreed by the United Nations. This European Citizens' Initiative – launched by the European public service union federation EPSU – has three main goals: guarantee access to water for all, convince the European Commission to adopt a rights-based approach with water services provided through the public sector, and make universal access to water and sanitation part of EU development policy. If the campaign draws on and spreads the methods of the Italian campaign, there is a strong chance of success.

The battles in Italy will go on; there is much to do in the water sector. The water movement will now focus on returning to public control those public utilities which were partly or wholly privatised. Defending and democratising public services – 'commonifing' them rather than commodifying them, as Tommaso Fattori has put it *(see 'Further Reading')* – is never a matter of a single struggle. One success will always need to be followed up by new campaigns.

LESSONS TO CARRY FORWARD

- Taking place relatively soon after the defeat of Italy's historic popular mobilisation against the US/UK wars against Iraq and Afghanistan, the first lesson of the referendum was the actual possibility of change: it meant that grassroots collective political action had been restored. The movement turned the government's miscalculation of the consciousness of the people, and its attempt to ensure an 'anorexic democracy', as Tommaso Fattori put it, into a fatal weakness.
- The campaign proved the importance of paying attention to the means of organising as well as to the ends. Essential to the success of the movement was that it organised in a multi-centred, horizontally co-ordinated way, based on valuing the plurality of knowledge, encouraging direct and personal participation in decision-making and favouring a rotation of responsibilities and a diffuse leadership.
- Water is proving a cornerstone on which to rebuild the broadest possible horizon of democracy and commons. It is becoming a battering ram against the overall system of global privatisation. However, victories against privatisation are always precarious; movements can never pack up and go home. On the contrary, they need to extend their scope to surround the sprawling, octopoid character of corporate and neoliberal power.

Chapter 3

Europe:
When the architects of the welfare state try to demolish it

Staying for a while longer in Europe: this is where the institutions of the welfare state were first established, built on the principles of a social wage – that is, state provision to meet the social needs of everyone on a universal basis. Now it is where the marketisation of these institutions is being sped up in the name of 'austerity' in the aftermath of the 2008 financial crisis. Ironically, the idea of austerity was first used, in the aftermath of the Second War, to apply to everything except the welfare state: spending on schools and hospitals was generous while people skimped on luxuries and paid taxes to fund post-war reconstruction. Now tax is evaded and high-interest credit is expanded to allow for personal consumption on the market while health and education are cut.

Here the touchstone is Greece. It illustrates starkly the tragedy of the private and potential of the public. On the one side are the institutions of the international neoliberal regime – the 'troika' of the European Commission, IMF and European Central Bank – that want to sell off the country's public assets and use the money to pay its creditors' sky high interest charges. On the other side are the people, proud of their democratic traditions, rallying to defend their commons by building networks of mutual solidarity.

1. Greece: resisting the troika

Privatisation and the nature of the state is moving to the centre of the struggle against austerity in Greece. The troika is trying to speed up the sell-off of the country's public goods and resources by putting them in one holding company to be auctioned off in quick succession. The Hellenic Republic Asset Development Fund (TAIPED), as this company is pompously named, might as well be an auction house advertising an 'everything must go' clear out.

Resistance to this handover to the corporate market faces a challenge. In 2011 a poll found that 75 per cent of Greeks believed privatisation was necessary; in 2012 it was down to 62 per cent but still well over half the population – even including more than 40 per cent of voters for left wing party Syriza. These same polls, however, indicate a point of vulnerability for the troika: once more, it is water, the one issue on which a majority opposes privatisation. And it is on this issue that resistance is beginning to gain momentum.

The first initiatives in Greece towards politically decisive resistance over water have come from the country's second largest city, Thessaloniki. Here the preliminary steps towards privatisation in 2007 were slowed down in part through the resistance of the water workers' union, which staged a four-day hunger strike during the city's international trade fair. The first tenders were eventually announced in 2009 and again the union – which, unlike most unions in Greece, had determinedly maintained its autonomy from all political parties and, compared to most, was relatively democratic – responded with a 12-day occupation of the company's main building.

The reputation that the water workers' union established with activists in Thessaloniki has proved to be a foundation on which today's growing campaign has been able to build. Union president George Archontopoulos says that in 2009 he used to invite himself to neighbourhood groups to put the arguments against privatisation. Now, he says, 'they are always asking us to come to them and there are many more of them.' In fact the driving and persistent dynamic behind the latest campaign to defend public water, formalised in April 2013 in the formation of SOSte to NERO (Save our Water, see below) comes from angry and consequently

activist citizens as much, if not more than unions.

'We spent more than six months trying to convince them that we act as citizens and not as workers who are afraid of losing our jobs,' he continues. 'The truth is that they were testing us and we didn't know! As you know, there is a lot of mud, sometimes rightly, thrown at public servants and there can be a lot of corruption in trade unions.' The union helped to overcome this generally negative attitude to public servants by taking a militant line not only against privatisation but also against corruption, price rises and the growing number of water cut-offs. It was not surprising, then, that the new energies and convergences stimulated by young people's occupation of Thessaloniki's White Tower Square in 2011 – Northern Greece's version of the 'indignados' movement – led to discussions between the indignados and the water workers.

Initiative 136

From this came 'Initiative 136'. The idea is that if every water user bought a non-transferable share in public water, 'the public could own the water company through a system of neighbourhood co-operatives of water users coming together through a single overall co-operative'. It is named after €136: the figure you get from dividing the €60 million that the water company is to be sold to the stock market for by the number of water meters in the city. 'It would, in effect, be a public-public answer to the troika's public-private partnership,' explains Theodoros Karyotis, a founding member of Initiative 136 from Thessaloniki's social movements, who has also been involved in supporting the workers of the city's Vio.Me factory during their occupation and now their self-management of production.

George Archontopoulos describes how 'the idea first came out of a press conference during the earlier struggles. To reinforce the argument for keeping water public we divided up the stock exchange price by the number of water users to show how the public could buy shares and keep the company in public hands. With the indignados we turned this idea into a practical campaign.' In reality, the practical impact of Initiative 136 has been more in its propaganda power – illustrating vividly how water can be managed as a common resource 'without relying on either private companies or the existing state,' as Kostas Marioglou, another water workers' leader put it. Although co-ops have been formed in eight of Thessaloniki's 16 neighbourhoods, and the city's municipal council has given it a unanimous welcome, people simply cannot afford the one-off €136. And municipalities hardly have the money to keep going.

'We are under attack on every front,' declares Theodoros Karyotis, having just returned from a 20,000-strong demonstration against the gold mining operations of Eldorado in the nearby mountains and the vicious police repression of anyone, including school children, suspected of protesting. But the organisers of Initiative 136 are not giving up the practical project. They are discussing now with the influential European Public Water Network about finding the funds to turn the public-public solution into reality. 'It's no longer a Greek issue. It has become an emblematic issue for the European movement,' explains Karyotis. 'If the privatisation is not defeated, it will be a real setback for the return of water to the public, which is happening everywhere else.'

Wide coalition

At the same time as pushing ahead with finding the funds and legal structures for the co-operative, all those in Initiative 136 spend time building a wide coalition against privatisation. 'We are working on two legs. The broadest possible alliance against privatisation is the first leg and exploring a means of direct socialisation as the alternative,' says Theodoros Karyotis. 'We must unite against privatisation,' emphasises Kostas Marioglou, 'and be able to debate the best way to manage water for the common good.' For alongside the unity there is a heated debate on Initiative 136. 'Why should we buy what we already own?' argue many in Syriza. 'The problem,' says Karyotis, 'is how do we stop privatisation? Lobbying, protesting on its own, does it get anywhere? Initiative 136 is in one sense fighting them on their own ground, exploiting a loophole, but this is making it difficult to stop us, if we have the funds and we have the popular support.'

