

## March 2021

# PUBLIC FUTURES DATABASE REPORT

Bethia Pearson, Franziska Paul, Andrew Cumbers, and Laura Stegemann



Acknowledgement: This report is based upon research funded by the Transnational Institute, European Research Council, University of Glasgow's Knowledge Exchange Fund and the Transnational Institute. The authors are grateful for the comments, assistance and support of Satoko Kishimoto of TNI, Daria Cibrario of PSIRU and the Glasgow University Software Service.



PUBLIC FUTURES DATABASE REPORT: MARCH 2021

## **Executive Summary**

Public ownership of services including water, energy and healthcare is returning to the forefront of policy at the local level. The current pandemic has also prompted further debate about the boundaries of public and private in providing basic services. As earlier experiences of privatisation have failed to deliver on promises of improved effectiveness, investment and modernisation, public services are being brought back in-house in an increasing number of towns, cities and regions around the world. This trend is commonly referred to as remunicipalisation.

The <u>Public Futures database</u> collates (as of February 2021) 1451 verified cases of remunicipalisation from 2000 to the present day. These are located across 56 countries on every continent, in sectors including water, energy, telecommunications, local government and healthcare. The database is fully interactive, enabling users to both submit and analyse cases. It is the most comprehensive record of remunicipalisations available.

- Remunicipalisation is particularly prevalent in the global north, especially in countries such as Germany, France and the United States, where more decentralised governance (e.g. compared to the UK) allows municipalities to reverse earlier privatisations.
- France and Germany continue to lead remunicipalisations in Western Europe. However, cases have been increasing both within and beyond this "dual epicentre" of the trend in the region, notably in Spain.
- Remunicipalisation is also widespread in the global south, particularly in the water sector, where there is a common trend to push back against the consequences of failed privatisations inspired by 'Washington Consensus' marketisation dogma.
- In South America, a wave of water deprivatisations in the early 2000s is being followed by a rapid recent expansion of community pharmacies across Chile.
- Remunicipalisations are particularly strong in the sectors of energy (25%) and water (23%), followed by local government (17%). The USA is leading remunicipalisations in telecommunications, with 75% of all cases in the sector.
- The failings of privatisation are to the fore in motivations behind remunicipalisation, particularly the failure to realise improvements in quality of service provision (21%) and promised cost reductions (16%).
- Other key motivations include taking back democratic and public control, using remunicipalisation for wider policy objectives and improving working conditions.

- Following deprivatisation, 64% of publicly owned services are at the municipal level and 13% at the regional level. There has also been a noted increase in intermunicipal services in the last 10 years, accounting for 23% of cases.
- The state continues to play a vital role in processes of remunicipalisation, with 49% of services owned by the government after deprivatisation.

## Implications for policymaking

- Remunicipalisation, at the very least, suggests much greater demand to bring more sectors into public ownership: away from narrow profit-making criteria and towards a different set of values based on social provision, equality of access to basic services and environmental concerns.
- In the wake of the COVID-19 pandemic, the importance of locally integrated public service delivery has become increasingly evident to the care, health and wellbeing of all citizens.
- Behind the trend, there is also a clear desire for more collective, democratic and publicly owned services and utilities over which citizens have greater accountability and control.
- There is a particular need to challenge official policy advice from the OECD, EU and IMF which continues to advocate private and market-based solutions to essential services and shows little awareness of either the remunicipalisation trend or the appetite and requirement for more public ownership by the public themselves.
- Access to the internet and digital economy are important rights for individuals to participate in a twenty first century society. A growth in remunicipalisation in these areas where private provision produces unequal access suggests a need for more public and collective provision here too.

