

a collaborative report by

Public Citizen

The Anti-Privatisation Forum

The Coalition Against Water Privatisation

NOTHING FOR MAHALA

**The forced installation of prepaid water metres
in Strefford, Extension 4, Orange Farm,
Johannesburg - South Africa**

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in Stretford, Extension 4, Orange Farm,
Johannesburg - South Africa**

**a report by Public Citizen (USA),
the Anti-Privatisation Forum (South Africa) and
the Coalition Against Water Privatisation (South Africa)**



*Frontpage photo: prepaid water meter
in Stretford Extension 4 of Orange Farm.*

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*Dedicated to Emily Lengolo, a founding member of the
Orange Farm Water Crisis Committee who was murdered
by unknown gunmen in her home on 8 February 2003*

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Public Citizen is a national, nonprofit consumer advocacy organization founded in 1971 to represent consumer interests in Congress, the executive branch and the courts. We fight for openness and democratic accountability in government, for the right of consumers to seek redress in the courts; for clean, safe and sustainable energy sources; for social and economic justice in trade policies; for strong health, safety and environmental protections; and for safe, effective and affordable prescription drugs and health care. Public Citizen's Water for All Campaign works with citizens' groups in the United States and internationally to build awareness about the risks of water privatization. The campaign disseminates reports, research and builds networks of solidarity with citizen's groups that oppose the water privatization efforts of the global water corporations, the International Monetary Fund (IMF), the World Bank, the regional development banks, and the World Trade Organization (WTO).

The Anti-Privatisation Forum (APF) was established in July 2000 by activists and organisations involved in two key anti-privatisation struggles: the struggle against iGoli 2002 in Johannesburg, and the struggle against Wits 2001 at Wits University. The APF has affiliates from the unions, communities, students and the left. The APF's role is to unite struggles against privatisation in the workplace and community. It is open to any organisation or individual opposed to privatisation. The APF links workers' struggles for a living wage and jobs with community struggles for housing, water, electricity and fair rates and taxes. The APF has successfully linked struggles in communities in townships across Gauteng and around South Africa. It provides a forum for communities and workers to share their experiences and to strategise collectively. Key issues that have been taken up by the APF include electricity cutoffs, evictions, and support for workers' struggles against the privatisation of Johannesburg and Wits University.

The Coalition Against Water Privatisation was formed in September 2003 as a result of struggles against the installation of prepaid water meters in Phiri, Soweto. It includes of the Anti-Privatisation Forum; Environmental Justice Network Forum; Jubilee South Africa; IndyMedia (South Africa); Freedom of Expression Institute; Landless Peoples Movement; Khanya College; Orange Farm Water Crisis Committee; Phiri Concerned Residents Committee; Public Citizen (US); Kathorus Concerned Residents Committee; Evaton Working Class Crisis Committee; Soweto Electricity Crisis Committee; Samancor Retrenched Workers Crisis Committee; Mandelaville Crisis Committee; Thembalihle Crisis Committee; Tembisa Concerned Residents Association; Inner City Forum (Johannesburg); Kanana Community Development Forum; and the Bophelong Community Service Forum, as well as independent students, academics and union and community activists. The Coalition brings together and gives support to communities facing the privatization of water, and is currently preparing a constitutional case to challenge the installation of prepaid meters in South Africa.

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Introduction

"For those who really cannot pay, well, they know that there is nothing for mahala (free)"ⁱ

"They say there is nothing for mahala." respondent 30

'Nothing in life is free', 'There's nothing for mahala', are stock phrases given by state bureaucrats and managers of private corporations these days when they are reminded of the commitments in our constitution to the provision of free, basic services for all South Africans. In the years following the first democratic elections in South Africa, the African National Congress' commitment to offering free basic services has changed to fully embrace policies of privatisation and cost recovery, championed by the World Bank and International Monetary Fund. These policies act in the interests of transnational corporations wanting to increase their profits by turning scarce natural resources into money-making opportunities. While just a few years ago, the majority of township residents were mobilised against the payment for basic services, making the call for free water, electricity and housing for all, the stock phrases quoted above indicate how entrenched the logic of the market and making profit has become in the minds of powerful people.

This logic has most recently been used to introduce prepaid water meters in Orange Farm and Phiri, Soweto, with plans already underway for the expansion of this system to the rest of Johannesburg and the country. 'Nothing for mahala' is being used to force people into taking on the responsibilities of the state to provide free, basic services, such as water. This logic is used to make people believe that gaining access to water is their individual responsibility, for which they have to work to earn money to pay. This research project is an attempt to explode the myth that there is 'nothing for mahala,' and to reassert the need for free water for all South Africans as a basic human need and right. In doing this, it will show

how the delivery of water based on the needs of big business only hurts the majority of people, and cannot deliver the water necessary for decent standards of living.



"Prepaid is the violation of human rights and human dignity. Water is not a want, it is a need." respondent 107

"Water is my right, it is not a privilege." respondent 39

Water is Life

The United Nations Commission on Economic, Social and Cultural Rights considers water to be "indispensable for leading a life in human dignity" and "a prerequisite for the realisation of other human rights."ⁱⁱ

The South African Constitutional Court has remarked that "[t]here can be no doubt that human dignity, freedom and equality, the foundational values of our society, are denied" to those deprived of any social and economic right. Section 27 of the South African Constitution specifically identifies the right of every person to have access to sufficient water. Section 7 of the South African Constitution places the ultimate responsibility on the state to ensure that all rights are respected, protected, promoted and fulfilled, and section 27 itself requires "reasonable legislative and other measures" to promote the progressive realisation of the right to water.ⁱⁱⁱ

Water is required by all people for drinking, for cooking, for washing, cleaning and sanitation, to remain healthy and fit, for gardening and farming, and for recreation. That water is necessary for life is an accepted fact. But, picture this: You're thirsty. In order to get a glass of water, you need to insert money into a machine. It sounds absurd – but this is increasingly what we are asking the poorest in our societies to do.

Despite the widespread acknowledgement of water as a necessary, naturally occurring, and basic resource, globalisation of the Washington Consensus has resulted in such essentials as water becoming commodities and money becoming a necessity for meeting the very basic survival needs of people. Privatisation has allowed the state to renege on its responsibility to provide for the basic needs of the poor, and cost-recovery policies place the need to increase profits above the needs and human dignity of those who cannot afford to buy water. The introduction of prepaid water meters only makes this reality starker. By allowing people access to water only if they pay for it, the prepaid meter cuts off whole communities of poor people from water, from life. This has had serious effects on individuals, households, and communities, with the basic survival and health needs of people now under constant threat. The prepaid meter, by making it impossible for those without money to use water, thus prevents the realisation of the human rights recognised and enshrined in international law. In this way, it prevents millions of people from enjoying the quality of life deemed acceptable by international standards.

For all of time, water has been a *shared* resource. Many cultures teach that no person should ever deny another water. In times of crisis, households have relied on neighbours for water. Large events, such as weddings and funerals, also make communal use of large quantities of water. The introduction of prepaid meters individualises the relationship of people to water, and erodes social relations that emerge over or are connected to the consumption and use of water.

The centrality of water in people's lives has, however, meant that people have not just accepted the introduction of privatisation and prepaid meters. Instead, large groups of people have resisted the introduction of privatisation and prepaid meters in actions ranging from legal processes to the physical prevention of the installation of meters. The struggle for water has become a reason for the coming together of people to reclaim control over life.

As women play a central role in providing for the 'life needs' or 'reproductive needs' of the family or household, it has been women who have had to bear some of the worst effects of privatisation and cost recovery, and women who have been at the forefront of struggles against the privatisation of water and the introduction of prepaid water meters.

The International Context

- The Global Language of Privatisation & Cost Recovery

The World Bank is a leading financial power and source of information for the development of water infrastructure in the global south. According to the World Bank, prepaid technology is desirable as it reduces the non-payment of services and the increasing debt that often accumulates in poor areas. The World Bank states that prepaid meters can “*facilitate cost-recovery and accelerate private sector participation in provision of water services*”^{iv} Cost-recovery and privatisation are key conditions in World Bank lending.^v The World Bank argues that prepaid water meters will facilitate “effective demand management” that can make “sustainable management” of water resources possible and reduce unaccounted for water from unapproved^{vi} water connections.^{vii} Furthermore, it is argued that with prepaid water meters, the unserved, mostly poor populations, can receive improved water services while still adhering to cost-recovery as a guiding principle. With cost-recovery and privatisation as key recommendations from the World Bank, prepaid water meters are a natural policy choice for governments seeking funding and support.

While the discourse of cost-recovery, privatisation and prepaid meters is cloaked in commitments to enhanced efficiency and delivery to the poor, its intended effects speak in the interests of a few transnational corporations, whose profit motives are better served by prepaid systems of delivery that enhance the commodification of water and payment for its use, thereby reducing poor people’s access to water rather than improving it. The three biggest players in the business of water are the companies Veolia (the water subsidiary of the Vivendi Corporation), Ondeo (the water subsidiary of Suez) and Thames Water (a subsidiary of RWE). All are headquartered in Europe, but have growing corporate interests in over 120 countries worldwide. Ondeo services 125 million people, and its revenue for 2002

was US\$8 billion (R53 billion), making it one of the largest water corporations in the world.