'The target is common,' insists George Archontopoulos, who stood in the elections for Syriza, 'even if we shoot from different directions. Let's surround the target!'

A packed open assembly on 28 April 2013 in Thessaloniki's city hall effectively declared the target surrounded when

it enthusiastically agreed to form SOSte to NERO (Save Our Water) to co-ordinate a massive campaign across the region. It brought togther municipalities, unions, neighbourhood assemblies, people from universities and technical organisations, and it committed itself to reach out to raise awareness about the consequences of privatisation through a concert in the main square, and actions at the region's major sports events.

Convergence and growth of the movement to defend water is also a national dynamic. A water movement developing across Attica, the region that Athens is part of, is converging on this same target, the imminent threat of privatisation. Like the water that it is defending, a flow of campaigns is gathering force across the municipalities of Attica and from the port of Piraeus to the largest working class residential suburbs of Athens.

A determined driver behind this is an interesting and outward looking new grouping of water workers for the EYDAP public water company of Athens. It calls itself SEKE ('participatory unity movement'). Vasilis Tsokalis, a founder member of SEKE, describes its origins during the elections for worker representatives on the EYDAP board. 'Suddenly last year this new organisation came together, from the left and centre left, independent of the two old parties. We wanted to get rid of the existing board members who'd been there for over ten years; one a member of PASOK and the other of New Democracy,' he explains. 'They had been catastrophic actually, working with management and the political parties, saying they were against privatisation but doing nothing.'

SEKE immediately won 17 per cent of the vote. 'But we knew we could become stronger through taking action with others fighting privatisation and for a management of water in the common good,' says Tsokalis. SEKE made contact with Save Greek Water, and together they set themselves the task of convincing all 45 municipalities to support a commitment to public water.

A mighty leap forward in this task came when hundreds of people gathered in city halls in Athens and Thessaloniki to hear from international speakers on water. The water campaigns had talked a lot of the experience of remuncipalisation in Paris and elsewhere in Europe, spreading the news of how it was a huge improvement compared to private ownership. But now Greek people could hear it for themselves – and ask all the questions they wanted.

This is exactly what happened when Ann Le Strat, Paris' deputy mayor with responsibility for water, spoke to what she said was the biggest meeting she'd ever spoken at. She set out the details of the benefits for the public of water coming back under the ownership and management of the City of Paris. For a start, the municipality gained 35 million euro that previously went into the profits of Suez, the company responsible for the privatisation – and now wanting to take over Greek water.

Water in Paris is now run by a board that includes representatives of workers and the public, independently supervised by scientists and public representatives. Moreover, while prices continuously rose under privatisation, they fell by 8% after the first year of returning to public ownership. Prices are now 40% lower than in the outskirts of the city where water is still run by a private company.

All this information, demonstrating that an alternative is possible, sparked a stream of questions. 'There was such curiosity, so many questions, that it was getting too late and we had to stop or the room would close,' recalls George Archontopoulos. He believes the meeting also had an impact on the bidders for the Thessaloniki water company: 'They take us more seriously now.'

The Suez representative who stalks the anti-privatisation campaigns was present at the meeting and seemingly a little disconsolate at it's success. 'Where do you get these people?' he muttered to the local trade union leader as he left.

It's not just the big city centre meeting with international figures, however, that marks the new energies behind the campaign - it's also developments in localities. George describes speaking at a meeting in Eleysina, an area of Athens where unemployment is high. He was speaking alongside an EYDAP worker. 'It was', he said, 'the first time that Thessaloniki and Athens water companies talked publicly against privatisation.'

Citizens' movement

Vasilis Tsokalis says emphatically: 'This is a citizens' movement.' Theodoros Karyotis stresses the importance of the 'autonomy of our movement from all political parties'. Their insistence comes from a history in which independent civil society has been suffocated by the two main political parties. But it also comes from a positive sense of emancipation from the hierarchies, dependencies and pervasive forms of domination associated with a state operating through clientelism.

In the past, many public servants privately tried to work outside this culture but now this individual refusal is turning into a collective alternative way of engaging with politics. In the powerful wake of the protest movement of the past two years, the flourishing of self-organised collaborations such as Initiative 136, SEKE, the factory occupation at Vio.Me and more are all evidence of this.

Nadia Valvani, Syriza MP and member of its economic committee responsible for privatisation policy, sensed this in the rise of Syriza during the first elections of 2012, when the coalition's vote rose from the 4 per cent it obtained in 2009 to 27 per cent. 'There was something deeper than political sympathy,' she remembers. 'At gatherings in people's houses I sensed a kind of emancipation process. There were people there who were not especially left who wanted to change their whole way of life and see an end to the clientelist relation to politics. They came to us for a way out. They want to participate, not just to vote. If I hadn't lived through this, I wouldn't have been convinced.'

This emancipation also releases productive capacities. An engineer in a responsible position with EYDAP, Antigoni Synodinou, observes the 'huge amount of wasted talent' under clientelism; as a trade union leader, George Archontopoulos describes how 'workers' opinions and information are ignored'.

In other words, people are describing an economic force: social creativity, stimulated and nourished through co-operation and mutuality. Conventionally it is termed 'social capital' and tends to be used to encourage networks of social cohesion to cope with economic hardships, without challenging structural inequalities. More radically, with transformation in mind, this same social capacity can be understood as the productive potential of democratic, participatory economics, including in the organisation of the public sector.

Changing opinion

The polls on privatisation imply that such alternatives are essential to changing public opinion, as the same people who view privatisation as a necessity also believe that it benefits foreign multinationals and does not benefit consumers. This indicates that their view is more to do with hostility to the existing state, a state already bent towards meeting primarily private interests. The problem is the absence of any awareness of alternative management of public services and common goods.

Members of Syriza's economics committee are attentive to the importance of the initiatives autonomous of the coalition – from citizens and workers as citizens – for developing convincing and practical alternatives. In a forthcoming book, *Crucible of Resistance*, one of Syriza's economic spokespeople, Euclid Tsakalotos, points to the formative importance of debate in the early years of Syriza on 'governmentalism'. The conclusion meant Syriza not only supported social movements but also 'learnt from these movements about the nature of the alternative'. Syriza's leadership see this ideal of supporting and learning from autonomous movements at the same time as aiming for government as a central challenge as it develops from a coalition into a party. Andreas Karitzis explains: 'Syriza is dangerous because it combines those two elements, governability and the strong connection with the social movements fighting the government. The strategy of the government is to force us to decide. I am hopeful because Syriza members, whether more revolutionary or more reformist, recognise that there is no solution if we lose one of these elements.' If the coalition against water privatisation in Greece, simultaneously resisting and experimenting with alternatives, develops its momentum, it could mean that the troika's attempt to sell off water will again prove to be a fatal move by the political class.

The judgement of the high court

The strength of the grassroots campaign to defend Greek water has won what could be a historic victory in the judgement of Greece's high court Symvoulio Epikrateias (which has the power to override the government).

Legal procedures move slowly in Greece, and it's too early to tell the significance of the judgement, but the informal information coming from the court in November 2013 is that water cannot be privatised.

The all-important grounds for the judgement have not been announced. The news of the decision is of little significance until the judgement is formally written down and presented to the public. There is no exact

timetable for this final, formal stage in the workings of the highest court.

The approach to the court is one outcome of the campaigns in Athens and Thessaloniki to defend water as a public good. In June 2013, the two public water companies EYDAP and EYATH, along with several groups of citizens, requested that the court rule on the legality of water privatisation.

But its judgements and their implementation are complex and ambiguous. The court has a record of judgements against sales which citizens considered to be privatising the commons. Two which had attracted much attention were the sale of Kassiopi, a particularly beautiful part of Corfu, to US investment company NCH Capital, and the sale of Ellinikon, the old airport and one of the best seaside localities near Athens.