For more information on this project:

- Global Remunicipalisation and the Post-Neoliberal Turn
- Transnational Institute







### Introduction

The last two decades have seen the revival of public ownership at the local level as towns, cities and in some cases entire sub-national regions take formerly privatised assets, services and infrastructures back under public control. This process – which has come to be referred to as 'remunicipalisation' – has been a global trend. Much of what we know about global remunicipalisation has been the result of excellent investigative research over a number of years by the Transnational Institute (TNI)<sup>1</sup>, and in particular a landmark report documenting, globally, 835 cases of cities, towns and regions on all continents that had taken privatised services back into local public ownership since 2000 (Kishimoto and Petitjean 2017; Kishimoto et al 2020). The new *Public Futures* database includes a total of 1451 verified cases as of February 2021, of which 974 were de-privatisations (at the municipal, regional or national level) and 477 were cases of new public enterprises being established, so called 'municipalisations' (see Figure 1, below, which includes a breakdown of remunicipalisations by municipal and national level).



Figure 1: Remunicipalisations, renationalisations and municipalisations (N=1451)

Although as a trend remunicipalisation is most pronounced in Western Europe, it is also prevalent across North America with additional cases documented across every other world region. Given its significance, it has had surprisingly little attention in official policy circles which still tend to emphasise the benefits of privatisation and market-led reforms of state enterprise, rather than dealing with the many problems that such solutions have

<sup>&</sup>lt;sup>1</sup> An NGO and think tank committed to "building a just, democratic and sustainable planet" (from TNI's website at: https://www.tni.org/en)

encountered.<sup>2</sup> With the current COVID-19 pandemic reminding us all of the importance of collective and public solutions to critical policy problems, and the limits to privatised mindsets and individual action, a re-engagement with the possibilities of public ownership is surely overdue.

In this report, our purpose is both to draw attention to remunicipalisation as an important trend in the local governance of public services, but also to outline its main features as a global phenomenon. Although it is beginning to attract the attention of academics, civil society and some policy makers, there is still much that is unknown about the global nature of the process. Some important work by TNI and its partners has begun to explore the diverse nature of remunicipalisation across different contexts and cases, but there are still some important questions that need addressing. What are the key global trends and processes? What are the motivations behind remunicipalisation? In which sectors is remunicipalisation most prevalent? What is the geography of remunicipalisation? How is it distributed across world regions and between countries? Can we identify particular 'hotspots'?

As part of a longer-term research project<sup>3</sup>, this report represents an initial attempt to address these questions, recognising that further detailed research is required in particular to understand the complex and variegated processes at work across the world and how remunicipalisation interacts with very different geographical and historical contexts. In this sense, the report should be seen as a preliminary mapping of the phenomena as an aid to a much deeper ongoing investigative process. The report begins by defining remunicipalisation and digging deeper into the processes behind it, understanding its motivations and effects as well as the diversity of organisational forms that are emerging. It then identifies broad global trends and some of the diverse geographies of remunicipalisation.

#### Use of definitions: deprivatisation and remunicipalisation

There continues to be debate about the right term to capture and describe this trend of deprivatisation that we are witnessing. As a concept, the term 'remunicipalisation' first emerged from studies in the water sector that were mapping the trend because water services tend to be organised locally (Lobina 2015). However, it is not always easily transferable to other sectors where services have different geographical configurations. For example, in the energy sector where the electricity grid, power generation, supply and distribution can be organised at different scales and sometimes across jurisdictions. Similarly, in transport, especially rail, where a national network (usually but not always owned by a public operator supervised by national government) typically co-exists with a diversity of public and private train operators.

<sup>&</sup>lt;sup>2</sup> See for example the recent IMF report responding to the COVID-19 pandemic, which provides one brief mention of remunicipalisation in its chapter on state ownership but continues to warn about the inefficiencies of public compared to private ownership, and the market distortion effects of government subsidy (IMF 2020). Tellingly it suggests that the failure of privatisation in Latin America in the 1990s "indicates the failure of efforts to achieve competition in markets" (ibid, 68) rather than anything wrong with the concept itself. <sup>3</sup> This project is funded by the European Research Council (ERC): 'Global Remunicipalisation and the Post-Neoliberal Turn' (GLOBALMUN), Project Number 789100.

