

Are the middle classes doomed?

How the consequences of economic forces are shifting the tectonic plates of society

In a recent Radio 4 programme, “Clinging on: The Decline of the Middle Classes,” David Boyle assisted by a team of academics, explored this issue whilst hardly touching on the underlying causes or far-reaching consequences of this decline. Whilst the tectonic plates of society are being shifted to a revolutionary degree, it is remarkable that the process has not become a question of intense political debate, or given rise to widely expressed social discontent.

Changes far less consequential have caused a storm in society or even upturned the social order. The difference now is that this is not a clash of interests between clearly identifiable classes or economic interest groups, being the usual sources of social turmoil, but a generational split across the entire spectrum of the population – omitting only that lucky 2½ % at the very apex of the community.

Generational differences do not easily make for class conflict – although there is the occasional horror story of children who kill their parents to seize their assets. More usually there is a closing of ranks as parents and grandparents do their utmost to help their offspring. But in the longer term this is often in vain, as the majority cannot hope to assist effectively their nearest and dearest in obtaining affordable housing, or in the alleviation of student debt.

If those are the greatest difficulties the younger generations need to contend with, there are others that are hardly less worrying, such as increasing unemployment amongst many sectors of the highly-qualified, and job insecurity on a scale which never existed before.

All this has given rise to a feeling of helplessness and stoical fatalism rather than desperation and anger, and the reason for this is clear. There is no identifiable sector of society to be angry with, as there may have been in the past in the face of financial difficulty. All are equally disadvantaged in a quite classless fashion. If there is a source for blame it is usually traceable to such nebulous factors as Britain’s alleged “inevitable decline” or rising competition from China or other parts of South East Asia. Our politicians are in this way “exonerated” since it is assumed they are powerless to resolve such issues.

The only rational interpretation of this situation is to admit that democracy has ground to a halt. Our politicians or parliament no longer represent the electorate in any real sense. Instead, they strive to keep alive the old debate between left and right which is no longer valid in promoting progress or resolving

the socio-economic problems of the present day. They are knowingly trapped in a time warp of the past from which they cannot easily escape.

The negative characteristics of the confrontational party political system drive each in a backwards direction in reinforcing the more traditional values of the past. As politics becomes increasingly heated in an electoral environment it relies ever more on the expression of critical as opposed to positive opinion, and this is an unhealthy tendency, as it is not a fertile soil for the creativity needed for well-thought-out policy in meeting the needs of the future.

In the realisation of this, politicians have increasingly resorted to the short-termism of a pragmatic approach to each policy question as it arises. In this way the long-termism of principle, which acts as a glue or guiding light in uniting the aims of the electorate with their representatives, is pushed aside. There is, of course a contradiction between the pragmatic and principled approach to policy-making, but our politicians are prepared to live with this, and the consequences are dire for democracy and good government.

The practical outcome of this has led increasingly to the absorption of democratic power by the unrepresentative forces of vested interests, e.g., that of powerful transnational corporations, and this results in sacrificing elected people power. All this may be blamed on Britain's contraction as a global power, or her falling as victim to a new type of financial imperialism, rather than on the failings of our own politicians.

Irrespective of where blame may be cast the outcome of political decision-making over the past few decades has been disadvantageous to the majority. And that new undefined majority – as it exists today – is unrepresented by democracy because its presence or reality is unrecognised by government. The age-old clash between the Working and Middle classes no longer exists as a socio-economic fact, although the illusion is still kept alive by the dualism of our political system.

Perhaps the title of this article should more correctly be expressed in the affirmative than the inquisitive. The actuality is that the middle class with its package of bourgeois values and aspirations, as it was known 60 years ago, is no longer with us – or is fast disintegrating. The same may be said of the working class or the proletariat. Living standards have been raised for all to unprecedented levels, and in certain important respects, we are now far more egalitarian and democratic than in the 1950s or 60s.

In place of the poverty of grime, cold, and hunger (which many still remember) other social ills have taken their place, and these latter are often more inextricable, and hence threatening, than those that went before. This is partly due to the fact that these new social ills have struck so suddenly and unexpectedly that they are not yet properly recognised or understood. We have become so accustomed to ever-rising living standards that the idea of progress as a permanent state of existence is deeply embedded in our minds. Despite our assumed egalitarianism it should also be borne in mind that the acceleration

between top and bottom earners is now greater than it has ever been – and it is the middling ranks of society that have been the major economic losers.

The new class that is now emerging may best be described as the 90% middle-middle majority, with 2½ % comprising the super-rich, and 7½ % an underclass, the latter not comparable to an “oppressed” proletariat of a hundred years ago, but rather a mix of unfortunates from all sectors of the community who through a variety of circumstances have fallen on hard times. The middle-middle majority comprise a heterogeneous mass of those who have risen or fallen from the opposite poles of the social spectrum. On the superficial level they are indistinguishable in their dress, or in their minimal expectations of material existence, but in their attitudes, political or other opinions, they may be found in every conceivable variation.

The reality, however, is that this 90% majority is only sketchily aware of its existing position or future potential in relation to the financial-industrial establishment within which it is obliged to live and work, and this explains the political alienation of so many from either party political affiliation or the option to cast a vote. As the world is young for this new majority it has not had time to develop a political consciousness, but events will bring this about. The definition of class in any society is to be found in its economic relations with the business and government of a country, and it is this that is the core subject matter of political life.

