Abstract

This thesis examines the concept of water cooperatives as an alternative model to create access, supply and manage water services in poor urban and peri-urban areas. Two case studies from the Municipality of Moreno, Buenos Aires are presented in this thesis in order to account for the feasibility of the model. The primary data for this research is derived from participant observation, key informant interviews, household questionnaire-based interviews and archival research.

The significance of researching water cooperatives is that they have traditionally been dismissed in regard to their potential of being a practical alternative to large water concessions and public run water services in the Global South. Research on alternatives such as water cooperatives is key, particularly in the face of growing de-privatization in the water sector in the province of Buenos Aires. The Buenos Aires Metropolitan Area is an important case study for research on water governance because it was intended to be the World Banks model for which other countries would strive to emulate when reforming and improving water services by means of private concessions.

The first part of the thesis examines the political and social history of water cooperatives in Argentina and the effects of privatization on the cooperative model. The second part outlines the theoretical advantages and disadvantages of the governance model and positions these theories against the realities of an existing water cooperative and a poor peri-urban community that has a strong affinity for implementing the model in their community. The two case studies presented in this thesis help to elucidate why the water governance model is able to serve poor peri-urban communities that otherwise remain unserviced by the traditional public or private water governance models. This is significant if we are earnest about providing water and sanitation services to all.
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<th>Full Form</th>
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<tr>
<td>ACOBON</td>
<td>Asociacion de Cooperativas Provedoras de Servicios Publicas de Conurbano Bonaerense</td>
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<tr>
<td>AGBA</td>
<td>Aguas de Gran Buenos Aires</td>
</tr>
<tr>
<td>AySA</td>
<td>Agua y Sanemiento Anonyma</td>
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<tr>
<td>BIT</td>
<td>Bilateral Investment Treaty</td>
</tr>
<tr>
<td>BSMA</td>
<td>Buenos Aires Metropolitan Area</td>
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<tr>
<td>CAD</td>
<td>Canadian Dollars</td>
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<td>FENCAP</td>
<td>Federación Nacional de Cooperativas de Agua Potable</td>
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<tr>
<td>GIS</td>
<td>Global Information Systems</td>
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<tr>
<td>ICA</td>
<td>International Cooperative Alliance</td>
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<tr>
<td>ICSID</td>
<td>International Centre for Settlement of Investment Disputes</td>
</tr>
<tr>
<td>IDRC</td>
<td>International Development Research Centre</td>
</tr>
<tr>
<td>IDUAR</td>
<td>Instituto de Dessarollo Urbano, Ambiental y Regional</td>
</tr>
<tr>
<td>IIED-AL</td>
<td>Instituto Internacional de Desarrollo y Medio Ambiente- América Latina</td>
</tr>
<tr>
<td>INAES</td>
<td>Instituto Nacional de Asociativismo Economia Social</td>
</tr>
<tr>
<td>IPAC</td>
<td>Insitituto Provincial de Acción Cooperativa</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
</tr>
<tr>
<td>MDGs</td>
<td>Millennium Development Goals</td>
</tr>
<tr>
<td>OAS</td>
<td>Organization of American States</td>
</tr>
<tr>
<td>PAPP</td>
<td>Personal Action Participation Program</td>
</tr>
<tr>
<td>PSP</td>
<td>Private Sector Privatization</td>
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<tr>
<td>SNAP</td>
<td>Servicio Nacional de Agua Potable</td>
</tr>
<tr>
<td>SPAR</td>
<td>Servicios Provinciales de Agua Potable y Saneamiento Rural</td>
</tr>
<tr>
<td>UBC</td>
<td>University of British Colombia</td>
</tr>
<tr>
<td>UNDP</td>
<td>United National Development Program</td>
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<tr>
<td>WHO</td>
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The process of conducting research and writing this thesis has reconfirmed to me that despite all the pain, frustration, inequality and confusion that absorbs much of this world, a helping hand, friendship, love, smiles and dreams are always close by. This in fact has been my motivation and inspiration, something that I hope to pass on to others. Having said this I would like to give specific recognition to Walter, Cristina and Suyay for inviting me into their home with the utmost trust and encouragement while conducting research in Cuartel V. Natasha Sacouman for your guidance and support in helping me establish myself in the early days of my fieldwork and to Carmen, Olga and Sergio for sharing your experiences. A special thank you to the IIED-AL team for introducing me to Moreno and providing me with a solid basis to start my research. And to everyone along the way who had interest and faith in my passion for universal access to water and poverty reduction.

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Suyay que tus sueños se realicen
Chapter 1

INTRODUCTION AND OVERVIEW

Introduction
Research Question

My master’s thesis investigates pro-poor forms of water governance and is intended to inspire further investigation into alternatives, as a means of moving beyond the public vs. private binary which characterizes much of the debate on water services provision in urban areas in developing countries. This will be achieved by analyzing the feasibility of water cooperatives as an alternative model to create access, supply, and manage water services in poor urban and peri-urban areas in the Global South, with a case study in Buenos Aires, Argentina. My research question is: Are cooperatives a desirable means to serve poor urban and peri-urban communities that are in need of adequate water and sanitation services? Why or why not? This is an important question, seeing that water cooperatives are an established alternative to the current dichotomy between private and public services. By addressing this research question the thesis will serve to uncover the often ‘ignored’ or ‘idealized’ notion of water cooperatives as a solution for poor communities. Furthermore, it will also act to assess and comment on the possibilities, barriers, reasons and viability of supporting the cooperative model for water provisions in such neighbourhoods. Although this research is carried out in Argentina, it has application in other communities in the Global South that are facing similar struggles for access to potable water.
As a means to contextualize the research question, the thesis presents two case studies in the Municipality of Moreno, Buenos Aires, Argentina. The two case studies are at different phases of adapting the cooperative model for water and sanitation provisions. The first case study, the community of La Tradición (See Chapter 2 and 4), will present the functioning of an existing water cooperative. The second case study, Cuartel V (See Chapter 2 and 5), which is considered a poor peri-urban community, will be investigated in the context of its proposal for a formal water cooperative to secure potable water access. Together the analysis of these case studies will unpack the feasibility of water cooperatives as a pro-poor means of water governance in the Global South.

Many poor communities in the Global South, including Argentina, obtain water services from informal community organizations. However, many of these organizations operate in constant debt, insecurity and are often unable to keep up with growing needs of expanding urban populations. Such organizations are turning toward the cooperative model as a potential means of improving services and securing a future for the community. It is not only the anti-privatization movement that is interested in alternatives, such as water cooperatives. Other non-partisan groups such as academics and communities also see cooperatives as a potential untapped resource for meeting the needs of poor communities and providing universal water provisions (Balanyá, 2005; Nickson, 2000; Solo, 2003).
Overview

This thesis is comprised of six chapters. Each chapter works to help understand cooperative theory, principles and politics in Argentina, with regards to pro-poor models for the provision of water and sanitation services. Chapter 1 will support the rationale for my research on alternative water governance models, define a ‘cooperative,’ and discuss how the cooperative framework has been adopted in Argentina. This information will draw primarily on theory, governmental and archival documents. Chapter 2 will introduce the social science and humanities debates about situated knowledge and outlines in detail the research approach used and the case studies analyzed for this research. In Chapter 3, the history of the cooperative model in Argentina will be outlined. This chapter will also report on the growing support for the water cooperative model and the perspectives of the State and Province of Buenos Aires. In Chapter 4, I will discuss the theoretical advantages and disadvantages of water cooperatives and contrast this theory with the reality of an existing water cooperative, based on the case study of La Tradición. The affinity for the water cooperative model by poor peri-urban communities will be investigated in Chapter 5 and analyzed against the theoretical advantages and disadvantages of water cooperatives outlined in Chapter 4. Lastly, in Chapter 6, insight into the future of water cooperatives will be assessed along with a proposal for future research on the benefits of the cooperative model in regards to water cooperatives as a measure to secure land tenure in poor peri-urban areas in the Global South.
Rationale: Cooperatives an Alternative to the Public vs. Private binary

Argentina is an important starting point for research on water governance. The World Bank intended for Argentina to be the model, which other countries would strive to emulate when reforming and improving their water services by means of private concessions. The development of private concessions and major structural reforms for the provision of utilities was imposed under the ‘Washington Consensus’ in the 1990s (Loftus 2001; Balanyá 2005; Warren 2000; Frost 2003). Despite the promises of improved efficiency and ease of State debt accumulation, Private Sector Privatization (PSP)\(^1\), was met with strong opposition. It soon became clear that the motivations for PSP were largely driven by the motivation for profit. This resulted in a neglect of proposed pro-poor strategies of extending water services to poor areas and a general omission of the concerns of civil society.

It has been reported that a significant amount of people in South America do not have access to safe drinking water and sanitation in their homes (Barlow, 2002; Niemczynowicz, 1992; Solo, 1999). This was initially the reason for introducing reforms such as PSP, which formed private contracts with multinationals and the State to manage water utilities. However, 20 years after the introduction of PSP it has been argued that these reforms have caused the water crisis in Latin America to become prolonged, since little progress has been established under PSP in the water sector. The outcome has been

\[^1\] PSP is the common acronym for ‘private sector participation,’ a form of privatization that is based on contracts between the public sector and a private company and was widely popular in the 1990s for managing the water and sanitation sector. It is often argued that PSP undermines local and national governments' role in protecting the welfare of its constituents, as its concern is profit maximization and not the well-being of its users (Almansi et al, 2003:4; Budds 2003).
pressure on international institutions such as the International Development Research Centre (IDRC), International Institute for Environment and Development - America Latina (IIED-AL), United Nations Development Program (UNDP) and the Water Supply and Sanitation Program (WSP) to make water governance research in Latin America a top priority. My research on water cooperatives, as an alternative governance model, comes at a time when more forward looking practices in Latin America are at the forefront of the water policy debate (Basañes, 2002; Navia, 2001).

Water cooperatives have traditionally been dismissed as a practical alternative to large water concessions and public run water services. However, in the face of growing de-privatization in the water sector in the province of Buenos Aires further research on such alternatives is of particular importance. De-privatization has occurred in all the major water concessions in the Greater Buenos Aires Metropolitan Area. For example, Aguas Argentina\(^2\), AZURIX\(^3\), and most recently in July 2006 Aguas del Gran Buenos Aires (AGBA) have all returned to State ownership (Hardoy, 2006; Lobina, 2007; Mariana, 2006). This trend and the return to State water provisions and investment, has resulted in the Buenos Aires Metropolitan Area facing major changes and new challenges in the realm of water governance after struggling with the private sector ownership that had been in place since the early 1990s.

\(^2\) Aguas Argentina, now AySA, in September 2005, cancelled their water concession for the city of Buenos Aires.

\(^3\) In 2001, Azurix (a large international water cooperation) cancelled their involvement with water supply in the southern district of Buenos Aires and was later taken over by ABSA
My study on alternative water provisions in the region is timely, considering that there is a small window of opportunity for alternatives, such as water cooperatives, to expand and develop. This opportunity arose as a result of the withdrawal of large international water corporations; e.g. Suez Lyonnaise des Eaux. Further research on alternative water provision in Buenos Aires will serve to elevate the consciousness among local communities, governments, NGOs, international institutions and entrepreneurs in regards to the feasibility of often overlooked alternative water governance models. Investigations into alternative water models will allow for a progression beyond the public vs. private binary; a debate that has dominated the water sector for almost 20 years.

My attempt at diverting the water governance debate from the ongoing discussion and rhetoric about neoliberal water governance models, such as private sector participation (PSP) is not a straightforward task; given that research into new froms of water governance models is still an emerging field of study. Past and current literature on the subject of water governance focuses heavily upon traditional forms of investor-based privatization, and its pros and cons. Contrary to the discourse on water governance and whether it should be public or private, the purpose of this research is to generate a more forward looking debate, that analyzes the feasibility of water cooperatives as an alternative form of water governance for poor peri-urban areas that currently have no formal network (See Chapter 1, Research Question).

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4 According to the National Decree there is the possibility of opening up the possibility of participation of local governments, coops and civil society in the management of the water services in the concessioned areas (i.e. The Province of Buenos Aires and Buenos Aires proper.)
What is a Cooperative?

Origins and History

There is a long tradition of cooperatives. People have historically cooperated for survival by forming groups to achieve goals, which otherwise would be impossible, unattainable or unfairly managed by an individual. This tradition has now become formalized and one can find cooperatives amongst the Fortune 500\(^5\) as well as in remote rural communities. Cooperatives commonly form as a result of the inadequacies of the marketplace and/or State to provide an affordable or quality good or service demanded by a community. The modern cooperative model is commonly documented as coming out of Great Britain in the late 19\(^{\text{th}}\) century. During this time the economy was devastated as a result of industrialization and people where looking for an alternative means to meet their needs. In 1844 the Rochdale Society of Equitable Pioneers organized themselves and became the worlds first formal cooperative thereby, spearheading the cooperative movement. The founders of the Rochdale Society set the standard by formally documenting a set of policies that would govern cooperatives, referred to as the ‘Rochdale Principles 1937.’ Many of these policies continue to be the foundation of cooperatives in place today (Birchall, 2005).

\(^5\) For example, Land-o-Lakes Inc. is a successful producer cooperative in the United States. It has sales of $6 Billion a year and serves more than 50 states and exports to 50 countries. It was founded in 1921 out of because it has alternative ideas about how to produce butter, which were not being adopted by existing creameries. As a result Land-o-Lakes established a standard that is applied to most dairy products in the United States. For more info see: http://www.landolakesinc.com/
According to the International Cooperative Alliance (ICA), which has continued the Rochdale tradition, a cooperative is officially defined as,

“… an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise” (ICA, 2003: 2).

The key part of this definition is the idea that a cooperative is an autonomous, voluntary, democratic, member owned business. It is imperative to understand that cooperatives may start as a civil society organization or new social movement struggling to obtain an ambitious goal. However, once these organizations and movements have organized and formed into a cooperative, they often end up delicately balancing between their social roots and the management of an ‘enterprise’ (See Chapter 4, Reality of a Water Cooperative). Nevertheless, the ICA’s focus on the values and principles of cooperatives is what make this business model unique from the classic private sector, which is often discussed in water governance literature. The values of a cooperative cited by the ICA are,

“…self-help, self-responsibility, democracy, equality, equity and solidarity…in the tradition [that]… co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others” (ICA, 2003: 2).

Cooperatives also share an agreement to cooperate amongst other cooperatives and not to work for profit. This is achieved by reimbursing earnings to members in either cash payment or by investing in infrastructure in the event of a surplus and by supporting the creation of other cooperatives. These values and principles are at the core of the cooperative model; it is these values that make cooperatives an attractive alternative for many communities rich or poor who are trying to better manage basic public services, such as water (See Chapter 4).
Cooperative Framework

The generic cooperative model follows an internationally recognized framework set out by the ICA. Owners are considered members, rather than investors, and all members are entitled to a vote regarding major decision making and electing the board of directors. The number of representatives on the board of directors is dependent on the size of the cooperative. Generally, for small water cooperatives, there are six members, including: President, Vice-President, Secretary, Treasurer and two other users whom sit at the council table. Subject to the size and purpose of the cooperative, the council sits once a year to review and present the fiscal balance and discuss other important dealings of the cooperative. Subsequent general meetings are held when there is a major decision that needs to be made. Otherwise, participation is generally low regarding everyday activities of cooperatives (Da Rin, 2006).

Elections for the board of directors of a cooperative are held every 3-4 years and re-election is dependent on limits, established by the cooperative, as to how many subsequent terms a representative may serve. As a rule, only cooperative members can vote and be on the board of directors. However, not all users are necessarily part of the cooperative (Pastor, 2007). The president of a cooperative often gains power as a result of their title; presidents will often pursue political or activist careers once they leave

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6 These numbers are based on the board of directors of La Tradicíon Cooperative in Francisco Alvarez, Moreno, Buenos Aires, Argentina. (See Chapter 2 and Chapter 4 for Case Study)
7 This is the case in Hurlingham, a neighbouring municipality to Moreno that has a water cooperative. The cooperative serves an entire neighbourhood but not all users are members of the cooperative. The advantage of being a member is that one has a vote in cooperative elections and is able to run as a candidate for a position on the board of directors.
office of the cooperative (Alvarez, 2007). Yet, according to the ICA principles, cooperatives are to be politically and religiously neutral as to avoid complications regarding member discrimination or manipulation (ICA, 2003). The reality of this principle is largely dependent on what individuals are involved and the nature of power relations within the community (See Chapter 4, Reality of Water Cooperatives).

**Cooperative Framework in Argentina**

Cooperatives continue to be more than an ideology or a simple business entity in Argentina. Supporters of cooperatives in Argentina, and around the world, see them as a compulsory option for services. Legislation in Argentina is intended to support cooperatives by offering diverse options for users and affirming the objectives of the cooperative model. As an example of State fortification of the cooperative model is the protection of existing cooperatives against being taken over by civil associations or commercial companies (De Gouvello, 1999: Chapter 2). This State protection affirms trust in the autonomy of the cooperative model and provides security for alternative provisions of services such as water.

The cooperative framework in Argentina is based on a hierarchical support and regulatory system (See Figure 1.1). This hierarchy includes individual cooperatives, federations and confederations along with state run agencies. Membership of a cooperative in a federation or confederation is not compulsory. A cooperative can be independent, with its only outside relationship being with the Provincial and National entities which regulate cooperatives in the country. In the case of cooperatives in the
Province of Buenos Aires, the Provincial and National bodies that require compulsory association are the Instituto Nacional Asociativismo y Economía Social (INAES)\(^8\) and Instituto Provincial de Acción Cooperativa\(^9\) (IPAC). These organizations are government managed and funded and dictate the National and Provincial protocol and legal status for cooperatives, according to Act 26.337 and ensure that the cooperatives principles are adhered to (See Chapter 3).

**Figure 1.1: Bureaucratic Hierarchy of Cooperatives in Argentina**

The purpose of federations is to provide an additional form of solidarity at the regional/provincial level among cooperatives that characteristically provide a similar service or

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\(^8\) In English it is translated to “National Institute of Associated Social Economy.”

\(^9\) Translated to “Provincial Institute of Cooperative Action.”
good. For example ACOBON - Asociacion de Cooperativas Provedoras de Servicios Publicas de Conurbano Bonaerense and FENCAP - Federación Nacional de Cooperativas de Agua Potable are federations in Buenos Aires, which assist cooperatives that provide potable water and other public services in the Province (Pastor, 2007). The benefits associated with belonging to a federation are the diffusion of information, increased solidarity and the ability to lobby the government for cooperative interests. An example of the work that federations do is, establish limits on private concessions encroachment on cooperative territory, as well as provide general support to all members.

Confederations are typically national bodies of reinforcement for cooperatives. They often supply educational workshops to member cooperatives as well as maintain and spread support for cooperatives. Not all cooperatives that are associated with a federation belong to a confederation; rather, this is dependent on the individual cooperative. In the city of Buenos Aires alone, there are 23 federations and confederations in addition to the 15 that exist at the province level (INAES, Aug 10\textsuperscript{th}, 2007). The different levels of solidarity are significant to the maintenance and growth of cooperatives in Argentina. Without this dynamic means of communication, other forms of privatization and business models may have easily overcome the cooperative model.