Due to the apparent fuzziness of the term, 'deprivatisation' might be an alternative concept to remunicipalisation, but we feel that that fails to capture a distinctive 'localness' that is evident here in the revival of public ownership. The Oxford English Dictionary refers to a municipality as "a town, city or district with its own local government; the group of officials who govern it"; a definition that usefully captures the sense of local everyday provision of essential services and utilities. Municipalities can be large cities, but they also include small towns and rural districts. In this regard, we think remunicipalisation is the most appropriate term to describe the phenomenon that we observe here.

While there has been a trend towards the renationalisation of public services in recent years too, numerically this has been dwarfed by remunicipalisation: renationalisations make up less than one per cent of the cases reported in our database. As is already evident from the discussion above, we can also differentiate between 'pure' remunicipalisations – privatisations that have returned to public ownership and control – and municipalisations, which are new forms of public ownership created by municipal governments.

#### A brief note on methodology

The report draws upon data from the recently established *Public Futures* database: a collaboration between TNI and the University of Glasgow to create a publicly accessible database of remunicipalisation cases, which is now available on the Public Futures website.<sup>4</sup> Cases of water remunicipalisations began to be gathered by TNI and a global network of partners from 2007 until 2015. The project then expanded to collect cases in other sectors between 2016-20. To date, a total of sixteen organisations<sup>5</sup> have collaborated to collect cases for the *Public Futures* database. The data reported here, therefore, reflects the collective knowledge of this voluntarist network, and, like all data, is socially constructed and inevitably incomplete. It is almost certainly an under-estimate of the trend away from privatisation.<sup>6</sup> Nevertheless, in the absence of any 'official' statistical attempt to collect information, it is the best source we have on remunicipalisation trends.

(https://thebannerbright.com/2020/07/28/reversing-privatisation-is-not-just-possible-its-already-happening/).

<sup>&</sup>lt;sup>4</sup> The database was funded by the University of Glasgow's Knowledge Exchange scheme.

<sup>&</sup>lt;sup>5</sup> Austrian Federal Chamber of Labour (AK), Canadian Union of Public Employees (CUPE), Danish Union of Public Employees (FOA), The Democracy Collaborative (US), European Federation of Public Service Unions (EPSU), Ingeniería Sin Fronteras Cataluña (ISF), MODATIMA (Movement of defence of water, land and the environment, Chile), Multinationals Observatory (France), Municipal Services Project (MSP), The Netherlands Trade Union Confederation (FNV), Norwegian Union for Municipal and General Employees (Fagforbundet), Public Services International (PSI), Public Services International Research Unit (PSIRU), Transnational Institute (TNI), University of Glasgow (Scotland), We Own It (UK).

<sup>&</sup>lt;sup>6</sup> See the comments for example by the leading observer of French remunicipalisation (Petitjean 2017). New cases – and perhaps more significantly clusters of cases in particular countries and regions - are coming to our attention all the time as part of our ERC research and outreach activities linked to the Public Future database. For example, see the recent addition of Australian cases to the database

## Taking stock of remunicipalisation: A global overview

In this section, we provide a broad overview of the global remunicipalisation trend, focusing upon changes over time and cases by sector. The database includes a total of 1451 cases of deprivatisation of public services, dating from 2000 and currently (as of February 2021) extending to cases expected to be implemented by 2022. These are drawn from 56 countries in the world across six continents. The current wave of remunicipalisation has been widely recognised as a distinct phenomenon, with most literature identifying its emergence in the late 1990s and continuing into the 2000s (Cumbers 2012; Kishimoto and Petitjean 2017).

Looking at the year of implementation of cases in the database over time shows that this has not been a steadily progressive process: as the chart below demonstrates, from 2007 there is a clear increase in total cases that peaks in 2016, followed by a decline to the present day, although this may be adjusted upwards as new cases come to light.



Figure 2: The global remunicipalisation trend by year (N=1451)

Of these cases, 67% have been remunicipalisations (the return to public ownership of a previously privatised service at either the municipal, regional or national level) and 33% municipalisations, or the provision of new services at the municipal level.

