A growing discontent: class and generation under neoliberalism

Ben Little

The problems of young people are a direct result of the emerging new class settlement.

Three stories

Angry - but at what?

thump, thump … thump, thump, THUD

It's 1 am, and that's the noise of my upstairs neighbour in Mile End, Jack, banging on my ceiling with an unidentified heavy object. He thinks he's being kept awake by the sound of the extractor fan in our bathroom that's linked to the light switch, but we've brushed our teeth in the dark for some six months now. This time, I'm fairly certain the noise is from the spin cycle on the new neighbour's washing machine. They work unsocial hours and haven't cottoned on to the fact that their appliance shakes the entire building.

In my encounters with Jack, a professional in his late twenties and from a relatively wealthy background, it's slowly dawned on me that his anger is representative of a broad social trend. His territoriality is an expression of lost privilege. He compares the noise our fan makes to that of an audience member at

the proms jingling coins in his pocket or people talking through an opera he went to on holiday ('I just listen to Radio 3 now, I can't bear it', he says). He is cultured, and he expects to sleep blissfully ignorant of his neighbours' night-time sorties to the loo.

Jack's sleep-deprived rage may be directed at me, but what he's really angry about is beginning his adult life, making a home and starting a family in material conditions that are unacceptable given the standards he's been acculturated to expect. Specifically, his class-based expectations of privacy are not being met. It's a rage I admit I've felt myself at times, although I've tended to direct it at landlords and profiteering estate agents.

In the 1970s and 1980s, middle-class, young parents in London could mostly afford to buy whole houses or live closer to the centre, and if they were renting would expect their money to go a long way. Probably around half of Jack and his partner's salaries will go on rent and bills, making saving to buy a house difficult, and currently that's money spent on a flat in which he can't even get a good night's sleep. The five-apartment building we both live in was a house converted at the start of what has become the long house price boom since the recession of the early 1990s, shortly before the 1997 laws on soundproofing were introduced. The whole building is probably only slightly larger in size than the house Jack was brought up in.

Jack's frustration is shared by many young, normatively successful people across the country. It is an expression of collapsing middle-class 'entitlements' - that you can do everything right, work hard, get good grades, land the right job and still not get the disposable income, job security, pension or, yes, housing that you benchmark against your parents experience as 'doing ok'.

Much has been written about the decline in prosperity and security of the global North's young middle class, in Europe known as the 1000€ generation. In places like Italy, Spain, Portugal and above all Greece, the crisis hitting young people, and increasingly not so young people (this is a problem that was already emerging before the economic crisis of 2008), is unprecedented. Across the western world, there is a collective double-take happening for those born since roughly 1980, as the comforts of life once taken for granted in a 'developed' nation become difficult to obtain and competitively rationed. On current socio-economic trajectories, it seems likely that this is increasingly going to become the reality in most places in the world.[1]

So Jack's complaint is of an increasingly common kind, and signals something

in the wider shifts that are going on in our society under neoliberalism. The middle class - which grew rapidly in the second half of the last century - are now seeing living standards fall precipitously in significant ways. In the UK, many of us may have iPhones to tuck us up in bed, but the use of house price increases to buy the votes of our parents' generation through inflating their paper wealth has hidden a political shift in favour of the richest that is sucking economic life from the middle classes. And because this new political and economic order is partly disguised by being played out in generational terms, many people in Jack's situation are confused about who to blame for their financial insecurity and declining social status.

Fear and loathing in Tottenham

> Yeah, I went to the EMA protests. That was hippy shit, fun and all, but the summer riots … Now that was political! Everyone gets hung up on the looting, but the real reason for the riots was taking back the spaces we've been pushed out of by the cops and society.

This is one of my first-year students talking about her experience of political activism. Every year at the North London university where I teach, I run a session for first-years on participatory democracy, in which we simulate the democratic process through a large group structure. It doesn't always go as planned. Usually they come up with something suitably well-meaning, but a couple of years ago, students decided through respectably democratic means that the biggest issue facing the planet was poverty and the best way to solve it was to cut taxes for the rich as that would incentivise people to work harder. Neoliberal values sometimes run deep.

