

Water for Life: Commodification, Consumption and Environmental Challenges in India

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Abstract

Since the last few decades, the use of water in India has increased dramatically. Life is fully dependent on water. With the growing dependence of all on water, legal reforms are becoming increasingly urgent. The purpose of this study is to examine the human right to water, the basic requirements for life, its consumption, commodification, and the challenges facing its conservation. The issue is particularly pertinent because water use has been regulated piecemeal or in an rudimentary manner in India. Inadequate regulation has played an important role in facilitating indiscriminate water extraction. There have been severe criticisms of the legal regime governing water in India. The continuation of the rule introduced during the British colonial era, which gives near absolute rights to landowners to exploit use of groundwater which accounts for 60 percent of irrigation water used today. Many of the world's poorest farmers rely solely on groundwater for farming. Around 80 percent of the world's drinking water needs are also met by groundwater. As a result, India now uses more groundwater than any other country. This is therefore criticized. A legal framework for controlling water use is required in these situations. People without land cannot access groundwater as a consequence. Human rights should be considered when rethinking water law based on the human right to water and a governance framework that originates locally.

Keywords: Water, life, commodification, consumption and environmental challenges.

Introduction

Life cannot exist without water. Life and water are complementary. In today's world, water is transformed into intrinsic material, so highlighting its importance is sufficient. Water is being transformed into intrinsic material. Water is being transformed into intrinsic material. Before the 1980s, India was unaccustomed to water shortages. Even though India has experienced several severe droughts like those experienced by the United States in the 1990s, the issue of water became a hotcake. What caused this change? An economic boost. During the following decades, sugarcane, wheat, and other cash crops dominated the rural economy rather than traditional crops. Due to changes in urban population dynamics and industry, water consumption in urban India has increased at the same time. Although the amount of water as a natural resource has remained unchanged, rainfall too has continued to provide clean water. Due to the rapid expansion of industrial areas in cities such as Delhi, Mumbai, Kolkata, and Chennai, water supplies to industries in metro areas have

changed. In essence, water has become a commodity. In metro cities, access to potable water is largely determined by the market private players and big names that charge premium prices for pure water. Water has become a commodity.

Commodification of Water

Neoclassical economics defines “commodities as goods or services that can be traded or exchanged in the marketplace for cash or other commodities”¹. A commodity is an economic good that had no value whatsoever before it was created by Marxian political theory. Market mechanisms result in standardized goods and services². The market price determines the price of an economic good when it is commodified, and as such the market value replaces the social value previously attached to it. In the process of turning public goods into economic goods, neoliberals claim, a resource, such as water, can be better managed and distributed. Welfare economics holds that a society's welfare increases the more efficiently it manages its resources³. According to an Economist article, water is a tradable commodity like any other, saying: "Only by accepting water as a tradable commodity will we be able to make rational decisions".

Commodification of water can be defined as the act of turning a public good, like water, into a tradable commodity. By introducing previously unregulated market forces, this transformation makes water a more efficient resource. In tandem with fears of water scarcity and environmental degradation, water has seen an escalating commodification since the early 20th century.

Commodification of water resulted from the failure of public water supply and government regulation of environmental damage. In neoclassical discourse, the concept of commodity is the assigning of a value to a good or service to prevent misuse. Though not a new trend, water commodification is a product of a market-based approach to water governance that is both endorsed and decried by different groups.

Private property rights and market mechanisms in the west will allow water to be allocated more efficiently. The neoliberals, according to Bakker, advocate market-based approaches to resource regulation that are designed to simultaneously accommodate economic as well as environmental needs⁴. It can thus be argued that the commodification of water extends capitalism's tendencies into new political and social spheres. It is called primitive accumulation by Karl Marx⁵. The commodification of water will not, therefore, lead to an improvement in freshwater supply or water conservation.

The origin of water as a commodity

A billion people lack access to reliable drinking water and a great many others lack proper sanitation⁶. Water is an essential part of life. The UN, among other institutions, warns of the threat of climate change on the availability of freshwater due to an expanding global population. It is particularly concerning due to the fact that the bottled water market has earned over four billion Dollars a year since the turn of the century. Therefore, “improving current and future water provision becomes an urgent issue”, which puts discussions about water governance at the forefront in order to avert a crisis. The following claims are from Fortune Magazine:

"Water is set to be the commodity that determines the wealth of nations for the 21st century as oil was for the 20th century"⁷. It is not a new issue that water is a scarce resource; however, “the way in

which water has been managed has changed dramatically in the last century". During the Keynesian welfare state era, water was largely provided publicly. As part of the pursuit of economic growth and industrialization, "the state incurred high capital costs in building a water infrastructure that would allow its citizens to have universal access to water". In the 19th century, water resources were owned and regulated centrally by the state, with an emphasis on social equity⁸. Water-related issues were considered to be socially inclusive. A solution presented under neoliberal economic globalization was to commodify water, a practice that was heavily criticized during the late 20th century⁹.