An interesting trend across Europe is the kind of ownership structures that are developed and adapted. As shown in Figure 3 below, while a majority of cases (59%) are remunicipalisations at the municipal level, that is, at city or local authority level, almost a third of deprivatisation cases (31%) happen at intermunicipal level. Intermunicipal ownership describes cases where two or more local authorities cooperate in either setting up ('municipalising') or taking back control over ('remunicipalising') and subsequently jointly managing a public service or infrastructure.



**Figure 3:** Level of new service provision in Europe (N=946)

In terms of the type of ownership, 49% of all cases are government-owned, 28% owned by a public company (in which the municipality owns the majority of shares), and 5.5% are co-owned. Thus, the state remains vital to processes of remunicipalisation; despite important inroads into co-operative ownership by communities, these constitute only a handful of cases (4%).

#### Sectoral analysis

The sectors in which cases of remunicipalisation have been observed and categorised in the database are water; energy; telecoms; healthcare and social services; local government; education; transport; and waste. Particular sectors dominate the recent wave of remunicipalisations. Figure 4, below, shows that almost half of all cases have been in two sectors: energy (27%) and water (22%). Local government (16%), telecoms (13%) and health (10%) make up the lion's share of the remainder of cases. The diversity of remunicipalisation is also worthy of note at this point. While it is most prevalent in some of the traditional public utility sectors such as water and energy, there are striking trends in some newer sectors, notably in telecommunications, where the US has witnessed a growth in new local municipal public and community owned broadband networks in recent years, reflecting the failure of the private corporate sector to provide basic fast internet connections in many parts of the country (Hanna and Mitchell 2020). There are also a growing number of cases in the health sector across a range of diverse countries, reflecting either the failure of

outsourcing of crucial services, or the growth of new forms of public provision where the failures of excessive marketisation and commercialisation of essential health care were increasingly apparent (e.g. the case of Chile with the recent growth of municipally owned pharmacies – see discussion in the South America section).



Figure 4: Total remunicipalisations by sector (N=1451)

Our analysis shows that the acceleration in cases of remunicipalisations in the period from 2000-2016 was seen across all sectors, with the exception of waste which peaks slightly later. The biggest increases can be seen in the energy, water, health and social services and local government sectors. However, these spikes do not represent a broader geographical shift towards remunicipalisation in these sectors; rather, they reflect significant upticks in specific countries.

There are two examples of country trends driving the overall picture in particular sectors. As noted above, energy accounts for a quarter of all cases, however 78% of these are in Germany. The majority of these were implemented in the five-year period between 2011-2016. Similarly, 75% of telecoms cases are found in the USA. This indicates that developments in particular countries can drive trends in particular sectors, although taken in aggregate, the geographical range and sectoral diversity do imply a broader global 'return to public' trend.

A high level of cases does not necessarily correspond with these occurring in a diversity of sectors. Of the countries just mentioned, these have a clear strength in a particular sector: 72% of all remunicipalisation cases in Germany are in the energy sector and 62% of cases in the USA are telecoms. Other examples of dominant countries with specialist sectors include France, where 70% of cases are in the water sector. On the other hand, Spain and the UK demonstrate a smaller but broader spread of cases across sectors.

In summary, this overview of trends suggests two dominant themes. The first is a broad global pushback across all continents and a range of sectors against privatisation and marketisation of essential and critical public services. The second is the clustering in a few countries of rapidly municipalising public services in specific sectors, in which there has been a long history of privatisation in those sectors and/or new policies creating a decisive shift towards public ownership or otherwise created an opportunity for that. A final point to make here is that remunicipalisation trends are driven by the possibilities and limitations of political and legal frameworks in different countries, which can either enable or constrain the process.

## The diverse geographies of remunicipalisation

In quantitative terms, Europe is the dominant continent for remunicipalisation – with 65% of cases, as shown in Figure 5, below. One obvious explanation for this is that Europe was at the epicentre of privatisation during the 1990s. Western Europe alone accounted for fifty percent of all privatisation proceeds of OECD countries, which in turn was two thirds of the global total (OECD 2000). Unsurprisingly, as the limits of privatisation have been revealed, the continent has been, to date, the greatest geographical cluster of 'push-back'. While the remunicipalisation trend is undoubtedly strong in Europe, it should also be noted that this representation is skewed by the availability of data and access to information by the researchers constructing the *Public Futures* dataset, as noted in the methodology section.