The above working definition of a cooperative and how it functions is important for this research and analysis. A basic understanding of the cooperative framework will help explain why water cooperatives are such a popular alternative to supply poor urban and peri-urban communities with water and sanitation. It also serves the discussion of why or
why not such cooperatives are a feasible solution. The following chapter will outline the research approach and case studies represented in this thesis.
Chapter 2
Living on the Periphery: Methods and Case Studies

Research Approach
This chapter outlines the methods used to conduct research for this thesis. The methods are based on social science and humanities qualitative research practices. The obstacles encountered during research are presented along with timeline and description of dissemination of research results. The second part of this chapter provides a thorough depiction of the two case studies that are used to understand water cooperatives, how they function in practice and why poor peri-urban neighbourhoods have an affinity for the model. It is important to clarify that the two case studies are: (1) La Tradición and (2) Cuartel V. When depicting Cuartel V, I look specifically at the neighbourhoods of Barrio Alem and Milenio. For further clarification is that both case studies are in the municipality of Moreno in the Province of Buenos Aires.

Timeline
The research conducted for this thesis is based heavily on primary sources, during 6 months of fieldwork in the Province of Buenos Aires, Argentina (September 12, 2006 – March 12, 2007). In preparation for fieldwork I conducted an extensive literature review, which I initiated in 2004, together with my supervisor Dr Karen Bakker; the database currently consists of over one thousand publications that are stored in ENDNOTE. The length of fieldwork was necessary to acquire trust and facilitate networking within the community.
Limits and Obstacles

The factors shaping this research study are numerous. They include political / social/cultural discourse and practices, access to information and individuals for interviews, language, transportation to field site, amount of time spent conducting fieldwork and the present literature available on the topic in question. In regards to socio-political and cultural norms, in my experience many people were sceptical of the intentions and motives of ‘outsiders’ conducting research, especially foreigner researchers. This scepticism was particularly strong in the barrios of Moreno. It made it difficult to conduct interviews with some key organizations and figures, as well as gain access to interesting and important documents. This scepticism also potentially led to altered responses from interviewees. In addition, despite my proficiency in Spanish, there were times that I had difficulty fully understanding issues and sentiments. This can be attributed to my level of knowledge of the Spanish language, local idioms, accent and dialect. The challenge of transportation also imposed limits on my research, with a total of 4 hrs per day on the train/bus to and from Moreno and the Capital of Buenos Aires; where I was living. Nevertheless, these obstacles were overcome by professional and personal perseverance on my behalf, in addition to loyalty, confidence and interest from both members of the community and the International Institute of Environment and Development-América Latina (IIED-AL).
Methods Used

The research methodology in my fieldwork built on the theoretical framework of alternative water governance models. While conducting fieldwork I utilized the following methods: (1) participant observation (i.e. attendance at community meetings), (2) open ended key informant interviews (qualitative data) (see attachment for sample interview questions), (3) questionnaire based household interviews, and (4) archival work (quantitative data).

Participant observation was the primary means of research for this project. I began this portion of my fieldwork by attending workshops facilitated by the IIED-AL “Focus Cities” meetings in 4 distinct zones of Moreno over a 5 month period (October 2006-March 2007). During this time period I attended a total of 16 meetings; four meetings in each zone (See Map 2.1). My attendance at these meetings put me in contact with community members, municipal employees working on public service/utility projects and environmental development projects, political leaders and activists in the community concerned about environmental issues related to waste and water services. This enabled me to gain an intimate understanding of social, political and power relations within the community. I was also able to gain trust from members of the community, which facilitated my research through this networking experience. Attending community meetings was significant in terms of understanding the general needs of the community, particularly regarding environmental and health concerns about water and sanitation.

10 Zone 1: Cuartel V; Zone 2: Trujui; Zone 3: Moreno Norte; Zone 4: Moreno Centre y Sur, Francisco Alvarez, La Reja y El Paso del Rey.
Participant observation conducted at IIED-AL meetings also allowed me to follow the progress of Moreno’s commitment to community environmental development and observe obstacles limiting this commitment. In addition to the IIED-AL meetings in Moreno, I attended gatherings with Communidad Organizada, IDUAR, Water Commission in Barrio Alem and the Centro de Investigación de la Comunidad.

Map 2.1: The Four Zones of Moreno Based on the Focus Cities Project


11 Local NGO, funded by Fundación Pro-Vivienda, that was successful in installing a natural gas network in Cuartel V (2001) and recently has inaugurated a Public Service Cooperative, with the intention of providing public services such as water to the poorest region in Moreno.

12 IDUAR – Instituto de Desarrollo Urbano, Ambiental y Regional is a Municipal office that works on socio-environmental and health programs for Moreno.

13 The Water Commission is an informal group consisting of three neighbours that have taken on the responsibility of maintaining the water and sanitation network in Barrio Alem in Cuartel V.

14 This is a newly founded community research institute that intends on focusing on community members as primary researchers, rather than having only academics and NGOs conduct research in the community.
Although I was invited, I was unable to attend a meeting at a formal cooperative due to logistical reasons. The meetings are traditionally held at the beginning of each fiscal year for the cooperative, which is typically in March. Nevertheless, I did spend a few days at the water cooperative in La Tradición. These visits allowed me to better understand how this particular cooperative functions and to observe daily processes.

I primarily used open-ended interviews with key informant interviewees (See Appendix-List of Interviewees). My expert interviews included conversations with municipal leaders from the Instituto de Desarrollo Urbano, Ambiental y Regional (IDUAR), a water manager from el Cooperativa de Agua – La Tradición, an executive from the Asociación de Cooperativas Proveedoras de Servicios Públicos del Conurbano Bonaerense Cooperativa Ltda (ACOBON), the Secretary of Development and Promotion from the Instituto Nacional de Asociativismo y Economía Social (INAES), members of the IIED-AL team and community leaders for whom I have used aliases to provide anonymity. In total, I conducted sixteen formal expert interviews (See Appendix for list of expert interviews). Prior to conducting the interview, the interviewee was provided with background information on both the researcher and the research project. This was achieved by either a formal letter or through verbal communication. Permission and acknowledgement of the interview was accepted based on a verbal agreement and was approved by BREB

16 (See Appendix A: Behavioural Ethics Review Board Certificate of Approval (BREB) exists under the Office of Research Services – Ethical Review at the University of British Colombia (UBC). It is the office which grants approval to all research conducted at UBC.

15 During my 6 months of fieldwork, there was no general meeting.
Approval). The majority of key informant interviews took place over a 3-month period from Dec 2006- Feb 2007.

In addition to expert interviews, I also conducted individual interviews with community members in Moreno. These interviews provided a valuable perspective of community dynamics, as well as individual and community perceptions on the environment, desire for public services and willingness to pay for these services. It was often difficult to successfully arrange individual interviews with community members in Moreno. This was because residents of Moreno are typically involved in many community organizations and usually work during the day (the time when local transport to the community was available for me to get to Moreno). To compensate for the lack of individual availability for interviews, I arranged independent group meetings (informal focus groups), where I was able to gather individual and group perspectives.

In February 2007, I conducted questionnaire-based household interviews in Barrio Alem and Milenio (See Appendix B-Household Interview Questions). I chose these barrios specifically because they are positioned next to one another geographically and each possesses an informally run water network. Although Barrio Alem has the benefit of a sewage network, the raw sewage remains unfiltered due to the abandonment of the purification plant in 2001. A group of community leaders have proposed to rebuild the water purification plant so that it would benefit not only Barrio Alem, but also include Milenio, and eventually extend to all of Cuartel V (See Chapter 2 and Chapter 5).

17 People in the community often criticized NGO workers for not understanding that the residents in the barrios are busy and are not always free for interviews or meetings.
These household interviews allowed me to understand the community’s perception of water and sanitation, and gauge the level of support for the proposed water cooperative. The interview questions were written in conjunction with key informants from both neighbourhoods. Translation and use of colloquial language was carefully considered in order to ensure clarity and encourage genuine answers. A total of 58 completed surveys were conducted, 30 households from Barrio Alem and 27 from Milenio. All respondents were provided with a flyer briefly explaining the purpose of the survey and contact information (See Appendix C: Flyer for Household Interviews). Each survey took approximately 35 minutes and took place as a structured conversation. This meant that all residents were asked the same questions, but were encouraged to discuss any issues not explicitly addressed in the interview questions, which they viewed as important regarding water and sanitation.

The process of conducting household interviews was an intense yet gratifying experience. A community member accompanied me as I went door to door conducting the surveys. I was able to cover a large geographical area and randomly select residents to be interviewed. The accompaniment during household interviews in no way inhibited the random selection of interviewees. Although interviews were refused in some instances, most people were welcoming and interested in the questions and topic of discussion. The major drawback to the household interviews is that the results are not widely generalizable due to the limited number of households interviewed. However, despite this limitation, the household interviews are still very useful as a starting reference for the
support that exists for the cooperative model in poor per-urban areas in the specific communities of Barrio Alem and Milenio.

My archival research consists of private sector, municipal, non-governmental, water cooperative and civil society documents relating to water governance in Moreno and the BSMA. The documents include statistical reviews (municipality and cooperative) and account balances from the Water Commission in Barrio Alem. The information that has been collected from the mentioned primary sources has provided me with the necessary foundation and understanding of the more formal aspects of water and sanitation in the region.

Dissemination of Research Results

Throughout my academic studies and personal experience, I have learned that sharing results with a non-academic audience is particularly important when working in the Global South. This is largely because development policies can have important distributional outcomes for poor household and accessing research results is particularly difficult for these households. Accordingly, as part of my research and ethics I am planning a research results dissemination workshop in Moreno in November 2007. The purpose of the workshop will be twofold: to share research results with community members, water supply managers, companies, NGOs and government officials; and to elicit feedback on the analysis. The workshop will be held in Spanish, and the timing and location will be chosen as to facilitate attendance by community members. In addition, I will publish a synthesis of my results in a research report in both Spanish and English, and print and distribute this report to all interviewees, IIED-AL, IDUAR and interested cooperatives.
As a participant in the creation of academic knowledge, I also intend to publish a peer reviewed journal article (target journals: *World Development*, *Environment and Urbanization* or *Development and Change*). This article will challenge the public/private binaries, underlying development practices, policy, and theory and outline an alternative conceptual paradigm of water supply governance. Thus far, I have already shared my preliminary research as a keynote speaker at *The First International Meeting for Water and Youth*, which took place in Buenos Aires, Argentina in April 2007. My presentation at the “Public Management of Water” seminar was well received with much interest from youth and formal organizations that were attending the event. On October 24, 2007, I also hosted and organized a fundraiser called ‘Drop by Drop: The Right to Clean Water.’” The funds raised at the event will go towards supporting a community led water project in Cuartel V, Moreno, Argentina. The purpose of the event was to generate awareness about water issues in Argentina, Canada and around the world. In addition, to the fundraiser I created a website entitled [www.water.isgreat.org](http://www.water.isgreat.org), which provides information on the water and sanitation problems in Cuartel V, Moreno, links to water related topics, photos of Cuartel V, Moreno and the Drop by Drop fundraiser along with interesting water facts. I intend to continue to update the website with future research and information on water and sanitation from around the world. It is hoped that with a public workshop in Cuartel V, Moreno, participation in international and local events, web communication, written reports and a peer-reviewed journal article, awareness and interest on alternative forms of water management will improve and foster further innovative research for access to potable water in the Global South.
Case Studies

The two case studies that are presented, analyzed and critiqued below are presented with the intention of better understanding the functioning of an existing water cooperative and interpret why poor peri-urban communities seek the water cooperative model as a possible solution for inadequate water supply. In assessing this research it is recognized that water cooperatives and poor peri-urban communities are not homogenous and depending on politics, individuals and location the issues and goals vary. However, the use of these case studies provide a basis in understanding water cooperatives as an alternative water governance strategy and why some poor communities are considering adopting the model.

The Municipality of Moreno

Moreno is one of the poorest municipalities in the Greater Buenos Aires Metropolitan Area. It has a population of approximately 378,924 people, with 60% of its residents unemployed or underemployed. The municipality is located 37km west of the Federal Capital of Buenos Aires, and acts as a bedroom community for the capital. The train from the centre of Moreno to the federal capital sells 40,000 tickets a day. This number does not include the bus system, nor does it account for private transportation (Hardoy et al, 2005, 72; Mariana, 2006; Localización, 2007), thus indicating a high level of dependence on the capital for employment and commerce.
The municipality of Moreno is separated into 6 districts: Moreno, La Reja, Paso del Rey, Francisco Alvarez, Trujui and Cuartel V. Approximately 156 barrios exist within the municipality. However, even the municipality does not know exact numbers, since new barrios are always forming. The municipality relies on census data that becomes quickly outdated because of high levels of migration to the municipality from the interior of the country and from neighbouring countries such as Paraguay, Bolivia and Peru (Hardoy et al, 2005; Mariana, 2006; Localización, 2007; Silvano 2007). As a result of incomplete demographic knowledge the provision of services, such as water, is difficult to forecast because new barrios are continuously emerging and the needs of the people living in these areas are becoming increasingly grim.

The water supply in Moreno, both potable and non-potable, comes from two aquifers. The first aquifer, the Pompeono Aquifer, can be found at 12-40 metres below ground level. This aquifer is condemned, due to contamination from fecal colliforms and other sewage products, resulting from years of inadequate sanitation provisions and lack of sewage infrastructure in the region. The second aquifer, the Puelche Aquifer, is the source of all potable water for the municipality. The Puelche Aquifer can be accessed starting at 45-70 metres below ground level. It is important to emphasize that not all of Moreno’s residents are fortunate enough to have access to the Puelche Aquifer (Da Rin 2006; Louisa 2006; Mariana 2006). As a result Hepatitis A and intestinal parasites pose serious health threats to residents in this community. According to the director of a local

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18 The municipal website demographic information states that there are 144 barrios (Localización, 2007), but this is based on the 2001 census and it now obsolete.

19 The Puelche is recognized as one of the largest renewable groundwater reserves in the world and is an important resource for water in the Metropolitan Area of Buenos Aires (Da Rin 2006; Mariana 2006).
clinic at least 50% of children have an intestinal parasite that are deemed contagious. This is especially significant since 60% of the population is under the age of 21 years, resulting in a young population that is very much at risk (Bideberry, 2007).

Limited access to the Puelche Aquifer exists because many poor households do not have the finances, equipment or expertise required to drill deep wells. Some of the concerns for those who do have their own wells include faulty pipes, waste water outlets adjacent to potable water intake, and lack of knowledge about construction guidelines for well casings, which could help avoid leakage from the Pompoeno Aquifer into the Puelche Aquifer. Many residents in the community are concerned that the contamination of the Puelche Acquifer by the nearby Pompoeno Aquifer is eminent. This is a primary reason why a formal system is required for water and sanitation in these poor areas. A formal water system would ensure that community wells would be regulated and properly engineered to safeguard future water quality (Alejandro, 2006; Mariana, 2006).

In Moreno there is both a formal and informal attempt to regulate and provide potable water and sewerage services. In regard to formal services the municipality provides community pumps and faucets on street corners in poor neighbourhoods, where people can access water by filling up buckets of water for daily usage. This is separate from the 21 independent water and sewage providers in the region. Independent providers include informally run water networks, run by neighbours or local Non Governmental Organizations (NGOs). There is also an independent water cooperative that currently exists in a middle class neighbourhood, as well as independant private networks in more
affluent closed barrios, known as country clubs or ‘clubs de campos.’ These independent water utility providers supply 7% out of the mere 33% of the population in Moreno that has access to water services and range in size from 100 to 1000 users. The types of systems and level of potable water provided are strongly affected by the socio-economic status of the communities being served. The need for improved and increased water and sewerage services is illustrated by the statistic that only 3 of 21 independent water and sewerage systems have a treatment plant and most have existing facilities that are under threat due to deteriorating infrastructure (Hardoy et al., 2005: 72-74).

In 2001, with the hope of improving services and reducing strain on local and state resources, the water and sanitation provisions in Moreno and 6 other neighbouring municipalities (See Map 2.1) were concessioned off to Agua de Gran Buenos Aires, better known as AGBA.20 The need for improving water provisions and extending existing services was deemed a critical point in the signing of the concession for all municipalities involved. This is because at the time of concession negotiations only 13% of residents in the concession area had water services and 12% were receiving sewage provisions (AGBA, 2007).21 In Moreno, the contract specified that AGBA was to be responsible for 26% of the population in Moreno, as this was the number that was already connected to the municipal system (Hardoy et al. 2005, 72-74). Contrary to expectations, both municipal staff and residents of Moreno explain that, the private

20 From January 2001- August 2006, AGBA was the concessionaire for water and sanitation in the municipalities of: Malvinas Argentinas, General Rodríguez, Merlo, Moreno, San Miguel, José C. Paz and in Belén de Escobar an area in the municipality of Escobar (see Map 1.1).
21 The following website illustrates the plan for extending the water and sanitation network in the AGBA concession area http://www.agba.com.ar/Cuerpo/datos_servicio/frames.htm. One can see from the map that there was never any plan to extend services to Cuartel V, which is located at the most northern point of the municipality of Moreno.
concessionaire, “did not even extend the network by one metre” (Mariana 2006; Isabella 2006). In July 2003 connections to water services in Moreno stood at 18.3 %, whereas sanitation connections were merely 10.7 % (BPD, 2004). After 5 years of the existence of the private water concession, in July 2006, AGBA withdrew from the contract. The State under AySA took over responsibility for water and sanitation provisions in Moreno and the other municipalities in the concession area, where the private network (AGBA) previously existed (Lobina, 2007).

Map 2.2: Municipalities Serviced by the AGBA Water Concession in the Metropolitan Area of Buenos Aires

![Map 2.2: Municipalities Serviced by the AGBA Water Concession in the Metropolitan Area of Buenos Aires](http://www.agba.com.ar/Cuerpo/datos_servicio/frames.htm)


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22 AySa was created after, after the French concessionaire in Aguas Argentina pulled out of the private contract in September 2005. It is a mixed State run enterprise, based on the antonymous society model that was first passed as a legal entity in 1972 under Argentine Law 19.550 (CNV, 2007).
La Tradición: Formal Water Cooperative

La Tradición water cooperative is located in the Southwest of the Municipality of Moreno. It is in an upper middle class neighbourhood that was originally created as a summer or weekend escape for affluent residents of Buenos Aires. On September 8th, 1957 under resolution 392/393, La Tradición water cooperative was officially created. Local residents living in the area came together to orchestrate change, as a result of their frustrations with the State and the municipality for not providing adequate access to potable water. (Da Rin 2006).

La Tradición follows the general cooperative framework (See Chapter 1, Cooperative Framework). It belongs to a federation and follows the laws and guidelines set up by INAES, IPAC and the ICA. All representatives on the board of directors are cooperative members and volunteers for the positions. There are only 3 full time paid employees in the cooperative, which include two administration secretaries, who work in the office of the cooperative and a maintenance person/plumber. When extra maintenance needs to be done the cooperative contracts labourers, but does not keep them as full time employees. Elections take place every 3 years and there is no limit to how many terms a member of the board of directors can stay in power (See Chapter 4).

