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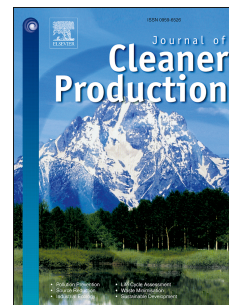


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# Accepted Manuscript

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# De-privatisation and Remunicipalisation of Urban Services through the Pendulum Swing: Evidence from Germany

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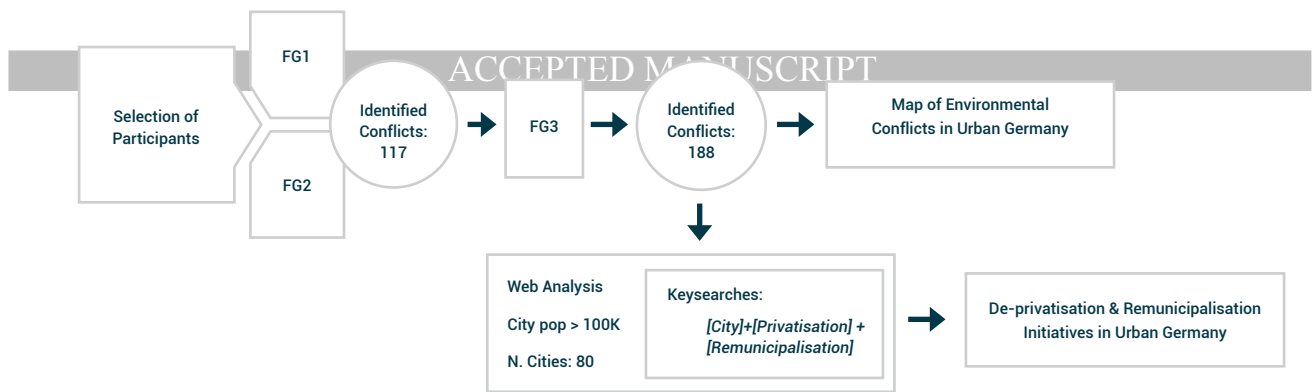
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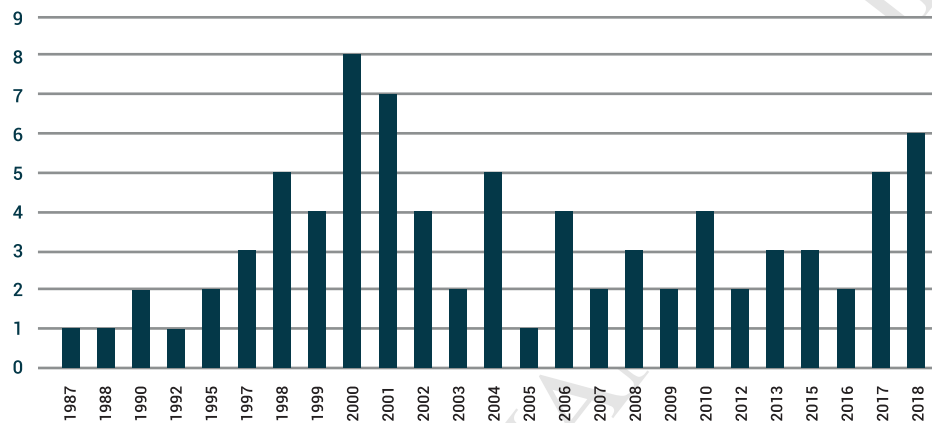
## Abstract

This paper explores and examines the distribution of environmental conflicts in Germany between 1985 and 2015, analysing the main causes for environmental conflicts related to privatisation and de-privatisation processes of urban services in 80 German cities. Using information collected via means of a Delphi Method based on focus groups with experts, we identify 90 cases of large-scale privatisation initiatives involving urban services occurred in different fields within the period considered. In 38 cases, privatisation was reversed due to initiatives undertaken by environmental justice organisations and other local grassroots groups promoting de-privatisation and re-municipalisation. In another 30 cases, privatisation was prevented as a result of these initiatives. Findings from our analysis indicate that de-privatisation initiatives and potential conflicts related to them are frequently driven by grassroots organisations promoting the provision of commons-based urban services. Our findings also suggest that privatising services in the energy, water supply and waste management sectors is likely to negatively affect the quality of service supply and increasing prices for urban residents.

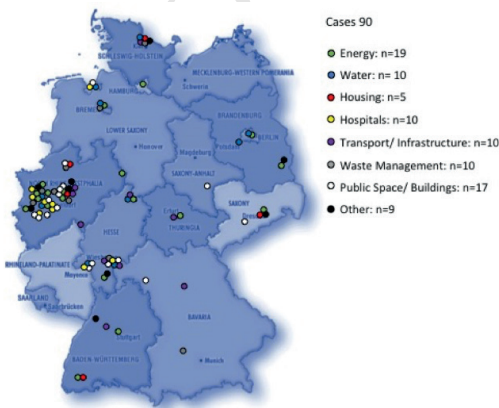
**Keywords:** Sustainable Cities, Privatisation and De-privatisation, Remunicipalisation, Services and Utilities, Urban Areas, Polanyi's Pendulum