Elliniko's deputy mayor and a volunteer at the free community health clinic that the municipality has set up as stop-gap response to cuts to public health services in Greece.

The snag, however, is that the arguments the court accepted in ruling against privatisation were technical objections concerning the existing use of the land. For example, in the case of Kassiopi, the judgement against the sale was based on the presence of a military base; an objection which the government then overcame by relocating the military base, so that the privatisation could proceed. It will not be clear, until the formal judgement is given, whether once again the judgement fails to accept the wider argument against privatisation, based on the protection of common goods.

An MP who has been at the forefront of the parliamentary campaign, Nadia Valavani, is anxious that the court might limit its judgement against privatisation to the infrastructure of the public companies, leaving the water itself unprotected.

Nadia has also been in the forefront of trying to pursue another, Europe-wide, initiative for water as a human right and common good. Like the Save Our Water campaign in Greece, it has managed to translate the strong popular defence of water into legal protection of the commons.

Taking the form of a European Citizens' Initiative – the mechanism that allows EU citizens to propose an item for European legislation if they collect a million signatures from at least seven EU countries – it asked the European Commission 'to propose legislation implementing the human right to water and, amongst other forms of protection, to exclude water from liberalisation'.

Public service trade unions played a leading role in the campaign, which managed to gather 1,857,000 signatories, and has become the first European Citizens' Initiative to be activated.

In October 2013, European Commissioners Michael Bernier and Oli Ren declared the privatisation of water must stop. Several governments have agreed, at least formally. For example, the two parties of the German coalition government, the Social Democratic Party (SPD) and the Christian Democrats (CDU) have signed an agreement to protect water as a human right. But in Greece, where the role of the EU (as part of the Troika) could be decisive, the EU is not holding back the drive to privatise.

Once again an unprecedented pincer movement of popular struggle and legal action is being blocked by the Greek government. Nadia Valavini has tried to unblock the process, or at least use her parliamentary platform to draw attention to the Europe-wide success of the Citizens' Initiative for water.

On two occasions, Nadia has tried to use a parliamentary procedure whereby an MP can present a question to a minister in a plenary session of the Greek parliament and achieve a ten minute discussion which can attract publicity for an issue and put pressure on the government to act. She has asked finance

minister Yannis Stournaras how he is going to implement the European legislation to protect water as a common good, achieved through the initiative. On both occasions, despite advance notice, the minister chose to be absent from the parliament. 'Whenever there is the possibility of something good, from our point of view, it gets blocked,' says Nadia wearily. She had used up her four opportunities to put a case to the minister in 2013. 'But January is another year,' she said with determination, 'maybe we can start again then.'

As a campaign still in progress, the outcomes and lessons of the Greek experience are not yet determined. Yet other experiences, in Northern Europe, give strong grounds (although in different conditions) for the confidence of the Greek people that they can create new democratic institutions to manage common resources.

We will study two in detail for the lessons they offer for the future: Newcastle Council, in the north of England and the Model Municipality Project in Norway. We will also summarise evidence of a process of return to public ownership after the failure of privatisation in France and Germany.

2. Newcastle City Council, a laboratory of public service change

I was fortunate enough in 2009 to study, from the inside, a self-consciously public process of public service reform. After a hard won struggle by the city council's UNISON union branch against the privatisation of the council's IT and related services, the unions worked with management on a negotiated programme of improvement of the service.

This strategic (if 'backroom') service includes systems that collect council tax, deliver benefits and make public services accessible to the public. What gave the process its special character was people's pride in transforming these basic services as public servants – and the democratic basis on which the changes were agreed and implemented.

'It wasn't about resistance to change,' explains Tony Carr, who was the full-time UNISON rep for the staff involved in these services. 'It was about controlling your own destiny and not having someone come in and manage us through change.' Such an explicit effort at publicly-led reform created an ideal laboratory to test and elaborate the hypothesis that democratisation rather than privatisation is the best way to modernise and improve public services. In testing this, my intention was also to explore the mechanisms of change when it is driven by democratic public service goals rather than by profit.

UNISON's Newcastle city council branch built a city-wide 'public service alliance' to counter the government's concerted attack on public services with a positive defence of public provision.

Keeping it public: a strategic campaign

At stake for the company in the struggle over privatisation was a £250 million, 11-year contract. For the staff and the union, it was 650 jobs – and the quality of strategic services on which other council departments depended.

The strategy of the UNISON branch to achieve this determinedly public-driven programme of internal reform had five essential elements, all of which laid down foundation stones for the democracy of the transformation process itself:

1. Building on a tradition of participatory organisation, the priority was to involve members in every step of the campaign: from mass meetings and the election of reps when 'market testing' was first announced, through industrial action against privatisation,

to the reps scrutinising the private bid and contributing to the 'in-house' bid.

2. The second element in the strategy was to intervene in the procurement process and campaign for an effective in-house bid. 'We had to recognise that even though we were against the whole concept of "market testing", if we actually wanted to win an in-house bid we had to intervene at that level from the beginning,' said Kenny Bell, then convenor of the UNISON branch.
3. Campaigning meant reaching out to the public, building popular support for a general opposition to privatisation. 'Our City Is Not For Sale,' declared the banner leading several demonstrations of trade unions, community organisations and dissident Labour councillors.
4. Fourth, although the union filled a political vacuum in standing up against privatisation, UNISON no more wanted to take the final decisions about who should deliver services than it wanted management to do so. The pressure on the elected politicians eventually paid off, with the council passing a resolution insisting that alternatives to privatisation must be found.
5. Campaigning was little use unless it was grounded in strategic research. Key to the success of the UNISON branch was the work of the Centre for Public Services, with its participatory method of work that shares skills and intellectual self-confidence. For UNISON shop steward and housing benefits worker Lisa Marshall, collaboration with the CPS on investigating the bid of the private sector rival was a turning point: 'As we looked over their bid, we found a lot that we knew could be done better. From then on I felt confident about what we were trying to do keeping it in-house.'

This leads into the final component of the UNISON branch's thinking – the leadership treated union members as skilled people who care about their work. Josie Bird, who chairs the branch, said: 'We recognise that our members want to provide a service. It's not a romantic idea that they live to work. No, they work to live – but it does matter that it's a public service that they work for.'

The campaign was successful. The in-house bid drawn up by management in agreement with the unions was clearly better public value for public money.

In 2002, the then Labour-run council (since 2004 it has been Lib Dem) gave it the go ahead and borrowed £20 million to invest in it on the basis that savings would eventually more than pay back that investment. Some jobs would go, but without compulsory redundancies and with exceptional resources for training and redeployment.

Why union strength is vital to democratic reform

It takes two to tango for change. The process of improvement involved a change in the nature of management, from 'commanding to coaching'. A new kind of public sector organisation has emerged, with a leadership role that is more about facilitation and developing a shared direction than it is about exercising control. Initiative and responsibility has been pushed away from the centre, and layers of supervision have been eliminated and replaced by support. The dynamism of the department lies in working across its different sections through project groups, letting all those with a relevant angle on a problem come together to resolve it.

The union campaign against privatisation laid the basis for real staff engagement in the process of reform. The union was involved at every stage, from selecting new managers to discussing every significant change. 'It's our job to keep the management accountable, not so much to the staff but to the change,' said Kenny Bell.

Kenny Bell of UNISON, leader of the Newcastle struggle.

Ray Ward, the senior manager who led the changes, echoes the point from the management's point of view. 'The union keeps us honest,' he said. It's a collaboration, but the union has retained its power to act independently and to escalate a conflict if necessary – the union wouldn't be trusted by its members if it couldn't. And the management knows this. The result is an experiment in industrial democracy with real benefits in terms of quality of services and the best allocation of public money.

