

Truss can't last

Published: January 13, 2026, 11:27 am

The political tectonic plates are shifting. After last night's 1922 Committee hearing at which Truss addressed her backbench MPs the kindest word used about her appearance was "deluded". I think Tory MPs, like so many others, have had enough of a leader who could actually open not one but two comments at Prime Minister's Questions earlier in the day with the phrase "I am genuinely unclear". There was no dissent. She very obviously is.

If that was not the case I would be worried about a situation where financial markets would appear to be bringing a prime minister down. I had hoped we were past that era. I do, however, think appearances are deceptive in this case. The markets are not bringing Truss down. It is her own failure to explain, reinforced by that of her Chancellor, that has created this mayhem.

In particular, remember that there was no obligation on Truss to have her Chancellor deliver a non-budget days after she got to office. She could have made the necessary statement on energy costs and said it would be matched by QE and markets might have grumbled a bit, but then got on with life until a proper budget could be delivered later.

She did not do that. Instead, she had Kwarteng deliver a half-cocked and deeply ill thought through mini-budget that made massive and unnecessary spending commitments whilst giving no hint on funding. That was her mistake. Nothing done since then has remedied the errors made. The 45p tax rate was sacrificed at serious political cost. But it was not the focus of financial concern. The absence of a plan was, and we are still awaiting that.

So, what happens next? We could remain the laughing stock of the world as the first developed nation that has made a serious attempt to implode within living memory. We could also continue as the biggest potential contagion risk in world markets. We might just watch interest rates rise by the day. Or Tory MPs might bring her down. No one else can.

There are two ways to achieve that last goal. Tory MPs could, relatively easily, depose Truss as leader by calling for another Tory leadership ballot, although hopefully with revised rules. However, that solves little because Rishi Sunak, as her likely heir, is as crazy as Truss in many ways and he does not break the commitment to Brexit that lies at the very heart of the ruin of the Tories.

Alternatively, forty Tories could join with the Opposition to vote Truss down in a vote of no confidence. This could follow the budget now scheduled for 31 October. That would require a general election in which the Tories would be all but eliminated on the basis of current polling, but some may think this the only way of securing any chance of long term survival for their party. It is now thought this is possible. Tory MPs know that the game is over for them. If they could not install a new leader before that election it would be even worse.

What do I think will happen? I suspect that Truss will be gone well before Christmas. I doubt that even the Tories can suffer her for any longer than that. I also think an election likely, although the precise route to it is as yet unclear. After yesterday, where the storm was as much political as financial, I cannot see any other real option for them, and believe sufficient will realise that.

And then? What will a profoundly neoliberal Labour government with a landslide majority do? That is a question for another post.

What we might safely assume is that it could plan for ten years in office. It would take at least that long for the Tories to regroup, not least because there is no obvious leader in waiting with the slightest chance of winning public confidence.

The void that is left on the political right in that case is what might be most worrying. Farage is always looming. Worry.