Through a series of socio-economic changes with unanticipated consequences moving slowly – almost unseen, through every corner of society, the political establishment is suddenly made aware it no longer has a grip on the electorate, and it cannot understand the reason why. There is a tragic irony in the fact that so many of the benefits raising living standards in the post-War era were accountable to the hard won legislation of democratic government. Why, then, does the electorate show such ingratitude in the light of this? Why are Conservatives lost in a morass of contradictions, and why has Labour lost so many supporters and all the idealism of its socialist past?

The reason is that society and the world of work has been transformed out of all recognition and in ways that were unexpected because the future can seldom be predicted. Political theory, which is the basis for all practical change, has not kept apace with the actuality of events. Ideology has moved at a sluggish pace and then come to a sudden stop, to be replaced by so-called pragmatism.

The open discontent we do see expressed today is the drive towards devolution, not only in Scotland and Wales, but in many regions of England – and in addition, unhappiness with EU membership. But devolution alone will not begin to resolve the underlying issues of our time. As power (or democracy) has virtually been taken away from people on the national level, as a form of compensation, it is demanded in the regions and in our cities. Such a reaction is only natural, but in reality the drive towards devolution is a suppressed cry for

nationality, or rather, the desire for the recovery of economic and national integrity.

We have awoken to the awareness of having mortgaged too many of our national assets, or sold too much of “the family silver,” and if we are not too careful, we shall discover we no longer own ourselves. How many of our utility companies are already in foreign hands, and what controls do we have over their pricing or reliability? A glance at rural ownership patterns in Britain may startle the majority who falsely imagine we are an idyllic green land of family-owned farms, when the reality is that great swathes of our country are corporate or foreign-owned. The hyperinflation of land and urban property values is in great part due to the trickle-up effect of foreign investment buying resulting in exorbitant rental arrangements for native residents. These are not class-based political issues for they touch on the interests of those from every spectrum of society – of all those whose culture is deeply embedded in the country.

If the government of this country serves transnational interests, it is not because it was elected to do so, but because over a period of time power has slipped into the hands of powerful corporations and away from the electorate. Government may serve a variety of interests through the course of history, either overtly or covertly: e.g., the church, military ambitions, international trading dominance, an oligarchic elite, the needs of national defence against a potential aggressor, or serve the interests of the majority population. In reality a wise government needs to serve a mix of interests, but in a modern industrialised democratic society the overriding interest should be the prosperity of the majority. And unfortunately, the latter has not been pursued by any of the established parties for several decades.

The emerging middle-middle majority which politically is neither proletarian nor bourgeois, as these terms were once understood, has turned its back in disgust on the ding-dong conflict of the left/right divide, as time-wasting and meaningless. The parliamentary knockabout has become more “show” than “substance,” whilst the problems of urgent concern to the majority are met with an attitude of denial. As the problems arising from the hyperinflation of land and property values; un-payable student debt; worthless pension payouts; and unprecedented private in addition to public debt, affect everyone across the social spectrum, these are issues which are awkward to bring to the forefront of political life effectively within a dualistic or polarised party system.

If the left/right pattern of politics is to be repudiated, it also follows that their economic or financial-industrial belief systems should also be brought into question in favour of another alternative. The middle-middle majority, due to the advance of technology and the huge call on additional brainpower, has acquired a knowledge base that no society in history has possessed hitherto. This means that skill and aptitude levels between those at the apex in the politico-economic control of society and those of the middling majority have been reduced to a narrower margin than ever existed before.

In view of this a Marxist interpretation may be given to the outcome of finance or rentier capitalism, i.e. that dispossession has now reached a critical mass of the population in enabling a revolutionary situation. The difference, of course, is that this dispossession has not led to an impoverished proletariat on the verge of starvation, but rather to a financially powerless majority dependent on the attractions of unfulfilled promises and the clever maintenance of tolerable material standards.

This is an outcome that was never – and could never have been anticipated by socialist-leaning thinkers in the past, and hence the failure of the left to respond effectively to the subtle deceptions and injustice of our time. Because of the *actual* transformation of society and the socio-economic system, the answer is not to be found in old-style collectivism, but rather in directly empowering the individual for the democratic takeover of financial power wherever it exists.

This offers an immense opportunity to this new majority for the democratisation of the financial-industrial system. It enables the possibility for corporations and financial power for the first time to be made accountable to the responsibility of democratic authority within the nation state. Such an achievement would not have been possible in the lesser-informed societies of an earlier era.

The practicable achievement for such socio-economic arrangements would be enabled through the *personalisation* of ownership as a legal right through changes in company law; a greater emphasis on deficit financing through commercial credit banks; and co-determination and employee share ownership. Policies for self-sustainability and import substitution, and the dissolution of conglomerates in forming smaller independent productive enterprises, would contribute rapidly to greater stability and the reduction of national debt.

If, therefore, the middle classes may correctly be described as doomed to eventual extinction, then in a phoenix-like fashion they may be reborn as a new majority with a strength and confidence their predecessors never enjoyed. It would also presage the realisation of a fully developed democracy in both its governmental system, and as a free and just society for all within the nation state.

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