This year, one group began a quite remarkable conversation - a very intense debate about the nature of political activism in their peer group. There was a back and forth going on, with students from non-traditional higher education backgrounds for once challenging those who were more comfortable in a university environment. The non-traditional students saw the protests over tuition fees and EMA as a waste of time: they hadn't really achieved anything and had left the protestors vulnerable to the police. On the other hand, the more working-class students insisted that the wave of summer riots of 2011 that started in Tottenham had been a form of protest connected to where the participants actually lived, while the more middle-class students condemned them. They saw the riots as challenging

the police, who were seen as the key source of their oppression (largely through 'stop and search' and other racist and age discriminatory practices); the police were seen as making it clear that young (usually black) people were not welcome in public spaces.

Not all agreed on these points, but the conversation then became broader. Students discussed how as young people generally they were treated with suspicion and fear in shops and on street corners; how the places they used to go for leisure as teenagers had been closed down; and how many felt alienated, not from politics as such, but from society as a whole. What was also interesting about this discussion was that it resonated not just with the students from British backgrounds but throughout the group, gaining nods of agreement from the international students.

Talk quickly turned to uncertain job prospects and an intense anxiety about their future. From that conversation it would seem that our society has increasingly little to offer young people apart from disdain and fear. We are not investing enough in their futures or easing their transitions into adulthood. Instead we are heaping them with debt and telling them that any failure is their own fault. This is, of course, in interesting contradiction to a media culture that still retains a certain fascination with youth as a commodifiable cultural goal - as promoted, for example, by makeover TV and both women's and men's magazines.

Working-class young people like my students and their friends are at the sharp end of neoliberalism. Unlike Jack, many of my students don't have high expectations in terms of housing and quietude, although some do fantasise about a secure middle-class life. They are the first year-cohort to have had their EMA withdrawn, and the second to pay £9000 fees; and it is possible that they will soon be ineligible for housing benefit until they reach the age of 25, and so will be forced to stay with parents until they get a stable job good enough to pass a landlord's credit check (there were 85 applicants for every graduate job last summer). And for those who leave home there will be no going back if their family relies on housing benefit - it will be sink or swim, as the bedroom tax ensures that holding a spare room in a family home is no longer an option. Meanwhile my students talked of friends who had not made it to university and were in the main having an even tougher time, with fewer prospects.

What these young people need is support, clear pathways into adulthood and jobs - or, at the very least, a change in the way in which we structure their expectations, if those life transitions are no longer to happen in the way in which

they used to. The move from education into employment, regardless of the age or qualification level at which it is made, must be as central to our politics as schooling or retirement, and given as much support and attention. Instead our culture treats young adults as social pariahs and tells them it's their fault that they can't get jobs or off benefits, focusing on the examples of the successful few to suggest the inadequacy of the rest.

Weightless millionaires

Between 2:31 pm and 2:51 pm on 6 May 2010, the DOW Jones Industrial Average of major US stock prices fell by an astonishing 998 points (approximately 9 per cent), its largest every same-day point decline. This drop, subsequently known as the Flash Crash, caused a temporary loss of more than US$1 trillion in market value, with some major stocks falling briefly to $.01 per share. Prices rebounded quickly, and the loss in market value was regained in the following days. One of the causes behind the Flash Crash is now believed to be high-frequency trading (HFT): automated trading by computer programmes that buy and sell stocks in trades that often last only seconds.'[2]

Every second, millions of market trades are made across the world by HFT operators. With competency measured in microseconds, virtual brokers and traders exchange commodities, currencies and stocks with the barest of oversight or approval from human beings. Of course, were something to go seriously wrong a frazzled financial services worker could pull the plug on the machines that make them millions, a few pennies at time, but once the programmes had wound down the consequences could be severe for any individual trading company or stock, or - as happened on 6 May 2010 - for the financial markets as a whole.