As a result of environmental and environmentalist movements which raised awareness about environmental degradation and ecological disturbances in the second half of the 20th century, the ability of the state to continue providing water efficiently came into question. Since most developed nations experienced a fiscal crisis in the 1970s, their public spending has decreased, allowing state-run infrastructure to deteriorate further and worsening the problem of provision. The inability of states to operate efficiently, together with criticisms, led to a change in water management¹⁰. Neoliberalism's proposal for market-based governance precipitated a change in attitude towards how water should be administered, and it has now become the dominant approach to environmental issues. As a result of this shift in attitude, water has become more commodified.

Fundamental right to water

According to Article 21 of the constitution, the right to clean drinking water is an integral part of a healthy environment, the right to food, and the right to health. These right to basic necessities are protected as elements of the right to life. Additionally, article 39 (b) of the directive principles of state policy (DPSP), which the Constitution says are not subject to the law, recognizes the right to equal access to the materials of the community. A crucial provision of Article 39 (b) states that "the State shall, in particular, direct its policy towards ensuring the distribution of material resources in the community so as to best serve the common good."

According to the courts, the right to clean drinking water is only a negative right - that is, the right not to pollute our water supplies. Supreme Court ruled that a clean and healthy environment is a fundamental right embodied in Article 21 of the Constitution. "The right to a healthy environment is enshrined in Article 21 of our Constitution". **Bandhua Mukti Morcha v. Union of India**¹¹ presented this concept for the first time and then elaborated on it. In the early nineties, several water pollution cases were brought before the Supreme Court dealing with the right to a healthy environment. A part of the right to a pollution-free environment was protected by the court in these cases.

One of the most important rulings of the Apex Court was **A.P. Pollution Control Board II v. Prof. M.V. Nayudu**¹². A polluting industry had received an exemption in this case and was allowed to set up near two of Andhra Pradesh's main reservoirs "the Himayat Sagar lake and the Osman Sagar lake in violation of the Environmental Protection Act 1986". According to the Supreme Court, such exemptions are illegal in accordance with the Water (Prevention and Control of Pollution) Act 1974 as well as the Environment Protection Act, which make it unlawful for the state to exempt industries from the prohibition on polluting industries within a prohibited area. A power of this kind being

exercised in favor of a particular industry would be arbitrary and contrary to the public's interest, since it would violate Article 21 of the Indian constitution. In blatant disregard of the fate of lakhs of twin city residents whose drinking water is derived from lakes in these cities, the government could not pass such exclusion orders containing such dangerous potential.

It could lead to catastrophe if such an exemption order is carelessly passed and ignores the 'precautionary principle'. Under Article 21, "the State is required to provide its citizens with clean drinking water and referred to India's participation in the UNO water conference as evidence of this". A second reference was made to Kirpal, J., in "**Narmada Bachao Andolan v. Union of India**"¹³ According to the author, "Water is a basic requirement of human existence and is enumerated in Article 21 of the Indian Constitution. The right to a healthy environment and the right to development must be seen as part of the right to life."

By recognizing water as a shared resource, the court upheld its duty to respect intergenerational equity. In **M.C. Mehta v. Kamal Nath**¹⁴. In their ruling, the court noted that the doctrine of public trust is enshrined within our legal system, a common law-based system that derives from English common law. Natural resources, by nature, belong to the public and are therefore the state's property. Seashores, running waters, forests, and ecologically sensitive lands benefit the public as well. In its

Accordingly, the Indian courts have interpreted the fundamental right to water as part of the right to a clean environment guaranteed by Article 21 of the Constitution as a right to drink 'clean' water. In these circumstances, the court has only protected the right to refrain from polluting water sources.

Fundamental rights violated by commodification

It is essential for all life to have access to water. During the 80th anniversary of the UN's 64/292 resolution, the right to clean and safe drinking water and sanitation was recognized as a critical right to human dignity and enjoyment of life¹⁶. Water privatization refers to the purchase or operation of public water utilities by private companies¹⁷. Commodification poses a similar threat "turning water into a commodity from which owners can profit at the expense of the public".

Flow believes privatization, commodification, and marketization of water are antithetical to this right. There are trends both on the international and community levels toward privatizing water and defining it as a commodity. In exchange for loans or favorable trade agreements, countries are required to implement Structural Adjustment Plans (SAPs), "which often require privatization of a country's or community's water system". Private profit is being prioritized over the right to water. Major international players such as BETELS, SEEZ, VOLATILES, and NESTLE will benefit from the policies¹⁸.

In both the United States and Canada, private water companies target debt-ridden communities in order to benefit from privatization. Many water and sanitation systems in the United States are old and in need of repair. According to the Water Infrastructure Network, the U.S. must invest \$23 billion annually over the next 20 years to upgrade its water and sanitation infrastructure. A commission appointed by Governor Rick Snyder estimates that Michigan will need an additional \$900 million of water infrastructure every year for the next 20 years¹⁹.

