

Who will survive in the face of the need for essential ...

Published: January 13, 2026, 6:54 am

This was [posted in the Financial Times](#) over the weekend but remains well worth sharing because of its broader significance:

Parts of South Africa's largest city have been without running water for almost a fortnight, a reminder to voters of the parlous state of the country's infrastructure just two months out from a general election.

Africa's most industrialised economy has been buffeted by power blackouts, transport problems and a crippling failure of service delivery that threaten the rule of the governing African National Congress.

That largest city is Johannesburg. The problem does undoubtedly have local dimensions to it. But it also has portents within it that are well worth noting.

Firstly, and most obviously, it should be apparent that we, as a society and, more particularly, as an economy within that society, are utterly dependent on the delivery of essential services for our survival. We cannot exist without water, energy, food and housing. We also need (and it is often forgotten in this list) clean air. We have taken for granted that these things can be delivered. The warning from Johannesburg is that the assumption that this might continue to be the case might be seriously misplaced.

The supply of basic infrastructure services in South Africa, the UK, and many other countries are at serious risk of failure.

We have not invested enough for many decades to ensure their continuity of supply, not least in the face of growing demand. We have assumed that they will be supplied. We have not guaranteed that they will be.

We have failed to heed warning signs. Most especially we have ignored the risk of flooding, which I now think to be very significant, but about which almost nothing is still being done when the evidence that sea levels are rising is very obvious. Just about the only sector that I can see that is reacting appropriately to this risk is nature conservation, where right across East Anglia new inland reed beds are being created to

replace those on the coast that it is known will have to be abandoned soon. Sizewell nuclear power plant is next to one that will, almost inevitably, be lost to the sea.

We also continue to presume that our past failings, reaching back over decades, can now be made good without any impact on our ability to consume. It is presumed that even if we must invest more, which will impose real new costs on us because we have been paying too little for these essential services in the past because, firstly, we have not priced in the cost of our destruction of nature, and, secondly, we have not priced in the cost of replacing life expired infrastructure, this will have no impact on our disposable income. As a matter of fact, it will.

Supplying essential services is going to cost more in proportion to income in the future. Clean water has a price. So, too, does sustainable energy. And, come to that, so too do houses that do not flood. That price is quite high. That price will be plenty high enough to be utterly economic disruptive. By that, I mean that it will be sufficiently high to force many households into poverty, shortage, and maybe destitution unless other fundamental reforms to our economy take place.

There are those who say that as a result we should do nothing about these matters. They are on the economic right wing. This will be a major part of the Reform Party's offering now and in the future in the UK. Others, like Trump, will be saying the same elsewhere. It is not hard to work out why this will be appealing.

It is also not hard to work out why they are doing this. Their actual aim is to keep in place the returns paid out of household incomes that fuel the inequality in our society. So, they want to perpetuate high-interest payments, high rents, and high wealth extractions in the form of profoundly profiteering activity, which is much of what the addiction to tech subscriptions fuels. Together, these absorb large parts of income whilst perpetuating our deeply divided society. That division can only be maintained if there is the means for these payments - all of them rents in one form or another - to be made. When the need for additional payment for our essential costs of living rise - and they need to and are going to if we are to survive - then something has to give if society at large is not going to collapse.

During recent energy price crises what gave way were government tax revenues. Subsidies to cover energy costs were paid. Now there is a backlash against that, with the claim being made that we must suffer crumbling public services as a result. That is clearly not sustainable.

What needs to be cut is the return to bankers, landlords, monopolists, oligopolists* and others who exploit our current society at a cost to most who live in it. In other words, what must give way to provide the means for settlement of the additional costs of the investment required to make good mechanisms that ensure that everyone can meet their basic needs in life are those things that have been created to exploit the surpluses that ignoring this necessary investment has created.

The belief that we have had an economic good life that has become commonplace among some over the last few decades has resulted in increasing costs of rent, interest, financial services more broadly and in exploitation by profit gouging. It is these activities that must give way to permit the additional costs that necessary investment to make good past deficiencies in investment will now require.

This is not a capital versus labour conflict, not least because the one thing that we most definitely need is more capital.

It is, however, a rentier versus the people struggle. Who will survive in the face of the need for running water in Johannesburg, and essential services in the world at large? Will it be the landlord or the people? That is the question. It will define the new economic and the new politics that we need.

* Oligopoly exists when a small number of firms control a market. They successfully prevent competition from other firms and, as a result, keep prices above those that an open market might otherwise set. Oligopoly is widespread within the modern economy.