The microsecond trade has become the timescape of neoliberal capitalism. Time, like any other measure, is a variable that can be used more efficiently in the pursuit of profit, while faith is placed in markets to sort out the social outcome through pricing and competition. To describe neoliberalism as an inhuman system of capital accumulation and conjoint social control may by now be a cliché, but in the context of the new technologies of the financial services, there can be little doubt that humans appear to be increasingly surplus to requirement in the promulgation of capitalism. For the market fundamentalist, the needs and wants of the vast mass of

people have become a problem to be resolved by technocratic means. And given that markets are increasingly regulated by algorithms and a relatively small number of operators, and that it is markets that provide us with economic stability and growth, the function of neoliberal government becomes simply that of providing bread and circuses - with a full belly and distracted mind, we are less likely to rebel.

Meanwhile, the 'weightless millionaires' float away from the rest of society.[3] These are not the bourgeoisie or colonials of previous eras. No longer tied to factory or plantations, they live on exclusive cruise ships such as *The World*, or do circuits from Tax Haven to Tax Haven, in the meantime fiercely protecting their prodigious wealth through modern technology. As the regulation of and extraction of profit from markets becomes automated, they do not need to stand over their wealth in situ, as they used to do when it was bound to productive forces. All this permits the infrastructure of elite financial governance to lift away from the mass; and where it does need physical space it is concentrated in increasingly exclusive geographic centres - New York, London, Shanghai.

For the neoliberal elites for whom there is no threat of poverty, no fear of hunger, just the relentless drive towards further accumulation, life carries on in an endless present of parties, board meetings and acquisitions. The mega-rich will carry on as usual, finding faster and faster ways to get even richer and ensure that society falls in line to facilitate their ascent - higher and higher, further and further away from the rest of us, less and less responsible for and dutiful to the real economy that their ancestors' wealth once represented. And it becomes apparent that what is going to be left once the elites have floated away, and the pay-offs that once bought mass consent are spent, is drudgery and subsistence for the rest of us.

Generational change and politics

These three sketches give a snapshot of some of the different locations in which a new class settlement is emerging in our society. They indicate some of the keener edges of the social changes that are coming. The working and middle classes will condense, and there will be a sharp drop-off at the bottom - from relative precarity to deep poverty; and there will be increasing social mistrust, with lines being drawn along racial and geographic lines as well through social class. My argument is that this new settlement is manifest in an emerging generational politics produced by the

material effects of neoliberalism on the lives of young people.

Seismic shifts

While neoliberal ideology remains resolutely focused on the short term, forcing our society to occupy a continual present, transnational capital in the material world plans in the long term to ensure that our economies and institutions are shaped according to their interests: among other means through lobbying cartels, media ownership, the purchasing of mass consent through asset giveaways (privatisations of e.g. council housing) and the discipline of defeatist rhetoric (There Is No Alternative). Over the last thirty years there has been a set of fundamental changes that have reshaped society in the long-term interests of capital, as we have argued elsewhere in this manifesto.[4] Indeed this process has accelerated since the 2008 economic crash: what has happened subsequently has deepened the settlement of affairs in favour of the wealthiest. As Neal Curtis argues:

> In effect the crisis in private speculation was dealt with by transferring the problem to the public sector and creating a crisis of government spending. The tightening of the public purse strings, justified as necessary 'austerity', is the chief mechanism for protecting the private wealth that has functioned under these circumstances, while the increased need to involve the private sector in works the state can no longer afford to carry out offers new opportunities for that private wealth to increase and a means for temporarily solving problems caused by the current 'spatiotemporal dynamics of capital accumulation'.[5]

The social democratic settlement is being undone, and the results of its undoing are frequently experienced in generational terms. It is mostly preserved for those who grew up within it and would not countenance the withdrawal of benefits - such as pensions or free health and education - that they see as a right; but it is being dismantled for those who are too young to have understood their dependence on it, and who are consistently told that the welfare state permits freeloading and endorses laziness. The longer term shifts are reflected in the life experiences of generations.[6]