LESSONS TO CARRY FORWARD

- A precondition of the industrial democracy involved in this process has been a common vision of high quality, publicly-delivered public services. This shared goal provided a basis for motivation and common purpose – a mutually accepted reference point that avoided drift and helped to overcome conflict. It enabled the management and union leadership constantly to move the process forward.
- There was a financial foundation to this revitalised public service culture – but the goal was to maximise public benefit rather than to maximise profits. Again the determinedly public-led nature of the transformation process threw the distinction into sharp relief in every key relationship. Ask Newcastle staff what it would have meant if this relationship had been with a private company instead of 'in-house'. Repeatedly the answer came that it would have meant all sorts of extra charges – for making changes to respond to needs or problems not foreseen in the original contract – and a lot of time diverted to negotiating them. This is one of the costs of privatisation.
- The service reforms in Newcastle illustrate in a modest but practical way how the public sector can have its own criteria and mechanisms for efficiency, quite distinct from goals of profit. This story provides evidence that, with a clear shared vision, an egalitarian and professional management, a strong union and workplace democracy, the public sector has the capacity to make itself a highly effective steward of public money. In particular it can realise its special asset of skilled staff committed to serve their fellow citizens. This is exactly the asset that privatisation squanders.
- An expansion of the idea of strengthening local democratic control over public money has focused on strengthening citizens' participation. The Newcastle experience takes our thinking about democratisation further by opening up and democratising the normally hidden, taken-for-granted internal processes of managing public resources. As long as the internal organisations of the public sector are top-down, fragmented and semi-oblivious to the real potential of their staff, all the participatory democracy in the world can be soaked up and defused or blocked by hierarchical structures and bureaucratic procedure. The process of internal democratisation, therefore, is essential.

3. Norway and the Model Municipality

The Norwegian labour movement, especially the municipal workers' union Fagforbundet, has a real practical understanding of the link between defeating privatisation and achieving democratic internal change in the organisation of public administration.

In 1994 there was a change in Fagforbundet's programme, from hoping for the best in the face of privatisation to giving a strong lead in the fight against it. But the union was constantly challenged by people asking 'We hear what you are against, but what are you for?'

They took up the challenge to show, in the words of municipal workers' leader Jan Davidsen, that the union 'has a visionary desire to develop the municipalities to become even better service providers in step with new organisational needs, new work tasks and new service needs of residents'.

They called it the Model Municipality Experiment. From the beginning it was based on actual experiments that municipalities volunteered for on the basis that no competitive tendering would take place during that time. Since then it has been extended to over 150 municipalities.

The experiment

The project laid out several assumptions. Reading them is in many ways like reading a systematisation of aspects of the Newcastle experience.

There is an assumption of equality between the partners in the process – administrators, politicians and workers – when it comes to organisational change. As the Model Municipality agreement puts it, 'No one is invited here when others have made up their minds. Ideas and visions, as well as proposals for specific measures, will be the result of processes where

everyone has been a contributor.' Secondly the public service workers are seen as drivers of change, working with residents as users of specific services, schools, kindergartens and so on. The challenge is how to kick-start this change. This leads to the third assumption: that the process needs support, encouragement, relevant additional expertise and a transparent process for following up workers' ideas.

In the city of Trondheim, where a left political alliance won power locally by taking up a trade union manifesto, they are using a variation of the Model Municipality system to challenge the old hierarchies. I visited the organisational engine room to see how it worked. This meant visiting Rolv Erland, an energetic young man just back from working in Palestine, and his team of 30 'change guides' or 'development advisers'.

The work of these guides, for a day or so a week, is to encourage workers to come up with suggestions, organise discussions and ensure that ideas are followed through to a decision.

I spoke to two of these change guides – Karin, a nurse, and Siw, a teacher. The guides can volunteer from any part of the municipality and get time off for training and to work with different groups of workers. Instead of focusing on their own department they get involved with other services, the theory being that this helps them to bring a fresh view without getting too immersed in low-level detail.

Fagforbundet

Norway's Model Municipality system involves workers in improving services, with impressive results.

The difference is the follow-up

I asked Karin and Siw how they were finding the process. Were people coming forward with ideas for change? 'People are not shy,' said Karin, 'but they've been asked their opinion before and nothing happened. The difference is that we will follow up until there is a result.' Siw added, 'They are beginning to feel secure in making suggestions. They know that they'll keep involved with what happens to their ideas. It won't be used against them.' As in Newcastle, the unions' involvement in the process ensures that. This is the important lesson from Norway.

The framework of the Model Municipality is called 'the tripartite', which sounds rather bureaucratic. But in fact these meetings of politicians, managers and workers' representatives are to decide on action to support proposals coming from below, and to follow through on any budgetary implications. With no consultants hanging around, there's one saving that has been made already.

Anne-Grethe Krogh, one of the originators of the Model Municipality, also gave examples of some dramatic savings through the drop in sick leave as a result of workers finding new satisfaction in their jobs. In one extreme case, sick leave had fallen from 11 per cent to 2 per cent. 'But,' she said, 'the focus is not on money but on improving the quality of service.'

Norway's is not a perfect model. While it has systematised industrial democracy, and opened up new channels for workers' involvement, it has been much less developed when it comes to involving citizens who use the services in its decision-making processes.

But its impact has been a lasting one. This union-led alternative to privatisation became a source of inspiration and pressure for the formation of a coalition of left parties that won the general election in 2005 and began Norway's unique reversal of the Europe-wide processes of privatisation and corporate tendering.

LESSONS TO CARRY FORWARD

- As with the Newcastle experience, but in a generalised and systematic way, the Model Municipality builds a continuing dynamic of innovation and improvement into public services in response to need. It's a dynamic fuelled by the knowledge and commitment of frontline providers and users. The tripartite way that it is organised also provides a framework for developing a strategic overview of change.
- The importance of this is that an important and still lingering context of the surge of privatisation was the limits on the ability of the public sector as it was originally built to innovate and improve. There are many examples of impressive improvement in public services but its hierarchical organisational forms limited its responsiveness to changing and expanding needs. This made it vulnerable initially to the claims that the private sector would be more efficient. In reality, for a whole number of reasons this claim has been proved false time and time again. The logic of profit simply does not meet the imperatives of social need and human rights. But the challenge of building mechanisms of innovation and improvement into public services remains and the Model Municipality is an important, systematised and successfully tested example of how this can be done.

Remunicipalisation – the new trend

The issue of public efficiency is becoming a major factor in the beginnings of a reversal of privatisations and other kinds of outsourcing in local government.

A study by David Hall for the European Public Service Union (EPSU) finds that there are clear signs that municipalities are continuing to move towards 'remunicipalisation' rather than privatisation in a number of countries in Europe, including Germany, France and the UK.

He reports a study in 2011 by Leipzig University of over 100 German municipalities which concluded that the trend is towards greater provision by the public sector. In France, the original homeland of private water companies, an increasing number of municipalities and regions, including Paris, are remunicipalising water services or public transport.

Even in the UK, where the national government is still pushing through privatisation in the post, healthcare and prisons, and demanding cuts in local government spending, municipalities are often bringing services back in-house as a way of making savings. Even the *Financial Times* has suggested that local authorities have grown sceptical about the savings outsourcing can deliver, as well as fearing a backlash against private companies making large profits from the taxpayer.

It is telling that this trend is occurring in the context of massive cutbacks in public spending across Europe – a pointer to the fact that in practice, when the market ideology is put aside, the claim of 'private equals efficiency' melts into air.