General Electric, number one on the Forbes

500 list of multinational corporations,^{viii} has worked with the World Bank to create an investment fund to privatise water and electricity internationally.

Monsanto, the corporation known for its role in promoting the use of genetically modified organisms, has also seen an opportunity to make money in water provision and management in India and Mexico. Water is big business all over the world.

Transnational corporations are constantly required to ‘adapt’ to changing ‘market conditions.’ Most often it is poor people who suffer the consequences of these changes. For example, despite Suez’s high corporate profile, the company lost US\$950 million (R6.3 billion) in 2002 and continues to lose profits every quarter. Suez has lost several high profile contracts, e.g. in the US where it recently lost both its largest contracts in Puerto Rico and Atlanta. It has also had severe problems in Buenos Aires, Argentina, and Manila, the Philippines. In order to turn the fortunes of Suez around, it has begun to slash costs, fire staff and delay infrastructure investments while asking consumers to pay higher rates for services and blaming public officials for their financial problems.^{ix}

Prepaid meters are a response to such changing needs. Prepaid meters make the work of private companies easier as they place the responsibility on the



household for managing relations with the water company, which is only able to 'communicate' with the utility through the meter. Individual households are tasked with ensuring that their consumption does not exceed their ability to pay. This system fundamentally changes the social relationship households have traditionally had with water providers. With the prepaid water technology, water utilities distance themselves from dealing with normal customer relations. From the viewpoint of the water provider the prepaid water meters are seen as a simple means to implement cost-recovery without having to deal with costly customer relations such as billing and collecting fees.

But the introduction of privatisation and prepaid water meters has been met with resistance all over the world, largely due to its immediate and/or anticipated effects. The United Kingdom provides an interesting case study in this regard.

At the beginning of the 1990s, the United Kingdom went through a fully-fledged water privatisation process. When a rise in the number of reported cases of dysentery was noted in 1992, the reason for the increase was found to be the water companies' practice of cutting off people's water supply regardless of the health risks involved in order to recoup debts from defaulting customers. Public outrage resulted in the introduction of a number of strict requirements in the Water Services Act of 1999, including the prohibition of any service provider from discontinuing water services without notifying the Social Services Department 4 weeks in advance. The disconnection could be delayed indefinitely at the request of the Social Services Department in the event that a household was unable to pay the fees. The companies responded by introducing a system of prepaid water meters - households would now 'disconnect' themselves when they could no longer afford the service. In no time, there were many households disconnected from water services or living with extremely limited supplies of water. While the United Kingdom does not have a constitution that protects the right to water or outlines the potential related limitations and/or obligations, a movement nevertheless

emerged to campaign against the continued use of prepaid water meters. The campaign against prepaid meters was initially driven by citizens' organisations like the Meyerside Campaign against Water Meters and the Lower Grange Campaign for Water Justice. In March 1996, however, 48 local authorities came together to take up the fight. Six of the local authorities launched court challenges against pre-paid water meters. In March 1998, the court ruled that there was no authority in the Water Services Act to cut off water without the protective hearing procedures that the use of a pre-paid meter with an automatic shut-off valve necessarily prevented. Parliament subsequently affirmed the court's decision by banning all water cut-offs, thereby outlawing the practice of prepaid meters in the United Kingdom.

South Africa

South Africa has not escaped the reach of international financial institutions like the World Bank. Due to the apartheid legacy of poverty, lack of infrastructure, and lack of basic service delivery to the poor, the Black majority demanded the mobilisation of greater resources by the democratically elected African National Congress government in 1994 as well as a greater role for the new state in addressing poverty and delivering free, basic services to all. This was recognised in the Reconstruction and Development Programme, the policy document that the African National Congress used to campaign during the 1994 elections. By 1996, however, 'advice' and loans from institutions like the World Bank and International Monetary Fund had seen the adoption by the South African government of the Growth, Employment and Redistribution Strategy (GEAR), a macro-economic policy framework that has come to be known as South Africa's own, 'home-grown' structural adjustment programme. It prescribed measures for enhancing exports, trade liberalisation, fiscal restraint in the interests of servicing the national debt, tax breaks for big business, cuts in social spending, restructuring of the public service, privatisation

of state assets, privatisation of basic services, flexible labour practices, job-sharing and lower wages for youth, and so on. Its general argument was that development could only happen through increased growth, without acknowledging the effects that this would have on the lives of the poor and the fact that increased growth does not necessarily 'trickle down' to the poor.

In spite of GEAR's commitments to creating over 400,000 jobs by the year 2000, there have been massive job losses recorded since its implementation. Between 1993 and 1998, a total of 360,000 jobs were lost, and between 1994 and 1998, 284,837 jobs were shed.^x Today, more than 22 million South Africans (more than half the population) live in poverty, barely surviving on an average of R144 a person a month.^{xi}

At the time of the first democratic elections in South Africa, 12 million South Africans did not have access to clean drinking water, 21 million people did not have adequate sanitation, 10% of the population did not have access to a toilet of any kind, a further third had to rely on pit latrines, and over 20 million people did not have access to electricity. By February 2002, the government claimed to have provided 7 million additional people with access to clean, running water and to have connected 3.5 million additional people with electricity. Despite these advances, the last census results showed that only 72% of households use electricity for lighting and 51% of households use electricity for cooking; only 72% of households have access to piped water in the dwelling (on site or 200m away) with a further 12% having access to piped water further away; only two out of three households live in formal dwellings (an increase of 6% from 1996); and 31% of households in the Eastern Cape do not have access to toilets as compared with 4% in Gauteng.^{xii} In addition, a report released in July 2001 estimates that 10 million South Africans have had their water cut off for non-payment of bills. Ten million people have also experienced electricity cut-offs, and more than two million

people have been evicted from their homes for failure to meet payments.^{xiii}

The handing over of responsibility for the provi-

sion of basic services by the state to private companies, and the implementation of cost recovery policies have prevented the kind of resource mobilisation promised by the Reconstruction and Development Programme to enable free, basic services for all. In fact, the African National Congress government soon abandoned its call for free, basic services for all to encourage citizens to pay for services in the Masakhane Campaign. This was a campaign specifically targeted at undoing the historical commitment of people to free, basic services, a commitment that was forged over many years in struggles in townships under apartheid that used the boycott of payment for municipal services as a political tactic in the 1980s. This is reflected in its name, which means 'Let Us Build' - instead of opposing the unjust policies of the apartheid state. South African citizens were now being told to become supportive of the work of the new, democratic state by paying for services. The Masakhane Campaign has had little success. In 1998, approximately 70% of households nationally would regularly pay their municipal services fees. While a policy of providing grants for the indigent did exist, few South Africans knew about these available funds and the programme itself was a bureaucratic nightmare. Prepaid technology came to be seen as a way of ensuring payment for services delivered. With prepaid water meters, the objectives were to manage service arrears and to avoid the financial burden connected to the traditional means of water provision (disconnection, billing and collecting fees), thereby min-



imising management costs. In effect, the objectives were to ensure that private companies were able to make more money without the worry of people's needs and the hassle of chasing after people to pay for water. Now people without money would not be able to get water in the first instance. Not wanting to stray too far from its promises of 1994, the South African government committed itself to ensuring that every household would receive a basic 6 kilolitres of water free.

Cost recovery has been a guiding principle of the South African Department of Water Affairs and Forestry and water companies operating in South Africa since the passing of the Water Services Act in 1997. Prepaid water meters are seen by these institutions as a way to curb the number of unapproved connections to water and to reduce the large quantity of water that goes 'unaccounted' for. According to the Department of Water Affairs and Forestry, prepaid water meters could reduce water consumption by as much as 65%. In the case of Johannesburg, 'unaccounted for' water represents 35% of the operation, a number that includes unapproved connections. What these institutions do not openly acknowledge is the fact that reduction in the amount of water that is 'unaccounted for' is actually reduction in the amount of water supplied to poor people, though some of this quantity would refer to leaks, pipe bursts, etc. Simply reducing the amount of water that is not paid for does not solve the problems of the poor. Instead, 'demand management' that further reduces water consumption by 65% deprives households of their basic water needs. But the Department of Water Affairs and Forestry and private water utilities sell the policy of prepaid meters to the public as 'an empowering tool for the consumer' as prepaid water meters are said to enable the household to track and therefore manage its water consumption. What they don't openly say is that prepaid water meters can control water consumption so closely that it makes it impossible for users to bypass the system unprotected, thereby preventing access to water for those who cannot afford to pay.

The Water Services Act requires service providers to provide reasonable notice if it intends to limit or discontinue water services. It also requires that ability to pay for services must be taken into account.^{xiv} However, in the case of prepaid water meters such concerns no longer have any real meaning as the ability to pay has a direct consequence: immediate disconnection regardless of the inability to pay. There can be no consulting a meter to explain that the intended cut-off is in error or that there is reasonable cause for why the household is unable to continue the payments and receive water. Legal research has concluded that the right to a hearing extends to whether the intent is to limit or cut-off existing supply.^{xv} Even limitation of water to a very basic level may limit access to sufficient water and therefore require constitutional safeguards, which essentially means that even though the government provides a free basic amount of 6 kilo litres free per household the use of prepaid water meters is still unconstitutional.