Ken Roberts (after Karl Mannheim) argues that a truly 'new' generation is not something that happens automatically over time. A new generation only emerges when there is a major social, cultural or economic shift. For Roberts the last forty years have been dominated by the post-war 'baby-boomer' generation, who have had a common set of values and life experiences. Although these were contested within that generation, the broader terrain of debate was agreed, with a widely accepted assumption that there would be increasing plenty and a greater liberalisation of society, and the key question being how to divide the spoils. Those assumptions no longer hold. As Roberts argues, if socio-economic and cultural changes take place through developmental or evolutionary processes, young people's life-stage problems will be basically similar to - and can be addressed in the same basic ways - as those of the previous generation: 'Governments need simply to update and refresh their youth policies'. But:

> Transformative changes, in contrast, require wholly new thinking by the vanguard members of new generations themselves, and also by governments. Wholly new minds, and maybe new political movements and parties may be required.[7]

What sort of generational politics?

Generational politics as I originally saw it was about mobilising young people to engage and participate in politics, both electoral and otherwise.[8] I wanted to demonstrate that their disengagement in political processes had an impact on their lives: the baby-boomer generations and those older than them (and particularly those in the middle classes), as the biggest age-based voting blocks in the country, had been largely cushioned from the worst impacts of austerity and its concurrent structural changes. This can still be seen clearly in the UK where the coalition government have pledged to increase pensions while threatening to withdraw most benefits from young people under the age of 25.

As originally formulated, this was certainly not a 'hate your parents' rhetoric (although that rhetoric has been used by others to divide and distract from the real issues); it was a recognition that an unequal social order is being constructed along generational lines by paying off baby-boomers and exposing young people to the hard realities of a re-organised economy. This is not a wealth transfer from young

to old, or a neglect of the interests of the young simply because they don't vote: it is part of a strategic restructuring of how our economy and society work in favour of capital, focusing its efforts on the weakest points of resistance - which include the economy's newest and most vulnerable entrants.

This is the context in which the idea of generation has emerged as a political space in the UK. It is often presented as a straightforward battle between the generations for resources. George Osborne and Nick Clegg have deployed the idea to justify austerity, while Ed Miliband has conjured a 'British promise' of generational progress. On all sides there is a clear sense that generation has emerged as an idea. But too often these complex socio-political changes are rehearsed through the reductive narrative that young people's parents are robbing them of their future, and are coupled with already existing policy positions. Tory politicians frequently draw on this rhetoric to justify a programme that deepens inequality and retrenches the state. Osborne stated in 2011 that: 'we have always understood that the greatest unfairness was loading debts onto our children that our generation didn't have the courage to tackle ourselves'; and in January 2014, once more asserting the need for deepening austerity, he asked: 'Do we say "the worst is over, back we go to our bad habits of borrowing and spending and living beyond our means and let the next generation pay the bill?"'.

Just as Thatcher famously asserted that the family is the only recognisable collective beyond the individual, so this narrative also domesticates broad social problems to the sphere of intra-family conflict, and thereby reduces the political to individual dynastic struggle.

The family metaphor, used often and indiscriminately by politicians - just like the personal anecdote - plays better for reactionary politics than progressive ones. It limits politics to the immediate experience, and to the concept of the individual, assuming no broader structuring forces, and no richer imaginary. Such a view arrests solidarity before it begins and judges complex social phenomena through the sphere of the white British nuclear family. It also masks the withdrawal of state aid through a renewed emphasis on young people depending on family resources to get started on adult life.