Sometimes, however, remunicipalisation is the result of a political or managerial decision when a contract is up for renewal and the managers calculate that outsourcing is in fact not in the municipality's best interest. In some cases, David Hall points out, this move can create tension with the unions, who don't want workers to go through the uncertainty of yet another change of employer to get back into the public sector. This can be exploited by the private firms involved.

In Lodeve, France, the local council decided to terminate a private street-cleaning contract and remunicipalise in 2009. The company's workers went on strike – with the support of the company! However, after a meeting with the mayor where the workers' rights to transfer were explained and respected, they returned to work and the service was remunicipalised.

A much better way of doing things, of course, is when union and citizen campaigns have been the spur to remunicipalisation, forcing a consideration of the efficiency of the private company from a public benefit point of view. In Stuttgart this involved a head on conflict between the CDU city government, which had effectively sold off key services, and the public service union ver.di working with a strong coalition of citizens. This struggle contributed to a change of government, the election of a red-green coalition of the SPD, the Greens, Die Linke and the local Stuttgart Ökologisch Sozial, which then remunicipalised the services.

Chapter 4

New foundations for an economics of public benefit

The experiences described so far have a number of common features which make them harbingers of a new kind of trade unionism. We can't know its details – it is in the process of being created through such struggles – but we can understand its foundations, the better to build upon them.

In all these struggles against privatisation of public services, the trade unions moved beyond the defence of their own jobs and working conditions, to taking responsibility for both defending a public service and democratising the way it is managed. The goal of making it accountable, transparent and responsive to citizen need became part of the resistance. A common feature of all the experiences is the role of the union and union community alliance in organising and sharing the knowledge and skills of public service workers and users. This knowledge has been the basis of developing alternative ways of organising the service guided to varying degrees by principles of equity, the creativity of labour, responsiveness to the community, and full accountability and transparency.

When you explore further, you find in many of these cases that the trade unions were influenced by traditions which see workers not simply as wage earners but as knowing subjects. These broader political dynamics do not come simply from workplace organisation or trade union organisation narrowly defined. Whether shaped by the commitment to participatory democracy characteristic of the Brazilian labour movement, the syndicalism influential in the formation of SAMWU or the radical social democratic traditions of Uruguay, these unions are conscious of themselves as actors for a wider agenda of social justice. The question, answered in practice by the campaigns in this booklet, is what kind of organisation and strategy can best develop and support this consciousness.

Recognising the creativity of labour to meet social need

To understand these examples of how unions have consciously taken responsibility for the social purpose of their members' work and made alliances with the users of services, it helps to draw on Marx's insight into the dual nature of labour under capitalism. (My aim in the next few pages is to dip into the theoretical tool bag, for some sharp tools to cut our way out of the neoliberal framework and to create a perspective which can generalise from the kind of initiatives we have been describing to defend the public, democratic management of public services – but I won't be offended if you want to skip this section!) Marx argued that labour in the context of the capitalist market is both 'abstract' and 'concrete'. It is abstract in that it involves the production of commodities that are exchanged in the market for money from which the employer takes profit and pays wages. Our labour is also concrete in the sense that it produces material products or services of particular usefulness.

What matters for the light this sheds on today's struggles for alternatives to privatisation is that there is a difference here between two kinds of value, the exchange-value of abstract labour and use-value of concrete labour. They are in constant tension: the production of use-value being the potentially purposeful creative labour that under capitalism is subordinated to the employer-imposed discipline of producing exchange value and maximising profit.

In the struggle over privatisation, this tension is particularly acute, especially when those defending publicly provided public services do so in terms of the public usefulness of or social need for the service. (Rather than simply in terms of jobs and wages, separated from their importance for the quality – or 'use-value' – of the service.)

The point here is that publicly funded and delivered public services are economic activities that have been partially taken out of the capitalist marketplace.

And as non-market and at least formally democratic institutions, they are governed by political and social goals, and the economics of the organisation is about the allocation of budgets – constrained by levels of taxation and therefore levels of public revenue. Essentially it is a very different economic arrangement from that of a capitalist enterprise.

The distinctiveness of the public sector from the point of view of the organisation of labour has often not been very apparent; nor have its measures of efficiency often been very sensitive to considerations of public benefit, the quality of relations with the public or the nature of the service. In the name of a notion of efficiency often copied from the private sector, the public sector came to replicate the 'production line' practices of private capitalism, with each worker allotted a small, repetitive task and given no opportunity to use their creativity and knowledge of their work to shape the whole. Thus the important point is that the worker becomes alienated from their own labour.

Similarly, as far as trade union responses were concerned before the pervasive spread of privatisation, the taken-for-granted routines of trade unionism in the public sector generally appeared to be based on those of trade unionism in the private sector, with governments or councils as the employer rather than capital.

PSI unions in Ghana, Nigeria, Burkina Faso, Liberia and Sierra Leone have joined together in a cross-border network to improve union capacity and the ability of healthcare workers to advocate for and deliver quality public services.

While public sector unions often deployed sources of bargaining power specific to the institutionally political nature of their members' employment contracts – mobilising public opinion, using party-union links, and so on – it has been exceptional for these unions to make the nature, organisation and future of the service as such central to their campaigns.

Trade union strategies focusing on developing or radically reforming public services, in close alliance with fellow citizens, began to appear in response to privatisation and other forms of commodification that which had been out of, or partially out of, the capitalist market. These strategies of radical reform create a dynamic in which the struggle against privatisation becomes about more than public versus private ownership. It becomes also about democratic control over the process and purpose of workers' labour, including the accessibility and quality of the service itself.

The idea of the dual nature of labour implies that what we are seeing is an extension of the priorities of public service trade unionism beyond exchange value (for example, over union members' pay or their working time) to encompass an explicit concern with use value (for example, the quality of the public service provided). This commitment to the purpose and quality of the service has always been characteristic of public service workers. The point here however is that in these transformative struggles against privatisation, it becomes a central issue around which public service unions are organising.

Participatory democracy and workers' control

Struggle over the character of the public sector is not new. For the past 40 years or so, movements and struggles of many kinds have tried to make the setting of public service goals more democratic, with more participation by the public and hence a greater responsiveness to public needs and expectations. From the student, feminist and urban movements of the 1960s and 1970s through to the experiments in participatory democracy of the 1980s and the environmental justice movements of the 21st century, there has been growing pressure to make the actual, living public a powerful presence in public decision-making.

But these movements rarely focused on the role of labour in the process of democratisation they wanted to see. Understanding the struggle against privatisation as potentially a struggle over use value helps us overcome this strategic limitation. Defence of the partially de-commodified nature of the public sphere opens up distinct possibilities for the struggle against alienated labour.

Members of STAL Portugal march in protest against austerity plans to force the privatisation of municipal services.

In particular, it opens up the possibility for public service workers to express themselves through their labour, in the delivery of services to fellow citizens, as knowing, feeling people, rather than simply as workers selling their labour power – their creativity – as if it were a commodity.

For workers to express values of public service through their work is not necessarily easy, partly because of the hierarchies and control strategies of management and partly because trade unions often limit their role, especially in the face of concerted cutbacks, to a defensive one. They do not necessarily provide support to workers whistle-blowing on bad management or making an extra effort to provide good care.

But when trade unions struggle against privatisation, the emphasis on the use-value of public service work often comes to the fore. It is the workers' commitment to the purpose of their labour that underpins the move from a struggle simply to defend workers' livelihoods to a struggle over a service that should be for the benefit of all.

These struggles against privatisation, based on workers effectively insisting that they have some control, in collaboration with the citizens who use their labour, point to a profound extension of democratic control over public services.