Furthermore, prepaid water meters are sold as a 'high-tech solution' and come at a higher price (around R1000/US\$150) than any other meter. Despite management savings, prepaid water is provided at a higher rate for users as compared to a traditional billing system.^{xvi}

The Department of Water Affairs and Forestry's goal is to install prepaid water meters in all households.^{xvii} This is a top-down policy with no backing in cost-effective considerations or poverty assessments. The policy leaves no room to explore alternatives that have been demanded in many communities, e.g. to put a ceiling on costs in order to enable a reasonable supply at a low cost for those in most need.

In a *New York Times* article, Minister of Department of Water Affairs and Forestry, Ronnie Kasrils, called prepaid water meters "an example of how South Africa is harnessing home grown technology for development."^{xviii}

The prepaid water meters have indeed provided an opportunity for the metering industry in South Africa. The technology has been tested in South African communities with the support of government funds and has resulted in a number of export contracts, especially on the African continent. Three companies in South Africa, Syntell (formerly Tellumat), Rhomberg and Invensys (Meinecke) collaborated closely to develop a technology targeting poor households. Their solution is now promoted as a tamper-proof system that can provide the government-supported program of 6 kilolitres of free water per household.^{xix}

It is also important to note that the Department of Water Affairs and Forestry's position on prepaid water has been developed by a group of individuals, half of whom are representatives from the companies producing prepaid meters.^{xx} The advisory group has an obvious financial interest in promoting their products, while the intended beneficiaries have had no influence.

After 1997, prepaid water projects took off rapidly in South Africa. Projects have been implemented in Ladysmith, Mossel Bay in the Southern Cape,^{xxi} Alheit, Lennertsville, Raaswater, Topline and Grootdrink in Northern Province, Stutterheim and Fort Beaufort. Prepaid water meters are also used in Mpumalanga and are being investigated for use in Cape Town.

Poor communities in South Africa have already felt the negative effects of prepaid water meters. The Madlebe project in KwaZulu Natal is an example. Supported with funds from the Department of Water Affairs and Forestry, the local government resolved to attach prepaid water meters to existing (free) communal taps. Each household had to buy a plastic card with a chip for R60 (US\$9), with the option of buying additional 'units' of water to add to the card. The plastic card would be inserted in a large meter box and the tap below it released water until the money on the card would run out or the person collecting

water withdrew the card. If the 'units' on the card ran out you'd have to go to a store to recharge it with money in order to be able to receive clean water. Less than 6 months after the prepaid meters were installed,

a cholera epidemic broke out. The households in the area were unable to pay for the clean water and instead used water from sources infected by cholera. As a result of the scale of the epidemic, the prepaid system in Madlebe was abandoned.^{xxii} Another prepaid water meter project in Cilliers, Northern Province, was abandoned when it was found that the meters were unworkable.^{xxiii}

Despite such negative experiences, the introduction of prepaid meters continues in other parts of the country. In Johannesburg, the installation of prepaid meters is being promoted through 'Operation Gcin'amanzi' (Operation 'Save Water'), a campaign to encourage the 'saving' of water by residents. In this campaign, prepaid meters are sold as the answer to all people's water-related problems. Currently, prepaid water meters have been installed in Stretford Extension 4 (a section of Orange Farm) and are currently being installed in Phiri (in Soweto). Work has already begun towards their installation in other sections of Orange Farm and Soweto, as well as other parts of Johannesburg (e.g. Katlehong). The roll out of water meters in townships surrounding Johannesburg is the largest prepaid meter project in South Africa (and perhaps the world), covering tens of thousands of households.



"We shouldn't run out of water if there was free water... Free water means nothing – we don't want this free water being measured. Bring free water for all." respondent 191

Water services in Johannesburg are provided by Johannesburg Water - a corporatised municipal utility created as part of the controversial Igoli 2002 program that outsourced and leased a number of essential services to private contractors and corporations. In 2001, Johannesburg Water signed a five-year management contract with the Johannesburg Water Management Company, a joint venture between Ondeo (water subsidiary of Suez), Northumbrian Water (acquired by Suez in 1996) and Water and Sanitation Services South Africa (the South African local services subsidiary of Ondeo). At a time when Suez is racked with debt, the contract in Johannesburg is seen as one of the moneymaking machines that will get the corporation back on track. The contract is seen as an entrance to the lucrative South African water market.^{xxiv} For Johannesburg Water the expected net profits for the financial year 2003/04 are R86 million (US\$13 million).^{xxv} Johannesburg water spent only 29% of its water investments in low-income areas in financial year 2002-2003 and the rest in higher income areas.^{xxvi} The wealthy suburbs continue to receive a higher percentage of Johannesburg Water's budget despite the urgent needs in poor areas. Concurrent with Operation Gcin'amanzi, the posh suburb of Sandton is upgrading sewer lines at a cost of R50 million (US\$7.5 million) by replacing old pipes to add capacity of the network.^{xxvii} The cost is ten times that of Operation Gcin'amanzi. This is a clear indication of Johannesburg Water's commitments to investing more in those areas promising the greater returns in terms of profits rather than considering the social impact of its policy changes.

Johannesburg Water's Operation Gcin'amanzi claims to be able to implement the free water policy - providing 6 kilolitres of water for free per month to each household connection. This grants a household of 8 people 25 litres per person per day. This amount of 25 litres is the basic minimum amount of water that the World Health Organisation says is necessary for basic human survival. However, the World Health

Organisation goes on to highlight the fact that 100 litres of water are needed per person per day in order for an individual to lead a healthy life.^{xxviii} This estimate does not include water needed to grow food, respond to emergencies or special needs of the sick, and so on. At a time when HIV-AIDS is rife in South Africa, the need for water is higher. Yet, Johannesburg Water goes to great lengths to show how 6 kilolitres are sufficient for the basic South African household's needs. For example, Johannesburg Water states that the 6 kilolitres can provide for 40 baths (i.e. 5 baths per month per person), and 16 toilet flushes a day (i.e. two visits to the toilet per person per day). Many indigent and extended families have household sizes much bigger than 8 and will therefore enjoy less water per person.

Water rates historically differ between townships and urban suburbs in Johannesburg. Most often, township residents have had access to water from an unmetered water supply provided at a flat fee/rate. Johannesburg Water has changed this to charge the same rate whether you live in an indigent area or a posh suburb. Fees for water in Johannesburg increased in 2003:

Kilolitres	2002/2003	2003/2004	% increase
0-6	Free	Free	0
10	R9.97	R13.20	32%
15	R32.36	R35.20	8%
20	R57.34	R62.70	9%
30	R115.45	R128.70	11%
40	R173.55	R194.70	12%
50	R244.44	R272.70	12%

Source: Johannesburg Water "2003-4 Tariffs and Free Essential Water" http://www.johannesburgwater.co.za/finance/finance_tariff.html

Ironically, the highest increase in water rates was borne by the smaller users of water. This puts a relatively larger burden on those households who are trying to limit their water consumption to the most essential needs due to the inability to pay. Households in townships are most likely to feel this 32% fee increase.

Research in Soweto (and other parts of South Africa) indicates that the dwindling number of jobs and erosion of salaries have resulted in the inability to pay the rising costs of essential services.^{xxix} With prepaid meters, households are being forced to decrease their consumption of water and to make difficult trade-offs between food, medicines, school fees, transportation and other essential goods and services and the consumption of water. As a result, individuals live on less than the World Health Organisation recommended minimum water consumption for life (basic survival) of at least 25 litres of water per day.

In South Africa, water has historically been a collective issue – from struggles for access to service, sharing it as a sparse resource and boycotts against payment for it, to women telling stories over communal standpipes and taps. The introduction of prepaid meters is beginning to see the erosion of the social relations tied to water and its communal use. While in the past neighbours shared water, today they are forced to steal it from each other. Occasions, such as weddings and funerals, are becoming more stressful for households and communities to host in the traditional communal spirit as affordability becomes even more of a concern. And parents, friends and neighbours are becoming increasingly powerless to provide for the needs of the sick, in particular people living with HIV-AIDS. Women, in particular, face increased pressures as they are traditionally the caregivers in the household, cleaning, cooking, and taking care of the needs of the sick, the elderly and children. When money is not available for such a basic necessity as water, women often shoulder the responsibility of doing without water or finding alternative sources for it. Lack of ready access to water leads to many problems in the household and community as pressures are brought to bear on social relations generally. For example, tension can arise between a husband and his wife over how limited finances get spent. This is often made worse by the fact that there are other problems in the household, such as illness, hunger, unemployment and so on. Divisions in communities are also surfacing over differential access to water. For

example, suspicion amongst neighbours grows when water is stolen.

Whilst for many new households (experiencing service delivery for the first time) prepaid

water meters have gone unquestioned, there have also been instances of resistance to their installation. In some areas, residents have come together to challenge Johannesburg Water and local municipalities. In some areas, organisations have actively discouraged the installation of prepaid meters. With the effects of prepaid meters being so severe for a majority of people, it is clear that resistance will increase.