Over the years the water cooperative in La Tradición has grown in numbers of connections as the community expanded. It currently has 350 connections, in addition to a connection that services a privately owned closed barrio or ‘gated community,’ which serves 400 households. The decision to include the closed barrio was contentious and
was eventually agreed upon by means of a general election. In negotiating the agreement, members decided the closed barrio would have only one vote in decision-making, as a means to protect the interests of the original, middle class members of La Tradición. The private business, which runs the closed barrio, is in charge of voting on behalf of its residents. In addition, any water related issues have to pass through the private business that owns the barrio, which in turn addresses the cooperative. This is a unique feature of La Tradición and has been the only recent extension of its services. Currently La Tradición is changing old water network infrastructure by replacing old cement pipes with PVC piping to mitigate fungus growth associated with the older pipes (Da Rin, 2006).

Map 2.3: Map Indicating Coverage Area of La Tradición Cooperative in Francisco Alvarez.
La Tradición provides potable water to its members. Water quality is tested monthly by different lab each month to ensure improper testing does not compromise results. Although water in La Tradición has been deemed potable, currently no treatment exists for the potable water derived from various wells that serve La Tradición. It is trusted that the water from the Puelche Aquifer is safe to drink since test results have not indicated evidence of contamination. Thus far, the lack of water treatment has not posed a problem since wells are deep enough that the contaminated Pompeono Aquifer, which sits above the Puelche Aquifer, has not affected the potability of La Tradición’s water. However, this may pose a problem in the future, an issue that is recognized by the cooperative but to date has not been addressed. Another issue that has not been resolved La Tradición is the concern about sanitation. Currently there are no sewerage services in La Tradición and users must rely on septic tanks to hold their sewage and pay a private company to dispose of the waste. This issue of sanitation is something the cooperative would like to resolve, but as of yet sufficient financial resources are unavailable to fund such a project (Da Rin, 2006) (See Chapter 4, Reality of Water Cooperatives).

**Cuartel V: Barrio Alem and El Milenio**

Cuartel V is one of the most recent urban developments in the Municipality of Moreno, and is continuously struggling to reach the socio-economic conditions of neighbouring areas. Its geographic location leaves this humble area at a disadvantage because it is the furthest district, at 26KM away from the centre of Moreno. The district of Cuartel V is divided up into rural land with limited road access, despite the significant population growth observed over the past 30 years in this poor peri-urban neighbourhood. The
provision of reliable transportation services and the creation of asphalt roads have yet to arrive in this area due to a lack of financial support and resources from the municipality. The distance between Cuartel V and the centre of Moreno equates to a one-hour bus ride, by often unreliable or precarious forms of transportation. Often residents of Cuartel V feel better associated with the neighbouring municipality of Jose C. Paz because it is geographically closer and offers convenience in access to commerce, medical attention and transportation to the capital of Buenos Aires. Even with the close proximity of Jose C. Paz, residents of Cuartel V are still obliged to go to the centre of Moreno to pay bills and to access municipal services.

Cuartel V is one of the many districts in Moreno that has no formal access to water and sanitation. Out of the 19 barrios (See Map 2.4) that have been recognized in the last census in 2001, only 4 have a water network; El Milenio, Ayelen, Alem and Cominlac.\textsuperscript{23} These four barrios have water networks as a result of privately funded infrastructure projects when the barrios were first built. However, the upkeep and responsibility for continued service has not been maintained and has been passed down to the local residents.

\textsuperscript{23} The barrios of Alem and Cominlac are the only two barrios that have sewage provision, although they are precarious at best as infrastructure is faulty and there is no treatment plant. The waste water outlet is only a few hundred meters from people homes and is left in open sewage pools, causing severe environmental and health concerns.
Barrio Alem

Barrio Alem is a small community located in Cuartel V (See Map 2.4). In 1989 the State appointed a group of three neighbours to be representatives of Barrio Alem. The State under INAES is in charge of the mutual that holds the land title of the barrio. INAES strategically selected three representatives for the barrio, one from, the Catholic Church, the local school and a representative from the barrio. In 1998, the representatives of the barrio formed a Water Commission as a means of ensuring the continued functioning of water and sanitation provisions. Their responsibility became increasingly important after privatization, since AGBA abandoned the responsibility for maintaining the water and sanitation network and plant in the barrio. The commission is now responsible for
collecting money from the approximately 800 households in Barrio Alem, in order to pay the electricity bill for the running of the water pump (Alejandro 2006; Isabella 2007).

Currently only one water tank exists for Barrio Alem. The water tank was initially built for 50 families (approximately 500 people). However, Barrio Alem has experienced rapid population growth, and according to the last census is 4000 people now live in the barrio. This population growth has resulted in significant pressure on the existing water supply and sewage system. During the summer months some households experience 3-5 days without water and in extreme cases 3 weeks without service. The aquifer is stressed, indicated by the yearly decrease in the water table. In December 2006, the Water Commission was given a zero-interest loan by an NGO in order to extend the depth of the perforation of the well that serves the barrio, in order to improve water pressure and access (Alejandro 2006; Isabella 2007; Paula 2007). As results, many residents have commented that 2007 was the first summer that they have not suffered extensively from a lack of water service.

Water quality in Barrio Alem is tested once a year in April, to confirm that the water is potable. Thus far there have been no problems with water quality, apart from low levels of nitrates in the water, which are suspected to be dangerous for the elderly as well as nursing mothers and their babies. Many local residents remain unconfident in the quality of the water and prefer to drink bottled water, carbonated drinks or other refreshments.

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24 An example of the high level of population growth is that Barrio Alem has had 97.7% growth between 1991-2001 (Mariana, 2006).

25 This was a common comment by interviewees while the researcher was conducting the survey (Feb 2007).
than drink the tap water. In some cases, residents boil the water or fill buckets with water from public taps in neighbouring barrios (See Image 2.1). \(^{26}\)

**Image 2.1: Local Woman Collecting Water from Community Tap in Cuartel V.**

![Local Woman Collecting Water](image)

*Source: Natasha Sacouman. Personal Photo, 2006.*

Each household in Barrio Alem is asked to pay between 3-5 pesos (approximately $1.00-$1.80 CAD) per month for water and sewage maintenance and service. Users are encouraged to pay 5 pesos though this is unenforced and left to the household’s benevolence. According to the Water Commission, about 40% of households pay every month. Another 20% pay sometimes and 5-10% never pay and the other 30% is unaccounted for. The cost per household to cover the electricity bill for the water increased to 5 pesos in 2003, as a means to help pay a small allowance for two of the representatives of the Water Commission. An allowance of 300 pesos (approx $100

\(^{26}\) This information is based on survey results and conversations with local residents.
CAD) is given to the person responsible for maintaining and repairing the sewage system, and 200 pesos (approx $70 CAD) is given as an allowance to the person responsible for going door to door collecting payment for the electricity that runs the water pump. These individuals are also responsible for making the long and often inconvenient trip to the centre of Moreno to pay the bill. Despite ongoing hard work the third member who takes care of balancing the accounting and writing up a summary report of the month’s history, regarding water and sanitation does not receive an allowance. The Water Commission is rarely ever able to cover the entire cost of the electricity bill and is continuously in debt to the electricity company. However, the Water Commission has formed an agreement with the electricity company to maintain service despite the debt, as long as a minimum payment is made. Instead, the commission must pay interest and a fine for not paying the entire bill and the unpaid portion is added to the next month’s bill (Isabella 2007; Paula 2007). This process only increases the Water Commission’s debt but secures the functioning of the water pump, which remains a priority. In the meantime, this system is functional but it is not sustainable for the long term, as debt accumulates, the population grows and stress on the aquifer continues.

**El Milenio**

Millennium, more commonly known as Milenio, is one of the newest barrios in Cuartel V and Moreno. It was created in 2000, by a religious NGO called Madre Tierra. The NGO bought property and has sold it in small parcels of land, known as ‘Lots.’ The purchase of property from Madre Tierra includes a connection to a water network; a service that many living in this barrio have not had access to in the past. Single mothers, families
from villas miserias\textsuperscript{27} or other needy situations apply to Madre Tierra and then are put on a waiting list in order to qualify for a Lot. Madre Tierra has also organized the community of Milenio into a semi–cooperative system, in which each block has its own representative speaker, expense collector, social representative and maintenance person. The responsibility of the representatives varies depending on their role, but the purpose is to have the community involved and responsible for the well being of the barrio (Eva 2007; Silvano 2007).

The water network in Milenio, is currently run in a similar fashion as Barrio Alem. There is one main water tank for the neighbourhood that is run by an electrical water pump. A treasurer from each block in Milenio is responsible for collecting 2 pesos (approximately 0.70$ CAD) per household per month to cover the electricity bill for the pump. The water network suffers from similar issues as Barrio Alem. Not everyone pays because of inability or lack of trust in the system and the water gets cut, without warning, for extended periods of time. Another important issue is that not every household has a water tank, as a security reserve, in case of a network malfunction or lack of water pressure. This leaves households in a precarious position without any alternatives for water, which becomes an important health and safety concern (Silvano 2007; Eva 2007; Survey results Feb 2007).

As a result of inadequate water and sewage provision in the Barrio Alem and Milenio, an initiative has been implemented by local neighbours to incorporate the two water networks.

\textsuperscript{27} Villas Miseries are informal neighbourhoods that are equivalent to shantytowns or slums. They are mostly found around major urban areas, such as Buenos Aires. The term translates to “misery neighbourhood,” a blunt expression for the reality of these areas.
networks and form a water cooperative. This proposal includes building a new well and a larger holding tank to manage the new system. The intention is that the water cooperative will eventually extend and serve all of Cuartel V. The rebuilding of the water treatment plant that was abandoned by the private sector is also a priority as is the extension of the sewage network to Milenio and then to the other neighbouring barrios. Those who proposed the establishment of a water cooperative acknowledge that this is a large endeavour which will take time, resources, and external and internal support, but also that improvements in water and sewage provision are vital objectives for the community. Many obstacles lie ahead of achieving this goal of increased access to water and sanitation and creation of a water cooperative in Cuartel V, but several leaders in the community are willing to put their energy into the realization of this dream (See Chapter 4).

As a means of understanding the feasibility of water cooperatives and the desire by poor peri-urban communities in the Metropolitan Areas of Buenos Aires for this alternative model, it is important to reflect and obtain an important perspective of the history of cooperatives in Argentina and how they have evolved. The following chapter will present a history of cooperatives in Argentina and the Province of Buenos Aires, the effects of privatization on functioning cooperatives and the National and Provincial perspective of supporting the model.
CHAPTER 3

OLD IDEAS, NEW COOPERATION TOWARD UNIVERSAL WATER ACCESS

This chapter investigates the history and public policy of the cooperative model in Argentina, specifically regarding water cooperatives. The information provided in this chapter is significant for understanding the political support that exists for cooperatives and how this political basis can be used as a tool for poverty reduction and provision of services. The chapter also analyzes the impact of privatization on the cooperative movement in Argentina; both positive and negative. With greater awareness of the political and historical spectrum supporting cooperatives in Argentina, it becomes increasingly clear that it is imperative that alternatives such as cooperatives receive increased attention by academics, policy makers and international institutions.

The Pioneering of Cooperatives in Argentina

European immigrants founded the first cooperatives in Argentina during the end of the 19th century and the beginning of the 20th century. The immigrants brought their traditions, culture and forms of organization, such as cooperatives and unions. These forms of organization were based on strong ideas of solidarity and cooperation, which became further entrenched while overcoming the many challenges of immigration and the start of a new. The first cooperatives in Argentina were primarily based in the service sector and professional trades (INAES 2005:11).
The earliest cooperative documented in Argentina was in the province of Buenos Aires in 1884 and was entitled El Cooperativa de Almaceneros (The Department Store Owners Cooperative) (INAES, 2005). Three years later the first public service cooperative was formed the Sociedad Cooperativa Télefoníca (Telephone Cooperative Society) (Ravina, 1996: 452). (See Table 2.1, for a List of Cooperatives in Argentina during the early 19th century). However, it was not until December 19th, 1926, when the federal government of Argentina legally recognized cooperatives, under “Ley General de Cooperativas Nº 11.388.” Juan B Justo, the President of the Argentine Socialist Party and founder of the 1905 El Hogar Obrero Cooperative, was the first to present the new legislation on the key principles of cooperatives in Argentina (INAES 2005; 12).

Figure: 3.1

<table>
<thead>
<tr>
<th>Year</th>
<th>Name of Cooperative</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>1885</td>
<td>Compañía Mercantil</td>
<td>Chubut, Trelew</td>
</tr>
<tr>
<td>1887</td>
<td>Banco Popular Argentino</td>
<td>Prov. Buenos Aires</td>
</tr>
<tr>
<td>1898</td>
<td>El Progreso Agrícola de Pigué</td>
<td>Prov. Buenos Aires</td>
</tr>
<tr>
<td>1898</td>
<td>(Still exists)</td>
<td></td>
</tr>
<tr>
<td>1900</td>
<td>Cooperativa Agrícola Israelita</td>
<td>Basabílvaso, Entre Ríos</td>
</tr>
<tr>
<td>1902</td>
<td>Cooperativa de Fondo Comunal</td>
<td>Colonia Clara, Entre Ríos</td>
</tr>
<tr>
<td>1902</td>
<td>(Still exists)</td>
<td></td>
</tr>
<tr>
<td>1905</td>
<td>El Cooperativa El Hogar Obrero</td>
<td>N/A</td>
</tr>
<tr>
<td>1905</td>
<td>(Still exists)</td>
<td></td>
</tr>
<tr>
<td>1923</td>
<td>Cooperativa del Colegio Nacional</td>
<td>San Isidro, Prov. Buenos Aires</td>
</tr>
<tr>
<td>1928</td>
<td>La Edilicia de Pergamino</td>
<td>Prov, Buenos Aires</td>
</tr>
<tr>
<td>1928</td>
<td>(First Workers cooperative)</td>
<td></td>
</tr>
</tbody>
</table>


28 The purpose of the utility cooperative was to balance the monopoly of a foreign company on the telephone network. A scenario that is parallel to public utility struggles today.
The new cooperative legislation provided new inspiration for the country. This inspiration is evident in the quote by the Justicialist Party, subsequent to the passing of the cooperative legislation law 11.388; “... the cooperative is a basic entity of the social economy...” (INAES, 2005:13). The support for cooperatives and the diversity of opportunities they could provide resulted in the spread of the cooperative model in Argentina. Law 11.388 set the base for the solid development of cooperatives in Argentina without artificial restrictions or interference from the State. The confidence in the legislation for cooperatives is evident, as it has remained unmodified for almost 50 years. This is significant, in a country that is constantly altering its laws (SCPL. “Cooperativismo: Acerca de la legislación cooperative,” 2005).

Juan Peron, in his first and second term as President of Argentina in the 1940s and 1950s lent great support to the cooperative movement. His then socialist ideals promoted the philosophy that if the government was unable to provide a good or service, then the citizens were encouraged to take issues into their own hands and form commissions (i.e. informal and sometimes formal cooperatives) (Silvano, 2007). This discourse resembles Lenin’s approach to supporting the expansion of cooperatives in Russia. However, Peron did not see cooperatives as a means of overthrowing the ruling class (Lenin, 1927); rather he believed that the cooperative model was a means of empowerment, solidarity, and community building. The idea was to bring together the Peronist community, particularly in poor peri-urban and rural areas. In Peron’s Second Five Year Plan (1953-1957) the

29 The Justicialist Party was founded by Juan Peron in 1945 and continues today as the main Peronist political party in Argentina.
support for the cooperative model was implemented as part of the national conscience. This was established as Peron professed that the new Five-Year Plan was intended to incorporate everyone and be for everyone; a means of community cooperation (Rein, 1998: 47). Peron’s support for the cooperative model continued as he helped to create the first Workers Cooperative Federation (ACTRA) in 1954. By promoting the cooperative movement, in many of his public speeches, Peron pushed the idea that the creation of formal cooperatives does not only imply the administration and the management of a cooperative business, it also includes maintaining the current struggle for sustaining cooperatives with support from the government (INAES, 2005:13).

In May 1973, after the establishment of over 4,400 cooperatives and 50 years of success with the cooperative Law 11.388, the State re-wrote the cooperative legislation; which is now known as Law 20.337. This modification was initiated in 1972, with the creation of the National Institute of Cooperative Action (INAC). INAC was the first formal body in the government that was meant to support and regulate cooperatives in Argentina. The new legislation was met with scepticism, as it was argued that amendment to the cooperative law was merely an exercise of power by the newly created INAC. Further concern arose over the amendment because the new cooperative legislation Law 20.337 was introduced just days before a major change in government, which threatened the success of the new law (SCPL. “Cooperativismo: Acerca de la legislación cooperative,” 2005). In hindsight the concern was legitimate seeing that the new legislation emerged only 3 years before the military coup, which was followed by the dirty war; a dictatorship

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30 Instituto Nacional de Accion Cooperativa (INAC)
in which 30,000 people are said to have disappeared (Hodges, 1991: 176; CONADEP, 1986). However in the end, the politics at the time of implementation did not directly affect the future of cooperatives in the country.

During the years following the “dirty war” and the re-democratization of Argentina (1983-1989), the government agency responsible for cooperatives (previously INAC), changed names and levels of importance with each succeeding President. In September of 2000, as part the 721/00 decree, the institute was finally transformed into the Instituto Nacional Asociativismo y Economía Social (INAES); the name that remains at the writing of this thesis (INAES, 2005: 13).

In order to understand how the history of cooperatives in Argentina relates to modern concepts and challenges of the model, it is important to look at how the neo-liberal strategies of the 1990s have shaped the current reality, and future trajectory of cooperatives. The following section will outline the struggles and aspirations of cooperatives as an alternative governance model. It is a model that can be adapted to the pursuit of decentralization and privatization, which has become widespread in both the Global North and South for the past 20 years in government policy making.

**Privatization vs. Cooperatives**

The distinction between cooperatives and the traditional private sector can sometimes be blurred. This was the case during the 1980s when the State Reform Legislation 23. 696, concentrated heavily on decentralization. The purpose of decentralization was to address the abuses, inefficiencies and poor quality of public utilities that were managed by the
State. Initially, the cooperative movement saw the State’s willingness to decentralize as a positive step forward in opening up options for users. It was also seen as a means to lower tensions between National and Provincial public business and unions, which saw coops as a competitive threat to the growth of large State business, which had been an issue between 1973-76 (De Gouvello, 1998: Chapter 2). The optimism for expanding the cooperative movement in Argentina was based on the explicit statement in Law 23.696, 4 Appendix I, which states that the privatization of services under decentralization would give priority to the cooperative sector for gas, energy and water and sanitation (Ley de Reformas del Estado, 1989; Ravina, 1996). The legislation was very promising for the cooperative movement.

With the introduction of Law 23.969, the cooperative option was formally included as an important alternative in the decentralization of State services in Argentina. Roberto Dromi, the first Public Works Minister under the Carlos Menem government, was quoted as saying at the time of implementation of the Law 23.696 that, “decentralization comes in many diverse forms, it can be done not only by the State or non State sectors but also in the form of consortiums, cooperatives, unions and other forms of joint management and subsidiaries [sic]” (SCPL. “Cooperativismo: Las cooperativas y la privatización de los servicios públicos,” 2005). Dromi’s statement was solidified in the 1994 rewriting of the Province of Buenos Constitution, which states the right to organize and develop cooperatives with the assistance of financial preferences (Constitution of the Province of Buenos Aires, Article 41; 1994). Those who believed in cooperative principles were left with the impression that cooperatives were soon to become an integral part of the State
reform and decentralization that was to dominate and transform the public sector and utilities in the 1990s. Contrary to popular belief, the importance and widespread application of the co-operative model was never realised.

