

Labour's economic strategy is falling apart

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This was reported by [The Guardian](#) yesterday:

Business activity across the UK private sector declined in the last three months, a survey has found, as weak consumer spending hits companies.

The latest growth indicator produced by the Confederation of British Industry (CBI) shows that UK private sector activity fell again in the three months to February, at a faster rate than in the quarter to January.

In a worrying sign, private sector firms also expect another fall in activity over the next three months, as the economy struggles.

There should be no surprise about this.

The fallout from Labour's disastrous start in government is continuing.

In November, the election of Trump rocked real people who could all too easily see what might come, yet even if our politicians could not do so.

Continuing high interest rates are still hitting households.

Public services are very clearly not improving.

In the face of all this instability, people save if they can, and that is what is happening, without a doubt.

Starmer could argue that this creates the capacity to make armaments, but the reality is that there is almost no logic to his claim that armaments spending will boost growth: the evidence does not support that on the scale he is talking about.

It is wise in that case to note that what is really happening is that Labour's strategy is falling apart all around them. We need to remember that when thinking about anything else they are planning to do.

We also need to remember that famous quote attributed to John Maynard Keynes:

When the facts change, I change my mind - what do you do, sir?

When will Labour do so? It is their only chance.