The Coalition against Water Privatisation represents the first attempt by community activists, labour unions, non-governmental organisations, and academics involved in the water issue to come together in struggle against the violation of a basic human right, the right to water. It was formed at the height of struggles in Phiri, Soweto, in September 2003. It consists of both South African and international organisations, including Public Citizen, the Anti-Privatisation Forum, the Environmental Justice Networking Forum, the Freedom of Expression Institute, Jubilee South Africa.



“If I run out of water, I stay without water.”
respondent 34

The Experience of Orange Farm^{xxx}

Orange Farm is a sprawling township approximately 45 kilometres south of Johannesburg. In the late 1980s, people from all over Johannesburg and South Africa settled illegally on vacant farmland in response to the growing housing crisis in Johannesburg (Soweto, in particular), as well as to escape political violence in Johannesburg and other parts of the country e.g. Kwazulu-Natal. They wanted to own their own homes and lead decent, quality lives free from the threat of violence and want. For many who came from far away, Orange Farm's proximity to Johannesburg, the 'city of gold,' represented greater opportunities for jobs. By September 1997, there were almost 300,000 residents of Orange Farm, and it was declared a township with the attendant promises of state provision of infrastructure and basic service delivery. But the introduction of privatisation and cost recovery as the solutions to the problems of access to basic services have prevented these promises from being met.

Over the years, Orange Farm has come to represent a space to which those having to deal with the effects of the ever-changing and globalising system of capitalism have turned in the hope of making things better for themselves. Today, there are approximately 500,000-800,000 people residing in Orange Farm. Living side by side are old families that have stayed since fleeing political violence or overcrowding in the 1980s, unemployed people hoping to find a job in or near Johannesburg, domestic workers who were sacked and therefore lost their places of residence,^{xxxi} single mothers, pensioners (mainly women) supporting very young children (most often grandchildren), people living with HIV-AIDS, HIV-AIDS orphans, gangsters, divorced women who have lost their access to their homes, that have been evicted from formal housing in Johannesburg, and people who cannot afford to reside in Johannesburg but see a need to be close to it for survival. Significantly, there are a large

number of women, and an increasing number of female-headed households in Orange Farm, including single mothers. The population is also young, with 40% under the age of 18 years.

Living conditions in Orange Farm are undeniably poor. There is little infrastructure development relative to the size of its population e.g. there are only 4 public clinics, 1 public sports centre, no libraries, and few street lights. Approximately two-thirds of people in Orange Farm live in self-made shacks. Those who have been able to afford to, have built more formal structures, and it is common to see a house in progress next to a shack in which people are still living. Also, a small part of Orange Farm (Drieziek, Extension 2) began with formal housing, infrastructure and services, as the area was developed by Premier Milling Company for occupation by its workers. Today, however, this company has closed its doors and its workers are unemployed, unable to afford the rising cost of basic services. The majority of people in Orange Farm are unemployed or engaged in casual or contract jobs, or in informal economic activity, such as hawking. Service delivery in the area ranges from poor to non-existent. Sanitation is poor with most households relying on pit latrines rather than flush toilets. This, coupled with rapid development of the settlement resulting in serious environmental downgrading has seen a high incidence of diseases resulting from the inappropriate management of solid waste, such as diarrhoea and vomiting.^{xxxii} In addition, access to water and electricity has been limited for the majority of residents. Today, most of Orange Farm pays for electricity through the prepaid system. There are still small areas that do not have access to electricity, and use candles and paraffin as sources of energy. The prepaid system has also resulted in households using electricity only for certain tasks (usually with a short and limited time span, such as watching television),

and paraffin, wood, coal and gas for others (such as cooking, which happen over longer periods of time and therefore consume more energy). Initial water supply to the area was provided by trucking water in or through communal pipes shared by a number of households. Over the years, individuals organised their own connections from these pipes to taps in the yards of their individual households. There are some areas of Orange Farm that continue to be supplied with water that is trucked in and stored in tanks. Water cut-offs are also a regular and random occurrence in Orange Farm.

There have been many struggles in Orange Farm in the past over water. In 1996, residents came together to demand an end to water cut-offs. Residents marched to the councillors' offices and women undressed to show their disrespect. Four people were arrested. In 1999, women from the township organised a blockade of the Golden Highway in protest of water cut-offs.^{xxxiii}

This poor state of affairs has been acknowledged by the Johannesburg City Council, which has identified the following as priority issues in Orange Farm:^{xxxiv}

- * Extreme levels of poverty and unemployment;
- * The isolation and marginalisation from economic and social opportunities in Greater Johannesburg;
- * A low quality of basic services – both infrastructural and social;
- * Invasion of planned residential areas, public and private land;
- * Civil disobedience – this fragmented community has strong political and local groupings.

The introduction of prepaid water meters in Orange Farm (Stretford, Extension 4) has been marketed by the City Council and Johannesburg Water as part of a plan to address some of the above problems.

This research project has sought to measure the effects of the introduction of prepaid meters in Orange Farm, with the aim of testing whether pre-

paid meters are a workable solution for the poor. This was considered particularly important in light of the fact that

Johannesburg Water has

stated that the project in Stretford, Extension 4 is a 'pilot project' whose success will determine how the rollout of prepaid meters happens in the rest of Orange Farm and Johannesburg. Already, Johannesburg Water has used the experience of Stretford, Extension 4 to argue that residents in Orange Farm have welcomed and celebrated the introduction of prepaid meters in the area, and that the system of prepaid water meters should therefore be extended to areas like Phiri, Soweto.



The Research Process

This research project arose as a direct result of struggles that residents in the communities of Orange Farm and Phiri were forced into to deal with the effects of, and to prevent the installation of prepaid meters in their respective areas. Recent years have seen a rise in the number of people experiencing water cut-offs as a result of non-payment for privatised water services in townships and communities of Johannesburg. As more and more people in communities have had to face up to the cruel logic of cost recovery practices, community organisations and movements have emerged to reclaim people's basic rights to water, electricity, housing, jobs, health care, education and so on. The Soweto Electricity Crisis Committee and the Orange Farm Water Crisis Committee are two such organisations. Community organisations and movements have found affinity with each other and other affected groups, such as

students, workers, NGOs and academics, in the Anti-Privatisation Forum, based in Johannesburg. The Anti-Privatisation Forum was formed in June 2001 in the heat of struggles being waged by workers and students at the University of the Witwatersrand against the privatisation of the institution, workers in the local municipality of Johannesburg that was also undergoing privatisation in the form of the iGoli 2002 programme, and community and political activists also challenging the path of privatisation that local government was taking. The Anti-Privatisation Forum has since grown into a social movement representing the various interests of people resisting the implementation of policies that hurt the poor locally and internationally. In September 2003, Johannesburg Water began installing prepaid water meters in Phiri without prior consultation of the community. Residents organised to physically prevent the installation of the meters. They received support in their actions from members of the Soweto Electricity Crisis Committee and the Anti-Privatisation Forum. Other individuals and organisations also began to show their support for struggles in Phiri and a Coalition against the Privatisation of Water was formed.

In the case made by Johannesburg Water for the installation of prepaid meters in Phiri, it cited the case of Orange Farm as a success story for residents, promising the same positive results for Phiri. When members of the Orange Farm Water Crisis Committee supported the struggles of residents in Phiri against the meters and argued that they had, in fact, opposed Johannesburg Water's pilot project in Orange Farm, it started becoming clear that Johannesburg Water and the Johannesburg municipality were employing tactics of dividing communities and lying to people to forge ahead with their plan of installing prepaid meters in poor communities all over Johannesburg. It also became clear that very little research had been conducted by the municipality and Johannesburg Water prior to embarking on the installation of prepaid meters. However, Johannesburg Water has claimed to have conducted

research in Stretford Extension 4 in the interests and name of people of the area. This 'research' 'proved' only that water was being 'wasted' in the area, and had nothing to say about the social problems in the area related to water delivery^{xxxv}. The need for communities to conduct their own research became necessary in order to counteract the statements from Johannesburg Water. Through the Coalition Against Water Privatisation, different interests, resources and skills were pooled and shared, and a collective and participatory research project developed with the objectives of measuring and analysing the effects of the installation of prepaid meters in the communities of Orange Farm and Phiri, responses by community members to their installation, and strategies by organisations for resisting the prepaid system. The purpose of the research would be to strengthen the campaign against the installation of prepaid meters being waged by the Coalition Against Water Privatisation, including the launching of legal challenges to prepaid meters. In particular, it would assist the struggles of communities facing the installation of prepaid meters currently, such as Orange Farm and Phiri. The research was seen as particularly important as the logic of the prepaid system seems already to have been accepted by the state and private companies without proper interrogation of its attacks on people's basic human rights, and the widespread social devastation that it brings, reflected in the protection of the interests of Johannesburg Water in Phiri by the state through the police force and the mobilisation of the law. By the end of September 2003, 14 residents of Phiri had been arrested for 'interfering' with the work of Johannesburg Water. This followed bloody battles with the private security firm, Wozani Security, and the police.