The idea of more direct citizen participation in the way public services are managed and in the ways that local public budgets are spent is a familiar one. Across the world there are many experiences of 'participatory budgets', 'popular planning' and various kinds of direct participation in the running of particular services. But the implication of the argument here is that the deepening of democracy and the idea of 'participation' needs to extend to greater involvement of workers in public decision-making about how their labour is used. In this way, public service workers can ensure that their creativity is for the benefit of, and in collaboration with, their fellow citizens.

This implies a wholly new approach to the division of labour and the management of public services – one based on collaboration and motivation rather than a bureaucratic version of the discipline and divisions of the capitalist market. As a development that comes out of not only privatisation but also the failure of the command state, in its social democratic as well as Soviet forms, these pioneering struggles could be useful sources of insight for achieving what we could call 'socially efficient' public services.

However, there are dangers as the public sector confronts the destruction of public services in the name of 'austerity'. One response from neoliberal governments has been to try to bribe or force workers into non-public forms that are not quite privatisation but are more favourable to those in charge. One example of this has been in Britain, where the Conservative government has been trying (generally unsuccessfully) to get workers to break away from council employment by forming a so-called 'co-operative' (or sometimes a 'social enterprise') and tendering for contracts themselves. This has been seen by unions, and much of the public, as a thinly camouflaged form of privatisation. Reading the small print of the Conservative proposals is like watching an airbrush. What begins with fine talk of power to the workers ends with bringing in 'experts' (high-paid consultants) and 'joint ventures' (private corporations).

Changing economic ownership from private profit-seeking owners to co-operatives of workers and users would be an excellent way of transforming the market sector away from capitalism. But strategies for democratising the public sector must start from the recognition that public goods are different. We must be able to make their delivery accountable in ways other than the market – in ways that recognise their value to all. One option proposed in a report on co-operatives commissioned by UNISON is to push for co-operatives in privatised services as a step towards returning to the public sector.

Working across borders for public benefit

An increasingly strategic way of building a positive and powerful alternative to the relentless onslaught of privatisation is collaboration between public authorities, often driven by trade unions and citizens' movements, supported by committed researchers and activists, like those who come together internationally in the Reclaiming Public Water (RPW) network. We have already come across it in the context of the campaigns to defend and improve public water in Latin America.

Over 130 of these alliances, known as 'public-public partnerships', or PUPs, have been forged in 70 different countries. Many are transnational or transborder partnerships, usually skipping the national level and instead linking public utilities together directly, though it is important to note that some PUPs are within the same country and are a way of building on and spreading local victories in a context where the movement is not sufficiently strong to take on national government directly. A network of PUPs helps to build a powerful base to demonstrate the effectiveness of the public option.

Through these partnerships, public organisations are able to keep up the process of improvement, learning new technologies, gaining greater access to finance, and practising better forms of management and training. In Latin America, there is a concerted attempt by trade unions working on alternatives to privatisation to develop public-public partnerships across the continent on the basis of the principles of accountability and participation that they have developed locally.

The important role of trade unions in pushing them is an illustration of the multi-level character of emerging trade union strategies. At the same time, the process of working at this transnational level presents a serious challenge to unions whose strength in working for alternatives lies with the active support and evolving capacity of their members in the workplaces.

PSI members from around the world rally during Global Forum on Migration and Development meetings in New York City.

FFOSE in Uruguay had been one of the unions at the forefront of developing public-public partnerships in Latin America. Adriana Marquisio says they can be a 'distant issue from the day-to-day lives of the workers', so it is important for the unions to bridge local membership involvement with the often international level at which the partnerships are negotiated. 'We have discussed this topic in our union structures, and we run workshops and conferences with the aim of incorporating this process into our organisation,' she says. She's optimistic that this has been successful: 'In FFOSE today, we have a new generation that has taken up the issue with great interest.'

Here, then, are two distinct but related dynamics evident when labour and the trade unions have been involved in alternatives to privatisation. On the one hand, there is a struggle to transform the management and labour process in the public sector to maximise public benefit and create mechanisms of accountability; and on the other hand, strategies to build counter-power to the macroeconomic pressures exerted by capitalist power.

They are distinct and not always in sync. But the experiences observed here, corroborated by a wider range of experiences, indicate that both dynamics are necessary to successful alternatives – though not sufficient on their own.

Chapter 5

Building coalitions

The understanding that we described earlier of union members as part of the community and service users as well as workers, with the commitment to providing high quality services to their neighbours and fellow citizens, opens unions to work closely with service users and citizens more generally.

In all the examples we've explored these alliances have been strategically essential. They have brought together sources of expertise – practical, expert, investigative – that were vital to transforming the organisation of the service, its accessibility and its quality. The local and regional assemblies that developed alternatives in the Brazilian campaign, the plans for transforming the organisation of the state water company OSE, and the way the Hillstar process depended on the knowledge of local communities all illustrate this process of building a 'counter-knowledge'. So too international collaboration, whether through PSI, RPW or through direct transborder and regional collaboration, leads to a sharing of information and strategic understanding otherwise not available on a national basis.

On the other hand, the success of these alliances in countering the pressures of global corporate and financial power (and the acquiescence of the political system) depended on their ability to use a variety of sources of power and influence to win legitimacy and build political support for the public option.

For example, the creation of a confident and politically broad city-wide campaign against privatisation under the banner 'Our City is Not for Sale' was decisive in winning over the majority of Labour politicians in Newcastle. They were taken away from a fatalism that said there was little room for alternatives, and a defensiveness about whether the public sector could really do it better than the private sector, towards recognising that their voters would not stand for privatisation and the unions' alternative had to be seriously considered.

When they were founded, the community union alliances I have looked at here were blazing new paths. Today, most trade unionists would agree that they cannot halt privatisation on their own. Still, though, we face strategic and practical problems in actually forming these alliances and combining the different strengths of our various allies to build the power we need to win.

Trade union and civil society allies at a PSI public water workshop at the World Social Forum in Tunisia.

Knowing what's kicking off in your community

One vital way of forming alliances is keeping an 'ear to the ground' about what's going on in your community – and being ready to support community campaigns when they spring up locally. Community protest about failures of service delivery – often a direct or indirect result of marketisation – is often ahead of trade union resistance to the causes of these failures.

Sometimes action is just taking place in separate silos. So while the community protests about the neglect of its needs, public service workers are protesting about the job or wage cuts that undermine their ability to deliver the services as they'd wish – but without making the connection. Sometimes individual trade unionists are even involved in the protests but without necessarily thinking how the union could make common cause with them and their neighbours.

Workers are service users just as service users are workers.

In South Africa in 2012, the union federation COSATU carried out a survey of its members which showed that 24 per cent of COSATU members have participated in community protests in the past four years. Yet this is not reflected in any significant closeness of COSATU itself to community protests. This may well be a pointer to a gap not just between unions and he community, but between unions and their own members – in other words, the problem of alliances with communities is also a problem of the internal culture and organisation of the union. There are several signs of awareness of the problem and of change.

Congress resolutions are never enough, but you know change could be for real when resolutions are followed by allocations of resources and of people – not to expand head office but to work day-to-day with community campaigners. There are now many examples of this working in practice.

Putting stewards on the ground

Let's take two, from SAMWU in South Africa and UNISON in Britain. Both recognised that their own workplace-based bargaining power alone was not enough to resist casualisation and sub-contracting, but also that communities were able to mobilise other moral and political sources of power, including disruptive power – their equivalent of the strike. These kinds of power needed to be brought together for the same cause.

That was the thinking behind SAMWU's Cape Town Metro branch setting up a network of stewards to reach out to community groups where they live. Lennox Bonile, who we met in chapter 1, is working in Khayelitsha as part of this network. He is meeting with local organisations and winning support for SAMWU's campaign to make jobs on the Expanded Public Works Programme permanent, well paid, properly trained and with the protective clothing the workers need to preserve their health.