After much disillusion, the scope of cooperatives actually diminished. This occurred with the spread of privatization of large businesses, often foreign-multinationals, which took over the country’s public services, ranging from water and sanitation, transit, energy and telephone services. The legal dialogue and expectation of incorporating more cooperatives in the decentralization model that preceded grand scale privatization was no more than a façade, to help soften the radical change of neo-liberal legislation under the Menem government. This era of dramatic neoliberalism was dubbed ‘Menemismo economics’ (Loftus 2001: 179), but was officially known as the Public Reform Law of 1989 (Ramanmurti 1992: 107).

In the end, it was argued that cooperatives were too dispersed and without sufficient experience, to be a favourable model for decentralization. The perceived inefficiencies arose from allegations that cooperatives did not have enough expertise in public services or in dealing with international banks. These characteristics were deemed as obligatory for the cooperative model to maintain a stronghold in State reform for promoting decentralization. In addition, it was rationalized that large corporations are more efficient because they are not hindered by the participatory and democratic decision-making that are so fundamental to the cooperative model (SCPL. “Cooperativismo: Las cooperativas y la privatización de los servicios públicos,” 2005). Despite the lack of support for the
cooperative model, it was evident at the time that the support for investor-based privatization was based on superficial assumptions.

The weakness of privatization was apparent from its initial introduction into the Argentine socio-political economy. During early discussions on Argentine State Reform, Public Works Minister Roberto Dromi stated that, “privatization is not an end in itself, but a means to serve to a different end” (SCPL. “Cooperativismo: Las cooperativas y la privatización de los servicios públicos,” 2005). One can also argue that Dromi’s vision of a ‘different end,’ is a governance system that would ensure that services would be a priority, not profits, but that privatization was a necessary means for initial State reform. This interpretation makes sense if we refer back to Dromi’s earlier quote, which listed cooperatives as part of the decentralization arrangement, particularly in the water, gas and energy sector. The possible reasons for abandoning such policies can be attributed to pressures by International Funding Institutions, such as the World Bank. These international institutions have little experience working with cooperatives and have a poor understanding of the history of the cooperative model in Argentina and therefore are partial to more traditional models such as private sector investment.

Over the past 17 years in Argentina, the impact of investor-owned privatization can be observed by looking at a timeline for the growth of all cooperatives. The data indicates that the formation of cooperatives was considerably low at the beginning of the 1990s when privatization was absorbing all public utilities. It is not demonstrated in Figure 3.2, however after Argentina’s 30-year dictatorship, the cooperative model experienced short
period of growth. This growth was experienced was until the neo-liberal policies of
Menem in the 1990s dispelled much hope and investment in the cooperative model,
particularly for public services such as water. Nevertheless, it is noteworthy to see how
in 2005, when many of the private concessions including the large water concessions of
Aguas Argentina, Azurix and Aguas del Gran Buenos Aires (AGBA) were coming to an
end, the number of cooperative formed that year was at an all time high (see Figure 3.2).
The Specifics: Water Cooperatives in Argentina and the Province of Buenos Aires

The history of cooperatives and the apprehensions of the privatization of public utilities and services in Argentina are important for conceptualizing the future of water cooperatives in the country. Currently, there are 126 out of 546 public utility cooperatives in the Province of Buenos Aires (see Figure 3.3) that specify that they are a ‘water cooperative’ (INAES. “Cantidad de Cooperativas por Actividad”, 2007; INAES. “Listado Dinamico: Cooperativas”). Most of these cooperatives were formed prior to the
1990s before the private concessions were introduced in the province. The number of water cooperatives in Argentina translates into 4 million Argentinians being supplied water by cooperatives (10-11% population depending on the source) (Ubal, 2006). This figure is assured to grow as peri-urban communities in the province of Buenos Aires are seeking the cooperatives model as a solution to the lack of water provisions due to growing populations or as a way to repair the damage that was done by privatization. The desire for utility cooperatives, for services such as water, is progressively becoming not only an option but also a necessity.

**Figure 3.3: Cooperatives in the Province of Buenos Aires, Argentina**

[Pie chart showing the distribution of cooperatives by activity]

The interior of Argentina has adopted the cooperative model as an essential option. The interior’s adoption of the cooperative model is largely due to a lack of funding and government projects in the interior, since most resources are focused on the province of Buenos Aires where the majority of Argentineans reside; over 13 million people live the Province of Buenos Aires out of a National population of 36 million (INDEC, 2001). As a result, cooperative arrangements, especially those dealing with water provisions, are very strong in provinces such as Cordoba and Santa Fe. In addition, southern provinces such as Chubut are 90% served by water cooperatives, making cooperatives essential to the functioning of the economy and well being of citizens in this region (Schifini, 2006: 2). To a lesser extent, the province of Buenos Aires also depends on the services of cooperatives but this dependence is increasing as more people from the interior and neighbouring countries move to Buenos Aires and are without proper or accessible services.

The water services concessions that were common during the 1990s and early 2000s, made it difficult for existing water cooperatives and for the creation of new cooperatives. This was the case since the water concessions were strict about securing their service areas and limiting competition. As a result, many cooperative federations and confederations pushed for the protection of existing cooperatives so that they would not get taken over by private concessions (Mariana, 2006; Pastor, 2007).
In order to compete with the private concessions, most cooperatives providing water provisions that have formed since privatization refer to themselves as public service utility cooperatives, rather than strictly water cooperatives. This gives them a competitive advantage over the private water concessions. It provides the cooperative with the ability to expand into many services and not be limited to providing only the service of water (Pastor, 2007). Many established cooperatives that provide water services also provide at least one other public service to the community. These services include electricity, gas, telephone, security, housing and/or funeral services, among other services (Ubal, 2006). As a result of the comprehensive coverage of many public service cooperatives, INAES views them as fulfilling a fundamental role in the development of many cities and communities. This emphasizes how cooperatives are able to resolve problems and cover the necessities of citizens that otherwise would not have quality access to such services (Garbrarini, No Date).

The following section examines these issues through the lens of both the national and provincial governments. This is necessary in order to get a greater understanding of the impact and legacy of support for water cooperative in Argentina and the province of Buenos Aires.

**National and Provincial Perspectives on Water Cooperatives**

According to both National and Provincial governments, water and sanitation provisions are a high priority on the public health and social development agenda. It was first in 1959, when the World Health Organization (WHO) introduced the serious problem of the
lack of water and sanitation that the Argentinean Federal government started to think earnestly about the issue. In 1960, the Organization of American States (OAS) approved the Bogota Act. This was a Pan American agreement outlining methods for Social and Economic Development, which reconfirmed the legitimacy of prioritizing water provisions to the Argentinean government (Sklar, 1972). The Bogota Act highlighted potable water as a measure of how Latin American countries could improve their social and economic progress and equity (Regueira, 2007). This concern was sanctioned further with Argentina’s signing of the Punta del Este Charter in 1961. The Charter states the necessary goal of “providing potable water supply and sewage disposal” as part of the objectives of the Alliance for Progress, which was a development program founded by J.F. Kennedy (Sklar, 1972).

In 1964, in order to deal with the lack of water and sanitation services in poor communities, the Federal Government in Argentina founded Servicio Nacional de Agua Potable (SNAP). SNAP was considered to be a necessary organization within the country to improve access to water and sanitation. The purpose of SNAP was to finance and expand water services to rural areas of less than 2000 people. Initial funding for this program was granted by the Alliance for Progress and was further subsidized by the Inter American Development Bank, the State and Provinces within Argentina. SNAP soon had enough funding for a 35 year program to extend water services throughout the nation to communities under 30 000 people (Schifini, 2006).
In order to appropriately manage the program, Servicios Provinciales de Agua Potable y Saneamiento Rural (SPAR) was created under Law 7533/69. According to the Province of Buenos Aires, SPAR “occupies a fundamental place in the sector of [water and] sanitation” in the province. The mandate of SPAR is to support community involvement in the decision making for public utilities, particularly for potable water and sanitation. Since SPAR transfers resources to communities, the province considers SPAR a vital means of decentralization. “This model allows the participation of the community in the local management of services...based on solidarity and entrenched in the cooperative principles offering active participation of the municipality” (Reguiere, 2007). On the basis of this assertion SPAR has helped establish over 1500 cooperatives, throughout the Province of Buenos Aire, ranging from gas to water cooperatives. Not all cooperatives in the Province of Buenos Aires or Argentina have been founded or assisted by SPAR. Many cooperatives remain independent and are based on community self organization, as is the case with the water cooperative La Tradición (See Chapter 2 and Chapter 4). Those cooperatives that are created with the assistance of SPAR, are recomended by municipalities or by community organizations that are working on improving local utilities. If a cooperative does not exist in the community, then SPAR helps to create a cooperative under the norms and regulations of IPAC (ABSA, 2007).

The demise of the privatization of water and sanitation utilities has left many to question the future of water provisions in Argentina. It is too early to determine the success of the new State mixed enterprise that has been created under the name: Aguas y Sanemientos Argentinos (AySA) (See Chapter 2, for info on AySA) (Mariana, 2006). However, it is
acknowledged by users, the State and by SPAR that, despite problems with water provision concessions, the water utility cooperatives have been able to maintain a secure future and have seen their utilities and services improve more than other water service providers. With this recognition, the Provincial Government of Buenos Aires has asserted that they are willing to put more money into technical and financial assistance to help to continue to improve public services via the cooperative model, with help from SPAR and other organizations within the province and State (ABSA, 2007). This demonstrates the province’s commitment to supporting public utility cooperatives, including water cooperatives. It also echoes Peron’s early support for the cooperative model, since he saw it as a necessary part of the economic and social system. His support was based on the dedication that cooperatives provide to citizens by providing autonomy, democracy, development and sustainability (INAES, 2005; 12).

The Kirschner government has also actively participated in the rhetoric around the support for the cooperative model in Argentina. This is evident as one of the first quotes in the INAES document on cooperatives quotes President Kirschner stating that:

“We need to recover the culture of the cooperative model, in order for cooperatives and mutuals to return as strong instruments, which strengthens the structure and movement of the economy of our country” (INAES, 2005).

For the future of cooperatives in Argentina, assertions such as this are very promising. It appears that the nostalgia of Peron’s support for the cooperative model still exists within the federal government. However, Nestor Kirschner has not addressed the issue of water cooperatives directly. Kirschner maintains his support for the expansion of the cooperative model, but more in terms of job creation than for reasons of generating
access to public utilities. Nevertheless, evidence continues to exist that as the idea of cooperatives becomes re-rooted into the hearts and minds of government institutions and people living in poor peri-urban communities, interest in water cooperatives will continue to rise.

The interest and current political situation in Argentina that favours cooperatives is very significant, particularly in the face of growing de-privatization of the water sector in the province of Buenos Aires. With the cancellation of the once hailed water concession and the return to State controlled water provisions and investment, the Buenos Aires Metropolitan Area is facing major changes and new challenges after struggling with the pros and cons of the private sector since the early 1990s. This study on alternative water provisions in the region is timely, considering that there is a small window of opportunity for alternatives, such as water cooperatives, to expand and develop.31 This opportunity arose, as a result of the withdrawal of large international water corporations such as Lyonnaise des Eaux. Further research on alternative water provision in Buenos Aires will help raise the consciousness among local communities, governments, NGOs, international institutions and entrepreneurs on the feasibility of acknowledged, yet often overlooked, alternative models to water governance. This would therefore allow us to move beyond the public vs. private binary, a debate that has dominated the water sector for almost 20 years.

31 According to the National Decree there is the possibility of opening up the possibility of participation of local governments, coops and civil society in the management of the water services in the concessioned areas (i.e. The Province of Buenos Aires and Buenos Aires proper).
Box 3.1: Short Record of Water Governance in Buenos Aires, Argentina

**Timeline:**


1925: In the Federal Capital almost all urban residents had water provisions, either by means of water cooperatives, household wells or public networks.

Late 1920s - Mid 1940s: The increase of urbanization was accompanied with an increase of public services. The late 1940s was particularly significant as populism under the first Peronist Government focused on the distribution of services and produced the basic infrastructure for water provisions that still exists today. An additional benefit was that the underground water resources were totally accessible, due to lack of pollution, for the population that was not formally connected.

1947: With a population of approximately 4 million residents in Buenos Aires only 6.4% of the population had no access to water.

1960s: The percentage of the population without water access increased to 23.7%, as a result of the economic crisis in the 1950s that imposed limits to extending the water network in the province of Buenos Aires and elsewhere in Argentina.

1970s: An increase in population and further economic insecurity and a general abandonment of the water sector by the government lead to 30% of the population to be without water services. Any extensions to water provisions were conducted only in middle to high-class neighbourhoods, leaving the increasing poor without access.

1980s: The early 1980s was plagued by the ‘dirty war,’ making all aspects of life in Buenos Aires difficult. Neoliberal practices started to inspire major policy changes that took hold in the 1990s.

1990s: Private water concessions under Aguas Argentina were put in place under the neoliberal practices of the Menem Government and pressure from the World Bank and other International Lending Institutions.

2000s: Private water concessions were increasingly being challenged throughout the province. Nevertheless, new concessions were granted with promises to improve water provisions and extend services to lower income neighbourhoods.

2005-2006: Concessions throughout the province were cancelled as foreign concessionaires pulled out of contracts due to low profit margins and continued political and social tension over the privatization of water services. Cancelled concessions include Aguas Argentina Sept 2005 (Federal Capital) and Agua de Gran Buenos Aires (AGBA) (North-Eastern Region of the Metropolitan Region of Buenos Aires) in August 2006.

Source:

CHAPTER 4

WATER COOPERATIVES: A FEASIBLE MODEL

The purpose of this chapter is to obtain an understanding of the theoretical advantages and disadvantages of water cooperatives. In order to rationalize this analysis the significance of alternative water management models first will be discussed. Secondly, the cooperative theories, both positive and negative, will be outlined. This will be followed by the third section of the chapter, which closely scrutinizes the International Cooperative Alliance’s cooperative principles against the reality of La Tradición water cooperative. This analysis is important because it illustrates how the often-idealized theories of water cooperatives are difficult to follow through with in practice, yet provide a solid framework for positive change.

The Power of Analyzing Alternative Water Management Models

During the 1980s significant literature existed on the cooperative model and alternative forms of public utilities management, particularly in reference to water supply and the International Water and Sanitation Decade. This literature was abandoned during the 1990s, as the focus quickly turned toward investor owned governance models. Some therefore argue that the 1990s, much like the 1980s, was a “lost decade” not only for development but also for upholding the right to basic services and water (Mehrotra et al 2000; Elliott, 2003; Helwedge, 1995). In the 1990s the spotlight was on the feasibility of the private sector as manager and owner of public utilities, such as water. Privatization and decentralization were significant reform tools put into practice to theoretically ease
the burden on publicly owned and managed utilities. This left behind interest and research on the cooperative model. Now in the 2000s, after the disappointments of investor-owned privatization of utilities, academics, governments, international funding institutions and decision makers are re-focusing on becoming more open to other options for the governance of basic utilities. This has been the case in terms of water utilities, as it has been one of the most negatively affected public utilities, since the introduction of investor based privatization.

The intricacies of water provisions and the analysis of alternative models not only opens up dialogue amongst decision makers and academics, it also provides a powerful opportunity to include options such as cooperatives that have otherwise been overlooked. If we are serious about affirming the right to water for ALL, then all options and alternatives must be considered fairly and openly. The idea is to finally shift away from the desire of making profit from vital utilities like water services and toward maximizing access for all. Such a forward looking premise can produce various frameworks that can be adopted on a case-by-case basis, for a range of public utilities provisions and socio-economic and political situations, in both the Global South and North.

Already, in the short time since the Water Wars in Bolivia and public demonstrations against the privatization of public utilities in Argentina, South Africa, and France, a new breed of research is arising that moves the debate beyond this stagnant public vs. private
binary. This is evident with the Transnational Institute’s publication of the book *Reclaiming Public Water: Achievements, Struggles and Visions from Around the World* (Balanyá et al, 2005) and the International Labour Office (ILO) campaign *Cooperating out of Poverty: The Global Cooperative Campaign against Poverty*. Such research is intended to ignite interest, motivation and awareness that alternatives do indeed exist and are significant.

In order to comprehend and extend awareness of alternatives, such as water cooperatives, it is necessary to unpack the theory behind the advantages and disadvantages of such an option. Much of this theory can also be applied to other public utilities; however, the basis of this thesis is to build a foundation for alternative governance strategies for water provisions, specifically in peri-urban areas.\textsuperscript{32}

### Theoretical Advantages of Water Cooperatives

The theory about cooperatives is based on the long-standing International Cooperative Alliance (ICA) principles. These principles have been critiqued and measured by academics, decision makers, as well as proponents and opponents of the cooperative model. It is fair to say that the theory has been central to the motivation of poor communities seeking out the model for water provisions, since it provides a basis for hope for many who feel as though governments and decision makers have forgotten

\textsuperscript{32} The focus on urban and peri-urban areas is imperative since urban growth rates are 7 to 10 times those of rural areas and are the regions that see some of the highest levels of unserved and underserved populations (Crane, 1996; Chen and Heligman 1994; Mathur 1994).
them. Could it be that the forgotten option is desired most by those who themselves feel most ignored? The answer remains to be seen, as policy makers are slowly being convinced that other models should be considered. As a generalization, it seems that governments and decision makers tend to focus on the disadvantages of the cooperative model for public utilities such as water, rather than its benefits. To enable a well-informed debate, all concerned should analyze both the positive and negative aspects of the cooperative theory in order to be better prepared for how the implementation of the cooperative model will play out in practice.

The following section outlines 6 of the most commonly cited theoretical advantages to the cooperative model: (1) Autonomy/ Participation, (2) Poverty Reduction, (3) Financing, (4) Accountability/ Transparency, (5) Awareness/Education and (6) Quality of life and services. This section will provide a basis of understanding the theory of the romanticism and benefits surrounding the cooperative model.

**Autonomy/ Participation**

Autonomy is an attribute sought out by many when considering the benefits of the cooperative model. The advantages of being autonomous are that cooperatives do not have to work under the bureaucracies of the State or involve themselves in political or religious activities. This is advantageous because it allows the cooperative to focus and make the specific dealings of the cooperative a priority and not be burdened or distracted with outside demands, such as State corruption or debt. As mentioned previously, remaining politically and religiously neutral is a fundamental part of the cooperative
model and promotes equality (Chaper 1). Cooperatives also benefit from autonomy because they are able to access financial resources that perhaps are not accessible to the State (Ruiz-Muir et al, 2006: 7; Nickson, 2000: 8). This autonomy allows the cooperative to concentrate on the sustainable development and improvement of the community (ICA, 2003).

When discussing autonomy and participation it should be made clear that there is not one community, but many interests and stakeholders that must be considered. All parties affected by decisions within the cooperative should be given an equal voice and thus is the goal of the cooperative model (Hampton, 2004: 261). Cooperatives attempt to achieve equality by providing all the members with the possibility to vote on decisions and elect representatives. This is especially significant in Argentina because of the high level of inequality, the strong history of dictatorships and hierarchy in the region have paralyzed participation in the past; the cooperative model attempts to surpass this by providing a space where active participation is encouraged (Pearse 2004: 484; Silvano, 2007).

