

**WATER TORTURE** PRIVATISATION LEAVES US HIGH AND DRY

Corporations have to splash out billions every year to persuade us to buy unneeded crap. But no such problems exist when they have a grip on more essential, life-sustaining, natural resources, like water. You don't need to fork out millions for flashy PR men and mount big dollar advertising splashes to flog H2O. Who has to persuade us to use water? They've got us over a barrel on that one.

Privatisation was supposed to bring competition, but if a water company decides to rip you off for the water you use and can't be bothered to repair cracked pipes, alternatives are in short supply. Worse still, the water corporations' focus on profits at all cost makes them unable and unwilling to do anything to meet the current water shortages, as money that could have gone into maintenance leaks away into shareholders' pockets.

Here in the UK the government spent most of the last 150 years (and loads of taxpayer cash) buying up the water companies, convinced that private corporations are not the best organisations to deliver such an essential service. All that changed in 1989 when the Thatcher government flogged off the lot under the 1988 Water Act. And in case no one was interested in picking up a monopoly or two, the firesale came with some additional incentives; £5 billion worth of debts owed by the water authorities would be written off and a £1.6 billion subsidy would be given up front. Monopoly, debt write-off and a cash incentive still not enough for you? Well, how about having the companies at a bargain basement 22% discount too?!

Unsurprisingly pre-tax profits of the 10 water companies then rose by almost 150% in the first 9 years of privatisation. OF-WAT, the sector's regulatory body, identified three main components of customers' bills: operating costs, capital charges (for investment and renewals), and operating profits. Over the period since privatisation, operating expenditure as a proportion of bills has shrunk; the capital charges have risen; but operating profits, which have more than doubled, account for virtually the entire increase in customers' bills. And the tide shows no signs of turning.

In the week when Thames Water announced that there would be a hosepipe ban in London, the company's shareholders also enjoyed a 10% profit. No "cash drought" on the horizon then? Although it's raining cash for investors it's more like a golden-shower for the less fortunate customers. Not only has OFWAT agreed to further massive price hikes, but Thames Water also manages to lose over a third of the water through the antiquated Victorian pipe system that they just can't seem to afford to fix (pissing away 1 billion litres a year, enough to fully supply Birmingham). The company had agreed an investment plan with the regulator, but then curiously spent £350 million less on it than planned, the equivalent of 10% off every customer's bill. So where did that 10% end up? Drained away down the profit plug hole perhaps?

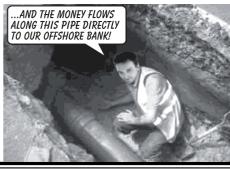
Thames Water, whose 8 million customers will be affected by the ban, says two unusually dry winters have caused "serious" water shortages. Had the water companies invested in infrastructure maybe they wouldn't be losing a third of our water. In the current climate of "eco-awareness", the UK fails miserably in terms of utilising our rainwater. Only a desultory 5% finds its way into our water supply. Our suppliers whinge and moan about shortcomings in the weather, but can't be bothered to dip into their piggy banks to bale us out – maybe saving it all for a rainy day.

Thames Water did, however, last year feel flush enough to throw a  $\pounds 2.2$  million pay-packet at their top four directors. All in, the German owned company's liquid profits came in at a cool  $\pounds 385.5$  million. Londoners must have experienced that sinking feeling, as they suffered a 21% increase in their water bills.

## WATER PALAVER

And how likely is it that things will improve now that things are hotting up for all of us climatewise? Being able to plant your vegetables out a month earlier than usual is not the only symptom of global warming and climate change; the country's water supply is evaporating at such a rate that hosepipe bans, showering instead of jumping in the bath and putting a brick in your cistern may not be enough to prevent us from getting a lot thirstier yet. With more cars on the road and planes in the sky carbon dioxide emissions will only keep on rising. But don't worry - the free market will save us...

The idiocy of water privatisation has become a global pandemic (would that be Evian Flu perhaps?) Africans have long been without a proper water supply, but private companies (whopicked up local water companies at bargain basement prices during a spate of privatisation in the 1990s) have still been flooding customers with higher bills. According to a report by the University of Witwatersrand, 22,000 people <u>continued overleaf...</u>



### CRAP ARREST OF THE WEEK For looking hard...

Last Saturday an anti-fur protester standing outside the London 'fashion boutique' Joseph was arrested under section 5 of the Public Order Act for 'staring into the shop'. We'll be looking out for more developments on this one.

ANIMAL RIGHTS, HUMANS URPORTED With six men in hospital fighting for life following a drugs trial, the lid has just been blown on how animal testing amounts to scientific fraud. The six men collapsed in agony following the administration of an experimental drug known as TGN1412, manufactured by Te-Genero. Prior to being given to the human guinea pigs, it was extensively tested on animals. Within

minutes of being injected the participants started displaying signs of severe organ failure and ex-

tensive inflammation caused by a breakdown of

the immune system. The debate over vivisection is often caricatured as being one of 'science' vs 'sentimentality'. Three weeks ago, three hundred people took to the streets of Oxford demanding that a primate laboratory be built to create new medicines (see SchNEWS 534). Anti-vivisectionists are often denounced as being anti-people but the human cost of animal testing rarely makes the headlines. In fact vivisection is simply the shield behind which pharmaceutical corporations hide behind when things go wrong, something which hardly ever finds its way into the mainstream media. Already TeGenero are attempting to shrug off responsibility for the potential fatalities because they conducted the required animal trials.

