

The centre has not held

Published: January 29, 2026, 8:45 am

The centre ground in British politics is dead, most especially if that so-called centre ground is described as the space occupied by Labour governments over the last three decades and Conservative governments until the demise of David Cameron as Prime Minister.

The economic model that these neoliberal governments sustained has failed.

Their politics, built on respect for market discipline, a belief in limited government and permanent fiscal restraint, have delivered public services that are collapsing, and living standards that are falling. The electorate is not turning away from this supposed moderation out of impatience; it is doing so because that form of moderation now means accepting decline.

The neoliberal settlement of what has been called on this blog 'the single transferable party of power' has reached a breaking point. The evidence is all around us:

- * Many councils are effectively bankrupt.
- * Health and social care are being rationed, if not explicitly, then by the imposition of waiting lists.
- * Schools are struggling to retain staff.
- * Housing shortages are driving poverty and insecurity.

And these are not cultural problems. They are the predictable results of sustained underinvestment and shrinking state capacity imposed by governments, by choice. When the state stops providing basic economic security, politics becomes unstable. There are a number of reasons for this.

Firstly, the Conservative Party [has abandoned](#) the social obligations once implied by [One Nation Conservatism](#). That tradition accepted that power required public provision and collective responsibility. It acknowledged that markets alone could not hold society

together. Those principles have now, it seems, been rejected and consigned to history.

Instead, the party is increasingly adopting the politics of blame and exclusion long promoted by the far-right in the UK and elsewhere, as represented in this country by Nigel Farage in his many incarnations. This shift is not driven by new economic thinking, because there is none. It does, instead, reflect an unwillingness to confront the fiscal and institutional damage caused by decades of neoliberal policy, with cultural conflict being used to distract from that economic failure. This is what happens when a party cannot, or does not want to, repair the economy, but still needs an explanation for why people are angry. No wonder it is falling so rapidly in public popularity.

Secondly, Labour is not offering a decisive break from this settlement. It is accepting strict fiscal rules that limit public investment even when infrastructure and services are visibly failing. It prioritises credibility with financial markets while local government, transport, housing and social care are deteriorating in plain sight. As a result, it increasingly relies on enforcement and restriction on protest, migration and welfare to manage the consequences of insecurity rather than remove its causes.

Importantly, both former major parties now defend the same economic framework. One leans toward cultural authoritarianism, and the other toward administrative control, but neither is rebuilding state capacity at the scale required to stabilise society. That is their collective failure, which appears to be leading to their collective demise.

Thirdly, this breakdown is now visible in electoral behaviour. In Gorton and Denton, the Conservatives and Liberal Democrats are no longer serious contenders. Labour may well be in trouble. It is Reform and the Greens who are competing to replace them, with the Greens having a chance of winning. That tells us that parties defending market-first economics are losing their social base, and also that political radicalisation does not move in only one direction.

Reform channels anger but, so far, has offered no plan to rebuild housing, restore public services or revive local economies. Their politics of supposed insurgency is seemingly devoid of any positive purpose. It cannot explain how economic security will be created, only who should be blamed for its absence. They are asking people to take a leap of faith when voting for them, without giving any clue as to what might really happen, especially given recent events and obvious policy failures from similarly far-right wing inclined parties in the USA.

The Greens, by contrast, focus on services, housing, transport, and care, and are seeking to build on the everyday institutions people rely on that neoliberal policy hollowed out. In Derbyshire, they recently beat Reform in a council by-election. In Gorton and Denton, the latest polls suggest that they are expected to beat both Reform and Labour. That is not because voters have suddenly become idealistic. That may be a clear indication that people want practical repair of the world around them, and not the symbolic conflict that the mainstream parties have offered for so long.

Why does this matter for the future economy? That is because societies cannot function without reliable public infrastructure. Businesses do not invest when that is weak. People do not retrain or relocate when housing is insecure. Productivity does not rise when health and education are rationed. Market efficiency cannot substitute for public capacity.

Yet rebuilding that capacity requires sustained public investment and institutional reform. It requires accepting that the government has a central economic role, not merely a regulatory one. As long as both major parties refuse to confront that reality, political volatility will continue. The danger is not that voters reject the centre. The danger is that right-wing politics, now embraced by Reform, the Tories and Labour alike, will fill the vacuum with fear, control and hostility instead of with investment and justice.

That said, polling in Gorton and Denton, like Derbyshire before it, suggests that many people are not choosing the politics of hate. They are moving towards a politics of care because they understand, from experience, that nothing else will fix what is broken.

The centre ground is not coming back. The question now is whether the politics that replace it are built around restoring economic security, or around managing social decline through division. That is the choice Britain is making, constituency by constituency, whether Westminster recognises it yet or not.

James Murphy contributed to this post.