Arstein’s ladder is a good reference for understanding the theory of participation (See Figure 4.1). In the case of water cooperatives it needs to be understood that depending on the circumstances of the community, different levels of involvement are more useful or realistic. When we compare Arstein’s ladder with the ideal cooperative theory, it can easily be argued that cooperatives prioritize participation at the top of the ladder; ‘citizen control.’ The benefits of the theoretical goal for participation in cooperatives being high,
is that even if the cooperative cannot always function at total ‘citizen control,’ ‘delegated power’ or ‘partnership’ are equally as acceptable, since cistizen control is still a high priority. Concern starts to arise when the cooperative works purely on ‘tokenism’ or becomes a tool of ‘manipulation.’ This presents clear proof that the cooperative is no longer functioning.

**Figure 4.1: Sherry Artein’s Ladder of Participation**

Poverty Reduction

Cooperatives have helped communities fight against poverty and raise the standard of living for many. This is evident since impoverished people originally created the cooperative model in order to improve living conditions, affordability, income, access to goods and services, as well as a means of incorporating people as active members of civil society (Birchall, 2003; ILO, No Date) (See Chapter 3). Considering the strong history
of cooperatives being a pro-poor model, it should continue to be an option to help poor communities achieve their goals. Figure 4.2 below illustrates how cooperatives can help address and resolve the issues associated with poverty and improved access to potable water and sanitation provisions through the cooperative model. This connection between poverty reduction and cooperatives extends further as it has been suggested by the International Labour Office (ILO) that cooperatives can be a tool to help reach the United Nations Millennium Development Goals (MDGs), which intend to alleviate poverty and improve access to water and sanitation by 2015. The United Nations has publicly declared cooperatives as ‘unique and invaluable’ and affirms the advantages that cooperatives can bring to impoverished communities. However, this support for cooperatives is more in the form of discourse than direct action, yet it is important that it is at least being discussed (Birchall, 2004: 36; United Nations, 2003).
Financing

All members are expected to contribute equally to the finances of the cooperative (ICA, 2003). In some cases, utility cooperatives are able to subsidize poor households, but this decision is approved by all members and is on a case-by-case basis. As a result of democratic decision making and control, members are able to ascertain that finances are being fairly managed and that all monies are being distributed in a way that addresses the...
community’s needs. Furthermore, any surplus that the cooperative incurs will be distributed appropriately to serve infrastructure, maintenance costs, expansion and fair tariffs. Otherwise, the surplus will be redistributed back to the users, since the main intention of the cooperative is service maximization and not profits (Munoz, No Date: 3). This financial process makes the cooperative option attractive for its accountability and responsibility to its users.

Accountability/ Transparency

A recognizable characteristic among utility cooperatives is that they have a high level of accountability towards their consumers. This is part of what sets water cooperatives apart from investor-owned utility providers; otherwise, they have the same level of responsibility toward the State government, regulatory and financial institutions (Ruiz-Meir, 2006). The increased level of accountability in a water cooperative compared to an investor owned water utility utility lies in the participative and democratic elements, which allow it to be transparent. Democratic member control is the second principle outlined by the ICA. It is founded on the theory that, “[members] actively participate in setting their policies and making decisions [for the cooperative]” (ICA, 2003). This is demonstrated since all members have an equal vote and the members of the board of directors are elected representatives that are accountable to the other members. If this right is exercised properly there is no elite, as everyone has the ability to express their opinion regardless of position within the cooperative or in the community. This transparency is actualized with an open book policy, the publication of a yearly summary of expenses and the fact that each user is an owner of the cooperative and thus has an
equal right to have access to the details of the cooperatives business. Everything about the cooperative is public and available at all times.  

**Awareness/ Education**

The establishment of a cooperative brings the benefit of training and education to all members. The purpose of education and training is to ensure that all members, particularly elected representatives and employees can effectively serve the needs of the cooperative and community in which it serves. General education to the public and members is fundamental for maintaining support, participation and improvement of the cooperative (ICA, 2003). Without proper awareness and education, the cooperative could fall into corrupt hands or members could become apathetic, lose interest in participation and the goals of providing quality services could be compromised. This would result in the loss of the fundamental principles of the cooperative model, which make it distinct from other governance models. In addition, as the cooperative expands, it naturally encourages an increase in education amongst members. This occurs as the cooperative specializes in new provisions, members become more involved, more people are trained and the quality of life in the community improves (Munoz, No Date; 4).

**Quality of Life and Service**

Cooperatives are created as a means to fulfill an unmet need within a community and are committed to ensuring the highest quality of the service. In many cases this results in a significant improvement in service from the provisions that existed previous to the

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33 This was evident when I visited the “La Tradición” cooperative in Moreno. I was impressed with the frankness and ease in which I was able to review documents, even as a non-member.
cooperative. The progress is attributed to the fact that members will not settle for meagre results when managing and making decisions on the coverage and quality of service or good that the cooperative provides. Furthermore, as a result of the accessibility to elected members, it provides a level of flexibility that is not common in investor-based management of water utilities. The flexibility of a cooperative can help to ease the burden on households that are experiencing financial strain, since a cooperative is able to be more understanding and flexible in the method and payment schedule of service fees (Munoz, No Date: 5; Ruiz-Meir, 2006: 20). This sharply contrasts with traditional utilities providers that have strict policies that are neglectful to the personal struggles of the utility users. Flexibility produces a distinct level of trust and confidence amongst members and can help improve the quality of life for some households, since they can either be subsidized or allowed to pay interest free when their financial situation improves. Overall, the theory that supports cooperatives illustrates an option that can improve the lives of many by incorporating democratic, transparent and accountable governance strategies.
Box: 4.1 Theoretical Advantages of the Cooperative Model

**Autonomy/ Participation**
Cooperatives are autonomous enterprises. They are based on the participation of its members and are free from religious and politics influences, allowing members to have full control in decision-making and improvement of the community and services that the cooperative provides.

**Poverty Reduction**
Cooperatives have historically been used as a pro-poor tool for communities that could not afford quality goods and services. This tradition continues today, as cooperatives help build opportunity and employment, generate security, and power for communities that are marginalized from the public and private sector.

**Financing**
All members are expected to contribute equally to the finances of the cooperative. This is achieved with monthly fees. However, at the end of each fiscal year surpluses are redistributed to members in the form of cash or investment in infrastructure.

**Accountability/ Transparency**
The accountability and transparency that cooperatives provide their members is a major component of what makes it a unique and sought after model. This open responsibility is based on the democratic and participative elements, which are at the foundation of cooperatives.

**Awareness/Education**
Training and education for all members is a yet another advantageous principle of cooperatives. The intention is to ensure that all members, particularly elected representatives and employees can effectively serve the needs of the cooperative and community in which it serves. General education to the public and members is also fundamental in maintaining support, participation and improvement of the cooperative.

**Quality of Life and Service**
Cooperatives are committed to ensuring high quality services. This commitment comes from member-based decision-making, with members not willing to settle for meagre results. Thus, leading to the general improvement of life within the community, as civil society, capacity building and quality of services become high functioning priorities.
Theoretical Disadvantages of Water Cooperatives

The following section will expose some of the most common theoretical disadvantages of the cooperative model including: (1) Difficulty in Funding, (2) Slow Implementation, (3) Technology/Infrastructure, (4) Participation/Community Responsibility and (5) Power Relations. These theoretical disadvantages are necessary for generating a balanced overview of the cooperative model and the potential obstacles that are associated with the model.

Difficulty in Funding

Despite the success of numerous water utility cooperatives, including SAGUAPAC in Santa Cruz Bolivia, International Financial Lending Institutions such as the World Bank still do not recognize cooperatives as an alternative to privatization. This acts as a major barrier in obtaining outside funding for water cooperatives. The lack of recognition of cooperatives as a valid model underpins the continuous lending from organizations such as the World Bank and International Monetary Fund to the large international corporations, such as Thames and Suez Lyonnais. This is part of the reason why these large international corporations have dominated the privatization of water and sanitation provisions for the past two decades. Funding programs do exist for water and sanitation projects, but they are rarely granted to small community based projects that are independent of the State or private sector (Nickson, 2000: 9).
**Slow Implementation**

It is not only the need for adequate funding that slows the process of implementing a cooperative and its policies. The unique participatory decision-making process of cooperatives and the initial organization of a cooperative, among other factors, also affect the implementation and effectiveness of the model. Despite the lack of intrusive State bureaucracy that is common in the traditional public sector, local politics and power relations can act as barriers to both the creation of a cooperative and the progress that the cooperative is able to make in terms of serving its users. This aspect is a reality that most utility cooperatives, particularly in poor areas, face. Nevertheless, there is a trade-off that once the cooperative is established, many of the disagreements that previously acted as barriers have already been discussed, thereby creating a strong basis and stable long-term future for the governance model. Some view slow implementation as a necessary compromise that brings democratic control, transparency and accountability. Otherwise, decisions are made hastily without adequate consultation with members (Giroux, 1992).

**Technology/ Infrastructure**

In order to ensure quality service in water provisions, water cooperatives must maintain infrastructure and keep up to date with technology. This can be a daunting challenge for communities that wish to establish a water cooperative, because the costs of investment are quite high (Munoz, No date: 9). Also, technology is constantly changing and it can be difficult to keep up or to get the approval of users to switch to new technologies if the benefits are not well understood among users. The challenge of educating users on the
benefits of new technology may pose an obstacle and extra cost to the improvement of services.\textsuperscript{34}

\textbf{Participation/Community Responsibility}

When a cooperative is first established or when new users are integrated into the water network, it is crucial to encourage and motivate users to be committed to the management of participation of the water cooperative. If this is not established early on, the water cooperative and its principle of democratic control and participation will quickly fade and it will become nothing more than a standard public utility provider with a privileged elite making decisions (Munoz, No Date; 10).

There are arguments which attribute low participation and membership decline in cooperatives to an issue of the ‘free rider’ or ‘spill over’ effect. This occurs as incentives to become a member of a cooperative decline. Low membership or people quitting the coop can result since non-members and members can both benefit from having a cooperative in their community. This can be seen as property values rise, security is increased, quality of life improved etc. These benefits provide little incentive for non-members to take on the financial responsibility of participating in the cooperative causing existing members to question their role and responsibility to the cooperative (Tendler, 1988; Muterbaugh, 2002: 758).

\textsuperscript{34} This was evident during surveys with community members in Barrio Alem, as one gentleman believed that the PVC piping was worse then the old concrete pipes that were initially installed 30 years prior.


Power Relations

The cooperative model has been generally ignored as a result of government agencies and decision makers not understanding the model (Munoz, No Date: 10). This has worked as a disincentive for the expansion of water cooperatives, particularly in poor peri-urban neighbourhoods. It is imperative that open and adequate lines of communication are sustained, to promote, maintain and expand the image of water cooperatives, so that they can be considered more as a valid option and not just as an alternative.

Some water/ utility cooperatives fall under bad management and low levels of member participation, either due to apathy, fear or helplessness. An unbalanced power relation in the structure and management of cooperatives can lead to financial insecurity, directors that lack necessary skills, employee dishonesty, nepotism and corruption (Ruiz-Meir, 2006: 20). These are extreme cases, however they are a reality that must be recognized as not to romanticize the model and lose sight of its weaknesses. These drawbacks can be found in all models of governance, although the cooperative model is arguably different due to the checks and balances of elections and member participation.

In the following section I will construct an analysis of La Tradición water cooperative in Moreno (See Chapter 2). The objective of this analysis is to juxtapose the reality of an existing water cooperative with the theoretical principles of cooperatives set out by the International Cooperative Alliance (ICA). This analysis is not intended to point fingers, romanticize or discredit the hard work of the La Tradición water cooperative. Rather, the purpose is to illustrate the complexities of the cooperative model, what it is able to
achieve and the obstacles that reality imposes on theory. This is important since it can be used to influence the level of support from governments and international lending institutions, as well as poor communities that are considering the cooperative model.
Box: 4.2  Theoretical Disadvantages of the Cooperative Model

**Difficulty in Funding**
The World Bank does not recognize the cooperative model as an option for privatization. This acts as a major barrier in obtaining outside funding for water cooperatives, since most lending continues to be directed at investor based water concessions.

**Slow Implementation**
Inadequate funding and participatory decision-making process are often blamed for slowing down the process and reach of cooperatives. Nevertheless, there is a trade off that once the cooperative is established many of the disagreements and financial concerns that previously acted as barriers have been sorted, which creates a strong basis and stable long term future for the cooperative model.

**Technology/ Infrastructure**
In order to ensure quality service in water provisions, water cooperatives must maintain infrastructure and keep up to date with technology. This is a challenge since technology is constantly changing, making it difficult to keep up or to get the approval of users to switch to new technologies if the benefits are not well understood among users.

**Participation/Community Responsibility**
It is important for the cooperative to established early on its commitment to democratic control and decision-making. Otherwise participation will quickly fade and with the cooperative becoming no more than a standard public utility provider with a privileged elite making decisions. The issue of low participation can also be attributed to the “spill over” and “free rider” effect, where there becomes little incentive to join the cooperative or remain a member, since non-members can often benefit from the same benefits, but without the financial responsibility.

**Power Relations**
Unbalanced power relation in the structure and management of a cooperatives, can lead to financial insecurity, directors that lack necessary skills, employee dishonesty, nepotism and corruption. Further concerns regarding power relations can be attribute to the low level of investment in the model, due to a lack of understanding from governments and international lending institutions of the benefits the model can provide.
La Tradición is recognized as a formal water cooperative, under INAES and IPAC. The long history of La Tradición in the Barrio Francisco Alvarez, makes it a integral institution in the barrio. Public criticism and support is common among users and non-users alike. Supporters are likely to argue that public criticism is what makes La Tradición a democratic institution, because there is debate and varying voices of opinion in keeping with the traditional values and principles of the cooperative model. Non-supporters or those sceptical of the model argue that nepotism, power and control are factors motivating the cooperative (Isabella, 2007). This is where theory and practice find resistance against each other, as the reality of La Tradición lies somewhere between these two extreme perceptions.

**1st Principle: Voluntary and Open Membership**

The first internationally recognized principle of the cooperative model is “voluntary and open membership” (ICA, 2003: 2). This theory is adopted in the La Tradición water cooperative, but comes with conditions that make it more complex when it is faced with the realities and contradictions of life in Moreno. At a quick glance it may seem that La Tradición closely follows this principle, since everyone living in the serviced area has access to the water services that the cooperative provides. Yet, La Tradición is also an example of how socio-economic class is a factor in the cooperative model, which continues to limit access to water to the poor. The ICA principle outlines how, “Co-operatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial,
political or religious discrimination” (ICA, 2003:2). However ideal this principle may sound, the realities of implementation can often limit its application.

As stated earlier, La Tradicíon serves a small neighbourhood of upper middle class residents and an affluent gated community (See Chapter 2). The water cooperative does not serve any of the neighbouring poor communities, which rely on hand pumps and community wells to access water provisions. When thoroughly analyzing the theory of cooperatives against the realities of La Tradicíon, it could be argued that the realities of this cooperative have resulted in social or racial discrimination. This argument can be made since those living on the periphery of the water cooperative, who are a mix of immigrants and non immigrants, surely would assert that they are “able to use the services and [are] willing to accept the responsibilities of membership” if membership was offered to them (ICA, 2003:2). Nevertheless, it is not as simple to say they are in need of the services and understand the responsibilities. According to the cooperative board of directors and existing members there needs to be more proof that including peripheral communities would be possible since the consequences of failure, risk the feasibility of the cooperative to exist.

The President of La Tradicíon defends the exclusion of less privileged peripheral communities in the water cooperative network, by stating that they would put a strain on the existing water cooperative. With additional users and need for maintenance it would potentially lower the quality of service for current users. This is because those living in surrounding barrios would not have the ability to pay, thus placing the burden of extra
cost or debt on the cooperative. According to the President of the La Tradición cooperative all participating members help make these decisions. The choice to include the nearby exclusive gated community in the cooperative (See Chapter 2) was based on the assessment that the private business, which runs the community, could confirm guaranteed payment and investment in extending the network to serve the community’s needs without affecting current users. This type of guarantee is not assured when dealing with incorporating poor barrios. Regarding class equity, the President of La Tradición seems to have little hope and much frustration in helping neighbouring poor barrios in their struggle for proper access to water.

Another principle that is challenged in practice with open membership and equity is gender participation. The President of La Tradición acknowledges the lack of participation of women in the water cooperative. He says it is a result of sexism within the community and that women do not feel comfortable at the meetings, as a result of innacceptance of their ideas by the dominant male population or because they lack the technical expertise to adequately participate (Da Rin, 2006). The lack of female participation in the water cooperative in Moreno is surprising, since women are the dominant voice in most other community organization, particularly those that deal with the environment and the health and well-being of community members. However, I noted that the difference with the water cooperative is that it is based on engineering, business, labour and maintenance, which are traditionally in the realm of males, especially in machista Latino cultures such as Argentina. The only participation by

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35 Observed during fieldwork and participation in community meetings and events (September 2006-March 2007).
women in the cooperative included the two secretaries, who hold traditional female positions. The ICA recognizes gender inequality as a priority to reckon with, as it states its aim, "to promote equality between men and women in all decision-making and activities within the co-operative movement." (ICA, 2003: Section 1, Article 2). It is acknowledged that the lack of equality amongst gender impedes solidarity, open-participation and democracy, which are pillars of the cooperative model. The case of the lack of gender equality in La Tradición illustrates again, how theory and practice within the cooperative model continue to be challenged.

2nd Principle: Democratic Member Control

La Tradición keeps to the theoretical principles of the cooperative model by holding democratic and regular meetings, which follows the principle of democratic control by members (ICA, 2003: 2). The water cooperative maintains regular meetings amongst the board of directors and yearly meeting with users, unless a major decision within the cooperative needs to be made (Da Rin, 2006). However, the challenge of this application to theory is that there is a lack of participation in these assemblies. Thus, making the democratic and participative theory of “one member – one vote,” less significant since only a limited few exercise this right. The President of the Cooperative states that “people only come when there is a big issue to deal with… and this rarely happens” (Da Rin, 2006). Since the cooperative is functioning and regularly maintained, there are few incentives for users to attend participative meetings, since the excuse is that they have other more important things to attend to. This may be evidence of a successful cooperative, or it may illustrate the ineptitude of cooperatives to be fully participative and democratic.
It is not to say that democracy does not exist in La Tradición, since it does, however minimal participation and nominal change of representatives on the board of directors inhibit the effectiveness of democracy. In defence of the cooperative and the elected members, the reason for little movement of those members in elected positions is not the aim of the board of directors. The unchanging board of directors is indicative of apathy from users who do not demand new management during elections, or consider campaigning themselves for an elected position on the board. The President of the cooperative says that he has been in his position for 9 years and previous to being president he was on the board of directors for several years. He states that it is not his intention to continue holding the position of President, but that there is no one else who wants the position and people are happy with the results that he provides (Da Rin, 2006). Whether this is humble modesty or not, it is a reality that limits the ability of the cooperative to follow the participative and democratic principles that are indicative of the cooperative model.