Figure 5: Remunicipalisation by continent (N=1451)

Indeed, picking up on this point, remunicipalisation as an emergent trend, rather than isolated cases, first became evident in the water sector, partly in France but also in parts of the global south as a reaction against World Bank and IMF driven privatisations (Lobina 2017). There have been far fewer cases of municipalisation and remunicipalisation in the southern hemisphere because there has so far been less privatisation [of main public utilities] than in the West. As stated previously, cases of remunicipalisation are contingent upon an initial process of privatisation: the extent and forms of privatisation are a primary shaper of remunicipalisation patterns. Patterns of privatisation in the Global South have been shaped to a significant extent by institutions based in the West and linked to post-colonialism, authoritarianism and development policies (Bayliss and Adam 2012; Spronk 2012), as well as the reluctance of corporations to invest in poorer countries in which they are not guaranteed a satisfactory financial return. However, we also believe that the data from the Global South could be significantly improved.

#### Europe

Europe has seen the highest share of remunicipalisations globally, with a rapid growth of cases since 2009 in particular. At the time of writing, 946 cases of deprivatisation were recorded in the *Public Futures* database across Europe, which represents 65% of cases globally. France and Germany have undoubtedly played a major role in the early stages of the remunicipalisation phenomenon, not just in Europe but across the world. First emerging in the late 1990s, the trend towards remunicipalisation continued strongly over the past decade in particular, with 70% of cases in France (N=158) implemented between 2010-2016, and 90% of cases in Germany (N=392) implemented between 2009-2017.

Although 58% of cases in Europe are located in France and Germany, the *Public Futures* database shows a growing number of other European countries experiencing remunicipalisation. In Northern Europe, particularly the UK (109 cases), Norway (42 cases) and Denmark (35 cases) show interesting developments. In Southern Europe, Spain (125 cases) currently makes up the bulk of cases.

Furthermore, European remunicipalisations have also diversified along sectoral lines. As shown in Figure 6 below, while the water and energy sectors still make up a combined 55% of total remunicipalisations in Europe, local government (21%), waste (8%), health and social services (7%), transport (5%), telecoms (5%) and the education sector (1%) have all seen consistent growth. As Hall *et al* (2013) predicted, the experience of remunicipalisation in Europe's dual epicentre, i.e. France's water sector and Germany's energy sector, seems to now have fostered diffusion of the phenomenon, firstly, *within* both countries, secondly, to *other* European countries, and thirdly, in an increasingly diverse array of *sectors*.



Figure 6: Remunicipalisation cases in Europe by sector (N=946).

Changing trends of remunicipalisation indicate interesting developments. In Germany, the *Public Futures* database has recorded only 22 new and ongoing cases since 2018, which may be interpreted as evidence of a potential conclusion to the remunicipalisation curve in Germany (as an overwhelming 86% of German remunicipalisation cases to date were recorded between 2009 and 2017).

On the other hand, Spain is emerging as a new and distinct epicentre in Europe, as remunicipalisations are not just rising, but have been accelerating in the last few years: 2001-2013 saw a steady increase up to 20 cases, followed by steep rise to 125 over the following seven years to 2020. Spain is also distinguished by the fact that almost all of these cases have taken place at the municipal level – 109 of the total, with the remainder either intermunicipal (9) or at state/provincial/regional level (7), which is partly explained by Spain being a highly decentralised country.



Figure 7: Cases of remunicipalisation in Spain by sector (N=125)

As the chart above indicates, most remunicipalisations in Spain have been in the sectors of water (30%) and local government (35%), with notable inroads in energy (14%) and health (10%). While the water sector showed an increase in remunicipalisations from 2014 onwards, local government, energy and health accelerated between 2016-18. The emergence of Spain as a new epicentre of remunicipalisation is not limited to this quantitative increase in cases. It has become one focus of scholarship on "new municipalism", which emphasises the municipal as a "strategic front" for social and political transformation which often includes strategic collaboration between activists and left political parties and movements (Russell 2019).