This research report is the result of a collective process involving members of the Coalition Against Water Privatisation, and it represents one part of a bigger research process including a similar study of the effects of prepaid meters in Phiri, analyses of Johannesburg Water and Wozani Security, and an evaluation of the strategies and tactics employed by

affiliates of the Anti-Privatisation Forum in resisting the prepaid system. The overall research process is being facilitated and co-ordinated by the Research Committee of the Coalition Against Water Privatisation (which is also integrated into the organisational processes of the Anti-Privatisation Forum). The research conducted in Orange Farm was spear-headed by Public Citizen (a public interest organisation working against the commodification of water services internationally and based in the United States) and the Anti-Privatisation Forum. Financial support for the project in Orange Farm was provided by Public Citizen. Public Citizen also took responsibility for the co-ordination of the fieldwork. This partnership has allowed for the sharing and development of strategies across national boundaries, particularly significant in the context of the globalisation of exploitation and injustices, as well as struggles. Other organisations that have been central to the research process are Research & Education in Development/Red, the Municipal Services Project and Khanya College.

The methodology for this study in Orange Farm was developed in a 2-day workshop attended by representatives of all community affiliates of the Anti-Privatisation Forum and members of the Coalition Against Water Privatisation held in Johannesburg in October 2003. The workshop facilitated discussion and learning about research, privatisation and prepaid water systems, and allowed for the collective development of a questionnaire aimed at measuring the effects of and attitudes to the prepaid meters in Orange Farm. Stretford, Extension 4 was chosen as the area to be targeted for a household survey as it was the area in which Johannesburg Water had already implemented its pilot project. This report is based on extensive household interviews conducted in Stretford, Extension 4. Members of the Anti-Privatisation Forum (in particular from Orange Farm and Phiri) would conduct the fieldwork, Public Citizen would co-ordinate the process, compile the initial data and provide the initial analysis, and the final report would be a collective process amongst

members of the Research Committee mentioned above. It was felt that a majority of people from Orange Farm and Phiri should be involved in



this work as they are directly affected and therefore have the most related experience, and to allow for the sharing of experiences amongst people from the two areas. The final report would be complemented by documentary analysis as well as findings from other aspects of the research process. This has been facilitated by fortnightly meetings of the Research Committee at which reports are shared from the different aspects of the research. The fieldwork was conducted in November 2003, with data-capturing, analysis and writing following from December 2003 to March 2004. This report is significant in that represents a fresh approach to the process of conducting research - one in which there are no 'outsiders' to the research process. Instead, the researchers have come from the area being researched and have been central to all aspects of the research process. In this way, this report represents the investigations into Orange Farm considered necessary by those directly affected by the installation of prepaid meters, and seeks alternatives that work in their common best interest. The research process has also contributed significantly to the work of the Orange Farm Water Crisis Committee and the Anti-Privatisation Forum as activists were able to both test the attitudes of the community in general, and measure their own organisational strengths and weaknesses in terms of the campaign against prepaid meters within the community. It is envisaged that this report will be converted into popular form and widely disseminated in Orange Farm and other communities through popular booklets, mass meetings and door-to-door visits.

Research Findings

- The Decision to Install Prepaid Water Meters - Consultation or Deception?

Johannesburg Water claims that residents of Stretford, Extension 4 were consulted with regard to the process of installing prepaid water meters. Our research proves otherwise.

"They consulted us - yes, but they didn't listen to us .We didn't agree to them." respondent 38

30% of respondents told researchers that they had not participated in any meetings or received any information from Johannesburg Water about the prepaid system. Of those who said that they had been consulted through meetings, many noted that their concerns had not been taken into consideration. Instead, they felt that Johannesburg Water had decided only to convince community leaders in order to legitimise the project.

"Street committees told us that this is development." respondent 160

Many called the consultation superficial and felt let down by community leaders. The decision to initiate Operation Gcin'amanzi in Orange Farm was indeed a top-down decision.

Our interviews also showed that even though meetings had taken place in the township, they had been opportunities for Johannesburg Water promote the project to residents rather than to properly inform and consult - 90%^{xxxvi} of respondents stated that they had been told by Johannesburg Water that the project was initiated in order to install flush toilets. They had been prepared to pay for proper sewerage and sanitation, and had accepted the prepaid meters in order to access these essential services. Many had believed that they had to agree to the installation of the meters in order to get flush toilets. Residents now feel deceived by the installation of prepaid water meters and a substandard condominium sewer scheme that is constantly blocked.

According to Johannesburg Water, the prepaid meter project in Stretford, Extension 4 was implemented to *"ensure that all residents have access to their monthly allocation of 6,000 litres of free essential water."*^{xxxvii}

50% of respondents did not have an explanation or reason for why prepaid water meters were installed while the rest stated that they had been notified at public meetings that they had been wasting water in the previous communal system and that the prepaid system would assist in reducing this wastage. During our discussions with the local Johannesburg Water Manager, he repeated this claim. Johannesburg Water will not release statistics to show how much water was consumed prior to the prepaid scheme, but as we have seen, it was argued that the reason to install prepaid meters was in order to curb consumption. While Johannesburg Water would like us to believe that this is an attempt at reducing 'unnecessary' and 'wasteful' consumption, in the case of Stretford, Extension 4, people interviewed stated that they have found ways to gain access to water without having to pay for it e.g. women walk long distances (often more than 200m) to collect water when they cannot afford to purchase additional water units but still need water.

Despite the need for water in excess of 6 kilolitres per month, and the objection of residents, Johannesburg Water went ahead and installed prepaid water meters in Stretford, Extension 4. Johannesburg Water subsidised the cost of prepaid water meters - each household received an initial installation subsidy of R3600 (US\$540). Each household paid R100 (US\$15) in connection fees for sewerage and technically none for water. The total project investment for 1389 households was R5 million (US\$750,000). Today, water 'units' can be purchased in two stores in the township and applied to a plastic key holding a chip with

the information needed to activate the water meter. One meter has been installed for every stand, with households occupying 2 stands being supplied with 2 meters and so on. Previously, free communal taps were removed when the project was finalised in 2003.

Johannesburg Water's 'consultative' meetings with the community gave residents no power to change the plan of Johannesburg Water to install prepaid meters.

"People who have money agreed so there was nothing they can say or do." respondent 41

It also saw the beginnings of divisions in the community of Stretford, Extension 4, with tensions already emerging between those who were able to afford to pay for the prepaid meters and those who were not, as embodied in the above quote.

Johannesburg Water relies on a "community information sharing system,"^{xxxviii} which essentially involves their sharing of information with community block committee members. In Orange Farm, residents are organised in block committees (also known as street committees), which are elected by residents and accountable to residents, and ward committees, which are also elected by residents, but which report to and 'advise' the local Councillor 'on behalf of residents.' Residents complain that these committees serve various party political interests rather than the interests of the community in general. Stretford, Extension 4 is dominated by the influence of the African National Congress. This played itself out in the course of conducting the fieldwork for this report. On the last day of our survey, a group of 'community leaders', who identified themselves as representatives of the Johannesburg Water project, and residents of the area, had heated discussions with our research team in the streets. The 'representatives' claimed that research was not welcome in Stretford, Extension 4 while residents who had participated in the research wanted the issues to be discussed further. Residents are generally afraid of the African

National Congress in the area as access to services and jobs are often reserved for card-carrying members of the African National Congress.

Life could be made difficult for residents who are critical of policies being spearheaded by the government. This has no doubt played a role in the way in which residents were 'consulted' with regard to prepaid meters.



"This thing of prepaid water meters – it was a surprise to the extension 4 community. We only accepted it because we were desperate for flush toilets." respondent 6

"If you were not [able to] pay [the] installation fee [of R100] you were not going to receive the installation free [of toilets] – but prepaids were installed for free." respondent 16

*"They asked if they want this prepaid meter and that if they don't get meters they don't get flush toilets. The 'ward committees' they said Ext. 4 doesn't have the budget. The councillor said **there is nothing for mahala** and she denied that there is no budget."* respondent 30

"I knew nothing about the installation of prepaid water meters." respondent 14

In spite of this, a mass meeting was held on the streets of Stretford, Extension 4 in the days preceding the planned public launch of the prepaid water system in Orange Farm, convened by the Orange Farm Water Crisis Committee in early 2002. Almost 200 residents of Stretford, Extension 4, residents from other parts of Orange Farm, as well as members of the Anti-Privatisation Forum participated in an animated discussion that concluded that residents in the area had been deceived by Johannesburg Water and that the prepaid water meters had to be opposed. Johannesburg Water called off its public launch. Subsequent mass actions, information campaigns and

graffiti campaigns left Johannesburg Water desperate to win legitimacy for its project. In November 2003, it embarked on a superficial research project in Stretford, Extension 4 to assess residents' 'satisfaction' with 'improved' water services. The survey did not adequately address the issues that had been voiced in the community but only asked questions related to whether water services had improved and whether residents knew how to unblock their sewers. Again, Johannesburg Water's 'community consultation' was designed to assist the company to promote itself as concerned about community perceptions and to source information that would assist it in its own work and aims rather than those of residents.