3rd Principle: Member Economic Participation

In many ways La Tradición resembles and acts as a privileged club. This is seen as non-members often envy members because of the services that are provided by the cooperative. Onlookers often question whether La Tradición is more a business entity than a social organization. The President of the cooperative admits that the cooperative is similar to a club, “if you want to belong to it, you pay… if you don’t want to pay then you get no service, like any other group” (Da Rin, 2006). He is referring to the cooperative members who do not pay their water fees. This is an important aspect of the
cooperative model that is often overlooked but clearly stated in the ICA principles: economic member participation (ICA, 2003: 3). According to the President of La Tradición there is a grace period, where users get three warnings if they refuse or are unable to pay. With persistent non-payment users are cut off from water services and dismissed as a cooperative member. This protocol definitely challenges and contradicts the romantic ideals of community, solidarity and equity based theories that exist around the cooperative model. Especially, seeing that even the ICA together with the ILO have a campaign entitled “Cooperating out of Poverty,” which places cooperatives as a key part of the puzzle in the fight against poverty.\(^\text{36}\)

The cut-off of water services to those who are unable to pay is something that the investor-owned private sector is highly criticized and condemned for. This is primarily a result of the recognition, among academics and policy makers, that access to adequate water supply increases a community’s chance for economic development. With unproblematic availability of clean water, people no longer have to spend time worrying about how to access water or if they can pay their water bills. Instead, residents can focus more time and resources on economic development, jobs or entrepreneurial services in the community (McAndrew, 2007; Hardoy, Ana, 2006). Typically water cooperatives, unlike investor-based management provide access to water, entrepreneurial services and security to communities. This is why academics, policy makers and communities alike are shifting toward more grassroots community based alternatives, such as cooperatives.

Yet, even though cooperatives are not profit driven, they still need to cover costs and potentially maintain a surplus for maintenance and infrastructure costs. Therefore, if users are unable to pay, it puts a burden on the rest of the users who are faithfully paying their water fees. This questions the idealism of cooperatives as the theory that they provide services in an equitable manner to those who are without and are committed to fighting poverty, is not so straightforward. There are variables that affect the ability of cooperatives to fulfill this principle that are largely dependent on power relations and economics and are not all addressed in the ICA theoretical principles of the cooperative model.

4th Principle: Autonomy and Independence

La Tradición cooperative is an autonomous body. This often works to the benefit of the cooperative and its members as they do not have to deal with the politics and red tape that is associated with municipal and State services. Nevertheless, the water cooperative still needs to get permission from the municipality of Moreno regarding infrastructure and maintenance of the water network. This often causes tension between the municipality and the cooperative, because they do not work on the same timeline and framework. La Tradición is able to acquire funding and approval from participating members for infrastructure projects with relative ease. However, the problem arises in obtaining the permit from the municipality in order to conduct labour, drill, excavate and/or close roads in order to maintain the water network. Often the slow process of obtaining these permits puts constraints on the ability of the water cooperative to function at its full potential.
According to the municipality, the cooperative frequently goes ahead with its maintenance without proper inspection or permits putting the safety and health of its users, labourers and nearby communities at risk (Mariana, 2006: Alvarez, 2006). This tension between the municipality and the cooperative, illustrates that there is a level of autonomy that is acceptable but that there continues to be limits.

5th Principle: Education, Training and Information

The members of the board of directors of La Tradición are not a group of civil engineers, business people or water quality experts. They are a group of elected community members that are granted their position based on their commitment to the cooperative and the services it provides. In order to ensure that the cooperative is well managed and maintained, those with power of authority need to be properly educated and trained on how a water network functions, the laws and policies associated with water provisions, water quality standards, standards of the cooperative model and how to run a utility business. The cooperative federations and confederations in Argentina, as well as national and provincial cooperative State entities, are active in ensuring that this type of training is provided. It is then encouraged that this awareness is disseminated amongst all members in the form of workshops or flyers. This runs true for La Tradición, as the members of the board of directors are actively present in community workshops and meetings.

Every year a summary of expenses and developments within the cooperative is disseminated. The report is comprehensive, but can prove to be difficult to understand
for lay users, because of technical language, especially when dealing with expenses. Nevertheless, all major figures and decisions of the cooperative are recorded and open to the public, allowing awareness, transparency and accountability within the cooperative to follow along with the cooperative doctrine. The issue again is that not all users are interested in becoming more informed, limiting the theory of principle 5 to be adequately practiced in reality.

6th and 7th Principle: Cooperation among Cooperatives and Concern for the Community

The President of La Tradición is also the Vice President of a public service federation in the province on Buenos Aires. The federation supports other public utility cooperatives in the province. Seeing that the President is an active member of a federation, it fulfills the 6th ICA principle of cooperatives working together. This role for La Tradición is significant since during the 1990s the cooperative had to find support and support others in the struggle to confirm cooperative autonomy during negotiations with the State for private water concessions, such as AGBA. The involvement of La Tradición and its work with other cooperatives has been one of its major achievements.

Given La Tradición’s solidarity and concern for the cooperative community, there is still an absence in assisting other nearby communities develop water cooperatives. The cooperative has unofficial relationships with neighbouring informal water providers, however, it does not invest time or resources to support the growth of solidarity with these entities, nor does it participate in encouraging them to form into formal water cooperative, much like La Tradición. It can be argued that this is the case due to lack of
obligation, since these informal water providers are not yet cooperatives, despite the many similarities they have in organization and management of water provisions. Limits continue to exist in the implementation of cooperative theory, as resources, time and priorities are externalities, which are inevitable in practice. It is impossible to assume that all cooperatives will strictly follow the ICA principle. Rather the example of La Tradición illustrates how the feasibility of cooperatives is established on a case-by-case basis and cannot be judged on how closely it follows theory.

**How Theory Becomes Practice**

I was limited in researching the reasons of the origins of the water cooperative since the founders of La Tradición are either too old to contact, have moved or are deceased. The information that I was able to access was from interviews with the President of La Tradición (See Chapter 1, La Tradición). From my understanding, the cooperative was founded like most others, on the basis of a social need that was not being met by the State or other providers. The case study of La Tradición illustrates that over time, as the water cooperative became more established and secure, it has become less focused on “social development” concerns and has shaped itself more in the reflection of a common business. I do not have enough evidence to assert that this is the fate for all cooperatives. However, I will assert that the priorities of a cooperative change, as it becomes more established and dependent on the personality of the President, the board of directors and members; this is what shapes the foundation and ethics of the cooperative, more than the theory itself.
It can be argued that the use of the cooperative theory in the La Tradición water cooperative is more of a mechanical façade of keeping with the cooperative criterion, then a sincere following of the theory. However, this façade is inevitable, since practice can only maintain theory to a certain point before the reality of the community and its members becomes dominant. For those communities, academics and policy makers considering the feasibility of the cooperative model for the provision of water services, the example of La Tradición is neither a negative nor a positive account of water cooperatives. Rather, it is an account of how the idealized principles of the cooperative model are manifested in the case of one cooperative. It should be noted that this will change and will be adapted differently depending the cooperative. Nevertheless, it remains a basis for understanding the advantages and disadvantages of water cooperatives and why communities such as Cuartel V seek the benefits and should remain cautious when planning the long-term validity of this water governance model.

In this case, theory becomes no more than a framework that is referred to. It is a series of ideas and models that are useful in the formation of a cooperative and valuable in times of crisis or reform. In the long term cooperative theory is more of a backdrop to the reality of the ongoing of the cooperative.
Box: 4.3 International Cooperative Alliance Principles for the Cooperative Model

1st Principle: Voluntary and Open Membership
Cooperatives are comprised of volunteers. Membership is open to everyone who is willing to accept the responsibilities of the cooperative regardless of race, gender, religion, politics or social status.

2nd Principle: Democratic Member Control
Cooperatives are democratic institutions that are based on free and fair election and strong member participation and control. Elected representatives are accountable to all members. All members have equal voting rights.

3rd Principle: Member Economic Participation
All members participate equally and democratically to the finances of the cooperative. Since membership is volunteer-based there is little if any financial compensation. Part of the financial resources of the cooperative is considered common property. Any surplus that exists can be distributed for the development of the cooperative, creation of reserves and any other transaction that is approved by members.

4th Principle: Autonomy and Independence
Cooperatives are independent autonomous organizations, based on self-help, and member control. Any agreements that are made with outside organizations and governments are based on member support and allow the cooperative to maintain its autonomy.

5th Principle: Education, Training and Information
Cooperatives provide education, training and information for its members, elected representatives and employees. This is an important element for the progress and development of cooperatives and promotion to the general public about the values of the cooperative model.

6th Principle: Cooperation among Cooperatives
The cooperative model is strengthened with communication and working together with other cooperatives at the local, regional, provincial, national and international level.

7th Principle: Concern for the Community
Cooperatives aim for the sustainable development of their communities via democratic decisions of members.

Chapter 5

OBSTACLES TOWARDS IMPLEMENTING WATER COOPERATIVES IN POOR PERI-URBAN COMMUNITIES

In the previous chapters we have seen the history and political support for water cooperatives in Argentina and the Province of Buenos Aires and the theoretical and practical experiences of existing water cooperatives. In order to aptly understand the feasibility of the water cooperative model in poor peri-urban areas, this chapter will examine the affinity for cooperative as a means to provide water provisions to the poor. This will be done by applying the cooperative theories that were presented in Chapter 4 to the desire for a water cooperative by residents and community organizations in Cuartel V, specifically in the communities of Barrio Alem and Milenio.

A Desire for the Water Cooperative Model

Access to clean potable water is vital to maintain health standards and the well being for all; including those living on the urban periphery. However, despite this recognition, it remains that poor communities are forgotten and overlooked when it comes to the basic needs of water and sanitation. The issue is that water infrastructure and maintenance is expensive and generally a larger and more difficult task to establish and maintain long-term. Thus, many community organizations have focused on first bringing electricity and natural gas, since it is more easily accessible. Nevertheless the issue remains that there is a lack of access to water and proper sanitation, notwithstanding these other achievements.
As a means of resolving this issue, some community organizations in the peri-urban area around the city of Buenos Aires are seeking out the possibility and feasibility of water cooperatives.

The following case study of Cuartel V, Moreno is an example of such a community. During 6 months of field research, I worked and learned about the struggles of lack of access to clean water in Cuartel V (See Chapter 2, Methods). In order to understand the complexities of seeking the cooperative model, I will revisit the theoretical disadvantages and advantages that were outlined in Chapter 4 and contrast them with the story of Cuartel V. This analysis will help to unpack the realities, not of an existing cooperative as we saw in Chapter 4, but of a poor peri-urban community that is striving toward the cooperative model after decades of disappointment from the traditional public and private sectors in the provision of this vital service.

**Case Study: Cuartel V (Barrio Alem and Milenio)**

**Water Commission: Barrio Alem**

Cuartel V has no formal water supply or sanitation system. As mentioned in Chapter 2, Cuartel V depends on groundwater and the means of accessing this water is often times unreliable. The majority of those that live in Cuartel V, access water for drinking, cooking, cleaning and irrigation by means of household wells, community wells and/ or informal community water networks. Barrio Alem has the most long-standing water network in all of Cuartel V; founded in the 1990s when the barrio was built and made into a mutual. For the past 9 years, three loyal residents of the barrio have been
maintaining the water network.\textsuperscript{37} The three neighbours have chosen to take the responsibility to ensure that the electricity bill for the water pump is paid each month and to safeguard the maintenance of the weak infrastructure (Alejandro, 2007; Isabella, 2007; Paula, 2007).

The support and continuing existence of the Water Commission is based on the trust that the community has established with the three neighbours. When conducting the household survey, 19.4\% of those who said that they are in favour of the creation of a water cooperative, mentioned without being prompted, that they would give their support depending on who was in charge. It was repeatedly made clear by those in support of a water cooperative, that they wanted the existing commission to remain in their management positions. This both challenges and affirms the democratic principle made clear by the ICA on cooperatives and also shows the complexities of establishing the model. Representatives of a cooperative must be elected and not automatically appointed. Yet, the initial establishment of the model might not be able to adhere to such intricacies. Those interviewed and surveyed during my research were not worried about such details. Instead, a more common concern was the need for a solid sense of support and formal recognition for the Water Commission in addition to improved water services.

Barrio Alem and the Water Commission depend on a water tank with a 75-meter well, which was constructed in the early 1990s. Deteriorating infrastructure and a growing number of residents in the barrio, have resulted in the tank, well and water table facing

\textsuperscript{37} For ease and consistency, the group of neighbours maintaining the water network will be referred to as the Water Commission.
immense strain. The consequence is the Water Commission is further burdened with the responsibility of ensuring that the 3500 people in Barrio Alem have water flowing to their homes. Currently, one of the major issues that the commission faces is that there is not enough water in the existing well and water tank to serve the growing population. When the Barrio was first created, the network was meant to serve approximately 500 people. With an increasing population, the commission is constantly hard-pressed for being responsible for the water security of Barrio Alem. One of the proposed solutions is for the construction of a new water well and pump in order to serve the growing population and to help ease the strain on the existing well. However, the constraints on the commission regarding the construction of a new well are primarily financial (See Chapter 5, Financing).

The commission is also involved in measuring the quality of water in Barrio Alem. According to the commission, the quality of water is not a major issue and there is no need to treat the groundwater (Alejandro, 2007). This assumption is linked to the inadequacies in funding, given that there is limited financing for routine water testing; except for once a year. This remains an issue of concern because there is no guarantee on water quality, due to the large time lapse in-between water testing. Furthermore, the water testing that does take place does not take into account contaminants from household water tanks, faulty plumbing, seasonal changes in water quality and threats of current and future contamination from the infected Pompeano Aquifer that leaks from above (see Chapter 2). Another issue that has been discussed amongst the commission is that the water testing is based on organic contamination; there is no testing for inorganic
substances from nearby factories, households and farms. These concerns for the community are dire. The hope is that with a more recognized water provider, there will be more of a means to acquire outside funding, governmental support and confidence amongst users.


In November 1999, seven municipalities in the Northeast region on the Greater Buenos Aires Metropolitan Area became part of a water concession under the title Aguas de Gran Buenos Aires (AGBA). The concession followed a model of water privatization, profit and full cost recovery (See Chapter 2). Three European corporations principally controlled the AGBA Concession (Lobina, 2007; Hall, 2002). Impreglio and Urbaser (Dragados Group) -- both international construction companies -- had 43% and 27% investment in AGBA respectively. The Spanish Water Utility Aguas de Bilbao Bizkaia had 20% and the Personal Action Participation Program (PAPP) had 10% undertaking in AGBA. Aguas de Bilbao Bizkaia has a 35-year history of working in the water sector in Spain, specifically the Basque Region (AGBA, 2007). The professed expertise of the consortium was intended to fulfill a 30-year contract to improve water and sanitation (Impreglio, 2007).
In July 2006, after many failed negotiations and tension, the AGBA concession was terminated. The concession was unable to fulfill the details of the water concession which states that AGBA was to be responsible for the:

“…collection, treatment, piping and pumping and disposal of sewage water; financing, design and construction of all works necessary to meet the scope of works and the Service Quality requirements; operation and maintenance of the system, including provision of all services to users…[in addition to] refurbishing and improvement of all existing pipe works, plant and services.” (Impreglio, 2007)

It was Felipe Sola, the governor of the province of Buenos Aires, who announced that he had cancelled the contract with AGBA. He claimed that the concession was being annulled because despite the promise by the concessionaire to invest 250 million pesos into water and sanitation, not “a single Peso” had been invested in the concession area, therefore making grounds to cancel the contract (Lobina, 2007: 21; El Cronista, 2006). Officially, this claim was translated into “alleged failings in terms of investments and expansion of services” (Business News Americas, 2006). The Universidad Nacional de La Plata conducted a study in September 2005, which found that 65% in people living in the ABGA concession area were not connected to the water supply network and 80% were not connected to sewerage (Morosi, 2005).

Like all the other water concessions in the Province of Buenos Aires, including Aguas Argentina, AySa, the new state run water and sanitation enterprise quickly replaced AGBA. The initial AGBA concession that was to end in December 2029 has become yet another disappointment with regards to the investor based water
provisions model. This disappointment has recently deepened as Impreglio, submitted a claim to the ICSID in July 2006, alleging that the Argentine government is expropriating and renationalising assets, which violates the BIT (Bilateral Investment Treaty) between Italy and Argentina (Alconada Mon, 2007; Lobina, 2007). As a result, Impreglio is demanding over US$ 100 million in compensation, in addition to interest and costs from the Argentine government for cancelling the AGBA concession. The strain of the private water concession has not disappeared with the end of the contract; with these court proceedings it continues to illustrate that profit not people are the main priorities of water privatization.

People’s Perspective

Residents of Cuartel V and employees of the Municipality of Moreno, echo Felipe Sola’s accusation that AGBA did not meet its targeted promises as outlined in the concession. In a key informant interview with a municipal employee it was stated that, “…[AGBA] did not extend the water network, not even one meter…”(Mariana, 2007). This was said in reference to the perception that the water concession was going to extend services to neighbourhoods that were without service. Residents of Barrio Alem also claim that the day that the concession became responsible for water and sanitation, “…strange men, not known to the neighbourhood, came and took all the [useful] equipment from the water treatment plant, leaving nothing but the cement foundation…” (Alejandro, 2007).
It is speculated that the water treatment plant was abandoned because there was no profit to be found; yet there is no concrete information available to substantiate this claim. This assumption is based on the reality that there was limited possibility for cost recovery, since the plant is located in a poor barrio that could not afford high tariffs for maintenance and profits. Regardless of the validity in this accusation, it remains the perception that circulates amongst those living in the barrio. Residents of Barrio Alem now blame outside investors on the inability of the water plant to treat and purify the sewage that flows through the network. The outcome of privatization for these residents
consists of living with treacherous smells, which impose health and environmental consequences due to open untreated sewage, an issue that did not exist prior to privatization. During the survey, residents often complained that, “…. depending on how the wind blows, the smell of sewage is overpowering …”(Monica, 2007). Clearly, the abandonment of the plant during the AGBA concession added to the already precarious environmental and health conditions that plague the region. This lack of trust, transparency and accountability of outside investors and the State is what is forcing poor neighbourhoods, such as Barrio Alem, to find other solutions.

**Proposed Water and Sanitation Cooperative: Water Plant**

There is a general sense of fatigue that is consuming the members of the Water Commission. This is primarily a result of being overworked, under-financed and unrecognized by the State for their tiresome work of continuing to ensure that water runs through the pipes of the barrio. Despite this fatigue, there is still a passion and drive that exists amongst the Water Commission members. The commission has proposed the creation of a water and sanitation cooperative, as a means of creating formal support for improving access to potable water and having a safe means to dispose of wastewater. It is acknowledged by the commission that this is not an easy task, but they see it as the only feasible way to ensure that the water network remains running and for the sanitation issue in the barrio to be resolved.

The idea of a formal water cooperative was first proposed during workshops led by the IIED-AL and the municipality at the end of 2006. The IIED-AL worked as a facilitator
between the municipality and community members on environmental, health and water issues. They created GIS maps of environmental ‘hot spots’ and organized the proposal of environmental project in the 4 regions of Moreno. Members of the Water Commission were very active in the workshops and proposed several ideas to improve water and sanitation, not only for Barrio Alem, but for neighbouring communities as well. One of the suggestions they proposed was for the restoration of the abandoned water plant and the creation of a water and sanitation cooperative to take formal control of the plant and the water network.

Revisiting the Advantages of Water Cooperatives

Poor communities view the advantages of the cooperative model as more than simply attractive theories but as essential to improving their undesirable living conditions. The advantages that stand out most for poor communities seeking an alternative model are autonomy, accountability/community responsibility and improved quality of life. These are not the only factors that are taken into consideration; however they are unquestionably a high priority when debating the feasibility and desire of forming a water cooperative in peri-urban areas.

