

The broken society versus the social recession

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How should we approach the social problems of a
post-crash Britain?

Politics is about the defining of crises. If everything is just fine, people have no interest in changing anything, or in trying out something new and potentially risky. But if convinced that things somewhere are going very wrong people may become motivated to support or even become part of a movement that looks like it can make things right again. Nobody becomes an environmentalist thinking that all is well with the ecology of the planet; nobody becomes committed to feminism because they believe that women are not discriminated against on the basis of their sex.

For Margaret Thatcher, in 1979, the crisis was a moral collapse in the British spirit of self-reliance and self-control, the central symptoms of which were powerful trade unions and left-wing local councils; for Tony Blair in 1997 it was the failure of old-fashioned thinking to keep up with the new times of modernisation and globalisation, epitomised by out-of-touch public sector workers. In both cases the remedy followed from the naming of the crisis: smash trade unions and take powers from local authorities; marketise public services.

British politics today is a crisis without a name; or rather, a series of crises with a number of potential names. As John Clarke has argued, the competition to give it a name and thus create a 'ground on which to demand new ways of doing things'

The broken society versus the social recession

is intense.¹ Our crisis is, of course, in large measure economic. The collapse of the banking system has exposed poor management of national finances and, most significantly, the cracks in the real economy over which City-inspired debt had papered. But it is also a social crisis: a 2007 survey of 'social evils' by the Rowntree Foundation found that people today are increasingly anxious about both the very concrete manifestations of social decay, such as drugs and alcohol, crime and violence and family break-up, and the more abstract challenges, such as a decline in 'values', increased inequality and the absence of a sense of community. Such findings confirm a variety of claims about 'affluenza', increasing unhappiness, and the wider ramifications of inequality. Finally, the crisis is also political: the institutions of government in Westminster and Whitehall seem routinely to be found 'unfit for purpose', and their personnel, now publicly exposed as self-interested and self-serving, are untrusted and unsupported. A bet on the size of the majority of the next governing party may be a little risky; a bet on a further decline in voter turnout, and on an increase in votes for what used to be 'fringe' parties, is a sure thing.

Most current political rhetoric, propaganda and positioning (as well as more general political comment and chatter) is an effort to win the battle over the naming of these crises. One tactic is to try and elevate one above all the others: some Conservative politicians and journalists would like to make national debt the primary crisis, in order then to hold the Brown government directly responsible for it; Liberal Democrats and some on the left would like the political crisis to be seen as the most significant, the remedy being electoral reform, and maybe devolution of powers to localities (the latter a position with which some parts of the Conservative Party would also have sympathy); and there are also those who emphasise the social crisis: Compass has come a long way with the concept of the 'social recession', while many leading Conservatives have sought to describe our condition as that of a 'broken society'.²

In this battle the Labour Party is at a distinct disadvantage, not least for the simple reason that, having been in power for twelve years, it is hard to find a crisis in which it cannot be implicated. That is why it will concentrate its efforts on emphasising the possibility of a future crisis, if government is handed over to an untested set of inexperienced public schoolboys. Meanwhile, Cameron too has failed to articulate clearly a single name for the crisis. Although claims about Labour's economic failure will be central to the Cameronite electoral argument,

Soundings

it is hard for Conservatives to emphasise these without also blaming the bankers and paving the way for the sort of accountability and regulation that many leading Tories would find damming up their own income streams. Cameron has names for the political crisis: for instance Labour's 'nanny state' of illiberal lefties and health-and safety 'jobsworths' is excitedly and interminably denounced by the 'Jeremy Clarksonite' press and their followers on talk-radio. But the expenses scandal demonstrated that the elite irresponsibility and arrogance at the heart of Britain's political crisis is not confined to the Labour Party, and this means that here too Cameron is on weak ground.

