

# POWER, NATURE AND NEOLIBERALISM: THE POLITICAL ECOLOGY OF WATER IN CHILE

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## ABSTRACT

Since the 1990s, international water sector reforms have centred heavily on economic and market approaches. In regard to water resources management, tradable water rights have been promoted, often supported by the neoliberal model adopted in Chile. Chile's 1981 Water Code was reformed to comprise a system of water rights that could be freely traded with few restrictions. International financial institutions have embraced the Chilean model, claiming that it results in more efficient water use, and potentially fosters social and environmental benefits. However, in Chile the Water Code is deeply contested. It has been criticised for being too permissive and has produced a number of problems in practice. Moreover, attempts to modify it have become the focus of a lengthy polemic debate. This paper employs a political ecology perspective to explore the socio-environmental outcomes of water management in Chile, drawing on a case study of agriculture in the semi-arid Norte Chico. The case illustrates how large-scale farmers exert greater control over water, while peasant farmers have increasingly less access. I argue that these outcomes are facilitated by the mode of water management implemented within the framework of the Water Code. Through this preliminary examination of social equity and the environmental aspects of water resources management in Chile, I suggest that the omission of these issues from the international debates on water rights markets is a cause for concern.

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