Living conditions

Household Size & Income Levels

Income level	Percentage of households
No income	30
Below R200 (US\$30)	11
R200-R500 (US\$30-75)	15
R500-R1000 (US\$75-150)	32
R1000-R1500 (US\$150-225)	8
R1500-R2000 (US\$225-300)	2
Above R2000 (US\$300)	2

n=184

All of the households surveyed live on less than R2,000 (US\$300) a month^{xxxix}, with 30% of respondents stating that their households do not have any stable income each month and 95% of respondents' household incomes falling below R1,500 (US\$225). 56% of households survive on less than R500 (US\$75).

Primary source of income

Primary source of income	Percentage of households
Salary	35.8
Pension	19.2
Self-Employed Person	15
Childcare Grant	16
Fostercare Grant	2

n=192

For the majority of households surveyed (95%), the primary source of income is the only source of income for the household. The reliance of 29% of households on the state for their basic income (in the form of grants and pensions) is alarming in that it represents a fairly large number of people eking out an existence on already small grants designed for the basic needs of one person but in reality providing for the needs whole households. It is also a fairly low percentage considering the fact that the South African government has committed itself to providing for the basic needs of the poor. If the South African government were indeed being true to these commitments, almost 100% of households in Stretford, Extension 4 would have state grants as their main source of income.

Our research also shows that only 50% of households have some kind of income related to work (informal, including self-employment, and formal), with most people in the area being employed in elementary occupations or as craft and related trade workers. Formal employment is hard to come by in the township. And in order to find employment a steep R11 (less than US\$2) is charged for a bus ticket to the centre of Johannesburg where the competition is high and the jobs are few. The kinds of pay earned in Johannesburg also hardly cover the costs of transportation for many.

In such poor economic conditions, it is difficult to imagine how Johannesburg Water and the Johannesburg Metropolitan Council can expect residents of this area to pay for the water that they need.

Housing

62% of respondents live in self-made shacks.

Electricity

83% of respondents have access to electricity through the pre-paid system; 14% have normal meters and pay for electricity after using it; and 2% have no electricity. 62% of respondents also use primus stoves for cooking, with an additional 15% making use of coal stoves, and 3% wood stoves. This is significant in that it represents a way in which residents avoid incurring unaffordable costs related to their energy needs in the context of prepaid electricity.

Water & Sanitation

The majority of respondents (80%) have flush toilets outside their homes; 18% have flush toilets inside their homes; and 3% have pit latrines. This would be the case as the majority of residents would have signed onto the prepaid meter system that was pitched to residents as a means of getting flush toilets. While residents had expected flush toilets to provide the solutions to all their sanitation needs, many still experience problems with the new system.

Most households cannot afford expensive toilet paper; so they resort to newspaper and the sensitive condominium sewers get blocked. Residents are required to unblock the toilets themselves. This is work that in the wealthy, white suburbs is considered paid labour. But in order to save money, Johannesburg Water relies on the sheer necessity for hygiene and sanitation in Orange Farm to make residents provide this service for themselves and at a cost to their own financial positions and good health. In this way, a new form of voluntarism has started taking shape in Stretford, Extension 4, with unemployed residents providing their own basic services traditionally the responsibility of the state.

In the past water was delivered in the area from free communal taps or from water tankers. The majority of residents have no experience with payment for

water and no water arrears. However, this is changing under the prepaid system of delivery.

Buying water

The average water expenditure per household per month in Stretford, Extension 4 is R31.20 (less than US\$5) - or equal to a household consumption of 13.8 kilolitres per household

per month.^{xl} With the average household size being 5 residents,^{xli} this would mean that an average of 94 litres is consumed per person a day. However, our results also show that the majority of households (54.8%) purchase less than 11 kilolitres of water per month, translating into an average daily consumption of less than 73 litres per person. According to Johannesburg Water staff in Orange Farm almost none of the households buy units. Information is easily detectable in the computerised system, but Johannesburg Water has refused us access to information in order to compare the accuracy of our results. Also significant is the fact that 4.7% of households are unable to afford additional water units to meet their needs.



“The problem we are having is that when the toilet is blocked we have to unblock it ourselves and that the pipes of toilets are sort of combined. If my toilet blocks the neighbours also block.” respondent 6

“Toilets get blocked when we run out of toilet paper – we have to use newspaper.” respondent 39

“I am poor about this prepaid and every time I have to buy water with my last money for food. Sometimes my children sleep without food.” respondent 157

Spent on water per month

Spent on water per month	Percent
Can't afford to buy units	4.7
R1-10 (US\$0.15-1.50)	28.9
R11-20 (US\$1.60-3.00)	22.2
R21-30 (US\$3.20-4.50)	6.7
R31-40 (US\$4.75-6.00)	5.7
R41-50 (US\$6.25-7.50)	3.2
R51 or more (US\$7.75)	20.9
Don't know	7.7

n=157

The current water expenditure in Stretford, Extension 4 is relatively high considering the promised delivery of 6 kilolitres of free water and the low incomes in many households. Residents complain that they are unable to buy additional water units when they run out - an extreme situation in an area where R5 million (US\$750,000) was spent on infrastructure to deliver water services. Only one year into the project half of the households have experienced the grief of running out of water units because they have not had sufficient funds to purchase units.

"I have not had water since October – I have been fetching water from the neighbours." respondent 31

As a result of the inability to pay, households have found other ways to gain access to water. Women walk far to find free sources of water. A petrol station in the area is a source as are other extensions of the township where communal taps still provide free services. But such solutions will be eliminated in the future with prepaid meters set to be installed throughout Orange Farm.

'free water'

Johannesburg Water claims that it delivers 6 kilolitres of water free of charge to every household in Stretford, Extension 4 as a result of the prepaid system – added to the meters at the beginning of the month. However, 46% of residents interviewed said that they do receive the allocated free water, 24% said that they do not receive this free water, and 29%

were unsure about whether they get this water. With 20% of households reporting that their meters had broken at some point it is likely that the free water does not reach the residents despite the claims of Johannesburg Water.

Problems with delivery of water services

"We buy water but when Joburg water cut off water no one informs us." respondent 29

"This meter has problem because there is cut-off without consulting us. When I buy water there is no water, but I found only the pressure of wind." respondent 59

With prepaid water meters there are no procedures to warn users when water will be cut off. The responsibility is for the users to pay up front and control their usage or buy additional water units to prevent cut offs. In addition, residents in Stretford, Extension 4 indicated that there are times when there is no water even if they have credit on their meters.

The self-disconnections that households experience as a result of unaffordability are exacerbated when people are unable to reach the stores that sell water units. For most residents these are located more than 200 meters away from the household (a distance greater than that prescribed for the location of communal standpipes). In addition, the stores do not have a 24-hour service and if households run out of water after hours there is no means of accessing water until the store is open again.

"Sometimes when they go to buy units they say the machine [computer] is not working – you will have to come back tomorrow." respondent 129

The computer systems also reportedly break down on a regular basis. Once this happens residents in Stretford, Extension 4 are unable to purchase water units until the system is working again. If residents are out of water, they scrape the money together to purchase a new unit and are told to wait another 24 hours. Meanwhile, there is little relief or alternative. The prepaid meters themselves have been the source

of many problems with water delivery in Stretford, Extension 4. While Johannesburg Water local employees claim that they have never had any breakdown of the new water meters, our research shows that meters in 20% of households had broken down.

Approximately 50% of those who have reported problems with their water meters have been told that it is their own responsibility to fix the water meters, while others were told that the water meters come with a guarantee.

Furthermore, several households report foul smells from the meters when the weather is hot. 6% of households simply do not trust the quality of the water and feel that it is unsafe to drink. 25% are unsure as to whether their “improved water services” are safe for human consumption.

Social impact

Prepaid water meters are having devastating effects on the already fragile social cohesion of poor communities. Not only are residents of Stretford, Extension 4 being forced to live according to how much they can afford rather than according to their needs, but traditional and cultural practices that are based on communal and collective approaches to water and life are also being eroded, and social relations are constantly undergoing change and facing pressures. Interviews conducted illustrated this in many ways.

The majority of residents interviewed stated that they are now unable to afford to have the amount of water that they need for their daily activities. 47% of respondents had asked their neighbours for water since receiving prepaid meters as they had been unable to purchase water units. In the failure to secure access to additional free water, residents have also begun to change their behaviour, trying to reduce their necessary consumption of water.

Researchers asked a number of questions to assess whether prepaid meters have resulted in residents reducing certain kinds of activities needing water consumption. The table below illustrates the percentage of respondents who have reduced certain activities as a result of their inability to pay for water for these tasks.