It is therefore likely that, while continuing to point up the political and economic failings of the Brown government, the Tories will emphasise - in their electoral campaign and in their early days in government - the social crisis. That is made more likely by the fact that arguments about the nature and causes of that social crisis can be made to encompass the economic and political crises. And that is also why one of the most important conceptual contests in British politics 'after the crash' is the one between 'the broken society' thesis and the 'social recession' analysis. The former is central to the developing ideology of Cameronism; the latter is central to the leading alternative progressive approach (and although Cameron has made use of the phrase 'social recession' he does not, as we shall see, mean anything like the same thing by it). Both concepts respond to similar phenomena (sometimes in ways that seem to overlap); and both are capable of being applied to a wide-range of economic and political as well as social and personal experiences. Although neither term may become part of the everyday lexicon of British politics, the analysis they represent and the experiences they articulate will be central to our political future: understand this and the general shape of the intellectual and moral struggle to come becomes much clearer.

Breakdown Britain

In an interview in 2008 Oliver Letwin, Chairman of the Conservative Party, explained to me his view that, in the 1970s, the crises Britain faced were economic in nature. 'We were bust' was how he put it, and there was 'a profound sense that things didn't work'. But today, he argued, although we still face huge economic problems, the situation had changed: 'The biggest long-term challenge we face

The broken society versus the social recession

today is a social one ... I think that the social revolution we need now to achieve is as great as the economic revolution which was required in the 1980s and 1990s'. He described that social problem with reference to the people left behind in the march of economic progress, and now 'living in conditions that are not just poor in monetary terms but also tend to involve worklessness, poor housing and schooling, indebtedness, addictions of various kinds, and family breakdown'. This, Letwin declared, was not only a crisis for those individuals and for their families, but also a moral and practical challenge for society as a whole. It contributed to crime and had an economic cost borne by the ordinary taxpayer, but it also had 'all sorts of spiritual and cultural ricochet effects'.³

This analysis is not confined to the mind of Oliver Letwin. A similar sort of diagnosis came out of Iain Duncan Smith's 'Social Justice Policy Group', which reported to the Conservative Party in July 2007 that 'as the fabric of society crumbles at the margins what has been left behind is an underclass'. The report described that class as living lives of dependency, addiction, debt and family breakdown, as a result of which, it claimed, social mobility had stalled, and been replaced by 'a mentality of entrapment, where aspiration and hope are for other people, who live in another place'.⁴

It is easy to dismiss such talk as marginal to the current Conservative Party or as merely window-dressing, a pretence at social concern put on in the cynical search for electoral advantage. But both Letwin's remarks and Duncan Smith's report are in tune with the Conservative critique of 'big government' and left-wing politics. They see the broken society as the baleful outcome of a social-democratic politics, which has undermined people's natural capacity to exercise responsibility and care for their own communities and replaced it, they argue, with state-induced selfish individualism. Similarly, though Philip Blond has achieved a degree of political-media celebrity for appearing to be left-wing in his pro-social attitudes, the central argument in his diagnosis of the social problem is the traditional Conservative one that 'the welfare state nationalised society because it replaced mutual communities with passive fragmented individuals'.⁵

In his 2009 speech to the Conservative Party conference David Cameron confirmed his view that 'there is such a thing as society ... there is a "we" in politics, and not just a "me"'. But he also reiterated that society is 'not the same thing as the state'. Like Duncan Smith and Blond, he argued that the source of the corrosion of social life

Soundings

can be found in the excesses of government. ‘Why is our society broken?’, he asked. Because ‘government got too big, did too much and undermined responsibility’.⁶ A month later, delivering the Hugo Young Memorial Lecture, Cameron emphasised what has been his key theme since he became Tory leader: the need to restore a sense of social responsibility.⁷ ‘As the state continued to expand’, he explained:

it took away from people more and more things that they should and could be doing for themselves, their families and their neighbours. Human kindness, generosity and imagination are steadily being squeezed out by the work of the state. The result is that today, the character of our society - and indeed the character of some people themselves, as actors in society - is changing. There is less expectation to take responsibility, to work, to stand by the mother of your child, to achieve, to engage with your local community, to keep your neighbourhood clean, to respect other people and their property, to use your own discretion and judgment.