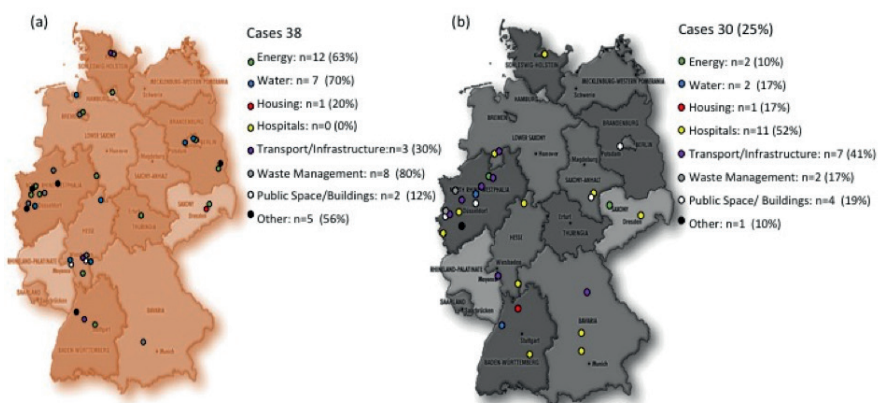
Privatizations initiatives over time



Privatization of Urban Services



De-privatisation initiatives and cases of prevented privatisations



**Words: 6,839**

## **De-privatisation and Remunicipalisation of Urban Services through the Pendulum Swing: Evidence from Germany**

### **1. Introduction**

Since the 1980s, public services in many countries experienced waves of ‘privatisation’, defined as the transfer of public services or assets to private sector stakeholders who acquire full ownership and control (OECD, 2002). In many cases, the privatisation of public services interested the provision of essential services in urban areas, such as energy and water supply, housing, public transport, and healthcare; and went hand in hand with environmental destruction and increased levels of pollution. In the past, privatisation processes have been regularly linked to issues such as higher prices and lower quality, higher job generation and lower safety standards, aside several environmental issues (Klenk 2011). Frequently, these processes generate conflicts involving different stakeholders from both the private and public sectors.

In such context, commons can provide an alternative path for the provision of urban services. Commons are defined as a social practice in which communities of users administer a given a resource, managing the resource through institutions that are neither private nor public in terms of ownership (Ostrom, 1990; Johanisova et al., 2013). A recent, striving environmental debate around public services poses commons at centre of the nexus involving ecology, society, and economy (Ostrom et al., 2012). These three dimensions represent significant drivers with regard to value creation and distribution of wealth, determining the availability and/or affordability of energy, water, housing, public transport, and healthcare services in large cities. Particularly in urban areas, several studies indicate that changes in the provision of public services have a significant environmental impact e.g. in terms of air pollution (Dong et al., 2015), climate change (Tian et al., 2016), land use (Lu et al., 2016), waste management and recycling (Fujii et al., 2014). Therefore, effectively managed and efficiently operated public services seem deeply needed in order to achieve more sustainable and liveable cities in the post fossil-fuel era, as ‘managing environmental pollution in urbanisation is a special challenge (...) to be addressed effectively’ (Geng et al., 2018, p. 1).

Activists and social movements have increasingly promoted the idea of a common-based provision of urban services that goes beyond government regulations and market failures. This ‘new-commons’ approach challenges dominant urban system configurations, confronting the late-twentieth century rush of global capitalism (Radywyl and Biggs, 2013), and opposing practices such as privatisation, deregulation, and expropriation (Ostrom et al., 2012). Examples of new commons are cooperatives, defined as ‘discretionary alliances’ of shareholders aimed at meeting economic and social needs

through a jointly-owned and democratically-controlled firm (Coop, 2018). Not-for-profit cooperatives, such as the '*Coopérative citoyenne d'énergie*' in France or the '*Bürgerenergiegenossenschaft*' in Germany (Kunze and Becker, 2014), frequently drive greener energy policies and promote renewable energy supplies in many countries. Equally, many social movements and environmental justice organisations (EJOs hereafter) worldwide have started to challenge the common perception of private rent-seeking organisations as effective and efficient providers of essential urban services.

The study presented in this paper focuses on the role of social movements and EJOs with regard to de-privatisation and remunicipalisation processes. Drawing from the Gramscian concepts of hegemony and counter-hegemony (Gramsci, 2009), analysing the opposition of social movements and EJOs with regard to on-going global trends of liberalisation and privatisation. Focusing on Germany, we identify and map environmental and ecological distribution conflicts<sup>1</sup> between 1985 and 2015, addressing and examining the linkage between these conflicts and local initiatives aimed at halting and reversing privatisation processes, and at proposing and promoting more sustainable forms of collective ownership for urban services. Equally, we investigate how de-privatisation and re-municipalisation processes affecting the provision of urban services can represent a major transformative change from current unsustainable and heavily dependent fossil fuel systems (Geng et al., 2018).

We propose our study at a time when civil societies are progressively re-evaluating the concept of ownership in view of achieving environmental justice, thus a fairer and more equitable dissemination of environmental positive and negative externalities (Weber et al., 2019). With our study, we use Polanyi's pendulum (Polanyi, 1944) as theoretical platform to explain urban sustainability through the concepts of de-privatisation and re-municipalisation. In addition, we explore the role of EJOs and social movements, aside many grassroots organisations and citizen initiatives, in promoting common ownership of essential urban services in view of creating more environmentally sustainable cities.

Our paper is structured as follows. After this brief introduction, Section two provides a literature review on privatisation, de-privatisation and re-municipalisation processes, illustrating the theoretical background supporting our argument. Section three describes the methodology and the data analysis, while Section four explores and discusses results. Section five concludes.

## 2. Literature Review and Theoretical Background

The term 'privatisation' is used in many ways and contexts. It mostly refers to (i) the act of transferring an asset or service from the public to private sector control, (ii) deregulation policies

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<sup>1</sup> 'An ecological distribution conflict can be defined as a collective action (such as a writing of petitions, demonstrations, blockades etc.), induced by existing or anticipated environmental pollution or damage to nature affecting communities, which has been caused or will be caused by increases or changes in the social metabolism' (Temper et al., 2018, p. 574). For the purposes of this paper we will use the terms 'environmental conflicts' and 'ecological distribution conflicts' interchangeably.

affecting heavily regulated private companies or industries, (iii) the purchase of outstanding shares of publicly owned companies by one or more private investors. Privatisation processes are frequently aimed at increasing government efficiency, although their implementation can affect government's revenue either positively or negatively.