Autonomy

Water Cooperatives are autonomous bodies, meaning that they are independent of the government and traditional private sector (See Chapter 4). They can be described as belonging to the “other” or third private sector (Ravina 2001; Solo 2003). This is a private sector that is not run by transnationals or entrepreneurs looking to make a quick
profit. It is the private alternative which empowers communities to manage, maintain, finance and create a means of providing a necessary service, that otherwise is not adequately provided by other means or at affordable prices.

As seen with the influence of INAES, water cooperatives are not fully independent (See Chapter 2 and 3). Cooperatives are still audited and regulated by the State. Nevertheless, most poor communities seeking the cooperative model are not overly concerned with such details. Rather, their interest lie in the assumed independence that they will have in organizing, managing and sustaining the success of the cooperative and thus generally accept the formalities provided by INAES and the State. With the motivation for a water cooperative, there exists a sense of empowerment knowing that the success or failure of the cooperative depends on how users administer and participate in the process. In many cases this is more favourable than having an outside entity in control of the communities’ interests, since they have yet to prove that they are truly committed to improving water and sanitation services.

The principle of local knowledge is a very strong factor in the desire for water cooperatives in low-income communities. Community groups and residents are seeking out water cooperatives because they believe only those people who live in the area understand the requirements of the barrio given their residency within it. This type of local knowledge is what makes communities ascertain that they are better equipped to make decisions on improving conditions of water and sanitation. Communities are often sceptical of outside expert’s opinions and knowledge. This is a result of the belief that
outsiders do not actually know what is best for the community because they have never lived with the consequences of their decisions. External input is appreciated, but overall does not carry much weight, therefore making the autonomy of a water cooperative more appealing. This way, all decisions will be informed from the community and not dictated from outside generalist opinions.

Even though there is a strong sense of independence associated with the cooperative model, a safety net still exists. This is made clear in Cooperative Law 20.337 as it states that a certain amount of dependence on other entities is permitted. In section 19 of the Law there is a clause, which states that the Federal Government, Provinces, Municipalities and other decentralized organizations, can form alliances with cooperatives. This is not articulated in the common discourse of cooperatives in Argentina, but is a loophole that can be advantageous to poor peri-urban communities that are aspiring for public service cooperatives such as water. It is favourable because in most cases, such as the circumstances in Cuartel V, there are not enough financial resources or expertise to easily launch the creation of a water cooperative without outside assistance. With the cooperation of an alliance, there is an agreement on the level of affiliation that the third party has. The Cooperative Law permits the alliance, as long as it helps in the pursuit of the goals of the cooperative and does not infringe on its independence. This form of cooperation not only benefits the cooperative, it also helps to “extend the benefits of solidarity and democracy to other sectors of the economy” (Ravina 2001: 380-38). It is significant, since these are typically unique attributes of the cooperative model and provides an opportunity for other entities to take on these features.
However, thus far, this possibility has largely been ignored except for a few instances, such as when the Province of Buenos Aires granted the Electricity Cooperative, in the municipality of Azul, a 30 yr concession for the provision of water and sanitation (Polino 1989: 81). The case of Azul is more of an anomaly than the norm in the decentralization of public utilities, yet illustrates that there is a possibility of having alliances with the state, while maintaining cooperative independence.

In the case of Cuartel V, such an alliance would foster influential benefits for both the cooperative and State. It would help create better relations between the community and the government. This is because currently many community members feel abandoned due to a gap in communication between the reality of the barrios and government discourse, as well as policy. The benefit for the cooperative would be most evident in material matters, as an alliance between the proposed water cooperative in Cuartel V and the State would help ease the financial burden of the cooperative, particularly in its formative years. In addition, the state would become directly involved in the general well-being and overall welfare of those who receive the service; which is a contentious element that is not met in typical privatization schemes (Ravina, 1996: 459). In Cuartel V, an alliance would not be a burden on the State’s financial resources or personnel, since the proposed water cooperative would generate most of the finances and be managed principally by community members. The municipality’s role would be in training and partially subsidizing the water cooperative. Once the water cooperative was stable, the municipality would play less of a financial role. Instead the municipality would benefit
directly by being involved in the welfare of its constituents and by sharing in the rewards of solidarity and democracy, which are pillars of the cooperative model.

**Accountability / Community Responsibility**

Inadequate consultations, unsound policies, unaccountable governments and private enterprises, have created a reality of deep scepticism in Argentina. Poor communities such as Cuartel V are discouraged by the disrespect they feel they receive from State and private institutions. This damaged relationship between the State, the private sector and the community has caused residents and organizations to want to take responsibility into their own hands. The scepticism and urge to reclaim services was evident in the responses of the household interviews. When asked what the advantages of a community led water cooperative is, residents responded that cooperatives would not only provide better service, but would also help to create a greater sense of community and ease corruption, since neighbours know each other thus ensuring accountability.

Accountability for many consists of the simple fact that they know the individuals or organizations that are making the decisions. In other words, there is someone or a group of people that are visible and can be held responsible. Most often, those making decisions for water and sanitation are people living in the capital, who perhaps have never been to the barrios. The idea is that with a cooperative if there is a concern about water and sanitation services, the community can speak directly with those who are responsible. If this is not possible at least users have a vote and ability to better understand the process. These is considered a great improvement from past experiences
of being excluded and perceived as ignorant or without opinion in regard to the treatment
users often feel they receive when dealing with the private or public sector.

**Awareness/Education**

As stated in Chapter 4, part of the International Alliance of Cooperatives (ICA) mandate
is that cooperatives provide a space for education and awareness raising. Without
knowing the specifics of the ICA mandate, those that have proposed the formation of a
water cooperative in Cuartel V believe that with greater participation, accountability and
community responsibility it will naturally create further interest and awareness about
water and sanitation issues. The principal behind this notion is that currently few people
in Barrio Alem and Milenio are knowledgeable about water and sanitation issues. The
knowledge remains in the hands of those that are responsible for running the water
supply, for example the 3 managers of the Water Commission in Barrio Alem. By
extending responsibility, management and democratic decision making, it forces other
people in the community to be well informed about water and sanitation concerns as well.
The establishment of a utility cooperative, creation of employment and capacity building
in poor communities is instrumental in the attractiveness of the model.

In Cuartel V, including Barrio Alem and Milenio, unemployment and underemployment
are high, due to low levels of formal education resulting in the inability of households to
pay for services. With the creation of both paid and unpaid employment, it provides
members with skills that they can use to improve the cooperative or use elsewhere as a
means of income. In addition to creating support and having long term success it will be
important to have an awareness campaign. This would involve community workshops to educate residents on how the water cooperative will work, the role of users, the importance of payment of service fees and the health and environmental benefits of conserving and protecting the environment and water resources.

The creation of a water cooperative in Cuartel V is dependent on many variables including the level of knowledge that residents have about the benefits and disadvantages of the model. With the assistance of participatory observation, household interviews and discussions with residents in Cuartel V, it became clear that there is a definite lack of awareness for alternative forms of water management. Having noted this, there was also a lot of interest in learning more about alternatives such as cooperatives as a means of better judging how to improve the quality of service for water and sanitation. This counters the common assumption that residents in poor areas are not educated or cannot understand the complexities or are uninterested in such topics. Evidently this is false since like everyone else they want to improve their living conditions, health and surroundings, if not only for themselves but also for future generations.

One of the obstacles in awareness is based on gender and the machista culture that exists in Argentina, particularly in the poor barrios. While conducting the household survey, I often found that women were timid or unsure how to respond to survey questions regarding water and sanitation. This was even the case with the simplest of questions such as “what are the advantages of having access to a water network” (See Appendix B: Household Interview Questions). This seems to be a contradiction since women are
typically seen as “guardians of [water and] the environment” (Rico, 1998). Women are often at home during the day, cooking, cleaning, collecting water and taking care of the children, thus dealing with water scarcity and bad water quality on a daily basis.

Nevertheless, women are not encouraged to have an opinion on these issues. This is despite many international agreements such as The Dublin Principles (1992) and the Beijing Platform for Action (1995), that stress the need for women’s involvement in decision making for water and sanitation issues (Rico, 1998: 461). People in Cuartel V who are in favour of a water cooperative are enthusiastic that such a reality could help encourage women to take part in workshops that would help foster equal participation.

**Quality of Life**

All the elements that motivate the creation of the water cooperative culminate in the general improvement of the quality of life for those living in Cuartel V. With a formally recognized water cooperative, the Water Commission and supporting neighbours in Milenio have faith that people will be more likely to pay fees for services (Isabella, 2007; Silvano, 2007). This will result in improved services, more participation and greater knowledge for a healthier community.

Improved water quality and services in Cuartel V is also related to the formation of a greater sense of community solidarity through the creation of a water cooperative. An improved sense of community is dependent on working together for a common cause. It also gives a greater sense of security and trust in the barrio. It is not always clear which comes first, trust and security or working as a community. Nevertheless, security is a
pending issue in the barrios of Cuartel V and can act as impediment to the community building process around the creation of a water cooperative, since people find it difficult to trust one another. On the other hand, the creation of a water cooperative can be a prescription for healing the barrios fear, lack of security and scepticism of others; since it forces people to rely on one another. With an increased sense of community, partnership, cooperation and common initiatives, it could potentially improve security as people become more aware and personal with their neighbours. This will lead people to be less afraid and suspicious of community members or people from neighbouring barrios, since they will become more familiar through cooperative assemblies and work together on water and sanitation services. Those who desire the model see these aspects as major advantages to the formation of a water cooperative. It is true that the advantages of the formation of a water cooperative in Cuartel V come with romanticism and idealistic sentiments, yet it is important to remember that all changes are the product of someone’s dreams before they were made into a reality; for good and for bad.

**Implementation Obstacles**

Water cooperatives, as seen in Chapter 4, do not come without related concerns or drawbacks. The disadvantages and obstacles of choosing the water cooperative model in poor peri-urban communities are a reality and are what causes great hesitation for those coveting the model.
Difficulty in Funding

Funding is arguably one of the principle constraints for poor peri-urban communities when considering the formation of a water cooperative. Since neoliberalism took hold in Argentina during the 1990s, capitalist ideals are central to governments and how society at large works. This creates a society where financial gain repeatedly has a stronger voice than social value. The result is that notwithstanding the best intentions and organization, some forms of financial resources are essential for ideas and motivation to move forward.

The average income of those surveyed is approximately $180 CAD a month per household. Depending on which barrio, the monthly water network fee ranges between $1-2 CAD a month. It is generally agreed amongst local residents that the water service fees are relatively low, with 78.8% of those surveyed stating that they are able to pay their monthly water bills. However, many are sceptical of paying more, as there is no way to provide evidence in advance to guarantee that services will be approved. When asked how much they are able or willing to pay more a month for improved services, 42% of those asked were unsure. Some of those who were unsure stated that it depended on how much the improvement would cost or that they do not know anything about water systems, therefore could not give an answer (Dora, 2007). Others who were unsure did not want to propose an amount in fear that they could be held to that price in the future. On the other hand, roughly 28% of respondents had some idea of how much they were able or willing to pay. Proposed costs for water services ranged from $2-4CAD a month. The average was around $2.50 CAD a month. With approximately 2000 households in
both Barrio Alem and Milenio, this would calculate into approximately $5000 CAD per month of financial resources available to the water cooperative. The paying of electricity, maintenance and quality of service could improve significantly under these conditions, as long as everyone was accountable and willing to pay for the service.

**Slow Implementation**

As mentioned in the section above, funding is often seen as one of the biggest obstacles inhibiting the formation of a water cooperative. If each household paid its service fees or came to a general agreement to increase fees by a small percentage this would take pressure off of the existing water networks in Barrio Alem and Milenio. It would also provide further financial resources that could go into infrastructure maintenance and construction of network extensions or additional wells to improve water pressure and access.

Currently, a major impediment to the sustainability of the current network is that many residents do not pay their service fees. This is done either out of protest for poor water services (such as low water pressure), inability to pay or simple refusal to pay without justification (Isabella 2007; Paula 2007; Silvano 2007; Eva 2007). Many blame the culture of non-willingness to pay, however from my observations, refusal to pay without justification is largely based on a culture of lack of awareness of what the payment is for and where the monies go. Further awareness and solidarity building in Cuartel V on the importance of improving and extending the water network, will encourage residents to become more active in paying their service fees. This type of optimism will contribute to
quickening the long process of the creation of a well functioning, honest, transparent and responsible water cooperative in Cuartel V.

Slow implementation in Cuartel V is burdened even more by socio-political tensions amongst different community organizations, politicians and lay peoples. This will be further discussed in the forthcoming “Power Relations” section, but is worth mentioning in this discussion as well. Besides funding, socio-political tensions are one of the most aggravating factors that are slowing down and intimidating the process of the creation of a water cooperative in the area. Different interests amongst actors within the socio-political and economic dynamics of the community threaten to breakdown discussion. This complicates not only the creation of a water cooperative but also of having a well functioning, democratic, responsible, transparent water cooperative that will remain strong and efficient in the long term.

I argue again that popular education and capacity building is central to overcoming the many obstacles that face the creation and long standing support for water cooperatives in poor peri-urban communities. Finances and political differences will continue to exist but can be eased by means of finding common ground and realising that water provisions are essential to the health, prosperity and progress of many peri-urban communities in Argentina, Latin America and the global south. Under this recognition, frustrations of slow implementation can be more aptly dealt with by participatory and democratic means. Those individuals or organizations that are seeking only self endorsement or self benefit will become more easily revealed as the community comes together as a whole to
strive for improved long term water provisions. The above-mentioned are obstacles but are not blockades to the feasibility of water cooperatives. As seen throughout history with perseverance and popular movements, obstacles can be overcome and prove to be a great basis for learning. This can even be seen with private sector involvement in water and sanitation. By learning from the mistakes made by the private sector, communities, policy makers and academics have come to important realizations, such as the need to include local participation and the acknowledgement of users interests.

**Power Relations**

In Cuartel V, the Water Commission is not the only community group considering the implementation of a water cooperative. Los Arboles\(^{38}\) is another strong independent organization in the community and has established a public utilities cooperative. Its current priority is the installation of a natural gas network. Yet, it anticipates that it will also provide water, sanitation, road maintenance etc. in the future. Los Arboles and the Water Commission have similar goals but due to personal and professional tension, neither group is interested in working with the other to accelerate and improve the process of formalizing a utility cooperative, which would eventually provide quality water services (Maria, 2007).

Many people in the community fear that Los Arboles wants full and sole control over the cooperative project. The organization is often accused of being exclusionary, suspicious of outsiders and the municipality and do not easily accept criticism or advice. These

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\(^{38}\) An alias has been used to protect the identity of this organization.
dynamics are proving to hinder the successful creation of a water cooperative in Cuartel V since collaboration between different community groups is important in the successful implementation of a water cooperative.

**Technology/ Infrastructure**

The limited infrastructure that exists in Cuartel V is aging, poorly maintained and insufficient for the needs of the community. The Water Commission in Barrio Alem and in Milenio does its best to maintain the network, water well and generator that serve the residents. Yet, they remain limited because they are not equipped with the proper skills or supplies to maintain and run the existing infrastructure. With limited resources and insufficient infrastructure, training and finances for basic maintenance, people are left with a feeling of helplessness. The thought of a water cooperative is remote for many and is seen as an ideal that will never become a reality. Despite this frustration most residents in Barrio Alem and Milenio persist in the pursuit of alternatives to improve water and sanitation conditions.

In December 2006, an international organization provided a non-interest loan to the Water Commission in Barrio Alem. The purpose of the loan was to help with the financial strain and urgent necessity of making the well in Alem deeper. The prior infrastructure did not provide a well that was sufficient in depth to provide water water for a growing community. Fortunately, the enhancement in infrastructure associated with the non-interest loan has helped to improve water pressure and alleviate shortages of water during the summer months when the water table drops due to high levels of usage. This has especially been the case during the increasingly hot summers in recent years.
Climate, politics, autonomy, education etc, all impact that feasibility and desirability of water cooperatives in poor peri-urban areas. The latter analysis of the reality of Barrio Alem and Milenio in Cuartel V, illustrates the attractiveness of the model and the struggles that impede the process. Thus far, in the history of poverty alleviation and water and sanitation, most theories and policies are derived from generalist thinking. The notion of a water cooperative provides the opportunity to think and act outside the restricting paradigm of the private vs. public sector.
Chapter 6
Conclusion

Water Cooperatives as a Water Supply Solution for the Peri-Urban Poor in the Province of Buenos Aires and Around the World

Clearly, there are several obstacles to overcome before a poor peri-urban community can begin to benefit from the advantages of the cooperative model. The case study of Moreno is an example of the struggle that many communities around the world face regarding access to water and sanitation. Maude Barlow, a Canadian Water activist speaks of a triple water crisis in her new book *Blue Covenant: The Global Water Crisis and the Coming Battle for the Right to Water* (Barlow, 2007). The first crisis is an ecological crisis, the second is a human rights crisis and the third is a crisis of corporate control. This perception of the world’s water crisis can be aptly related as to why it is imperative that society, policy makers, activist, academics and communities branch out into new progressive ideas and move beyond the private-public binary that is keeping us entangled in this triple crisis described by Maude Barlow.

The intention of this thesis is to analyze whether cooperatives are a desirable means to best serve poor urban and peri-urban communities that are in need of adequate water and sanitation services. In order to unravel why cooperatives are desirable models to serve water to poor areas, each chapter of the thesis provides concrete arguments and information on water cooperatives in Argentina. The purpose is to allow the reader to
obtain a practical grasp of the history, governmental policy, theory, realities and desire for the cooperative model in the management of water and sanitation services in poor communities.

The final conclusion that the cooperative model is a feasible and desirable model for water and sanitation in poor peri-urban areas has not been argued in blind romanticism or idealism. Rather, it is based on a strong analysis of the history of the cooperative model in Argentina and two case studies, the first which demonstrates the struggles and achievements of an existing water cooperative (Chapter 4) and the second reflecting a poor community that is striving for this model (Chapter 5). Both case studies have been analyzed against the theoretical advantages and disadvantages of the cooperative model. The analysis illustrates that in practice, theory has its limits yet the model still serves to provide many benefits that are not realized or promoted by either the private or public sector, when it comes to water provisions, accountability, cooperation and transparency.

**Future Research**

I intend to continue to examine the feasibility of the cooperative model as an alternative model for water and sanitation provisions in peri-urban areas in future research. The cooperative model is of particular interest since it affords poor communities in the Global South many possibilities beyond providing water and sanitation. Cooperatives also present a fascinating means of securing land tenure for the urban poor, along with the provision of essential services. My future research will more closely consider how water cooperatives are able to secure land tenure while upholding the goals of local water management in poor urban communities. Local independent water cooperatives offer the peri-urban poor an
opportunity to formalize their neighbourhoods, improve water services and assert independence, therefore providing these communities with leverage when struggling to establish property rights. One of the principle issues impeding the private sector to extend water access to the urban poor is that property rights in these areas are not well defined, posing a huge investment and cost recovery risk for the investor based concessions. Formalizing water cooperatives in poor peri-urban areas in the Global South, promotes sovereignty, capacity building and legitimate infrastructure in poor communities making it more difficult to evict residents from the land, than if their was no formal organization (Alcazar et al, 2000; Hardoy, 2005; Zerch, 2000). This is illustrative of why alternatives such as water cooperatives need to be further researched.