All of this was because ‘state control’ had replaced ‘moral choice and personal responsibility’. Where once there was a sense of ‘obligation and duty’, now: ‘What has come to matter most is not our place in wider society, but our own personal journey and our right to pursue our own happiness regardless of others around us ... The paradox at the heart of big government is that by taking power and responsibility away from the individual, it has only served to individuate them’.

Cameron’s is a fairly well-developed argument about the nature of the current crisis facing Britain, and its resolution. It names the crisis as moral, as consisting of a selfish form of individualism, because of which people refuse to take responsibility for themselves, each other or their society. But his analysis of the sources of this selfishness focuses on the deleterious effects of the social-democratic state upon self-reliance. Other causes are downplayed - for example the traditionalist Tory view that selfishness is a by-product of ‘the sixties’ (a clear element of Blond’s argument and one source of Tory interest in ‘pro-marriage’ tax policies, but only hinted at by Cameron with phrases such as ‘our personal journey’). Causes to which the left might draw attention, including the effects of neoliberal competitiveness and inequality, are of course ignored. Naming the nanny state as responsible for so much of our moral malaise enables the

The broken society versus the social recession

Cameronite argument to recruit the ‘Clarksonite’ critics and their fantasy of totalitarian health and safety officers (a fantasy which allows them to imagine themselves true men and truly rugged individuals, asserting themselves against a feminine state every time they drive their car a little bit too fast).

The remedy that follows from all this is the returning of power to people, the rolling back of the state, and what Cameron calls a ‘rolling forward of society’. Government, he says, must ‘create the avenues through which responsibility and opportunity can develop ... actively helping to create the big society; directly agitating for, catalysing and galvanising social renewal’. This part of the argument can then appeal to the wonkish advocates of ‘double devolution’, community power, social entrepreneurship and civic responsibility. Cameron has thus far failed to articulate this unified conception to the public at large, but he has made great efforts to pitch it to the broad-based political class that he hopes will sanction his claim to rule before a passive electorate.

The social recession

In the competition to name our crisis, the primary rival to the concept of the ‘broken society’ is that of ‘social recession’ which entered into the British political vocabulary in the first Compass ‘Programme for Renewal’ report, *The Good Society*. It is used to refer to a range of pathologies indicative of a decline in the quality of social relationships and social solidarity. For instance, for Jonathan Rutherford a key indication of our crisis is the increasingly poor mental health of children and adolescents. Stress, depression, bullying and violence, he argues, originate in a collapse of both families and wider social networks, and are part of a culture of aggressive (because defensive and nervous) individualism. But in contrast to the theorists of the broken society, analysts of the social recession see that the cause of all this is not the intrusive state but the intrusive economy. ‘Economic resources are no longer just machines and what is dug out of the ground, but the thinking, imagination and feelings of individuals’, writes Rutherford of the ‘knowledge’ or ‘creative’ economy; ‘cultural’ capitalism ‘is extending commodification into the personal and emotional life of individuals’.⁸ In work we are permanently appraised and assessed and facilitated to align our values and aspirations with those of our employer. Out of work we are exhorted to be active consumers, replacing social

Soundings

activities that might give us orientation and meaning with another form of economic activity: shopping. This is emphasised by Neal Lawson when he argues that ‘turbo-consumerism’ has come to dominate not only our economy but our public and private life.⁹ For Lawson, consumerism (as well as the debt it demands we build up) contributes to a more general hollowing out of society, and to the intensification of a culture of atomised individuals defined by what they choose to buy. As a result, inequalities and insecurities have become ever more intense, and individual competition has supplanted social solidarity. Crucially, for Lawson, this situation hinders the very forms of politics most needed if we are to address our economic and political crises. As Zygmunt Bauman has argued, neoliberal politics encourages individuals ‘to devise individual solutions to socially generated problems, and to do it individually, using their own skills and individually possessed assets’. That in turn puts people into competition with each other and makes communal solidarity seem ‘irrelevant if not downright counter-productive’.¹⁰