#### North America

There are 289 remunicipalisations cases recorded in the *Public Futures* database across North America, which includes the United States, Canada and Central America for the purpose of this paper. The United States makes up the lion's share of these in North America with a particularly high share of cases in the telecommunication sector, reflecting some of the problems the country has faced from a privatized and decentralized network. Canada has 18% of cases in North America, with a smattering of cases in Honduras and Mexico.

With 232 remunicipalisations, the United States is home to 80% of North American cases and these have been implemented steadily from 2000 in 42 US states. The majority of these cases are ownership changes at the municipal level (as opposed to intermunicipal or state/provincial ownership levels), a trend which is representative of North America overall. In terms of sectors, the US presents a fairly unique case study as the telecommunications sector makes up the by far highest share of recorded cases with 62% of its total cases, with the next biggest sectors for remunicipalisation are water (31%) and energy (5%). This means that 75% of all telecommunications remunicipalisations verified around the world are located in the US, as shown in Figure 8 below.



Figure 8: Telecommunications cases by country (N=193)

What's more, an overwhelming majority of telecommunication cases (80%) are municipalisations, i.e. instances where local communities have created new municipal services or infrastructures rather than taken back previously privatised ones. Combined, this data supports Hanna and Mitchell's (2020) recent observation that telecommunication

municipalisations are increasingly taking place in the face of slow or unaffordable service provision from the concentrated and corporate-dominated telecommunications sector in the US, particularly in more rural areas and smaller towns, as well as in lower income communities.

#### **South America**

There are 69 cases of remunicipalisation in nine countries in South America in the database. The two countries with the highest number of cases are Chile and Argentina, each telling a different story about remunicipalisations on the continent. The nine cases in Argentina represent a broader post-Washington Consensus shift away from privatisation of water services, especially, in the 1980-90s. These are primarily at the regional/provincial level and are joined by cases in Bolivia, Brazil, Ecuador, Peru, Uruguay and Venezuela – totalling 20 cases in the water sector.

However, since 2015 the greatest number of cases are in the health and social care sector in Chile, the country on the continent most closely resembling a neoliberal "success story", largely due to the reforms being embedded in the constitution and practices of government since its return to democracy. There are 40 verified cases of *farmacias populares* or community pharmacies, which have been established at the municipal level by community councils (Panez Pinto 2020). That new alternatives have developed at the local level is perhaps not surprising given the country's continuing commitment at state level to privatisation. Healthcare in particular has been a critical site of the extreme inequalities that are deeply embedded in Chilean society. However, even this hegemony may be challenged in coming months and years as a new constitution is drafted following the referendum of 2020.



#### Figure 9: Cases in South America over time

Asia

The database has 81 verified cases in Asia, with the water and education sectors being particularly prominent, as indicated in Figure 10, below. Of these, countries in South East Asia are particularly strongly represented, namely Malaysia (16 cases) and the Philippines (22 cases), along with Japan in East Asia (18 cases) and India in South Asia (8 cases).



Figure 10: Remunicipalisation cases in Asia by sector (N=81)

In East Asia, cases in Japan have been steadily increasing since 2009, with most (12) found in the education sector. These have been implemented across municipal, regional and intermunicipal levels. On the other hand, the cases in energy (4) and health and social care (2) are found only at the municipal level.

Turning to the South East Asian cases in more depth, it is notable that the two countries with the most cases show distinctly different approaches in this regard, with the Philippines having almost all municipal cases, and Malaysia having state, provincial or regional level cases but none at the municipal level. The Philippines was subject to early interventions by the World Bank from the 1980s, which entailed extensive deregulation and privatisation of state-run services. The most radical change to local government in the Philippines since then has been the 1991 Local Government Code, which both set out a three-tier system of local government and saw responsibility for a range of public services devolved to the local level. On the other hand, Malaysia has had limited experimentation with decentralisation, with restructuring in the 1970s designed to increase decentralisation resulting in the autonomy of local government being increasingly eroded by federal and state-level control – or recentralisation (Nooi 2011). Thus, the cases in the country have all been implemented at

the state level. Selangor in particular has been noted for its victory in a long-running dispute over water privatisation (Manahan and Stegemann 2020).