Since the early 1980s, the advance of neoliberalism policies promoted a heavy privatisation of essential urban services worldwide (Swyngedouw, 2005). Examples of currently privatised services are water management and supply services in the UK (Swyngedouw, 2009); waste management and collection services in Spain (Weber et al., 2018); healthcare services in Germany (Klenk 2011); and public spaces and parks in the Turkey (Özkaynak et al., 2015). Privatisation processes affecting these and other services in urban areas frequently resulted in higher prices for local residents and generated economic, social and environmental conflicts involving entire communities. For instance, the mass demonstrations against the plan to remove Gezi Park, one of the few remaining green spaces of Istanbul, to realise a shopping mall and luxury flats resulted in eight casualties and thousands of injured among demonstrators (Özkaynak et al., 2015). Similar cases of mass demonstrations degenerating in violent conflicts have been observed with regard to water privatisation processes, described by Swyngedouw (2005) as tactics of 'accumulation by dispossession' that now represent pivotal strategies in contemporary capital accumulation dynamics worldwide. In Hamburg, Germany's second largest city, the privatisation of energy supply services in 2002 preceded the construction of a coal-fired power station (started in 2006 and completed in 2015), resulting in increased CO<sub>2</sub> emissions in the period 2013-2016 (from 11 to 16 million tons, Hamburg, 2019).

While the literature on privatisation and privatisation processes is wide-ranging, little research has been conducted so far on recent 'de-privatisation' trend. De-privatisation signifies initiatives undertaken by national and local governments to regain control of (and retain revenues from) major urban services (Hall et al., 2013). Examples of de-privatisation are remunicipalisation and nationalisation initiatives, whether occurring at a local or country level (Hall et al., 2013). Another form of de-privatisation is represented by 'commoning', defined as the collective practice of producing, living off and through commons (Bradley, 2018). Commons are defined as common pool resources (Ostrom, 1990), classified according to levels of excludability and exclusivity (Euler, 2018). Commoning refers to the transfer of private goods and services into common-based forms of ownership; and commoning initiatives (CIs hereafter) are promoted mainly by grassroots organisations on voluntary basis, mediating across peers with the aim to satisfy essential needs within communities (Euler, 2018).

Commoning and commons are used by Hardin (1968) to elaborate his famous 'Tragedy of the Commons', a basic framework addressing ideological privatisation conflicts frequently applied in the



sustainability context. Hardin (1968) assumes that complete resource degradation is inevitable unless common property can be converted into private property, or its use regulated by government; commons should then be privatised or kept as public property, with rights to entry and use allocated or distributed across different groups. The ‘tragedy’ is used by Hardin (1968) as a metaphor of the tension between the responsibility for commonly shared resources and the perceived self-benefit to individual organisations, cities or nations who neglect such responsibility in the short term (Robèrt and Broman, 2017).

This argument still has a major impact on studies investigating resource management, with many authors suggesting privatisation as the best option for managing commons (e.g. Mullholland, 2011). Conversely, the recent surge of de-privatisation initiatives has so far attracted little attention in terms of empirical research, with this phenomenon mostly investigated from a theoretical perspective (e.g. Bradley, 2018; Hall et al., 2013; Ostrom, 1990). We argue that de-privatisation can be explained by the concept of counter-hegemony proposed by Gramsci (2009), and by the pendulum swing proposed by Polanyi (1944).

According to Gramsci (2009), capitalism maintains control not only through violence and political and economic coercion, but also through ideology, as the ‘hegemonic culture’ developed by the bourgeoisie expands its own values and norms so that they became the ‘common-sense’ values of all. These values are also included in Hardin’s view of privatisation as an effective means for the sustainable management of common pool resources (Hardin, 1968). Gramsci also refers to ‘counter-hegemony’ as any attempt or initiative aimed at undermining or dismantling hegemonic power resembled in the dominant bourgeois-led views or, as stated by Pratt (2004): ‘a creation of an alternative hegemony on the terrain of civil society in preparation for political change’ (p. 331).

Resembling the concept of Gramscian counter-hegemony is Polanyi’s swinging pendulum. Polanyi (1944) indicates a double movement going back and forward, like a pendulum swinging toward marketisation of previously non-privatised products and services and back - as society pushes against it. Recent de-privatisation trends can be regarded as a societal ‘push back’ from privatisation in the form of increasing governmental control of essential utilities and growing number of cooperatives and other not-for-profit management initiatives (Wollmann, 2013). Polanyi (1944) uses his pendulum model to explain the shift from the early capitalist market economy of the 19th century to the Keynesian welfare state of the mid-20th century, and again back to more liberal economies in the late 1970s. In an embedded economy, institutional regulations connect to the moral fabric of society, and that attempts of dis-embedding the economy are mainly associated with ‘commodification’ or ‘fictitious commodities’ e.g. all goods not produced for the market, such as land and money, lead to social resistance (Polanyi, 1944).



The current de-privatisation wave involving urban services in many cities appears to represent another pendulum shift to alternative, non-capitalist arrangements. In such context, we argue that social movements and EJOs seek more state protection and control, together with a general recalibration on economic decision making on the basis social relationships, redistribution and reciprocity. This assumption is supported by the recent urban trends of sustainable lifestyles, alternative consumption patterns, and sustainable consumer attitudes and lifestyles such as energy cooperatives or energy democracy movements indicate this pendulum shift in the society.

In the case of Germany, mass privatisation of state properties occurred at the beginning of the Nazi regime between 1933 and 1937 (Bel, 2010). The term *Reprivatisierung* (re-privatisation<sup>2</sup>) was used as a political tool to enhance support for the government and to finance the rearmament programme. After World War II, successive governments in West Germany were relatively reluctant towards privatisations (with the exception of Volkswagen public share offerings in 1961; Parker and Saal, 2003). However, after Reunification in 1990, the German government started to privatise several state-owned companies such as Lufthansa (airline services), Deutsche Telekom (telecommunication services), and Deutsche Post (postal services). German policymakers were also keen to promote privatisation at a local level, although such initiatives frequently encountered resistance by many communities and groups of residents - e.g. vast disused areas in Berlin occupied and cooperatively managed by grassroots organisations during the transition phase in the 1990s. The recent financial crisis of 2007-2008 and related scandals affecting private financial companies forced the German government to halt many privatisation projects affecting nationally-owned companies (e.g. Deutsche Bahn, railway services).