SAMWU's work with communities has also involved direct support for service delivery protests. Practical support for direct action against electricity cut-offs for failure to pay is a good example. It is SAMWU members who, as frontline staff, are responsible for going into the communities that are protesting against the bills. These are often communities where they live; they know that paying the bills generated by the cost-recovery policy of the council, and the poor conditions of the housing, would mean children going to bed hungry. In large numbers they have refused to implement the cut-offs – and have been supported by the union in doing so.

Newcastle UNISON had a similar approach. First, it mapped the communities where UNISON shop stewards live, and supported them to make contact with community groups where they live and identify how the union and the community might collaborate. The steward was acting as an initial bridge between the union and the community.

At the same time, UNISON created a new post in the city of 'community campaigner'. It was their responsibility to follow up this new network of links and organise union support around community issues. These included defending and improving schools, social care, youth facilities, housing and planning issues and so on, where the union and community groups had shared goals. This had consequences beyond the immediate campaigns – for example, it also boosted the union's fight in the city against racism and the fascist party BNP.

UNISON Newcastle established community campaigners and trained union stewards to reach out to community groups.

Opening the union to the community

A more formalised approach to building links with the community is the initiative of Unite, one of Britain's largest unions, to open its membership to unemployed people, pensioners, students and others without jobs. For 50 pence a week, members of Unite's 'community branches' gain some practical benefits, including the use of the union's legal help line, debt counselling and tax advice. But for the organisers of these branches, the material benefits (though welcome) are just 'trimmings' compared to the wider potential for empowerment.

'At the moment people are fragmented and desperately crawling around at the bottom for something,' says Alex Halligan, secretary of Salford trades council and a driving force behind both the centre and the local branch of the initiative. 'The union offers something. It offers a concrete, collective form of action.' While one lone person faced with housing benefit cuts has few ways of voicing the 'terrible situation it's left them in', Halligan points out that 'when there's a thousand people all screaming together the same thing it's easier to get a message across'.

Teachers in Chicago, USA adopted another approach to working closely with the community as part of a campaign to resist cutbacks in teachers and the introduction of reforms which teachers believed were preparing the way effectively to privatise the schools, turning them into Charter schools. They knew that a strike would eventually be necessary but decided on a two year plan of campaigning to build up to it.

Like all the other trade unions in this booklet, they see their struggle as being about the quality of the education they provide and therefore a matter for the community as well as the workplace. Their innovation was to organise assemblies around every school, through which parents and students could be involved in discussing the quality of education and influencing the content and organisation of the campaign, illustrating in practice that at the centre of the campaign was the quality of education. These assemblies also made it difficult for politicians to isolate the teachers and portray them as fighting simply for sectional interests. One poll showed the teachers had the support of two-thirds of parents.

Conditions for successful coalitions: some general lessons

In many countries, after decades of constant public vilification from neoliberal governments of varying political colours, trade unions are in quite an isolated position. (It is important to remember that much of the initial impetus behind neoliberal economics was to weaken labour.) Much of the unspoken motivation behind privatisation has been to smash public sector unions.

This makes the building of lasting collaborative relationships with service users and communities especially important. It also makes it hard. In the context of high unemployment and large informal economies, public sector workers are presented as 'privileged' and are often regarded with suspicion, accused of being interested only in their own welfare however much they may claim otherwise. Unions have had to prove that they are committed to serving the wider public, rather than simply seeking instrumental alliances to save their own jobs.

It's worth trying to summarise what has eased the task of building effective and lasting alliances, drawing from the experiences in this booklet, and from other research – for example the very useful work by Amanda Tattersall, a teachers' union activist in Australia, based on case studies of community-trade union coalitions in Canada and Australia.

A first condition which shines out from all these experiences is that the trade union does not seek to control the alliance it enters. Instead, it is willing to enter into an alliance without always being in the driver's seat, representing a significant change for many unions as they learn new ways of participating in alliances with other kinds of organisations, whether social movements, NGOs or initiatives and networks, and experiment with new forms of communication and new ways of organising and making decisions. The experiences described here, especially in Brazil and Uruguay, show these unions acting more as a resource for a variety of organisations, rather than asserting themselves as a singular leader or centre. They indicate a recognition that we all, communities and public service workers, succeed or fail together – even though the market treats us only as atomised individuals. There is a growing acknowledgment of the need to learn new ways of organising and communicating from the new generation of activists, and several

PSI

PSI affiliates and NGO allies have mobilised in protest against the privatisation of public water services in Indonesia.

examples of unions beginning to do so.

A further distinctive feature of the way trade unions work with others on a basis that values different sources of power and capacity is the emphasis on developing their shared knowledge for collaborative self-determination. This is understood as vital to effective strategy and is evident in a strong emphasis on, and demands for, worker education and professional training.

This emphasis on developing the capacities of members of the alliance is a feature of all the unions mentioned in this chapter. It is achieved through for example, consciously making time for self-education, consciousness-raising activities like seminars and workshops and through commissioning research not from traditional, distant 'consultants', but from researchers committed to the goals of the struggle and recognising the knowledge of activists as necessary to complement the knowledge that comes from research.

This commitment to collective self-education is also evident in their international collaboration. For example, when water workers' leader Abelardo de Oliveira Filho says 'international help and exchange has been essential in our struggle', he is referring, amongst other work, to the investigations initiated by Public Services International in carrying out the mandate their members gave them to resist the privatisation of water – to look into 'how the privateers worked'. This, in turn, led to the creation of a dedicated Research Unit, the PSIRU, whose method, in line with PSI's philosophy, brings together different forms of knowledge of activists, researchers and civic organisations.

A further issue that arose in the building of some of the coalitions involved in the experiences here concerns the relation between community and work. These alliances did not make rigid distinctions between 'work' and 'community', as if they were separate worlds. These movements are now, in part, about building new forms of collectivity in the face of the disintegrative forces of the neoliberal economy – in particular, the casualisation and precariousness of work and the erosion of traditional forms of trade union solidarity. Under these conditions the workplace is often the home, or the streets. Issues of community, family, education and health become inseparable from those of work, or lack of it.

A final point about these alliances is their relative autonomy from political parties, including those for which their members probably vote. This is a reflection of the understanding that community struggles will outlast the temporal dynamics of electoral politics. It is an autonomy of perspective and knowledge as well as organisation, underpinned by the independent resources and institutional capacity of the unions. It is perhaps telling that FNSA became notably dormant after many of its leaders became members of Lula's government, even though, as we noted earlier, pressures to privatise, especially at a local level from Brazilian corporations, have continued.

The potential, and limits, of trade unions

Trade unions still have large, dues-paying memberships – a potential popular reach unparalleled by political parties today. Only organised religion and football are still serious competitors in this regard.

It is true that some dues come from members who are mainly passive, paying them through a check-off system negotiated with the employer. Nevertheless, if the union is a campaigning, activist union, its potential popular reach is significant. It can be a unique source of practical and expert knowledge, drawing on workers' dual role as community members and as public servants, which can be used as a basis for building alternatives to privatisation.

Unions' mass base can be a source of bargaining power too, including for a bargaining agenda concerned with the quality and protection of service provision. The financial resources members provide can give unions a material base to build critical institutions of education, communication, and other vital resources for mobilisation. And their institutional stability, along with material or physical resources, can enable unions to be what FFOSE's Carmen Sosa described as the 'spinal cord' of campaigns made up of more precarious, scattered civic forces.

On the other hand, these factors can have their dangers too. Institutional longevity can be a source of cautiousness – of a union leadership putting protection of the institution or a short-term view of members' interests before a more transformative, but perhaps riskier, approach.