For Compass, then, Britain’s crisis is social: we have undermined the public realm of trust and responsibility, replacing it with the self-interest of economic activity. This has deleterious effects on individuals, both directly - because we become riddled with anxiety about keeping up and keeping in the game - and indirectly - because of the personal debt and overworking needed to sustain the consumerist behemoth. The argument can then be extended to the economic crisis, in emphasising the extent to which the banking crisis was the outcome of individualised and anti-social greed, with people acting without concern for the wider, public, ramifications of their behaviour; and also to the political crisis, in that our politics has been reduced to a kind of retail competition for the votes of individuals, squeezing aside once vibrant domains of collective interaction, reflection and participation. Compass has developed this analysis consistently and over a period of time, and given it activist embodiment in campaigns, for instance against the commercialisation of childhood, and for a public and non-commercial post-office that would provide new forms of social banking.¹¹

The broken society and the social recession compared

What is at first most interesting about the theses of the ‘social recession’ and of the ‘broken society’ is the extent to which they appear to converge: a section

The broken society versus the social recession

of the British left and of the British right agree that a central issue facing our country is the growth of a form of asocial or even anti-social individualism that has left our common spaces denuded; that the individualism of uniqueness and eccentricity championed by J.S Mill has been supplanted by a selfish and acquisitive individualism that perceives the world as nothing more than a series of opportunities for self-satisfaction. But this is a convergence in appearances only. In their origin and spirit the two could not be further apart. The Conservative thesis finds selfish individualism to be a product of a rights-based culture, and of the erosion of responsibility by the state. The social recession thesis finds it to be the moral product of neoliberal economic utilitarianism. And, for these reasons, the remedies they propose are also quite different.

The Cameronite response to the erosion of responsibility is actually rather contradictory. It is no surprise to find a call for withdrawal of the state from various areas in order to make way for the vibrant energies of voluntary society: instead of state schools, parents should found their own; instead of 'state-driven multiculturalism', power should be devolved to local communities and smaller community groups supported; instead of a home-office-led crime strategy there should be directly elected police commissioners. But Cameron does not think that 'pro-social behaviours' will simply reappear where the state withdraws - and he was clear about this in his Hugo Young lecture. Government has a role in stimulating such behaviour: 'We want the state to act as an instrument for helping to create a strong society ... we understand that the big society is not just going to spring to life on its own: we need strong and concerted government action to make it happen. We need to use the state to remake society'.

For Cameron that translates into the promotion of social entrepreneurs and the provision of training for community activists. But also, if somewhat more nebulously, it means facilitating the presence of social norms - through such means as the proposed national citizens service, but also through policies informed by behavioural psychology and economics, such as those promoted by Thaler and Sunstein.¹² It is in this that Cameronism is most the heir to Blairism. For both, policy problems are identified as deriving from the poor or deviant behaviours of individuals. 'Behaviour change' is thus a legitimate goal of government. The Tories perceive themselves as different from new Labour in that they will not seek to make up for poor behaviours with state action but rather, encourage better

Soundings

ones indirectly. But just this kind of behaviourist psychology and economics has been at the heart of much of new Labour's incentives-based approach to welfare and public service reform. More broadly, within current British political culture, strategies for engendering behaviour change are the meat and drink of the more fashionable think-tanks, which have responded to the evident limitations of rational and public choice models of behaviour by expanding their reach into the evolutionary and neurological sciences, the better to refine the tools of societal micromanagement.