Today, the public opinion in Germany seems to have shifted against privatisation, pushing again the government to withdrawn from several privatisation plans in the country and to move its action elsewhere (e.g. putting pressure on the Greek government to privatise its water supply, airports, and ports; Mathiesen, 2015). The idea of commons and CIs has re-emerged particularly in urban areas, with small projects based on common-management launched in many cities and in various fields, such as urban gardening and food sharing.

### 3. Methodology and Data Analysis

The purpose of the paper is to explore, examine and quantify the number of environmental and ecological distribution conflicts in Germany by using an approach comprising comparative analysis, statistics and political ecology (e.g. Martinez-Alier et al., 2016). Focusing on a 30-years period

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<sup>2</sup> Referred to privatisation processes affecting firms that were nationalised/municipalised during economic crises, caused by hyperinflation in 1923 and the German banking crisis in 1931. The latter was part of a series of political and economic crises leading to the appointment of Adolf Hitler as Reich Chancellor in January 1933 (Bel, 2010)

spanning from 1985 to 2015, we analyse a large group of conflicts arising from privatisation and de-privatisation initiatives involving urban services, exploring the meaning and nature of ownership of these services with regard to creating more sustainable cities. Specifically, we answer the following questions:

*What are the main causes for environmental conflicts involving urban services occurring in Germany? Where are these environmental conflicts located within the German territory? Who are the actors involved in these conflicts? And how privatisation and de-privatisation initiatives affect the provision of urban services in view of creating sustainable cities?*

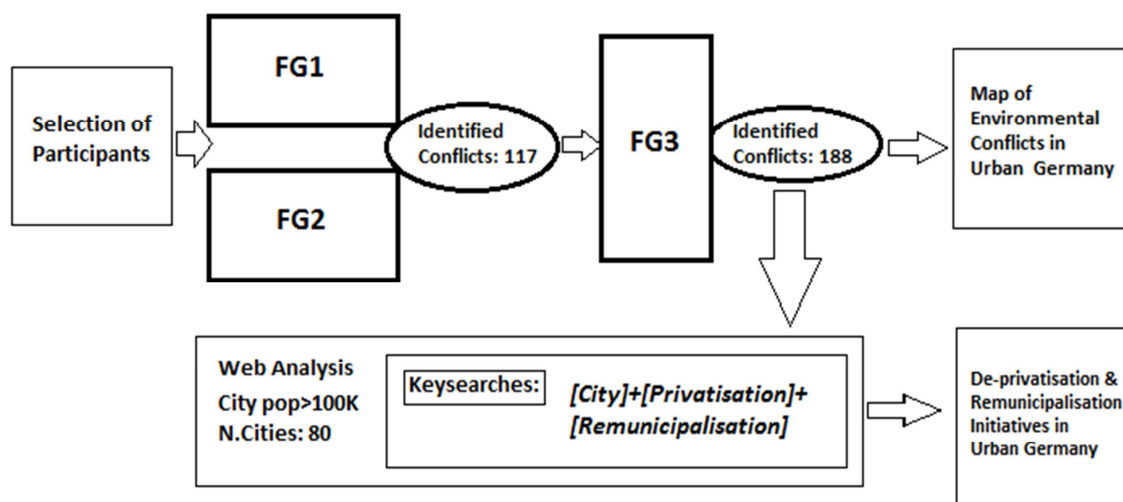
For the purpose of our study, we approached 25 participants and experts from the fields of environment, ecology and economics inviting them to discuss and debate on issues and challenges related to environmental conflicts at a one-day workshop event organised at Lusatia, Germany<sup>3</sup>. Experts were selected based on their decision-making/managerial roles within organisations and in relation to their academic expertise; all experts possessed a deep knowledge and understanding of the traditional and modern issues affecting sustainable development in Germany. Our investigation followed a longitudinal approach: questions to experts aimed at identifying conflicts arising in the country during the period considered, classifying these conflicts by location, year of occurrence, type/nature of conflict, and involved groups. The EJAtlas databases, a global inventory of 2,731 cases providing information about EJOs operating in Germany, served as initial platform for us to identify all the groups involved in the examined conflicts, their actions and their networks.

To develop our study we applied a Delphi-method involving three focus groups (Dalkey, 2018; Li et al., 2018). We selected the Delphi-method as this approach facilitate reflection and critical thinking, enabling participants to elaborate with regard to complex issues and equally enabling researchers to capture qualitative information based on participants' diverse attitudes and approaches (Dalkey, 2018). Moreover, this technique helped us to address and minimise issues related to subjective responses with regard to defining environmental and ecological distribution conflicts, and to obtain a collective and more objective judgment of experts (see Hallowell and Gambatese, 2009). In particular, the Delphi method helped us to identify conflict such as location, year and type of conflicts, and to define attributes of the various actors and stakeholders involved in these conflicts.

The three focus groups were composed as follows: Focus Group One (FG1) included eight academic researchers from the wider sustainability field; Focus Group Two (FG2) included seven environmental and climate change activists, and Focus Group Three (FG3) included eight experts from business and management field.