Alliances between independent water cooperatives and the State/Municipality pose a further possibility in securing land tenure in poor areas. As discussed in Chapter 3, in Argentina there exists a clause in the Cooperative Law 20.337, which states that cooperatives are entitled to form alliances with other management entities. Alliances between water cooperatives and the State/ Municipality would allow the State to be directly engaged in the welfare of its citizens, without a direct financial burden since the water cooperatives will cover most of the costs. Further research into land tenure and the link between water provisions and cooperatives policies will help to elucidate this theory and persuade governments in the Global South and International Financial Institutions to further consider the prospect of this pro-poor rationale.

The arguments and information gathered in this thesis are intended to be a catalyst for further research. Once alternatives become more than theories, the options that they
present will ignite additional interest and uncover their potential to succeed. If alternatives are continuously ignored or overshadowed by old ideas, then no progress will be made. This will result in the poor management of existing concerns, such as access to potable water, and continue to present dire consequences, regarding health, societal and environmental concerns.

The cases of La Tradición and Cuartel V, presented in this thesis, are not specific to Argentina; they are examples of several communities in the Global South attempting to locally manage water and sanitation provisions to improve their living conditions. In the Global South, the future of water cooperatives is very promising, as communities, municipalities and States reject traditional investor-based privatization and look for more local solutions to water management. There is a dialogue that is emerging on local participation, as seen with the title of the Fourth World Water Forum in Mexico, “Local Action for Global Change.” The challenge now is for the international water community to take this dialogue more seriously and not only talk about local grassroots organization in water and sanitation provisions, but to formally support and encourage it.
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Appendix A: Behavioural Ethics Review Board Certificate of Approval

The University of British Columbia
Office of Research Services
Behavioural Research Ethics Board
Suite 102, 6190 Agronomy Road,
Vancouver, B.C. V6T 1Z3

CERTIFICATE OF APPROVAL- MINIMAL RISK RENEWAL

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<tr>
<th>PRINCIPAL INVESTIGATOR:</th>
<th>DEPARTMENT:</th>
<th>UBC BREB NUMBER:</th>
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<tr>
<td>Karen Bakker</td>
<td>UBC/Arts/Geography</td>
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INSTITUTION(S) WHERE RESEARCH WILL BE CARRIED OUT:
N/A
Other locations where the research will be conducted:
N/A

CO-INVESTIGATOR(S):
Suzanne Moccia

SPONSORING AGENCIES:
UBC Hampton Research Endowment Fund - "Beyond the Public-Private Binary: Cooperatives as Alternative Water Governance Models"

PROJECT TITLE:
Beyond the Public-Private Binary: Cooperatives as Alternative Water Governance Models

EXPIRY DATE OF THIS APPROVAL: May 30, 2008

APPROVAL DATE: May 30, 2007

The Annual Renewal for Study have been reviewed and the procedures were found to be acceptable on ethical grounds for research involving human subjects.

Approval is issued on behalf of the Behavioural Research Ethics Board
Appendix B: Household Interview Questions

Encuesta – Un Estudio Sobre Agua y Cloacas en Barrio Alem y Milenio

El propósito de la Encuesta: Es para obtener una comprensión general del tema de que apoyo habría de los vecinos para la creación de un cooperativa de agua y cloaca. ¿Ven las personas que los servicios de agua (y cloaca) son algo que necesitan mejorar? ¿Querrán todas las personas una cooperativa de agua (y cloaca) o es la idea de sólo algunos? ¿Cuáles son los pensamientos de los vecinos, sobre los servicios de agua (y cloaca) que existen? ¿Cuáles son otras opciones de manejar agua (y cloaca) por el largo plazo?

I - El Perfil de Consumidor

Primero voy a preguntar algunos preguntas personal pero tu nombre va a ser anónimo. Si hay algunos preguntas que Ud no quiere contestar, no hay problemas.

i. ¿En qué barrio vive? Barrio Alem Milenio Otra

ii. ¿Sexo? Feminino Masculino

iii. Edad: 18-25, 26-35, 36-45, 46-60, 61-75, 76+

iv. ¿Cuántas adultos viven en su casa? _____ y menores? _____

v. ¿Cuánto están pagando mensualmente de agua (y cloaca)? _________

vi. ¿Puede pagararlo todos los meses? Sí/No

Si es”no”: ¿Por qué?

vii. ¿Cuáles el % de su sueldo que abonar para agua (y cloacas) mensualmente? _________ o ¿Aproximadamente que es el sueldo mensual de la casa? _________

(no es necesario contestar a esta preguntar, es solamente para ver el % del sueldo que va para pagar los servicios de agua (y cloaca).)

II- El Perfil de Servicios de Agua

1A. ¿Por qué cree Ud. que la red de agua que hay ahora sirve o no sirve?

(Barrio Alem)

1B. ¿Por qué cree Ud. que la red de cloacas que hay ahora sirve o no sirve?

2. ¿Toma agua del llave o compra agua potable en un otra manera?

a. Llave
b. Otra __________________________
Si es ‘otra’ -- ¿Cuánto abona mensualmente por el agua potable? __________________

3. ¿Cuáles son para Ud. las ventajas de tener acceso a un red de agua en lugar de un pozo de casa? (ejemplo: salud, buena calidad de agua, dignidad, acceso fiable, escritura)

4. ¿Hay desventajas de tener acceso a un red de agua? Sí/ No
4A. Si es ‘no’: ¿Cuáles son? (ejemplo: el tiempo de la reparación, control de bomba, mala calidad, expensas son más alto)

5. Según los problemas que Ud. crea que hay: ¿Qué tipo de mejoras podría ser hechas a la red actual de el agua (y cloaca)? (ejemplo: infraestructura, gastos, calidad de agua, racionamiento, expensas)

III- El Perfil de Participacion

6. En esta mal acostumbrer que tenemos de no cuidar el agua, Ud. en tu hambito familiares de que manera arroran agua? (ejemplo: ayudar a mejorar los servicios, en calidad y racionamiento de agua)

7. ¿Apoyaría a algún grupo de vecinos que se forme para mejorar los servicios de agua en su barrio? Sí / No
¿Por qué?

7A: Si es “Sí”: ¿Qué participacion le gustaría tener a Ud. en algún grupo vecinal que busque mejorar los servicios de agua? (ejemplo: role o apoyo)
¿Por qué?

IV – ¿Soluciones?

8. ¿Está dispuesto a pagar más para una mejor calidad del servicio de agua (y cloaca)? Sí / No
8A: Si es ‘Sí’ ¿Cuánto podría llegar a abonar por mes? ________
¿Por qué?
9. Cuál de las siguientes opciones cree que sería buena para mejorar y mantener los servicios de agua que existen en su barrio?
   a. Empresa Privada
   b. Cooperativa de agua
   c. Municipalidad
   d. Otra alternativa________________________

9A: ¿Por qué?
   ________________________________________
   ________________________________________
   ________________________________________
   ________________________________________

V- ¿Cooperativas de Agua? Conocimiento y apoyo.

10. ¿Puede me explicar cómo piensa funcionar una cooperativa (de agua y cloaca)? (ejemplo: un negocio de la comunidad, las personas tienen medio-propiedad, las ganancias permanecen en el comunidad para inversión para los servicios de agua)
   ________________________________________
   ________________________________________
   ________________________________________
   ________________________________________

11. ¿Le gustaría conocer cómo un cooperativa de agua puede ayudar y mejorar los servicios de agua en su barrio? Si / No

12. ¿Por qué apoyaría o no apoyaría la formación de una cooperativa de agua (y cloaca) en su barrio?
   ________________________________________
   ________________________________________
   ________________________________________
   ________________________________________

12A. Si “apoyaría”: ¿Cuáles serían las ventajas de tener un cooperativa de agua en lugar del sistema que ya existe en su barrio? (ejemplo: toma de decisiones en una manera democrática, servicios eficientes, mejor calidad de vida, más confianza en la administración, la posibilidad de extender los servicios de agua, desarrollo, la plata queda en la comunidad)
   ________________________________________
   ________________________________________
   ________________________________________
   ________________________________________

12 B. Si “no apoyaría”: ¿Cuáles serían las desventajas de tener un cooperativa de agua en lugar del sistema que ya existe en su barrio? (ejemplo: interferencia política, lucha de poder entre grupos vecinales, corrupción, suba en el precio)
   ________________________________________
   ________________________________________
   ________________________________________
   ________________________________________

VII- Fin
Gracias por su atención.
Puedo visitarlo otra vez por estas temas en el futuro? Si/ No

¿Número de Domicilio? ______________________
¿Telefono? ______________________________
Un Estudio Sobre Agua (y Cloacas) en  
Barrio Alem y Milenio

El propósito de la Encuesta: Es para obtener una comprensión general del tema de que apoyo habría de los vecinos para buscar un solucion viable, en el largo plazo, por el mejoramiento de los servicios de agua (y cloaca). ¿Ven las personas que los servicios de agua (y cloacas) son algo que necesitan mejorar? ¿Querrán las personas una cooperativa de agua (y cloaca) como solucion?

ESTA ENCUESTA ES DE UN ESTUDIANTE DE LA UNIVERSIDAD DE BRITISH COLUMBIA, DEPARTAMENTO DE GEOGRAFIA  
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POR FAVOR CONTACTAME SI TIENE ALGUN PREGUNTA
Appendix D: Expert Interview Questions

1. Voy a comenzar por preguntarte sobre la historia de las cooperativas de agua en Francisco Alvarez
   - Porque y como (y en que año) se fundó el cooperativa de agua en Francisco Alvarez?
   - Quien estuvo a cargo de organizar la creacion de la cooperativa de agua (lideres de la comunidad, grupos de la comunidad o el sector privado)?
   - Cuales eran los desafíos principales en la creacion de la cooperativa de agua?

2. Ahora que tengo un breve resumen de la historia de la cooperativa de agua La Traducción, quisiera preguntar algunas preguntas del perfil de la cooperativa de agua
   - Cuales son las desventajas y ventajas de las cooperativas de agua (en general y en Francisco Alvarez?) Explicar (3 de cada una).
     - Como mejora o empeora el area donde trabaja la cooperativa de agua?
   - Cuales son los 5 principales prioridades y desafíos de la cooperativa de agua “La Traduccion”?
   - Como es “La Traduccion” diferente o similar de las otras cooperativas de agua?

3. Ahora que discutimos las prioridades de los cooperativas de agua, voy a preguntarte sobre la relación entre las cooperativas de agua y otras organizaciones
   - Cual es el relacion (si la hay) entre de la cooperativa de agua y la municipalidad o los vendedores privados?
   - Que tipo de cooperacion existe entre otras cooperativas? (i.e telefonia, electricidad u otras cooperativas de agua?) o entre la asociación de cooperativas en Argentina y la Provincia de Buenos Aires?

4. Un parte importante en los servicios de agua y saneamiento es el financimiento:
   - Cual son los recursos de finacimieno que es disponible a los cooperativas de agua (afuera de los tarifas de los miembros)? Es suficiente?
   - Hay otro recursos de finacimientos que el cooperative quisiera recibir pero no ha recibido?
   - El cooperativa de agua tiene un deuda o un superavit?
   - Que es el prioridad principal cuando el cooperative deciendo como gasta los recursos finaciales? Porque? How is this decided?
5. Ahora voy a preguntarte algunos preguntas sobre el demográfica de los miembros del cooperativa:

- Cual es el nivel o clase social que son lo mas probable de utilizar los servicios de un cooperativa de agua (clase bajo, medio or alta)? Porque? En el caso de La Traduccion es similar o diferente de los otros cooperativas?
- Cual son los limitaciones o fuerza de los cooperativas de agua por su capacitacion de ayudar los pobres en ganar acceso de agua?

6. Voy a preguntar sobre el participacion de los miembros del cooperativa:

- Cual es el presentacion de los miembros a los reunions general y para votar en los elecciones? Es satisfactorio?
  - (Si no) Como estara posible mejorar el presentacion al reunions y a los elecciones?
  - Cual son los desafio para tener presentacion de los miembros a los reunions general y para votar en los elecciones? Hay mas hombres o mujeres que participant en el cooperative? Porque?
  - Como informe a los miembros que hay un reunion y a que hora?
  - Cuando son los elecciones? Son frecuente? Son a la misma tiempo de los elecciones de la municipalidad?
- Cual son los diferentes puestos eligío y non-eligió en el cooperativa de agua?
- Cuantos miembros presentarse como candidatos en los elecciones?
- Cual con los reglas para re-eleccion? Hay un limite para presentarse como candidato?

- Como decido el cooperativa si quiere extender el red de agua?
  ⇒ Cual son los restriciones para extender el red de agua? Quien tiene esta decision?
  ⇒ Quien instala la infraestructura? Los miembros o contato a profesionales?
- Como puede el cooperativa incluye los preocupaciones de los miembros en el proceso de hacer decisiones?
- ¿Cómo animar el cooperativo al miembros el conocimiento acerca de preocupaciones relacionado a agua y la comunidad? Explique. ¿Hay algún programa especifico para el construyendo conciencia del agua o programas de educacion?

7. Desde que agua es un recurso natural que yo ahora preguntaré usted algunas preguntas acerca del papel del gallinero de agua y el ambiente:

- ¿Cómo el cooperativo obtiene su abastecimiento de agua? ¿(Depósito local o es compartido)?
• ¿Qué son los desafíos ambientales y de salud del cooperativa de agua y como resolven estas problemas? (i.e. la contaminación, la desertificación, la conservación, agua potable)
• ¿Cual son (si hay) los logros de la sanidad y medio ambiente que el cooperativa de agua ha obtenido?
• ¿Qué es los desafíos principales para el cooperativa de agua con respecto la medio ambiente/salud los asuntos o los estándares? (i.e financiando, la capacidad humana, la tecnología, la falta del interés de usuario, demasiadas otras prioridades)
• Cuantos veces por ano examen la calidad de agua? Quien hace?

8. Cerraré la entrevista con unas pocas preguntas generales acerca de los cooperativas de agua:
• ¿Me puede decir usted algo acerca de cómo utilidades de agua, los servicios y la calidad han cambiado con el paso de los años? ¿Por qué? Explique.
• ¿Hay algo que usted querría agregar eso no ya ha sido discutido o algo que usted querría volver a de la conversación más temprano?

*** ¿Cuándo encuentra el próximo reunion? ¿Es acerca de qué? ¿Puedo ir al reunion?
*** ¿Están archivos o documentos para el cooperaiva que puedo conseguir acceso a eso contestará algunos de mis preguntas más específicas acerca del cooperativa (ve la lista de preguntas)?
*** ¿Está una lista de miembros del cooperativa de agua, con la dirección y el número de teléfono que puedo contactar?

El perfil de Entrevistado:

¿Cual es su cargo?
¿Qué hace usted?
¿El tipo del trabajo?
¿Cuán largo ha estado trabajando usted en esta posición?
¿Ha trabajado jamás usted en otra posición relacionada? Explique

¿ Cual son (si hay) los desafíos principales al abastecimiento de agua universal?
### Appendix E: List of Expert Interviewees

<table>
<thead>
<tr>
<th>Name</th>
<th>Occupation</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jojo Hardoy</td>
<td>IIED-AL Staff</td>
<td>Acquire preliminary information on environmental, health and poverty concerns in Moreno, Buenos Aires.</td>
</tr>
<tr>
<td>Gaston Urquiza</td>
<td>IIED-AL Staff</td>
<td>Acquire preliminary information on environmental, health and poverty concerns in Moreno, Buenos Aires.</td>
</tr>
<tr>
<td>Gustavo Pandiella</td>
<td>IIED-AL Staff</td>
<td>Acquire preliminary information on environmental, health and poverty concerns in Moreno, Buenos Aires.</td>
</tr>
<tr>
<td>Ana Hardoy</td>
<td>IIED-AL Staff</td>
<td>Acquire preliminary information on environmental, health and poverty concerns in Moreno, Buenos Aires.</td>
</tr>
<tr>
<td>Jorge Alvarez</td>
<td>INAES</td>
<td>Get perspective on water cooperatives and feasibility of cooperatives serving poor communities.</td>
</tr>
<tr>
<td>Lucho da Rin</td>
<td>President of Cooperativa de Agua – La Tradición</td>
<td>To understand the functioning of a formal water cooperative.</td>
</tr>
<tr>
<td>Ricardo Pastor</td>
<td>President of the Water Cooperative in Hurlingham and of a local cooperative federation</td>
<td>To get further knowledge about the functioning of formal water cooperatives and the issues surround the formation of water cooperatives.</td>
</tr>
<tr>
<td>Mariana*</td>
<td>Municipality of Moreno employee</td>
<td>Obtain information from the municipality on census material and point of view on the progress and obstacles to water supply and sanitation.</td>
</tr>
<tr>
<td>Edwardo Idio</td>
<td>Political official in Cuartel V for Municipality of Moreno</td>
<td>Obtain and perspective from political officials on the feasibility of a water cooperative in Cuartel V; the challenges and obstacles</td>
</tr>
<tr>
<td>Daniel Bideberry</td>
<td>Doctor and Director of Anderson Clinic in Cuartel V, Moreno</td>
<td>Gain knowledge on health concerns in Cuartel V and how these complications are related to water, sanitation and the environmental conditions in the area.</td>
</tr>
<tr>
<td>Name</td>
<td>Role/Identity</td>
<td>Background/Issues</td>
</tr>
<tr>
<td>------------</td>
<td>----------------------------------------------</td>
<td>-----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Louisa*</td>
<td>Resident of Cuartel V and community representative of Los Arboles*</td>
<td>Background on water supply and purpose and plans of Los Arboles* with regard to forming a public utility cooperative.</td>
</tr>
<tr>
<td>Alejandro*</td>
<td>Resident of Cuartel V</td>
<td>Understand the obstacles, successes and perspectives toward water and sanitation issues in Cuartel V.</td>
</tr>
<tr>
<td>Isabella*</td>
<td>Resident of Cuartel V</td>
<td>Understand the obstacles, successes and perspectives toward water and sanitation issues in Cuartel V.</td>
</tr>
<tr>
<td>Paula*</td>
<td>Resident of Cuartel V</td>
<td>Understand the obstacles, successes and perspectives toward water and sanitation issues in Cuartel V.</td>
</tr>
<tr>
<td>Santiago*</td>
<td>Activist / Resident of Hurlingham.</td>
<td>Background on struggle for water and sanitation and poverty reduction in the Greater Buenos Aires Metropolitan Area</td>
</tr>
<tr>
<td>Silvano*</td>
<td>Resident of Cuartel V</td>
<td>Understand the obstacles, successes and perspectives toward water and sanitation issues in Cuartel V.</td>
</tr>
<tr>
<td>Eva*</td>
<td>Resident of Cuartel V</td>
<td>Understand the obstacles, successes and perspectives toward water and sanitation issues in Cuartel V.</td>
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<tr>
<td>Monica*</td>
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<td>Understand the obstacles, successes and perspectives toward water and sanitation issues in Cuartel V.</td>
</tr>
<tr>
<td>Dora*</td>
<td>Resident of Cuartel V</td>
<td>Understand the obstacles, successes and perspectives toward water and sanitation issues in Cuartel V.</td>
</tr>
</tbody>
</table>

* Indicates that the original name of the interviewee has been changed in order to ensure anonymity.