“[When my water meter broke] I asked for help from the contractors, but was told that it was my own problem.” respondent 17

“They told me that if this prepaid is broken I must fix it myself. We are not working inside the house and this prepaid don’t give us the free water they promised.” respondent 56

“I am no longer doing gardening.” respondent 111

“At the funeral I used too much water for cooking, washing dishes. [There were] many visitors and they all bathed and slaughtered [animal slaughtering during the celebration].” respondent 24

Activity	Percentage of respondents who limit this activity due to inability to pay
Flush the toilet every time	32
Bathe	66
Wash dishes	67
Cooking	55
Drinking	57
Cleaning	66
Gardening	26 ¹

¹ 67% of respondents did not garden prior to the prepaid water meters were installed.

n=192

“[Water] is important; I must have water. If I don’t have flush toilets, a lot of diseases will come. Water is life. If there is no water, there is no life.” respondent 38

Insufficient amounts of water for basic necessities, such as bathing, washing and various cleaning activities, creates an ideal environment for diseases and poor health in Stretford, Extension 4. Unfortunately, the Ministry of Health has decided that one cannot access information on health without pre-approval from the provincial offices. We were unable to secure the approval and thereby unable to get the information from the local clinic on health problems suffered in the community. However, researchers themselves, as residents of Orange Farm, were able to highlight the high prevalence of HIV-AIDS and related illnesses (such as tuberculosis) in the area, as well as basic illnesses resulting from the lack of clean water and sanitation e.g. scabies and malnutrition. Lack of readily available clean water for the treatment of the sick, in particular people living with HIV-AIDS, is now a growing problem. In addition, there are a number of households that survive on such low incomes as they are able to grow their own food. Gardens in Stretford extension 4 have simply disappeared due to the unaffordability of the water, eliminating an important subsidy to food purchases, especially in very poor households. Water is essential for sustaining food gardens, and the prepaid system prevents people from controlling their nutritional needs, thereby further endangering their health. Health risks also arise when water is recycled by households for different purposes e.g. washing clothes and then using the same water to bath.

Township life is characterised by communal celebrations and mournings, often needing large amounts of water. Weddings and funerals are two such occasions. Prepaid meters make such events difficult as they limit the amount of water that can be used.

Limitation of water use creates tensions amongst residents and within households as the relationship to water is individualised. It is no longer possible to walk into a neighbour's house and ask for a glass of water freely. Researchers themselves were asked to pay 20c for a glass of water by residents during their fieldwork in Stretford, Extension 4. Workers digging the trenches for the prepaid meters to be installed, with

whom researchers spoke during the fieldwork in Stretford, Extension 4, also remarked that they had been unable to get water from residents without paying for it.

Inadequate access to water is creating other kinds of divisions between residents from Stretford, Extension 4 and residents from other parts of Orange Farm. For example, residents noted that it was easy to recognise children from Stretford, Extension 4 in the local schools as children from this area go to school in dirty clothes.

The increased need to beg for water from neighbours also contributes to these tensions and divisions. In Stretford, Extension 4 many respondents described how they had to beg for water from neighbours because they had no money. Begging and borrowing also produce unequal relations of power between those who have water and those who don't.

Prepaid meters in Stretford, Extension 4 have increased the burden of households. Traditionally, the needs of the household have been provided by women, who care for the sick and the elderly, cook, clean and generally provide for the reproductive needs of the household. When the ability to meet these needs is compromised through insufficient water, for example, it is women who find ways of making the household cope. In Stretford, Extension 4 our research shows that it is indeed women, and children, who walk longer distances to collect water for the household, for example. And, of the households surveyed, in 52% women are responsible for buying water units, in 27% men buy water units, and in 16% this is a shared responsibility.

In general terms, prepaid meters place untold pressures on social relations. As social relations are gendered, such pressures have, at times, consequences for gender relations in communities. The following table represents the attitudes that residents interviewed have with regard to the effects of prepaid water meters in the area.

Attitude	Percentage of respondents agree
Prepaid water means that families steal water from each other.	56
Water problems increase violence in the area.	66
Water problems increase domestic violence	62
Women have more work with prepaid water meters.	60
When we don't have water it distorts our working life.	78

n=193



These results show clearly that claims made by Johannesburg Water that residents of Stretford, Extension 4 are happy with the prepaid water system, are false. However, Johannesburg Water has continued to promote the installation of prepaid water meters in Phiri, Soweto, and in other parts of Orange Farm.

Operation Gcin'amanzi has created a few contract low-wage jobs for the unemployed. At a visit to the installation happening in Stretford, Extension 4 in September 2002, workers reported that they had been hired as independent contractors, working for a Johannesburg Water subcontractor. The workers received no benefits and worked for as little as R15 (US\$2) per day. With such a low level of payment the workers could hardly afford to buy water themselves. During a second visit to the site in November 2003, these workers were no longer employed. Instead, new sets of workers had been hired by yet another subcontractor to dig more ditches for Operation Gcin'amanzi in Orange Farm. Over half of the workers interviewed did not reside in Orange Farm and feared the ending of the project, as they would lose their employment. The workers from outside Stretford, Extension 4 were introduced to prepaid water meters from residents in the area while working there: when in need of a cup of water they were asked by residents to pay up front.

Responses

Our research shows that there have been various responses to the installation of prepaid water meters in Stretford, Extension 4, ranging from individual household coping mechanisms to organisational and community campaigns to resist this programme.

Individual responses noted in the household survey include finding alternative sources of free water (e.g. collecting water from other extensions in Orange Farm), and reducing the amount of water consumed by households (e.g. by using the same water for different purposes like washing clothes and then cooking with the same water). An additional response that the survey did not openly measure has been that of unapproved water connections. At the preparatory workshop, researchers from Orange Farm argued that a question testing this response should not be included in the questionnaire to prevent interviewees from being suspicious of researchers. However, it is a notable response of residents in Stretford, Extension 4. Interestingly, respondents were divided in their attitudes to the issue of unapproved water connections. While 91% of respondents stated that they believed water should be free, 49% said that they do support poor households connecting themselves to water without payment and 45% said that they do not support such actions. 75% of respondents said that they would be prepared to speak to lawyers with regard to mounting legal action against Johannesburg Water.

The Orange Farm Water Crisis Committee represents an organisational response to the installation of prepaid meters in Stretford, Extension 4 and Orange Farm generally. Some researchers were able to re-tell the history of the emergence of a campaign in Orange Farm against prepaid water meters. In August 2002, Johannesburg Water announced its plans to publicly launch the prepaid water meter pilot project in Stretford, Extension 4. The newly formed Orange Farm Water Crisis Committee called a mass meeting for residents in Stretford, Extension 4. Local African National Congress members made it difficult for the mass meeting to happen, preventing the use of venues in the area, harassing activists doing door-to-door visits, and so on. The meeting took place in an open street in Stretford, Extension 4. About 200 residents from Orange Farm, in particular Stretford, Extension 4, attended, and it was mainly women who attended and spoke. The meeting was also attended by members of the Anti-Privatisation Forum. Resident after resident complained into a loudhailer of how they had been deceived by Johannesburg Water and were opposed to the prepaid water meters. They also complained about the role of Councillors and Ward Committee members, and the role of the African National Congress in the area. This was the start of a campaign throughout Orange Farm denouncing Johannesburg Water and the prepaid system. Stretford, Extension 4 and the rest of Orange Farm were covered in graffiti saying, 'Destroy The Meter. Enjoy the water.', 'Water Is Life', 'Down With Privatisation', 'Away With Johannesburg Water!', etc. Much of this graffiti is still visible today. Johannesburg Water did not have its planned public launch. However, the installation of meters quietly continued.

However, amongst residents interviewed, few said that they knew of the Orange Farm Water Crisis Committee. While 80% of respondents said that they did not know of the Committee, this must be analysed with the understanding that Stretford, Extension 4 is an area dominated by the African National Congress and respondents might not have

wanted to reveal such knowledge even if it existed, and in the context of general loss of faith and trust in organisations and political parties in general. Researchers from Orange Farm argued that they could understand such a response from the majority of respondents as most people in Stretford, Extension 4 have given up on any form of organisation and therefore pay little attention to organisations in general. Significant, however, was the fact that 13% of respondents said that they would like to know more about the Orange Farm Water Crisis Committee. This figure is quite high given the above context and represents quite a substantial proportion of the community that the Orange Farm Water Crisis Committee can return to in building the campaign against prepaid water meters in Orange Farm. The dominance of the African National Congress in Stretford, Extension 4 should also not be underestimated. Activists from the Orange Farm Water Crisis Committee are constantly under threat from members of the Congress, and attempts are constantly being made to undermine the work of the Orange Farm Water Crisis Committee e.g. most recently, members of the African National Congress who belong to a local church that has historically provided the Orange Farm Water Crisis Committee with resources including its use as a venue for meetings, insisted that use of the church for meetings be paid for by all. Nevertheless, these figures indicate that much work has still to be done by the Orange Farm Water Crisis Committee in Stretford, Extension 4. This research report will provide an opportunity for the Committee to reconnect with residents in the area and establish relationships towards strengthening the campaign.

The Orange Farm Water Crisis Committee has also been able to raise the issue of prepaid meters at a regional, national and international level through its membership of and participation in the Anti-Privatisation Forum and more recently the Coalition Against Water Privatisation.

CONCLUSION

- Destroy the Meter, Enjoy the Water

This research project provides enough evidence to expose Johannesburg Water's success stories about its pilot prepaid water meter project in Orange Farm, Stretford, Extension 4 as unsubstantiated claims. It does this by exposing the deception of residents by Johannesburg Water exploding the myth of 'community consultation,' and by showing how the prepaid water system (based on the logic of 'nothing for mahala') has brought greater hardship for residents. It also shows how the free 6 kilolitres of water provided to each household are insufficient for the basic needs of the average household in Stretford, Extension 4. It is particularly significant in that it arose and developed in struggles being fought against prepaid meters in South Africa, and has been produced collectively by activists involved in these struggles.

