

Water for Life: The Impact of the Privatization of Water Services on Child Mortality

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Abstract

Full Text

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Abstract

While most countries are committed to increasing access to safe water and thereby reducing child mortality, there is little consensus on how to actually improve water services. One important proposal under discussion is whether to privatize water provision. In the 1990s Argentina embarked on one of the largest privatization campaigns in the world, including the privatization of local water companies covering approximately 30 percent of the country's municipalities. Using the variation in ownership of water provision across time and space generated by the privatization process, we find that child mortality fell 8 percent in the areas that privatized their water services and that the effect was largest (26 percent) in the poorest areas. We check the robustness of these estimates using cause-specific mortality. While privatization is associated with significant reductions in deaths from infectious and parasitic diseases, it is uncorrelated with deaths from causes unrelated to water conditions.