A trend on Wall Street is commoditizing water resources, as well as the private ownership of water

infrastructure. The Food and Water Watch reports that there are over \$100 billion in water rights for private investment²⁰. "There will be those who sell water, and those who want to buy it", said T. Boone Pickens, once the biggest private water owner in the U.S. This is what really makes it tick. It is just a matter of time. Water has already been viewed as a commodity by Wall Street advisors.

Water will have a price influenced by market forces if we treat it as a commodity. Water infrastructure will be managed by private companies, which means only the wealthy will be able to afford it²¹. A human right to access clean water should be available to all regardless of their socioeconomic status. By commoditizing water, this fundamental notion is directly threatened.

"If water is privatized and commodified, then citizens and communities will no longer have water rights", and the Great Lakes Compact and other legal protections will cease to exist. Governments cannot alienate water from the Great Lakes or restrict its use, and in any case, they cannot transfer or control its use for private purposes under the principle of public trust. Additionally, "the government is required to account for its actions or approvals of a diversion or a proposed use in order to guarantee that no waters or uses under public trust will be unlawfully alienated or transferred or materially impaired".

Right to Water- Challenges

As previously mentioned, states are responsible for ensuring the human right to water, as well as the obligations regarding human rights. Nevertheless, certain factors hinder the state from fulfilling its responsibilities towards its citizens. Economic and political factors, household conflicts over water issues, and conflict between agriculture, and business use of water are the main reasons for this. According to Hall & Lobina (2012), some of the problems are highlighted²², for example:

- **Agriculture:** Water resources are primarily used by agriculture around the world. A large portion of water used by agriculture in the southern hemisphere comes from agriculture. According to Oxfam and Patterson, investors have purchased or leased a variety of land in developing countries, with 60% of it being used for biofuels, 20% for food production, and the rest is used for mining, tourism, industry, and forestry. The World Bank endorses this policy. Specifically, they argue the land leases are a "market mechanism of modernization and development" since they enable land to be used for more productive purposes, allow less efficient producers to purchase land, and enhance the supply of food for a growing population. Investing in such contracts ensures that the investment will be profitable by providing access to water. Water plays an important role in such deals.
- It is expected that biofuel production will increase in the coming years. As a result, water resources will be used more frequently. According to Tidwell, Sun, & Malczynski, the USA and the biofuel industry will require twice the amount of water as municipal water supplies within the next twenty years. A deterrent to such uses of water is not seen in existing water rights. In agriculture, there is another issue of 'virtual water', which refers to the volume of water contained in a product. In particular, it determines the water rate per product and how trade affects it. On average, the weight of one tomato (70 grams) equals 13 liters of water, the volume of one beer (250 milliliters) equals 75 liters, and the weight of a hamburger (150 grams) equals 2,400 liters of water. Several examples of virtual water content are presented by Hoekstra & Chapagain (2006)²³. The poorest countries do not have the resources to import water this way, so virtual water does not "trickle down" from water rich countries to the poorest.
- **Mining and oil-** As a result of water shortages in water-scarce regions, mining and cleaning

chemicals in gold mining and uranium mining”, and also from the creation of waste, mining processes pollute water. In each fracking scheme, approximately 10,000 cubic meters of water are used to extract oil and gas from shale and sand. Following this, the water is lost underground, potentially contaminating groundwater or returning to the surface as wastewater containing harmful chemicals.

- **Drinks companies-** In addition to sugar, flavoring, and alcohol, producers of soft drinks and beer use a lot of water, which accounts for 90 percent of the content of these beverages. In the production of bottled water, two thousand times more energy is used than in the production of tap water. Because piped water is not subject to the same safety and quality controls as plastic bottles, there is a significant amount of waste generated. Most of these brands now use municipal water sources to bottle water. It contains only tap water.

Conclusion

In developing countries like India, hundreds of millions of people do not have access to adequate water, resulting in immense human suffering. Moreover, rapid population growth and inadequate approaches to increasing access to water guarantee that the problem becomes even more serious before it gets better. Governments, water sources, and international aid organizations should give this problem much higher priority than it currently is. A commodity approach to water has the disadvantage of exposing it to market forces. Infrastructure for water will be accessible to those with the means, in conjunction with private companies managing it. Water should be a human right that everyone should be able to access without regard to their financial circumstances, and thus, the concept of commodifying it directly undermines this idea. The privatization and commodification of water would result in the loss of social and citizen rights to water, as well as a weakened Great Lakes Compact. The government is prohibited from alienating, transferring, or controlling the waters of the Great Lakes for private purposes based on public trust principles. In addition, the government must account for its actions or approvals related to a diversion or proposed use to ensure that they have not converted trust waters into private ones or that they have not caused any damage to them.