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Water politics in St. Louis

Mary Ann McGivern | Jul. 3, 2013 NCR Today

I attended a hearing Thursday at St. Louis' City Hall. The Board of Aldermen Public Utilities Committee is airing a citizens' call to reject a consulting contract with Veolia Water North America. The community coalition includes the Sierra Club, the Missouri Coalition for the Environment, Jewish Voice for Peace, End the Occupation, Instead of War, and more.

The basic problem is that the St. Louis water system was designed to serve a million people, but its customers total less than half a million. So it's not bringing in the money planners projected to cover maintenance, cost-of-living increases, pensions, etc. An internal audit three years ago has stanched the losses and built the contingency fund up to $11 million. Business interests recommended an outside consultant to achieve further cuts. A water board committee selected Veolia.

Veolia manages transportation, water and waste systems in Israel, including the buses that transport settlers between Jerusalem and the settlements in the occupied territories. Jews and Palestinians testified to the suffering of the Palestinian people, the illegality of the settlements and the strategy of the international boycott of companies that do business in the occupied territories. They also told the history of the Board of Alderman decision to join the boycott of businesses that did business in South Africa during apartheid there.

A representative from the Jewish Community Relations Organization said supporting this boycott would inflame the Israel-Palestine conflict and that it was inappropriate and unjust to consider the history of Veolia in other countries.

Someone spoke to Veolia's loss of value on the stock market, which led an alderman to note the irony of the city contracting for financial advice with a company whose credit rating was lower than the city's. That drew a laugh.

Local environmental groups fear that easy business solutions won't work. Water meters would reduce usage, which isn't the problem; we produce more water than we need. Water rate hikes would hurt the poor. Layoffs and pay cuts might damage the production process as well as hurt the workers.

There is a growing recognition that for-profit business analysis may be less effective than current accepted business practice claims. (The second phase of the consulting contract would pay Veolia a percentage of any savings gained.) The popular thinking is to trust the internal audit.

So we've got a convergence of challenges to the for-profit model; concern that water must remain affordable and living wages must be paid; and a call to recognize that whether a company discriminates against a segment of the community thousands of miles away matters as much as local equal employment opportunity policy.

There are no easy solutions. But when 200 people show up at a water hearing, some standing for all three hours, my hope grows that despite our human frailty, we humans will grapple successfully -- that is, kindly and generously -- with our complex world.

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