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<sup>3</sup> The 25 experts were approached in July 2015. Their backgrounds varied and included higher education, NGO activists. Following ethical research practice, the name and responses of participants were anonymised and treated confidentially (Crow and Wiles, 2008)

**Figure 1: Research Methodology**

Prior to focus groups, FG1 and FG2 participants were provided with a structured questionnaire by post and via email. The questionnaire aimed at gathering preliminary information about participants' views concerning different types of environmental and ecological distribution conflicts, in order to better prepare discussions and facilitates debates during focus groups. FG1 and FG2 were then conducted during the one-day workshop event; discussions among participants audio-recorded and then transcribed. In particular, discussions addressed ten environmental conflict categories extracted from the EJOLT<sup>4</sup> project: (i) Nuclear, (ii) Mineral Ores and Building Materials Extraction, (iii) Waste Management, (iv) Biomass and Land Conflicts (Forests, Agriculture and Livestock Management), (v) Fossil Fuels and Climate Justice/ Energy, (vi) Water management, (vii) Infrastructure and Built Environment, (viii) Tourism Recreation, (ix) Biodiversity Conservation Conflicts, and (x) Industrial and Utilities Conflicts.

Discussions among participants helped us to gain in-depth insights on environmental conflicts, their origins and roots, and about the factors triggering environmental movements and activism. At the end of both FG1 and FG2, participants were asked to fill a template form that included a range of attributes possessed by each environmental conflicts named or identified during discussions. This exercise generated a list of 117 environmental conflicts in Germany; participants were then provided with this list at the end of the workshop and given the opportunity to confirm or revise their judgment with regard to included items. The list was then presented to and examined during FG3, with the scope

<sup>4</sup> EJOLT is a research project that aims to increase public awareness of environmental justice and injustices, in order to motivate local communities to recognise and address these issues in different context and geographical areas ([www.ejolt.org](http://www.ejolt.org)).

of further refining the selection including views from economic and business experts. Another 71 environmental conflicts were identified after FG3, bringing the count to 188 identified conflicts.

Table 1 summarises information gathered from the three focus groups. Most of these environmental conflicts relate to privatisation and de-privatisation processes (35), followed by conflicts arising around hydraulic fracking (26), ban of diesel vehicles (15), lignite mining (9), factory farming (7), and nuclear power stations (7). Overall, the majority of identified conflicts come from issues associated with extractive activities and climate justice, for instance air pollution, which in Germany is highly linked with diesel vehicles and reliance on high performance cars. In addition, conflicts associated with de-privatisation initiatives appeared to be driven by social movements, EJOs and citizen initiatives developing in urban areas.

The widest group of conflicts arising from privatisation processes occurred in cities above 100,000 inhabitants. To explore this aspect in more details, we selected a sample of 80 cities comprised between Berlin (about 3.5 million) and Cottbus (just over 100,000); comprising a population of 26,3 million, about a third of the total population in Germany (Destatis, 2018). We then performed a web-based content analysis (Kim and Kuljis, 2010) using sources such as newspaper articles, local council bulletins, party resolutions, court decisions, and companies' annual reports to identify privatisation and de-privatisation initiatives, including remunicipalisation, nationalisation, and CIs.

Information was filtered per city by applying a standardized triangulated approach, searching for three key-terms: city, privatisation, and remunicipalisation. Results found for any of selected eight categories, namely energy, water, housing, hospitals, transport/infrastructure, waste management, public spaces, and buildings; were then explored on online search engines by using the three key-terms. This exercise enabled us to identify privatisation and de-privatisation initiatives across Germany's largest urban areas, and to find and define conflicts related to both ownership and management of urban services. Several CIs promoting radical solutions for urban transformations in view of creating more sustainable cities were also identified as a result of this exercise.

**Table 1: Causes of Conflict and Outcome (n=179\* all considered with minimum two occurrences)**

Causes (occurrences)	Timescale	Won	Almost Won	Pending	Almost Lost	Lost
De-privatisation (35)	From 1990s		Utilities, waste services		Hospitals, public housing	
Hydraulic fracking (26)	2010-2016	Moratorium on fracking				
Ban diesel vehicles (15)	From 2015			First court victory in Stuttgart		
Lignite mining (9)	From 1980s onwards		Slow withdraw from lignite			
Factory farming (7)	From 2010 onwards				No new legislation addressing environmental impacts of farming	
Nuclear power stations (7)	1980s-2011		Withdrawal from nuclear			
Development of waterways (6)	1990s-2016				Just a few projects halted	
Wind energy vs biodiversity (6)	From 2010				Fewer but larger installations	
Carbon capture and storage (6)	2006-2012		Most test facilities now closed			
Fertilizer nitrat in water (5)	From 2015				No policy change despite EU infringement	
Pumped hydroelectricity (4)	2011-2015		Reduced costs/ environmental impact			
Nuclear storage (4)	From 1980s				few alternatives	
Pollution river ecosystem (4)	From 2000s				most pollutions/disturbances approved by authorities	
Genetic. modified organism (4)	2005-2013		EU wide ban on test fields			
Coal fired power station (4)	From 2000s				Not prevented but cleaner technology used	
Development of airport (4)	From 1980s					Major airport enlarged
Development of highway (4)	From 2010				New highways built	
Pollution marine ecosystem (3)	From 1980s				Complex forms of contamination not halted	
Nuclear reprocessing (3)	1985-1989	Stop to planning/ construction				
Toxic waste disposal (3)	From 2000s				New facilities in place but cleaner technology used	
National Park Designation (3)	From 2010		More protected areas			
High-voltage lines (3)	From 2011				new grid for renewable energy planned	
Construction bridge/ tunnel (3)	From 2000s				Could not be prevented	
Natural gas extraction (2)	From 2010s				Extraction still going; increased cancer rates	
Nuclear transports (2)	1995-2011				Transports still ongoing although traffic diminishing	
Tourism ecosystem impacts (2)	From 2010s				No policies to decrease tourism	
International mega events (2)	2010-2017				Events could not be prevented by EJOs	
Environmental accidents (2)	From 2010s				Challenges in collecting evidence	
Use of pesticides (2)	From 2010s				No EU-wide ban of Glyphosat yet	

Source: Authors' own elaboration

#### 4. Results

Results in Table 2 shows that most conflicts related to privatisation initiatives occurred in North Rhine-Westphalia, the largest state among those considered, with Bremen (city-state) and Hesse ranking first among cities. Few privatisations appear to have occurred in wealthier states such as Bavaria and Baden-Württemberg; while less affluent states such as Saxony or Thuringia from the former East Germany are ranked at mid-table.

