

Funding the Future

Article URL

Published: January 12, 2026, 7:55 pm

We published this short YouTube video last night.

The media says nationalising the UK water industry would cost £90 billion, and that taxpayers would foot the bill, but that's absurd. In this video, I break down the flawed assumptions behind that number and explain why the actual cost could be near zero, and why nationalisation might not cost the public a penny.

<https://www.youtube.com/watch?v=SoNjnXijKmg?si=bjZSuyCZii4c5XUu>

There is no the audio version of this video.

This is the transcript:

How much would it cost to nationalise the UK's water industry?

The number that is bandied around by politicians is £90 billion. And you'll also hear them saying that it's going to be paid for by taxpayers' money.

There are two issues with their claims.

One is that £90 billion was an estimate prepared some time ago by a very right wing think tank who basically thought that if you were going to nationalise water you would have to repay all the debts owed by the water companies to the loan financiers who have kept them in business and profited heavily by doing so.

That's total nonsense. If a company is bust, you don't pay off the loan financiers to it. You pay a fair value for the business, and that is it.

What's the fair value of the water companies right now, given that they are both actually financially insolvent in some cases, like Thames Water, or environmentally insolvent in the sense that they can't actually deliver us clean water without it being full of, let's be blunt, shit, in most cases.

Well, their value is nothing, in my opinion. Literally, precisely pounds zero, or maybe one pound each.

That's the price we should pay for the water companies.

And would we have to pay taxpayers' money to bail these companies out? Let's not talk nonsense here. We have nationalised companies in the past, and what do we use to nationalise companies? We issue new debt to nationalise companies.

Not a single penny of money raised from taxpayers is involved in any way at all, because firstly, there will be almost nothing to pay. And secondly, bonds will pay for it. And if the bonds are issued at the right price, and there may only be a few of them, then you should be able to raise enough money by running these companies profitably in the future, in the way that we would desire, without ever imposing a burden on the state.