Where the thesis of the broken society starts from the proposition that people's behaviour is somehow going wrong, the implication of the Compass analysis is quite the opposite: in acting as selfish individuals, in promoting short-term satisfaction over longer-term progress, people are not in any way deviating from, or failing to live up to, a social norm. They are behaving exactly in accordance with the social norms that dominate contemporary society. For Compass, selfish individualism has not arisen because of an accident or an oversight: it is the demanded outcome of the forms of social and economic organisation that have been promoted by political and economic elites over the last two decades; it is not the absence of values that is the problem but their content. Consequently, for Compass, the necessary response to the crises we face certainly involves changes in behaviour (what meaningful politics does not propose changes to behaviour?). But these cannot be engendered surreptitiously, and cannot be targeted at just a few people: acquisitive individualism is not a trait confined to those on benefits, but is central to the behaviours of the elites whose actions precipitated the financial crisis. For Compass, the biggest mistake of both Blairism and Cameronism is to analyse the behaviour of individuals as if they were unaffected by the wider cultural economy around them. If we are to criticise parents for letting their children watch too much rubbish on television, should we not also criticise the people who make and market the rubbish to them? If we are to criticise the people who choose to follow a diet that makes them overweight, lazy and ill, should we not also criticise those who make and aggressively market junk foods to them? And if we are to criticise people for mismanaging their personal finances and defaulting on their debt repayments, must we not also criticise those who sold those loans, purchased that debt, and repackaged and resold it in search of an increase in (apparent) quarterly returns?

The broken society versus the social recession

The causes of the crash

The chaos of global credit markets that has put us into a prolonged recession has many sources: technology, greed and panic, and the structural necessity of ever-increasing profits. It is also an expression of a profound intellectual failure. As *Financial Times* journalist Gillian Tett concludes in her detailed and even-handed account of the rise and fall of the credit derivatives markets, 'the finance world's lack of interest in wider social matters cuts to the very heart of what has gone wrong'. The thinking of regulators, bankers, politicians and investors came to be dominated by narrow assumptions about the workings of the market and the behaviour of investors, and complex mathematical models were treated as if they were infallible guides to actual human behaviour. Thinking failed to be holistic, and financiers, Tett writes, 'have come to regard banking as ... detached from the rest of society ... They have become like the inhabitants of Plato's cave who could see only the shadows of outside reality flickering on the walls but rarely encountered that reality themselves. The chain that linked a synthetic CDO of ABS, say, with a "real" person was so convoluted it was almost impossible for anybody to fit that into a simple cognitive map'.¹³

The intellectual tradition of the left has a way of talking about this sort of phenomenon, in which actors engaged in buying and selling are disabled from seeing the social relationships implicated in their own actions: we used to call it the 'commodity fetish' - the imagining of real life in lifeless things, as if the products of human labour and activity could get up and walk unaided. This illusion is a pathology that is intrinsic to capitalism as a social formation. Investment bankers substituted the representation of things for things themselves; they came to act as if debt obligations, commercial paper, credit derivatives and securities had an existence, and followed laws, that were independent of the people whose labour, production and consumption made them possible in the first place. And they became blind to the broader, social, impact of their own decisions, narrowing their goals to the single one of increasing returns for themselves and their banks, while neglecting the common context in which their trading took place and which made it at all possible. As such, the credit crisis is just another manifestation of a crisis of commodification, brought about by the elevation of the market, from its status as one domain of action among others to that of becoming the central organising principle of society as a whole.

Soundings

That is why Compass proposes an active policy of decommodification: supporting the maintenance of spheres that are not dominated by exchange value (including public services and the public realm more generally); keeping spaces for the social within commercial organisations - for example by workplace measures that recognise the social nature of work and workers, as well their function as producers of value. Where the Cameronites reduce the social to family, voluntary organisations and the church, Compass recognises that our lives are part of a more complex web of relationships which the state can and must seek to protect from those who would exploit them for short-term gain.

Conclusion

The thesis of the 'broken society' and the analysis of the 'social recession' may seem similar but in fact they are radically different ways of trying to understand and move on from 'the crash'. The Tory thesis is motivated by a knee-jerk rejection of social democracy and welfarism, to which is added a fantasy about a suppressed 'social responsibility'. This leads to an incoherent advocacy of intensified state intervention to induce the kind of socially responsible behaviours that will obviate state intervention. In short, the thesis of the broken society is a form of ideological dogma and prejudice, applied independently of any analysis of what has actually gone wrong.