De-privatisation initiatives were more frequent in less affluent states, such as Brandenburg and Bremen, where many privatisations were reversed. Several of these reversed privatisations were launched with little consideration about competences and prerogatives between state and city regarding the provision and management of local services. In particular, traditionally conservative states (e.g. Bavaria) do not seem to appreciate new privatisation initiatives, and equally are not particularly proactive in terms of reversing the few privatisations already present in their territories. In addition, while traditionally social-democratic regions such as North-Rhine Westphalia and Schleswig- Holstein experienced a significant amount of privatisation initiatives, the high number of cases related of prevented privatisation and de-privatisation initiatives show demonstrate the success achieved by CIs, EJOs and social movements with regard to campaigning for commoning urban services in these regions.

Figure 2 shows that most of the 90 privatisation initiatives identified in German large cities during the period considered involved energy utilities (19) and public space/ buildings (17); with fewer involving water utilities, waste management, transport and infrastructure, hospital and housing services. Large-scale privatisation initiatives affecting major council assets in urban areas progressively increased since the mid-1990s, reaching a peak in 2000/2001, as shown by Figure 3. These figures reflect a pendulum shift as described by Polanyi (1944), indicating a substantial move by German government and local authorities toward privatisation; this move mostly associated with the hegemony of market liberalism after the fall of the Berlin wall and the collapse of socialist states. Between 2001 and 2008, however, the pendulum shifted again, determining a decline of privatisation initiatives until 2016.

**Table 2: Privatisations and De-privatisations in German States**

German State	No. of cities	Cases of Privatisation	City average	Cases De-privatisation	City average	Cases of Prevented Privatisation	City average
<i>BW</i> ürttemberg	9	5	0.6	3	0.3	3	0.3
<i>Bavaria</i>	4	3	0.75	1	0.3	3	0.8
<i>Berlin</i>	1	2	2.0	2	2	0	0
<i>Brandenburg</i>	2	3	1.5	3	1.5	1	0.5
<i>Bremen</i>	2	6	3.5	3	1.5	0	0
<i>Hamburg</i>	1	2	2	1	1	0	0
<i>Hesse</i>	5	15	3	7	1.4	2	0.4
<i>M.W.Pomerania</i>	1	0	0.0	0	0	0	0
<i>Lower Saxony</i>	8	1	0.1	0	0	2	0.4
<i>NRW</i>	30	41	1.4	12	0.4	13	0.4
<i>RhinelandP</i>	4	1	0.25	1	0.25	1	0.25
<i>Saarland</i>	1	0	0	0	0	0	0
<i>Saxony</i>	2	4	2	2	0	2	1
<i>Saxony-Anhalt</i>	2	1	0.5	0	0	2	1
<i>S-Holstein</i>	2	5	2.5	2	1	1	0.5
<i>Thuringia</i>	2	2	1	1	0.5	0	0
<b>Total</b>	<b>80</b>	<b>90</b>	<b>1.2</b>	<b>38</b>	<b>0.5</b>	<b>30</b>	<b>0.4</b>

**Figure 2: Types of Privatisation of Urban Services and Distribution in Germany**



**Figure 3: Privatisations Initiatives Identified within the Period Considered (Count by Year)**

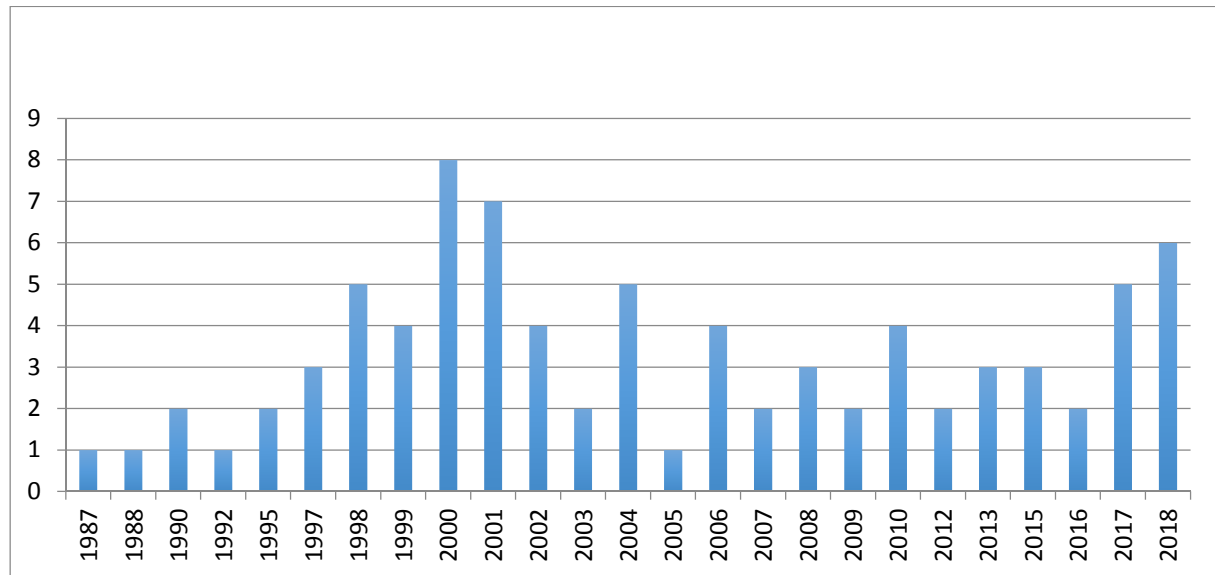


Figure 4a shows that 38 in 90 identified privatisation initiatives (42%) were reversed; many of these involving waste management services, water utilities, and energy utilities. As these services and utilities usually attract large budgets and resources among those provided by public administrations, reversing privatisation generates a significant environmental impact. For instance, energy utility services provide an important lever to local councils and administrations in view of diminishing CO<sub>2</sub> emissions and complying with the limit to global increase of temperature to 1.5 °C set by the Paris Agreement (2015). This is one of the reasons why policymakers, EJOs and CIs promote de-privatisation and democratisation of services, particularly in Europe (Kunze and Becker, 2014).