#### Africa

Africa has only 13 remunicipalisation cases across seven countries, which represents 1% of all cases in the database. With such a small number of cases in a large region, it is impossible to generalise from the information in the database – except to say, of course, that the region has seen very few cases of remunicipalisations in the last twenty years. Almost all of the cases were implemented between 2000-2011 and nine of these cases are in the water sector in sub-Saharan Africa, while Egypt has four cases of waste service remunicipalisation (see Weghmann 2020).

While neoliberal reforms are considered to have more greatly affected sub-Saharan Africa than North Africa (Bayliss and Adam 2012), it is not clear that the ongoing dynamics of privatisation and public ownership in the region can be captured by the 20-year window of the dataset as it stands. Where privatisation was a relatively quick process in Western countries and Latin America, it has been a slower burn in Africa, where some states have taken part in longer-term pre-privatisation initiatives to prepare sectors for sell-off. On the whole, the lack of data clarifies the need for a better understanding and data capture of the state of privatisation and municipalisation dynamics and movements across the continent.

#### Oceania

The 53 cases in Oceania are almost all constituted by a growth in cases in Australia, representing a steady increase until 2016 then acceleration in the last two years – with 18 cases in 2019 and 2020. As the chart on the following page indicates, the spread across sectors is diverse. Most cases are found in health and social services (27%) and local government (25%), but the sectors of energy, water and transport have also been steadily increasing. Most of these new services have been implemented at the regional level (64%), with 20% at the municipal level and 11% at the national level (there is only one case of intermunicipal new service provision).



Figure 11: Remunicipalisation cases in Oceania by sector (N=55)

## Motivations behind and outcomes of remunicipalisation

Overwhelmingly, in those cases where we have been able to identify motivations behind remunicipalisation, the failings of privatisation are to the fore. A decrease or absence of improvements in the quality of service provision is the leading motivation for deprivatisation (31%), followed by the desire for greater cost reductions (24%). Additional motivations included the desire for greater democratic/public control of the service (12%) and to meet policy objectives (11%). These figures are based on 957 responses and exclude those in the "not applicable" category. It is important to note that the quality of service and cost reduction are always two of the central tenets behind the (continuing) support for privatisation from influential supranational governance and policy bodies such as the IMF, European Commission and OECD.

Our database also provides some indicators of the benefits of remunicipalisation. It is important to be clear here though that the data does not provide a scientific balanced assessment of both the positive and negative aspects of remunicipalisation but rather a selfreported assessment of its benefits. The most striking finding, which we have grouped under the category of 'community wealth building', refers broadly to the local social and economic benefits of remunicipalisation. These include creating local employment, improving productivity, skills and training and enhancing local management capabilities. Of 2006 reported assessments, 16% identified this benefit. Other key benefits included public investment (14%) and achieving policy goals (14%).

## Conclusion

This report has set out initial findings from the *Public Futures* database, as of February 2021. This database is the first attempt to try to capture the global remunicipalisation process and has been constructed by a network of activists and pro-public campaigners. While it is a considerable achievement, we also need to be open and transparent about its limitations and we recognise a need to continue to verify our data and sources. It is likely too that the database under-reports examples of remunicipalisation, so we encourage greater interaction with the database by users who can report new cases.

Although it is important to acknowledge the dataset's limitations and the importance of ongoing research, it is clear that, at the very least, the remunicipalisation trend suggests much greater demand to bring more sectors into public ownership. In particular, there is a growing realisation – which the recent pandemic has reinforced – of the need to shift away from a profit-driven model of service delivery – towards integrated public service provision based around alternative values of care and social need. Behind the trend, there is a clear desire for more collective, democratic and publicly owned services and utilities over which citizens have greater accountability and control.