By contrast, the analysis of the social recession derives from a description of the real conditions in which we live. We are today far more dependent on each other than at any time in human history. Our social and economic order is a complex division of labour in which the provider of any one good or service is necessarily reliant on the providers of many others, and in which all rely on a common framework, not only of laws and regulations but also of the public goods that enable the whole thing to function. But we have allowed wealth and power to accumulate excessively in one part of that arrangement, enabling a minority to ignore the common framework, to avoid the laws and regulations by which the rest of us live, and to cut themselves off from supporting the public goods on which they too rely. If our society is broken then it is at the top, not the bottom, that the damage is concentrated. Furthermore, the minority at the top has sought to dominate social and economic life to its own advantage and to make public goods into sources of

The broken society versus the social recession

more private wealth for itself. In so doing it has declared the common framework a hindrance and an unjust restriction on freedom. The outcome has been an erosion of the social culture and institutions within which human beings can truly flourish. In the name of private wealth we have reduced investment in the public good: the result is a recession of the social that leaves us ill-equipped to face the mammoth collective challenges that are upon us: the economy, the environment, education, cultural pluralism and so on.

These are facts about which the progressive left must be clear and which we should express with all the certainty and self-confidence with which the neoliberal and libertarian has asserted an isolationist fantasy. The crisis we face is the outcome of that fantasy, the articulation of which legitimated the self-interested accumulation of vast wealth and power by a very few people, who then expected the very same public realm they refused to support to make good on their inadequacy. The only alternative is to invest (time and energy as well as money) in repairing and rebuilding a public realm that is protected from those who would reduce it to just another commodity. These truths should be at the heart of our politics ‘after the crash’.

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Notes

1. See John Clarke, ‘What crisis is this?’, *Soundings*, 43.
2. On ‘social recession’, see for instance: Neal Lawson, ‘New Labour has presided over a social recession’, *Guardian*, 22.2.07; Jonathan Rutherford, *Capitalism and Social Recession*, Compass 2008 (available on www.compassonline.org.uk/); Jon Cruddas and Jonathan Rutherford, ‘The time has come for a new socialism’, *Independent*, 1.4.09. On ‘the broken society’, see: Toby Helm, ‘David Cameron Vows to Mend “Broken Society”’, *Daily Telegraph*,

Soundings

25.8.07; and the series of 'Breakdown Britain' reports produced by Iain Duncan Smith's Centre for Social Justice, available at www.centreforsocialjustice.org.uk.

3. See Alan Finlayson, 'From Economic Revolution to Social Revolution: An Interview with Oliver Letwin', *Soundings*, 40; an edited version can be viewed online at www.lwbooks.co.uk/ReadingRoom/public/letwin.html.

4. See Social Justice Policy Group, *Breakthrough Britain: Ending the Costs of Social Breakdown*, Centre for Social Justice 2007, p5 (available from www.centreforsocialjustice.org.uk/).

5. See Philip Blond, 'The Future of Conservatism', Speech launching ResPublica, 2009, available at www.respublica.org.uk/.

6. David Cameron, 'Putting Britain Back on Her Feet', Speech to Conservative Party Conference, 8.10.09, available at: www.conservatives.com/News/Speeches/2009/.

7. For an early explication of the centrality of this theme of responsibility see my article 'Making Sense of David Cameron', *Public Policy Research*, 14, 1, March-May, 2007.

8. Rutherford, *Capitalism and Social Recession*, p. 1.

9. Neal Lawson, *All Consuming*, Penguin 2009.

10. Zygmunt Bauman, 2008 *The Absence of Society*, p4: www.jrf.org.uk/publications/absence-society.

11. See Zoe Williams, *The Commercialisation of Childhood*, Compass 2006; Neal Lawson, *Modernisation By Consent: A Royal Mail for Everyone*, Compass 2009 (both available at www.compassonline.org.uk).

12. See Richard Thaler and Cass Sunstein, *Nudge: Improving Decisions About Health, Wealth, And Happiness*, Yale University Press 2008.

13. Gillian Tett, *Fool's Gold: how unrestrained greed corrupted a dream, shattered global markets and unleashed a catastrophe*, Little Brown 2009, pp298-99.