To put it another way, once the family metaphor is deployed, responsibility for the political failure of young people is shifted back into families: where the state withdraws, parents can be blamed. Generational politics is here deeply entwined

with class: families that have the resources to ensure their children have an expensive education, internships at prestigious firms and decent housing can look on the relationship they have with their children as decent, moral and, importantly, loving and nurturing. Those who can't are encouraged to internalise the results of the failure of an economic system, the ideological withdrawal of state support for their kids, and a deeply unjust educational system and labour market, as being their own responsibility.[9]

Nevertheless, relationships across generations are important to my argument - but not in a way that can be reduced to a rhetorically idealised set of family relations. Families will organise their affairs in a wide variety of different ways; and there is no correct set of behaviours or models of support. It is the breakdown of dialogue between different generations *outside of the family* that is revealing about our current neoliberal settlement. A generational politics is a significant socio-political space precisely because it opens up a conflict over the future, but one that is very much rooted in the present: it asks what responsibilities we have to one other and what we can expect at different stages of our lives. It is a political discussion that poses fundamental questions about our commitments to each other, and how the formal political sphere responds to those commitments.

Stuart Hall and Alan O'Shea argued in their manifesto instalment that common-sense political discourses often seek to hold together contradictory positions.[10] This is true of current debate about the young. Young people, who have suffered disproportionately from the effects of the recession and subsequent cuts, have been simultaneously demonised. This is sometimes indirect: for example they have suffered in the rhetorical assault on welfare payment recipients, given that over a million of them are unemployed. Chavs in popular media are rarely out of their teens. And, as Danny Dorling argued in the *New Statesman* recently, it is young single mothers who will be hit the worst by looming welfare changes.[11] So politicians want to be seen as calling for something to be done for the young, 'to whom we have a responsibility', while in the next sentence they condemn a 'something for nothing' culture, and divide us into skivers and strivers. Very often the unemployed 'skivers' are the same people they were moments before earnestly trying to save.

Moreover, Dorling argues that it's not just young working-class people, benefit recipients or students who have been hit by this assault on the young. Middle-class and even highly-paid professional people - like my neighbour Jack - are also

witnessing a radical, generalised shift in their life expectations. And as young people start to join up the dots that what has been promised is not the same as what's on offer, common stories cohere into a common cause. This has been an incomplete process in the UK, where young people have not come together across classes. But in the actions of the Indignados in Europe, and in the Arab Spring, we can see international manifestations of the power of such mobilisations against the new status quo. In short, there is a starting to emerge a generational identity that has not been seen since the rebellions and revolutions of 1968. The struggle is now to help this emergent identity coalesce into effective political agency.

Many are suspicious however. John Denham, for instance, indicated his wariness about generational politics at a 2013 Labour Party seminar, on the grounds that it could be seen as an attempt to stop people talking about class. He was right, to an extent. For some advocates of a generational politics this is what their claims of a new politics amounts to: 'stop worrying about the poor, it's the young who are getting shafted'. Of course the young are getting far less support from society than they previously were - as seen for example in the imposition of ever increasing student tuition fees, the loss of EMA, the withdrawal of housing benefit, workfare and rising pension ages. But the key thing to remember here is that the impact of these changes, impoverishing and unfair as they are, is substantially more serious if you're young *and* poor; and that middle- and working-class young people are getting poorer. These things are not about intergenerational conflict; they are indicators of a new socio-economic settlement. Class is just as important as it ever was. My argument is that these shifts both justify the formation of, and constitute the bedrock for, a new politics. Or at the very least a new political discussion.

Making connections

Because it articulates something material, and because it is also about class (and clearly also race and gender), this idea of a generational politics is an important tool for understanding the current political moment. That is partly why it has been so contested. But this is not a politics that can work in isolation. When the hard times of today's young people are deployed as some kind of trump card of oppression, it erases a long history of struggle, of people against elites, and ignores the current iniquities suffered by people of all ages. We risk finding ourselves trapped in the

'continuous present' of modernisation, trying always to be new, and so not allowing the formation of the bonds between classes, generations and peoples that will be necessary if we are to argue that, at this moment of turning, we want a new class settlement, and a new set of relations between generations - one that is not couched in the terms that are presently on offer to us. To do this we need to turn the emerging generational politics into a truly intergenerational one.

