

The Office for National Statistics [has published new GDP data this morning](#).

As they put it:

## Main points

*In the three months to October 2025, compared with the three months to July 2025:*

- \* *Real gross domestic product (GDP) fell by 0.1%, following growth of 0.1% in the three months to September 2025 and 0.2% in the three months to August 2025.*
- \* *Services output experienced no growth, compared with growth of 0.2% in the three months to September 2025, continuing the recent trend of slowing growth in the service sector.*
- \* *Production output fell by 0.5%, largely because of a fall in the manufacture of motor vehicles, trailers and semi-trailers in this period; this follows a fall of 0.5% in the three months to September 2025.*
- \* *Construction output fell by 0.3%, compared with a growth of 0.1% in the three months to September 2025.*

*In the month to October 2025:*

- \* *Monthly GDP is estimated to have fallen by 0.1%, following a fall of 0.1% in September 2025 and no growth in August 2025.*
- \* *Services fell by 0.3% and construction fell by 0.6%, whereas production grew by 1.1%, in October 2025.*

Three thoughts.

First, Reeves can no longer credibly say growth is her goal, because if it is, she would have to admit she is a dismal failure.

Second, the reality is that for most people, this stagnation is going to feel like decline because:

- \* GDP per head is likely to be falling as the UK's population grows, and the published figure is an aggregate.
- \* We know GDP data does not account for the distribution of the benefits of growth,

but we also know that the trend over decades has been for almost all the benefits of growth to be claimed by those with the highest incomes and wealth. If that trend has been followed in this period, and there is no reason to think otherwise, then most people are worse off as a result of this flatlining economy.

Third, there are good reasons why people are angry. They are told:

- \* Growth is the goal.
- \* Growth is good.
- \* Growth is achievable.
- \* Good things will only happen if we grow.

But then they discover:

- \* Growth is weak or non-existent.
- \* They do not, in any case, get any benefit from what growth there is, meaning their lived existence is the opposite of what is claimed.

Unsurprisingly they:

- \* Do not believe the claims made.
- \* Doubt the data.
- \* Question the integrity of the goals of elected politicians.
- \* Lose faith in politics as we have it.
- \* Think that all mainstream politicians, at least, are fools, indifferent, or just liars.

And who can blame them?

So let me suggest an alternative hypothesis. It is this:

- \* There is no growth because that is no longer possible on a finite planet. We have actually reached our limits, at least within existing income distributions, which mean that many are now denied the chance to meet their needs, let alone their wants.
  - \* It is only the illusion created by the financial services sector that keeps the idea of growth alive. Their money shuffling and bubble creation might make it look as though we still have some growth, to counter the lived experience of most people, but we have not in reality. Rachel Reeves' claim that the City is the "jewel in the crown" of the UK economy arises from the false belief that this faux economy actually creates value when it does not: all it produces is a chimera of wealth, which will be shattered when the latest bubble bursts.
  - \* We have to face the reality that growth is no longer possible. The exploitation of slaves, of colonies, of the planet, of working people, of women and of markets that created the idea that growth could continue forever were all abusive. I am not disputing that growth happened. I am saying the price was very high, and has not been settled as yet, by any means.
  - \* The idea that there is anyone or anything left to abuse to permit the perpetuation of growth is also at an end: financial engineering has been the last gasp in this process of exploitation by a few at the cost to many, and the reality that it destroys rather than creates value is going to become very clear, very soon.
- The consequences are enormous.

The whole of neoliberal economics, and so all our current mainstream politics, is built

on the idea of growth, which is not going to happen.

The neoliberal era is, then, going to come tumbling down.

But it will not just be the politicians who will stumble. So will the wealth of the very wealthiest, and many in the middle classes:

- \* Share prices will fall. The ludicrous prices being paid are based on the premise that growth can last forever. That is not true. Valuations have to fall as a result.
  - \* Pension fund values will collapse as a result. The offer of security in old age is built on the idea of perpetual growth at present, and that growth is not going to happen. We will find that pensions are just another Ponzi scheme as a consequence.
  - \* House prices will fall. Why won't they when the incomes of those aspiring to buy them collapse, as they will when it is clear that the returns within the financial services sector can no longer sustain them?
- The foundations of security for those who have thought themselves immune to risk will be stripped away: all that will be left will be fear. That is what happens when myths are shattered.

And then what? Then we have to build the politics of care.

It's that or cruel and brutish fascism, making life miserable, painfully short and decidedly toxic for everyone.

Those are the choices.

That is what we have to decide upon, and all because we assumed growth would last forever, when it was glaringly obvious it could not, as is now becoming apparent.

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