

**Statement of Richard G. Little, AICP  
Director, Keston Institute for Public Finance and Infrastructure Policy  
University of Southern California**

**On the issue of human rights obligations related to access  
to safe drinking water and sanitation**

March 25, 2010

Ms. Catarina de Albuquerque  
Independent Expert  
ESCR Section, Special Procedures Division  
UNOG-OHCHR  
Palais des Nations, CH-1211  
Geneva 10, Switzerland

Dear Ms. de Albuquerque,

I am writing in my capacity as Director of the Keston Institute for Public Finance and Infrastructure Policy at the University of Southern California regarding your fact-finding mission on water provision on behalf of the United Nations Human Rights Council.

As an overarching assumption, I don't believe that there is any room for debate over whether access to adequate supplies of safe drinking water is anything other than a basic human right. Except for air, water is our greatest necessity of life. As such, no one should be denied access to safe water because of an inability to pay. As you know, this has led to many calls for water to be made available as cheaply as possible and it is the confusion surrounding this issue that prompts me to contact you.

Some public interest groups have taken the position that because access to safe water is a human right, its provision can only be accomplished by the public sector. The provision of water by the private sector is viewed as infeasible by these groups because of the need for private enterprise to earn a return on its capital (make a profit) which would lead to overcharging of the economically disadvantaged who can least afford to pay. I would suggest that this is a false choice.

If we can accept the premise that the cost of delivering water to the poor in the developing world will probably need to be subsidized, either fully or partially, the real question becomes what is the most cost-effective method to do so. In much of the developing world, institutional capacity to deliver basic services remains a challenge. Ideally, building indigenous capacity to do this should be the goal of any development program. However, the pursuit of this goal should not preclude the immediate delivery of basic services in the most efficient and reliable manner possible. If the private sector is better positioned to do this in a particular country or region, why should the poor be held hostage to what is essentially an ideological question of public vs. private provision?

Although there is certainly much to be said for "protecting the public interest," my work in this area has shown that most concerns with the public interest can be distilled down to whether the presence of the private sector in the delivery of basic services would cause users to pay more than

they would have under a public provision model. However, if the real concern is for the poor who have limited ability to pay in any event, the focus should be how to deliver these subsidized services in the most efficient manner possible. The general perception, championed by some public interest groups, is that “public” services, delivered by any entity other than a government agency, will somehow cost more and provide a lower level of service. Those opposed to any private involvement in the delivery of “public” services see price gouging as the inevitable outcome of these arrangements. However, a legitimate question to ask is whether the public interest is well-served by a system where prices are kept artificially so low for everyone, including those who can well afford to pay, as to preclude the delivery of an adequate supply of safe, reliable water and where sufficient revenue cannot be generated to support routine maintenance, repair, and renovation.


“Free” water comes with its own costs. In Dar es Salaam, for example, water was historically subsidized and provided below cost to all. In addition to the negative impacts of such policies on capital investment in the system, these practices actually hurt the very people they were intended to help. By reducing revenues to a level below which system expansion and improvement could not occur, the availability to poor people of even marginally purified water was also reduced, leaving them the undesirable options of using more expensive or unsanitary sources.

Although there are definitely social and moral questions that can be raised regarding what constitutes equitable charges for what are the necessities of life itself, these questions do not obviate the fundamental reality that projects and services must be paid for; if not directly by some or all of the users, then by the larger “public” in their stead. However, there is no reason why the private sector cannot function quite effectively in this space.

At the heart of this issue is the need to strike a fundamental balance between the provision of efficient, reliable, and equitable services and a mechanism to pay for them. Ultimately, the question for developing nations (and the Human Rights Council) to answer is who can best deliver safe, reliable, and accessible water service. In cases where the private sector is better positioned to do this, the fact that the provider may make a profit should be of less concern than that the poor could be spared the miseries and lost opportunity that accompany a lack of access to safe drinking water.

I appreciate this opportunity to provide my comments. Should you have any questions or desire more elaboration, please do not hesitate to contact me.

Cordially,

A handwritten signature in dark ink, reading "Richard G. Little". The signature is fluid and cursive, with the first name "Richard" being more prominent and the last name "Little" following in a similar style.

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