There is a particular need to challenge official policy advice from the OECD, EU and IMF which continues to advocate private and market-based solutions to essential services and shows little awareness of privatisation's failings, the remunicipalisation trend or the appetite and requirement for more public ownership. In this context, our aim in this report has been to contribute new evidence to critical policy debates about the alternative forms of public ownership that can deliver more effective and equitable local public services.

## References

Bayliss, K. and Adam, A. (2012) 'Where Have All the Alternatives Gone? The Shrinking of African Water Policy Options'. In McDonald, D.A. and Ruiters, G. (eds). *Alternatives to Privatization*. New York: Routledge, pp. 319-352.

Cumbers, A. (2012) *Reclaiming Public Ownership: Making Space for Economic Democracy.* London: Zed.

Hanna, T. and Mitchell, C. (2020) 'United States: Communities Providing Affordable, Fast Broadband Internet'. In Kishimoto, S., Steinfort, L. and Petitjean, O. (eds). *The Future is Public: Towards the Democratic Ownership of Public Services*. Amsterdam: Transnational Institute, pp. 138-151.

IMF (2020) Fiscal Monitor: Policies to Support People during the COVID-19 Pandemic. Washington DC: International Monetary Fund.

Kishimoto, S. and Petitjean, O. (2017) *Reclaiming Public Services: How Cities and Citizens are Turning Back Privatisation*. Paris and Amsterdam: Transnational Institute.

Lobina, E. (2015) 'Introduction: Calling for Progressive Water Policies'. In: Kishimoto, S., Lobina, E., and Petitjean, O. (eds). *Our Public Water Future: The Global Experience with Remunicipalisation*. Amsterdam and London: Transnational Institute, Public Services International Research Unit.

Lobina, E. (2017) 'Water Remunicipalization: Between Pendulum Swings and Paradigm Advocacy'. In: Bell, S., Allen, A., Hofmann, P. and Teh, T. (eds). *Urban Water Trajectories*. London: Springer International Publishing, pp. 149–161.

Manahan, M.A. and Stegemann, L. (2020) 'Putting the "Public" in Public Services: (Re)municipalisation Cases in Malaysia and the Philippines'. In: Kishimoto, S., Steinfort, L. and Petitjean, O. (eds). *The Future is Public: Towards the Democratic Ownership of Public Services.* Amsterdam: Transnational Institute, pp. 112-126.

Nooi, P.S. (2011) 'Decentralization and Local Governance in Malaysia'. In: Berman, E.M. (ed). *Public Administration in Southeast Asia: Thailand, Philippines, Malaysia, Hong Kong and Macao*. New York: Routledge, pp.155-170.

OECD (2000) Recent Privatisation Trends. Paris: OECD.

Panez Pinto, A. (2020) 'Rebuilding Public Ownership in Chile: Social Practices of the Recoleta Commune and Challenges to Overcoming Neoliberalism'. In: Kishimoto, S., Steinfort, L. and Petitjean, O. (eds). *The Future is Public: Towards the Democratic Ownership of Public Services*. Amsterdam: Transnational Institute, pp. 127-137.

Petitjean, O. (2017) 'Remunicipalisation in France: From Addressing Corporate Abuse to Reinventing Democratic, Sustainable Local Public Services'. In: Kishimoto, S. and Petitijean,

O. (2017) *Reclaiming Public Services: How Cities and Citizens are Turning Back Privatisation*. Paris and Amsterdam: Transnational Institute, pp. 25-34.

Russell, B. (2019) 'Beyond the Local Trap: New Municipalism and the Rise of the Fearless Cities. *Antipode.* 51. pp. 989-1010.

Spronk, S. (2012) 'Latin America and the Caribbean: Regional Overview'. In McDonald, D.A. and Ruiters, G. (eds). *Alternatives to Privatization*. New York: Routledge, pp.388-391.

Weghmann, V. (2020) 'Africa: Private Waste Service Failure and Alternative Vision'. In: Kishimoto, S., Steinfort, L. and Petitjean, O. (eds). *The Future is Public: Towards the Democratic Ownership of Public Services.* Amsterdam: Transnational Institute, pp. 79-93.