Union leaders are also subject to the electoral cycle, starting at the shop floor electing stewards, all the way up to president. Thus, to stay in office (and one could say to implement the vision, programme, etc), the official/activist needs to keep their 'electorate' with them. This means they must be seen as being effective in defending the rights and interests of the members. The key question is to identify how best to defend these rights and interests. Leaders with vision will understand that labour rights can best be defended when they are linked to other rights, and that the struggles are founded in a rights-based strategy. Recently, we must add the rights of nature to the rights of labour, the rights of women, and so on.

Similarly, while links with political parties can enable unions to exert political bargaining power to counter private elite pressures on political parties, they can also be a basis for passiveness among union members once the party wins office. The widespread assumption then can be that protecting, expanding, and improving public services can be left to the government.

Fraser Crichton

Demonstrating strong public resistance to privatisation in New Zealand.

Platforms for public service values

Josh Berson

PSI affiliates in Canada are active leaders in provincial and national campaigns for public, affordable, accessible child care systems.

The discussion of the relation of these alliances to politics leads naturally to noting the impact of privatisation on our political environment and culture. Privatisation, and all the various attempts to run public services as if they were private companies needing to make a profit, effectively drain democratic politics from any decisions about public services. Everything becomes a matter of balance sheets. Accountants become the centre of power. Values, social purposes and priorities are swept aside as cumbersome junk from an earlier age.

Water, land, health, education, transport, social care, facilities and training for young people and all the resources and services on which living well depends should be organised as commons, whether natural or social, to which access and involvement is a human right. The significance of the role of trade unions and citizens' alliances in defending these commons is that they are giving a positive, organised public voice to underlying beliefs in public service values that are otherwise being squeezed out of any public political expression.

Where they are effective, they provide a visible platform for counter-arguments that give confidence and a language to describe and reinforce the instinctive recognition that these natural resources and essential public services should not be treated as a commodity.

The campaigns we have described for alternatives to privatisation all move issues – of ownership, sources of finance, the nature of contracting, measurements of efficiency, and so on – from being neutral, technical, and opaque, into the open world of values, power, and debates over different goals and interests. In this sense, unions play a vital role in a process of democratic politicisation of the means of service provision and delivery.

Conclusion: Unfinished business

Whether we face the post-apartheid state in South Africa, the corrupt Greek state, the paternalist and hierarchical British state or many other varieties of states, we are not simply defending public services as they were. In all the cases in this booklet the point is to democratise, open up and improve the way services and indeed the state itself is organised: accountability, ending corruption, introducing participatory methods of government, achieving transparency, creating means by which the knowledge of all is used for the benefit of all. These are the themes of the campaigns we have described.

Indeed, one reason why corporations, working closely with neoliberal governments, have got so far with privatisation is because the public sector as we have known it has not been truly public. With a few exceptions, the public, though wanting public services, have not had any control over the services which are managed in their name.

Consider Greece for example, where the troika, contrary to all common sense and as if aiming to completely destroy the country, is insisting on privatisation. Syriza, the party leading the resistance and showing daily that there are alternatives, is very clear that it is not defending the state as is. As Aristedes Baltas, coordinating member of Syriza's programme committee, says, 'The Greek state is one which throughout all these decades if not centuries has been hostile to the people. We have to open up the state to the real needs of the people. We will ask for a general assembly of all those who work in the ministry and explain the new situation, and encourage their initiatives to make the state responsive to the needs of the people.'

The hope, he explains, is to encourage 'a surge of people wanting to participate, produce ideas. This will be the first time such a thing will have happened in Greece.' This is an ambitious strategy to not only democratise a state that is institutionally corrupt, but also open up the work of the ministries to the stifled creativity of public sector workers and citizens alike.

Why public services that serve the people matter for an alternative economics

Stories of successful public service reform – increasingly rare in this age of the scorched-earth economics of austerity – are not simply relevant to the case against privatisation. They are also fundamental to an alternative economic strategy to counter the fast-moving descent into economic depression and climate annihilation.

Publicly-led public service reform on the basis of the kind of principles and experiences explored here lays the basis for creating new and useful jobs in the public sector more widely – in building public housing, caring services, youth services, environmental services, IT, strengthening the social economy and so on. It's not as though there is a lack of things that need doing!

Depressions lead to social devastation. One foundation stone of a new, more humane political economy should be the expansion of a democratically reformed public sector. To assert the importance of democratic alternatives to privatisation for the building of a human-centred – rather than profit-centred – society implies a radical challenge to austerity policies and the unregulated, profit-driven nature of finance that lies behind them. This unleashed power of private finance is the product of perhaps the ultimate privatisation, as finance and political power together try to drive everything public to destruction.

Just as we have seen struggles to defend water as a publicly owned and managed utility, in an era when so many banks around the world have been nationalised, it seems a logical next step to insist that finance should also be organised as a public good – a public utility that serves the people.

Union leader Baba Aye from PSI affiliate the Medical and Health Workers' Union of Nigeria (MHWUN) speaks about the need to address inequality by funding quality public services at "The World Needs Tax Justice and a Financial Transactions Tax" workshop, World Social Forum, Tunisia.

A work in progress

One final thought. All the campaigns described in this booklet are part of building a global struggle for public services that serve the people that is inevitably a work in progress. Likewise, this booklet is itself a work in progress, so we ask that you send in your experiences. No campaign has, or would claim to have, the finished, definitive model – yet, as I have laid out, there are important lessons that can be learned from all.

Perhaps the most important lesson of all is this: that in an era when increasing numbers of people are unhappy with the system as-is, with austerity programmes pushing for a new round of privatisation and social immiseration, there is an alternative. When development policies are benefiting only a tiny minority, there must be alternatives. And when people are reluctant to resist, it is often because they lack confidence in such an alternative.

An alternative cannot be an abstract programme – it must be one that really exists, on the ground, at the grassroots, and is being built right now. Our task is to get out there and spread those experiences, and through such examples foster not only hope for a better world but confident engagement in building it here and now. We do not need to wait for the perfect theoretical blueprint – our actions must help to guide the theoreticians. It is by mobilising in our communities and our workplaces for common solutions that we will create new models.

Further reading

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Useful websites

Centre for Labour Studies (Class): www.classonline.org.uk

European Federation of Public Service Unions: www.epsu.org

European Services Strategy Unit: www.european-services-strategy.org.uk

European Water Movement - *Protecting Water as a Commons*: http://europeanwater.org

Municipal Services Project: www.municipalservicesproject.org

Public Services International: www.world-psi.org

Public Services International Research Unit: www.psiru.org

Reclaim Public Water Network: www.tni.org/network/reclaiming-public-water-net

Trade Union Co-ordinating Group: www.tucg.org.uk

Transnational Institute: www.tni.org

TNI: *Reclaiming Public Water - Achievements, Struggles and Visions from Around the World*: www.tni.org/tnibook/reclaiming-public-water-book?context=599

Water Justice - see resource centre on alternatives to water privatisation: www.waterjustice.org

We Own It: weownit.org.uk

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I dedicate it to the memory of my mum, Joyce Wainwright, on whose phone much of the early research was done and who was ever-curious about what I was writing, always challenging me to relate whatever it was to people's urgent needs and struggles.

CGIL Nazionale

In Italy's national referendum, voters indicated they were overwhelmingly in favour of keeping water services in public hands, but the fight against privatisation continues.

Public Services International
45, avenue Voltaire, BP 9
01211 Ferney-Voltaire Cedex
France
Tel: +33 (0) 450 40 64 64
Fax: +33 (0) 450 40 73 20
Email: psi@world-psi.org

Transnational Institute
PO Box 14656
1001 LD Amsterdam
The Netherlands
Visiting address
De Wittenstraat 25
1052 AK Amsterdam
The Netherlands
Tel: + 31 20 662 66 08
Fax: + 31 20 675 71 76
Email: tni@tni.org