The number of de-privatisation initiatives observed in Germany between late 1990s and early 2000s seems to indicate the presence of a counter-hegemonic social movement triggering a pendulum swing – in the Polanyian sense - towards more socially controlled means of production. Attempts of privatising urban services in many environmentally sensitive fields tend to be heavily opposed by the public from the very beginning, and many do not succeed. As shown in Figure 4b, campaigns and protests promoted by groups of residents and employees, CIs, and EJOs resulted in privatisation being halted or prevented in 30 out of 120 cases. Campaigns opposing privatisation were more successful when involved healthcare, transport and infrastructure services, with about half of the proposed privatisations prevented. This higher rate of success is mainly due to the fact that privatisation of these services often signifies lower salaries and higher levels of work-related stress for employees, and a decrease of the quality of services for citizens (Klenk 2011).

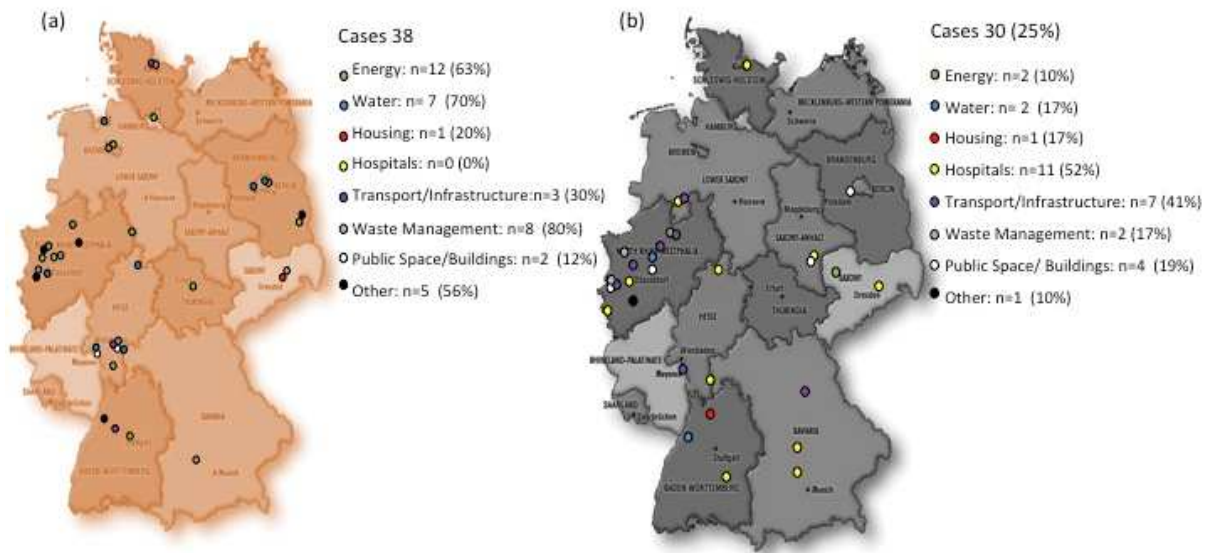
Initiatives promoting de-privatisation and remunicipalisation of water management and supply services occurred in ten cities (81-82, 88, 120-126 in the Appendix). In most cases, privatisation had already been reversed or successfully prevented from the beginning (120-126). The case of Berlin provides a good example. In 1999, a consortium formed by RWE (Germany) and Vivendi (now Veolia, France) secured the provision of water supply to Berlin residents in a secret purchase from the City Council. However, in 2006, a network comprising several EJOs, left and green parties, the Berlin Council of Catholics, and other activist groups launched an initiative called the '*Berliner Wassertisch*' (trad. Berlin Water Table), which campaigns for water to be considered as an undeniable human right. Berliner Wassertisch started promoting a referendum with the aim to force Berlin City Council to publish the contract with RWE-Vivendi and to seek its annulment. The referendum was called in 2011, and results forced Berlin City Council to buy all shares back from the consortium.

Our analysis identified cases of privatisation involving waste management services, transport services and related infrastructure management, the provision of healthcare and housing services. Privatisation initiatives involving waste management services (e.g. collection, treatment, recycling) occurred in ten cities (79, 80, 112-119); with almost all of these initiatives (112-119) reversed. Privatisation initiatives affecting public transport services and road network management occurred in ten cities (72-78, 109-111), rising concerns in relation to wage dumping. Public transport services were remunicipalised after protests in three cities (109-111), while plans for privatisation of public transport were rejected in other three cities (24-26).

Privatisation initiatives targeting hospitals and other healthcare structures seem to be particularly unpopular in Germany; these initiatives proving unsuccessful in eleven cities (3-13) sampled by our study. Where privatisation occurred (42-50, 85), cases of wage dumping and decreased quality of services frequently appeared. Five cities dismissed their social housing by selling it to private equity firms (51-53, 86, 101). Following rent increases and lower levels of maintenance works triggered protests sparsely in the country, pushing local council to reconsider previous decision. For instance, in 2014 Dresden City Council remunicipalised social housing by creating a new public-owned company to build new and more affordable flats.

Finally, we identified 17 cases in which local city councils privatised public spaces and buildings such as swimming pools, lakes, schools, nurseries, cultural houses, and markets (57-71, 107, 108). Two of them have been reversed after campaigns supported by local CIs and EJOs (107, 108), which prevented privatisation initiatives also in other cities (16-19).