Neoliberalism has no future as a democratic formation - because as a political project it lacks an imaginary space beyond a blind faith in markets and individuals. This failing, as Wolfgang Streeck points out, means that capitalism will never be able to meet the requirements of democratic governance. It cannot respond to the ordinary needs of different sections of society.

The three stories with which I started this piece give a flavour of where we are now: a society riven by inequality, based on broken promises, and burdened with a reckless and irresponsible elite, who present themselves as technocrats but behave like parasites. But there is hope here too.

If we could bring together a new generational alliance - between the entrepreneurial attitudes that have been so assiduously inculcated in the young, the valorisation of innovation and instinctive anti-authoritarianism of networked individualism and the remaining old left bulwarks against capital accumulation - we could see some very interesting possibilities emerging. Imagine a movement of unions, co-ops and resurgent state agencies taking a co-ordinated stand against capital while also being effective and innovative, and competing with the capitalist economy on its own terms, distributing surpluses in an egalitarian, democratic manner. Instead of sinking into the jaws of vulture funds, as happened with the co-op bank, such a movement could create new investment models based on seeking outcomes that share wealth rather than concentrating it.

After Bit Coin, we could have new financial instruments and currencies that are explicitly designed to enforce ethical practices while enabling expansion of an alternative economy and providing investment opportunities for alternative pensions and insurance. Under a new socio-economic settlement of the left, there would not be a false trade-off between tuition fees and pensions. There would be no need to seek endless growth to ensure continuous profit extraction; nor would governments play off parent against child. Instead, we could build a social order that understands the needs of every life-stage; and that our collective memory is not disposable or

commodifiable nostalgia, but a fundamental defence against exploitation - one that shows that we can flourish in a sustainable economy that looks after the future of the planet, and the young people who will inherit it.

Ben Little is co-editor of *Soundings*.

Notes

1. See *Phillip Brown and Hugh Laude*r, 'The great transformation in the global labour market', *Soundings* 51, summer 2012.

2. R. Savani, 'High-Frequency Trading: The Faster, the Better?', *Intelligent Systems*, *IEEE* , vol 27, no 4, July-Aug 2012.

3. As Deborah Grayson and I described them in 'The National in the Network Society: UK Uncut, the English Defence League and the challenge for social democracy', in Henning Meyer and Jonathan Rutherford (eds), *Building the Good Society: The future of social democracy in Europe*, Palgrave-Macmillan, London 2011.

4. See for example, its framing statement: www.lwbooks.co.uk/journals/soundings/pdfs/manifestoframingstatement.pdf. In the manifesto we have used the notion of conjunctural change to characterise these shifts, and it is clear that conjunctural change will also connect to generational experience.

5. Neal Curtis, 'Thought Bubble: Neoliberalism and the Politics of Knowledge', *New Formations* 80-1, p76.

6. Although there are still, and always have been, shocking examples of pensioner poverty - the post-war settlement was far from perfect.

7. Ken Roberts, 'The end of the long baby-boomer generation', *Journal of Youth Studies*, Vol 15, no 4, 2012.

8. See Ben Little, 'Introduction', in Ben Little (ed), *Radical Future: Politics for the next generation*, Lawrence and Wishart 2010: www.lwbooks.co.uk/ebooks/radicalfuture.html.

9. For more on parenting in an age of austerity see Tracey Jensen, 'Austerity

Parenting, *Soundings* 55, winter 2013.

10. Stuart Hall and Alan O'Shea, 'Common-sense neoliberalism': www.lwbooks.co.uk/journals/soundings/pdfs/Manifesto_commonsense_neoliberalism.pdf

11. Danny Dorling, 'If you are young in Britain today, you are being taken for a ride', *New Statesman*, October 2013: www.newstatesman.com/2013/10/defrauding-young-britain. Tellingly this is perhaps where my argument intersects with Beatrix Campbell's manifesto instalment in mapping how our neoliberal culture puts the squeeze on the most vulnerable, the most in need of support.