Research findings prove overwhelmingly that the 'community consultation' claimed by Johannesburg Water prior to the installation of prepaid meters was not substantive. A large number of residents stated that they had not been consulted at all (30%), and of those who had been consulted over 90% said that they had been led to believe that they were paying for toilets and that the prepaid water system was a necessary route towards getting flush toilets. This has resulted in the majority of residents feeling deceived.

Prepaid water meters have started to have devastating effects on the social fabric of communities as water has to be paid for now. Traditional and cultural practices celebrated in community and collective action and spirit (e.g. funerals and weddings) are slowly being eroded as people can no longer afford to pay for the large amounts of water needed at such occasions. As the relationship of people to water has been individualised by the prepaid meters, unequal relationships amongst residents in Stretford, Extension 4

and between these residents and people from other extensions in Orange Farm have started to develop. For example, neighbours



are no longer able to share water and suspicion develops over use of and access to water. The general lack of water necessary for the basic survival of households puts untold pressures on social relations as fights over gaining access to water surface in communities and in households. There are often gendered effects of such pressures e.g. increases in domestic violence. Women are also the 'shock-absorbers' of the problems related to lack of access to necessary water. In Stretford, Extension 4 women and children have started to walk longer distances in order to collect free water. Women are also more likely to be responsible for buying water units.

Far from facilitating the delivery of the 6 kilolitres of free water to residents in Stretford, Extension 4, the prepaid meters are often technically deficient, and the amount of 6 kilolitres is insufficient for the basic needs of the average household. This is borne out by the fact that a significant number of residents seek alternative sources of water or buy water units over and above the 6 kilolitres of free water. The Water Services Act requires service providers to give reasonable notice if it intends to limit or discontinue water services, and the provider must take the ability to pay into account. Prepaid water meters, with or without the access to 6 kilolitres, clearly violates such provisions.

Insufficient access to water necessary for basic needs has also increased the health risks that residents of Stretford, Extension 4 are exposed to. In addition, caring for the sick, in particular people living with HIV-AIDS, has been made more difficult.

Residents of Stretford, Extension 4 have responded to the prepaid water system by seeking alternative sources of free water to cover their basic needs or have resorted to unapproved connections where possible. In addition, the Orange Farm Water Crisis Committee emerged to campaign against prepaid water meters in Orange Farm. This research report is a contribution to the continuing struggle of residents of Orange Farm and the Orange Farm Water Crisis Committee as the prepaid water system is extended to other parts of Orange Farm and Johannesburg. It is hoped that it will strengthen the campaign against prepaid water meters in South Africa and beyond.

ENDNOTES

- ⁱ Words of the Induna (headman) of Madlebe who was one of the members of the Project Steering Committee for the implementation of prepaid water meters in place of previous free communal standpipes, which exacerbated the 2000 outbreak of cholera in KwaZulu Natal Province, taken from interview by Hamed Deedat and Eddie Cottle April 10, 2001 in “Cost Recovery and the Crisis of Service Delivery in South Africa” edited by David A. McDonald and John Pape, 2002, p.87.
- ⁱⁱ United Nations Committee on Economic, Social and Cultural Rights (2002), “Substantive Issues Arising in the Implementation of the International Covenant on Economic, Social and Cultural Rights. General Comment No. 15. The right to water (arts. 11 and 12 of the International Covenant on Economic, Social and Cultural Rights)”
- ⁱⁱⁱ Constitution of the Republic of South Africa 1996, Act 108 of 1996 sec. 24, 26-27.
- ^{iv} World Bank (1994) “World Development Report 1994: Infrastructure and development”
- ^v For example documented by Public Citizen “Profit Streams: World Bank and Greedy Global Water Companies” <http://www.citizen.org/cmep/water/reports/> and “World Bank Watch” <http://www.citizen.org/cmep/water/new/wbwatch/>
- ^{vi} Unapproved connections are connections made by residents without permission and/or payments to the water companies. The government discourse is to call such connections ‘illegal’, but this report will use the term unapproved throughout.
- ^{vii} Marvin, Simon, Nina Laurie & Mark Napier (2001) “Pre-payment: Emerging Pathways to Water Services - the case of South Africa” in *Third World Planning Review* 23 (2) pp213-221.
- ^{viii} The Forbes 500 <http://www.forbes.com/2003/03/26/500sland.html>
- ^{ix} Shiva, Vandana (2001) “World Bank & Corporate Control Over Water” in *International Socialist Review*, August/September; Suez corporate profile www.citizen.org/cmep/water/reports
- ^x Bhorat in *New Agenda*, Issue 4 Fourth Quarter, 2001: 23
- ^{xi} South African Human Rights Commission Quarterly Review: Social & Economic Rights, December 2001.
- ^{xii} Statistics SA, Census 2001 – <http://www.stassa.gov.za/default3.asp>
- ^{xiii} McDonald, David (2002) “The Bell Tolls for Thee: Cost Recovery, Cut-offs and the Affordability of Municipal Services in South Africa” in McDonald, David and John Pape (2002) “Cost Recovery and the Crisis of Service Delivery in South Africa” Zed Press: London and HSRC Publishers: Pretoria.
- ^{xiv} Water Services Act 108 of 1997 -section 4(3).
- ^{xv} Sean Michael Flynn (2004 forthcoming) “Constitutional issues raised by credit control limitations of water services in South Africa” (working title).
- ^{xvi} Marvin, S.J & S. Guy (1997) “Smart Meters and Privatised Utilities” in *Local Economy* 12 (2) pp199-132.
- ^{xvii} Department: Water affairs and Forestry (2003) “Strategic framework for water services. Water is life, sanitation is dignity” p44.
- ^{xviii} New York Times (June 5, 2003) Ronnie Kasrils “Letter to the editor re: “Water tap often shut to South Africa poor” (May 29, 2003).
- ^{xix} ESI Africa (2002) “New technology brings prepaid water a step nearer” *ESI Africa* (4)
- ^{xx} Department: Water Affairs and Forestry “Prepayment Water Meters and Management Systems. A bookilolitreset for local authorities and community institutions complete with contact details for suppliers of equipment and services for cost recovery and the management of water distribution systems. Developed by TSE Water Services.
- ^{xxi} Magazine archive (2002) Issue 4 “Prepaid water and electricity dispensers - Working as one” - From: http://www.metering.com/archive/024/38_1.htm
- ^{xxii} Deedat, Hamed (2002) “Viva Prepays, Viva! Assessing New Technology for Cost Recovery in the Rural Northern Cape” in *Cost Recovery and the Crisis of Service Delivery in South Africa* edited by David McDonald and John Pape.
- ^{xxiii} Ibid.
- ^{xxiv} Suez corporate profile is available on www.citizen.org/cmep/water/reports
- ^{xxv} “City of Johannesburg: Budget 2001/02-2003/04. Johannesburg Water”

http://www.johannesburgnews.co.za/budget_2001/jhb_water.html

xxvi Municipal chapter 14 reference, p114.

xxvii City of Johannesburg “New pipeline to boost sewer network” http://www.joburg.org.za/2003/nov/nov5_sewer.stm

xxviii World Health Organization (2003) “The right to water” http://www.who.int/water_sanitation_health/rightwater/en/

xxix Fiil-Flynn, Maj (2001) “The Electricity Crisis in Soweto” Municipal Services Project Occasional Papers Series (4) and Bhorat in New Agenda, Issue 4 Fourth Quarter, 2001, p.25

xxx Background information comes from “The Status of Women in Orange Farm: Experiences & Responses To GEAR“ Khanya College and a research workshop held by the Coalition Against Water Privatisation and the Anti-Privatisation Forum prior to commencing with this project had a small group discussion with participants from Orange Farm in order to establish what was already known about the area. These discussions have been recorded and are available through the Anti-Privatisation Forum.

xxxi In South Africa it is common to find ‘live-in’ domestic workers, who receive (as ‘part of their payment’) provision of their food and accommodation. In such cases, a woman is often on call 24 hours a day 360 days a year to provide for the needs of a richer family or group of people.

xxxii Greater Johannesburg “Environmental Equity”

<http://ceroi.net/reports/johannesburg/csoe/html/nonjava/Env%20Quality/environmentalquality.htm>

xxxiii Khanya College/Kganya Women’s Consortium (2001) “The Status of Women in Orange Farm: Experiences & Responses to GEAR, Johannesburg”.

xxxiv City of Johannesburg official website “About Region 11” http://www.joburg.org.za/regions/region11_about.stm

xxxv Indymedia (2002) South Africa video footage from mass meeting in Orange Farm, women speak from crowd, 28 September.

xxxvi n=191.

xxxvii Johannesburg Water Capital investment (newsletter) “Stretford Ext.4”

xxxviii Ibid.

xxxix R2,000 is about the average monthly rental price for an average 2-bedroomed apartment in central Johannesburg.

xl Excluding the unknown consumption of those who did not know their average consumption.

xli n=190. The exact number is 4.88 - the number used in the calculation of average daily consumption per capita.



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