The drug trial volunteers were given 1/500th of the dose which had previously been administered to animals (including primates) and yet it produced a toxic shock which nearly killed them. The results of the animal trials have not yet been made public- but either the drug failed to have any significant effects in animals and was passed for humans or it caused toxic effects and was passed for use anyway. Either way it demonstrates that the vivisectors themselves know that animal testing is an utterly useless method of determining the reaction a drug will have on human physiology. The scientific director of Huntingdon Life Sciences, one of the biggest drug and product testing labs in the world has estimated that the accuracy of using animals to predict the human effect is "between 5%-25%"

Adverse drug reactions now account for between a fifth and a quarter of hospital admissions in the UK. An estimated 70,000 people in England each year are killed or seriously disabled by medical drugs, yet all of these pass animal tests. The scale is undeniably massive. Those who do suffer extreme adverse effects have been bought off with compensation with the proviso that they don't talk to the press. SchNEWS has learned of one man who has been offered £100,000 after suffering an extreme reaction to a drugs manufactured by major British pharmaceutical compacontinued overleaf...

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#### Water Torture continued...

in Johannesburg are disconnected from water supplies each month because they can't afford to pay steeply rising water bills. The problem affects the whole country - in a population of 44 million, 10 million South Africans have had their supplies cut. The result? 43,000 deaths from diarrhea last year, and an outbreak of cholera affecting 135,000.

"I would say they are criminals" says Pascal Kerneis from the influential lobby organisation European Services Forum. No, not the water companies, obviously! He reckons campaigners against water privatisation are just plain stupid not to think that water is best delivered by corporations. Pascal and his cronies lead the drive to include water in the 5th chapter of the General Agreement on Trade and Services (GATS). The European Union has also been pushing hard to include water at recent WTO talks, which are host to the negotiations for a range of GATS agreements aiming to carve up the planet for the general consumption of profit-hungry multinationals. Sustained pressure from a range

## ALL GUNNS BLAZING

In December 2004, Gunns Ltd, the industrial forestry giant responsible for destroying vast tracts of ancient forest in Tasmania, decided to sue twenty activists for 6.3 million Australian dollars. This is a company who are clearing ancient forest - featuring the tallest hardwood trees on the planet – at the rate of 44 football fields a day, flogged off as woodchips at £6 a metric ton for the Asian paper market. Gunns have illegally torched and cleared World Heritage-listed forests, and are in so deep with the government that they don't have to file tiresome environmental impact statements. Now they want compensation for the fact that nasty protesters have 'disrupted their operations', with unlawful lobbying of shareholders and customers, and unfavourable media statements about their practices (ahh, it's a tough life for today's multinational).

The twenty protesters immediately drew parallels with the McLibel Trial (see SchNEWS 124 & www.mcspotlight.org). While this ended with hefty fines for the two defendants (which they had no means to pay and haven't), the case aired a lot of Ronald's dirty linen in public and was an expensive PR catastrophe for the company.

The 'McGunns trial' here we come... this week in the Melbourne Supreme Court, Justice Bongiorno held a three-day hearing regarding the trial, with a major concern about how long it would go on for. With Gunns' claims that the range of lawful campaigning which the protesters have undertaken adds up to an unlawful 'conspiracy', the door is open for an endless trawl through arguments for and against Gunns' activities. It is looking like the trial could out-do McLibel's record of over 300 days in court and go for years. So now Gunns have got the choice of the humiliation of dropping the case, or the PR nightmare of having their practices scrutinized in open court.

\* www.gunns20.org and www.mcgunns.com

\* The battle to save Tasmania's forests is not all about hushed courtrooms. For decades direct action protest camps have stood in the way of the destruction, developing tactics which have been used around the world since. To get updates from current direct action protests visit http://huon.green.net.au/weldvalley



of activist and citizens' groups has recently succeeded in getting the WTO to drop the water proposal from the current GATS discussions, but it's surely only a matter of time before the constant drip, drip of corporate lobbying erodes common sense.

The GATS agreement would have been another way in for the corporations - who can currently only hope to persuade unwilling governments to flog off their public infrastructures through the 'conditions' which are attached to any International Monetary Fund or World Bank loans. Whilst this recent victory has made it harder for the corporations, many people in the hottest parts of the planet still can't afford to pay their bill. This week, The Fourth World Water Forum takes place in Mexico City, and will look at how anti-privatisation activities are breaking the corporate grip on our water supplies. Find out more at www.comda.org.mx or get to grips with GATS by visiting www.corporateeurope. org/water/gatswater2006.pdf - and pay a visit to the Public Services International Research Unit's briefing papers on water privatisation across the globe, including the UK at www.psiru.org

## SHEPTON MALICE

The Shepton Mallet anti-Tesco protest camp (see SchNEWS 533) was evicted on Wednesday after a six hour tree-top battle (no, not a scene from Crouching Crusty, Hidden Bailiff). Around fifty bailiffs backed by forty police arrived at the site at 6am. Unlike the last eviction, this time protesters were determined to make a stand. Given that the site was only taken two weeks ago, an impressive amount of defensive work had been done. Fifteen activists locked on in the trees, up a scaffold tower and in a suspended net.