**Figure 4: De-privatisation Initiatives (a\*) and Cases of Prevented Privatisations (b†) of Urban Services in Germany**



\*Data on percentage shows share of de-privatisations of previously privatised urban services.

† Data on percentage shows the share of prevented privatisations out of all finalised attempts (privatisations and prevented privatisations)

## 5. Discussion and Conclusions

The study presented in this paper explored and analysed environmental and ecological distribution conflicts in Germany, classifying them with regard to privatisation and de-privatisation initiatives, and investigating the role of ownership for urban transformation and sustainable cities. Our analysis found a number of conflicts whose outcomes went in favour of more sustainable solutions for the involved urban services, and in which EJOs played an important role in view of achieving these outcomes. Such cases appear to indicate a pendulum shift towards less neoliberalist endeavours, hinting that many actors in the civil society, including politicians and businesses, favour this pendulum shift in order to adopt more sustainable forms of consumption. In particular, we found a robust relationship between the pursuit of de-privatisation and the application of commons-based solutions for urban services, corroborating evidence that commoning might represent a ‘major transformative changes, not just slight, small, insignificant minor adjustments of the currently, dramatically, inadequate systems!’ (Geng et al., 2018, p. 1).

Findings from our investigation support those provided by Bönker et al. (2016): while recent remunicipalisation activities might have pushed the pendulum to swing back from lax marketisation, it halted far from its original position, mainly due to weak remunicipalisation initiatives addressing

social services like hospitals. From results, it seems that CIs in Germany push towards more sustainable lifestyles and alternative consumption patterns, signalling a pendulum swing from a dis-embedded (*laissez-faire*) to an embedded economy, more reliant on existence of work regulations and tariffs.

Findings from our study support the argument that environmental conflicts arise when treating fictitious commodities as mere commodities, leaving them being governed by market forces. Across Germany, different stakeholders at different levels made significant technical and institutional efforts to address issues related to privatised services, and to move towards alternative strategies. Our analysis show that, in many cases, the privatisation of essential public services led city councils to adopt expensive fossil-fuel and carbon solutions (such as the construction of coal fired power plants), accompanied by price increases and lowered quality in terms of service provision.

It appears a counter-hegemonic social movement promoting communing of basic services started after the financial crisis in 2008 and progressively attracted large support from the public. Evidence of this is provided by the fact that the most recent privatisation initiatives we identified in 2017-2018 are much less relevant compared to those occurred in previous years. These initiatives frequently involve small assets, for instance public swimming pools or catering services usually run by enterprises controlled by local municipalities. With the exception of hospitals and medical centres, large-scale privatisation initiatives involving large companies seem to be a trajectory of the past.

In many cases, the provision of waste management, energy supply and water supply in urban areas has been de-privatised since the 1990s; these de-privatisation initiatives frequently resulted in remunicipalisation supported by CIs and the intervention of worker-owned and residents' cooperatives. In Germany, the most recent cases of de-privatisation initiatives can be regarded as indicators of a growing global trend, which includes many EJOs and social movements promoting public or commonly shared provisions of urban services. Their campaigns have so far served as a valuable alternative to contrast the traditional capitalistic view of market efficiency (Becker et al., 2016), providing the pre-conditions for a circular economy (Türkeli et al., 2018).

Findings from other studies (Angel, 2017; Hall et al., 2013) identified social movements, EJOs and CIs as facilitators of de-privatisation and remunicipalisation initiatives. In our study, however, we also identified several groups campaigning for common-based solutions in view of achieving 'urban service democracy' (Angel, 2017). For instance, all members of BürgerEnergie CI have the same voting rights regardless of their contribution to the initiative, and the fact that this CI is a candidate bidder to run the energy supply in a large city such as Berlin demonstrate that solutions to address problems associated with commons can work not only in small communities but also in large urban areas. However, as suggested by Ostrom (1990), in order for any CI to function and deliver there must

be a provision of common resources available to local communities and adapted to local conditions, and equally self-determination recognised by higher-level authorities. The CIs and cooperative initiatives encountered during our study seem to corroborate this suggestion, as their rate of success augmented in presence of active local grassroots groups, confirming the intrinsic social dimension of commons and the importance of social practices of CIs as voluntary and inclusively self-organised activities aimed predominantly at satisfying human needs (Euler, 2018).

Moreover, we found that de-privatisation initiatives addressing urban services may be less successful (although widely noticeable) within healthcare, social housing, and public spaces, which tend to have a much stronger social relevance. Our analysis indicates that initiatives aimed at preventing privatisation have been more successful compared than those promoting de-privatisation within these sectors.

While our study provides valuable insights about the rise of conflicts associated with both privatisation and de-privatisation initiatives, we also recognise some limitations related to it. First, the Delphi study we proposed is based on knowledge provided by a selected group of experts: this may have prevented the identification and recognition of a number of older relevant conflicts still the scope of our research. However, this method enabled us to combine the knowledge and abilities of a group of experts to address ecological distribution conflicts, for which both qualitative and quantitative empirical evidence is reduced. Second, even though experts came from all over Germany, there may be a bias among regions in terms of identifying ecological distribution conflicts. Lastly, our study did not elaborate a weighting or scale about the different conflicts identified e.g. in terms of size or geographical distribution.

Further studies examining environmental conflicts by type of environmental movements and activism could capture this difference in scale, possibly addressing aspects concerning visibility and reach of these conflicts across different audiences and channels e.g. analysing levels of media coverage devoted to different conflicts.

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**Highlights:**

This paper explores ecological conflicts in Germany by using comparative analysis, statistics, and political ecology.

It investigates the main causes for conflicts related to privatisation and de-privatisation of urban services.

With a Delphi Method and focus groups with experts, we identify 90 cases of large-scale privatisation.

38 initiatives of de-privatisation are identified, most of them driven by grassroots organizations reclaiming the concept of commons.

De-privatisation initiatives indicate a pendulum swing towards more socially controlled production.