

There was no economic honeymoon for Labour

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It was likely that Labour thought that amongst its honeymoon benefits would be an upturn in UK growth as people, released from fourteen years of Tory rule, celebrated with a growth spurt.

We know that did not happen now. The quarterly GDP figures for September showed just 0.1% growth. Now, figures for October are out, and they show a decline in GDP by 0.1%.

As the [ONS says](#) of the October data, published this morning:

Main points

- * *Monthly real gross domestic product (GDP) is estimated to have fallen by 0.1% in October 2024, largely because of a decline in production output; this follows a fall of 0.1% in September 2024.*
- * *Real GDP is estimated to have grown by 0.1% in the three months to October 2024, compared with the three months to July 2024, with growth in the services and construction sectors in this period.*
- * *Monthly services output showed no growth in October 2024 after also showing no growth in September 2024, but grew by 0.1% in the three months to October 2024.*
- * *Production output fell by 0.6% in October 2024, because of falls in manufacturing, and mining and quarrying output, following a fall of 0.5% in September 2024; production output fell by 0.3% in the three months to October 2024.*
- * *Construction output fell by 0.4% in October 2024, following a growth of 0.1% in September 2024, but grew by 0.4% in the three months to October 2024.*

There is, then, no honeymoon effect. And nor is one now likely to be seen. Rachel Reeves kissed goodbye to any chance of that with her Budget measures. For an

incoming government that built all its promises on the basis of growth, this is not an optimistic start.

That said, no government has that big an immediate impact. This has to be acknowledged. All it could have done by October is change the mood. But in that sense, this is significant. The mood has not changed, and if anything, we know things have got worse since Rachel Reeves delivered her Budget at the end of that month.

As always, it would seem as if Labour's messaging is wrong.

It chose the wrong target.

It did not understand the target.

It did not understand how to deliver it.

And it is already failing to do so, compounding the likelihood that it will by its own actions. This is not good news for them.

What will Reeves do now? Is austerity - what she always said would not happen because growth would prevent the need for it - back on the agenda? Demands for Westminster job cuts make it look that way.

If anyone can spot the difference between Osborne and Reeves (gender apart), they're clutching at straws.