Tesco employed bailiffs from wannabe 'protestor' specialists Sherforce, together with climbers from Highline Access. In a bizarre twist, one of the bailiffs - the shaven headed and toothbrushmoustache sporting Mark Lynch (also head of security at EDO MBM, see SchNEWS 508) had tipped activists off as to exactly when the eviction was going to take place. Was this just an attempt to stoke up the conflict in order to showcase his company's talents and drum up business around the country? Question marks also hang over the eviction, as no possession order was ever served. On the day the order was granted Tescos didn't actually legally own the land!

Climbers eventually managed to manhandle all the tree-sitters on the lower levels down using hydraulic cutting equipment. However four managed to climb to the very top of the Scots Pines being defended. A cherry-picker access platform manned by bailiffs was brought in. Thirty people acting in a ground-support role quickly formed a road blockade which obstructed work for over an hour. Eventually this was cleared with six arrests.

However by midday the struggle was over. The trees were felled in the afternoon, despite Tesco denying to the BBC that they'd be destroyed. Every little hurts.

# \* For more on Tesco see www.tescopoly.org

#### SchNEWS in brief Benefit gig for a Brighton postie fined £1500 in

the High Court for file sharing, as well as a Kings Lynn man facing a £13,500 fine for downloading. Sat 25th March, Cowley Club, 12 London Rd, 8-12, free entry, members & guests. \*\* Judgment on Milan Rai's case for organizing an 'unauthorised' demo (see SchNEWS 535) has been authorised denio (see Schwervis 555) has been suspended until April 12th – support at Bow St. Magistrates welcome. **\*\*** International day of action against the Iraqi occupation this Saturday (18th), Parliament Square, London. \*\* Naming The Dead - mass civil disobedience against Iraq occupation - and in defiance of SOCPA. Sunday April 2nd, 12pm also at Parliament Square, London \*\* Zapatista Benefit for an autonomous clinic in Chiapas. Saturday 18th, 9pm venue:13th

#### Animal Rights continued...

ny - The catch? He doesn't get the cash unless it stays out of the papers for five years. (Don't worry Bob, we won't tell 'em).

With all the facts stacked up against them is it any wonder the vivisection industry is trying to smother the debate? In a further attempt to stifle dissent Oxford University is using underhand tactics in its High Court attempt to shut down protest with an injunction under the Protection from Harassment Act. In a behind closed doors hearing of dubious legality at the High Court, they have obtained an order banning the use of megaphone anywhere near the lab and changed the basis of their case without the defendants having a chance to counter it, and made it a crime to help protect people from being served with the injunction by process servers - who are known to chase after people down the street with cameras and on occasion use force to serve them. It seems however, that the inner hippy in the activists is being brought out as there have been sightings of spontaneous outbreaks of mass group hugs whenever people in yellow jackets come near waving pieces of paper.

The case comes back to the High Court on 3rd April when the University will attempt to limit demos anywhere in Oxford to once a month and reduce the weekly demos at the lab from 4 hours to 1 hours and from 50 max people to 12 max. The vagueness of the order sought means that other protests in the city may also be caught by its terms.

All this from a university that stood up in court and declared it was in favour of free speech and regularly hosts Amnesty events.

\* 25th March - Demo for the Human Victims of Vivisection. Meeting in Oxford city at noon. For more details contact SPEAK at www.speakcampaigns.org.uk or 0845 330 7985. Contact number for the day is 07986 559012.

\* 22nd April. World Day For Laboratory Animals. Mass demonstration in Oxford city centre.



Lib Dem Baroness Tonge wins this week's SchNEWS award for throwing stones in a glass house - by condemning Kalahari Bushmen as 'primitive' in the House of Lords. In a way she's right 'cos unlike the ultramodern British, the Bushmen are forced to struggle by without up to date innovations like a landed gentry. Backward Bushmen are in fact so mired in the prehistoric era that they have no bosses let alone Baronesses.

To drag them kicking and screaming into the joys of the twenty-first century, the Botswanan government is nicking their land and putting them into resettlement camps. Tonge, along with Lord Jones and other British parliamentarians, spent half a day visiting one of the Botswana government's Bushman resettlement camps in 2002. The whole trip (including first class air travel) was paid for by De Beers, the world's biggest diamond miners who are looking to make a killing on the Bushmen's land.

Lord Jones, known as 'Junket Jones', regularly defends the Botswana government's expulsion of the Bushmen. He recently bought a luxury villa in Botswana, built on land belonging to the son of a former Botswanan cabinet minister.

Of course the Bushmen with their unevolved stone-age sensibilities simply can't understand why their land has to be transformed into a lunar hellhole so that Europeans can conduct their traditional mating ceremonies with ritual gift exchanges of shiny rocks.

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