

# What Price Justice? The Failures of the Left and the Political Economy of the Future

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## **Abstract:**

This paper addresses three specific problems. First, it describes and explains the growing distance between the political left and the working class. Second, it identifies a myth that has prevented the political left from advancing beyond its present position. This myth, broadly accepted as fact by mainstream politicians across the political spectrum, suggests that the state is financially constrained and can no longer afford traditional social goods and welfare provisions. Third, it suggests the left can move beyond its present pattern of failure and reconnect to the fragmented multi-ethnic working class by adopting a radical new economic approach. We offer a brief introduction to this new economic approach towards the end of the paper.

Key terms: political economy, identity politics, new left, modern monetary theory

### ***The Failure of the Left***

Let's face facts: over the course of the past fifty years, the left has moved seamlessly from defeat to defeat. Together we have somehow managed to manufacture failure when all objective indicators suggested inevitable success. It makes no sense to argue otherwise. The partial political and socioeconomic gains made during the modern era have disappeared into history. Only their shadows remain. In Britain, those born after the neoliberal revolution find it difficult to imagine the 'cradle to grave' welfare provision or the bipartisan political commitment to full employment that lifted the working class out of the desperate and widespread poverty of the pre-war era. Since the election of Thatcher in 1979, and perhaps even earlier than that, the left in Britain has offered the masses precisely nothing.

Many friends and colleagues who resolutely disavow the left's long history of tactical blunders and intellectual wrong turns tell us we are too pessimistic. Apparently, the left has been gathering its strength for the battles that lie ahead. Soon its political parties will make a decisive breakthrough and at last we will see the beginning of neoliberalism's end. We cannot deny that neoliberalism is struggling to sustain itself and that dissatisfaction with the current order is growing and mutating, sometimes in worrying ways. It is possible that a change in direction may soon be upon us. However, throughout our entire adult lives we have listened to similar groups on the left talk of impending breakthroughs and imminent triumph. However, in the midst of all this, neoliberalism has maintained its course. It is now a veteran power, older and more strategically mature than the post-war social democratic settlement. Its resilience in the face of the crises it encountered as it performed its primary task of transferring wealth and power from the social body to the richest 1% of the population (see Picketty, 2014) has allowed it to be a resounding success for the corporate business class it represents.

While capitalism's core logic has remained firmly in place throughout its history, its broad structure has undergone significant changes. These changes have not been forced upon it by antagonistic political groups. Rather, capitalism has changed when it has been expedient for it to do so. Capitalism changes so that it might continue, largely by expanding consumption while it fragments and incorporates potentially antagonistic groups before they harden themselves into a threatening political alliance. It is a remarkably amorphous politico-economic system, constantly alert and responsive to changes in social reality. We might imagine that capitalism will soon collapse under the weight of its own contradictions, or that the incipient socialism of the young will propel us toward a new and just socioeconomic system. However, this dream of an easy victory is kept alive only by underestimating capitalism's ability to adapt and the left's ability to alienate ordinary people. It may be true that a new capitalism will soon be upon us, but capitalism it will be nonetheless, and not necessarily a fairer and gentler version.

The only spectacular success the post-war left has enjoyed is its construction of a mode of near total capitulation in the socioeconomic dimension. But even in that the left failed to achieve true distinction, because for decades all mainstream political parties and social movements were spectacularly successful in resigning themselves to neoliberalism's economic triumph. They sat back as all forms of value were dissolved in the icy waters of egotistical calculation and the well-being of the financial economy was elevated above the well-being of the people and the natural environment upon which we depend. Despite the capitalist economy's inherent tendency to disequilibrium, we were told time and again that sacrifices must be made to restore an enduring equilibrium that had never been experienced. The traditional socialist principle that the economy should be subordinated to the well-being of the people and made to work in their best interests fell out of favour. Now, looking back from our precarious vantage point, this principle appears unworldly and idealistic, out of time and out of step with the cold economic logic that came to dominant politics as the social democratic era withered and died. A new range of cultural concerns have arisen on the left while the traditional commitment to economic justice and inclusion has fallen by the wayside.

Many on the political left in Britain today accept the neoliberal orthodoxy and its negative outcomes. They seek only to advance the interests of minorities within the system as it stands. In this paper, we discuss in detail the left's recent failures. We problematize its liberalisation and its disregard for the economic dimension of everyday life. We claim that the left's liberalisation and disregard for economic justice severed its traditional bond with the multi-ethnic working class. Drawing upon ideas from heterodox economics, we will then offer a few suggestions of how the left in Britain might reattach itself to the scattered remnants of the old proletarian class and seek once again to represent its interests. We will conclude by claiming that the modern monetary system enables future leftist governments to spend in the public interest and create a full employment, high productivity economy that can finally put the nightcap on a zombie neoliberalism that is carrying us closer to the precipice with every passing day.

### ***Disintegration***

If the left is to attract popular support capable of moving Britain beyond neoliberalism, it must renew the narrative of shared interests in a form that is imaginative and clear enough to attract ordinary people and transcend the cultural field that since the 1980s has been fragmented into hostile camps by postmodern liberalism's regressive 'identity politics' (Fraser, 2013a, b; Lilla, 2018; Kuldova, 2018). Such a narrative must be economically literate yet able to inspire individuals to imagine how everyone's lives will be improved. This is not an easy task, but it cannot be shirked.

Since the end of the miners' strike in 1985, the British left has yet to even mildly inconvenience the neoliberal edifice and its principal beneficiaries. Neoliberalism's mobile business oligarchy has successfully waged an unremitting war against a leaderless and culturally fragmented working class. The traditional left's institutions once imposed a degree of ideological coherence across its broad church. It disseminated a message that was clear and attractive to anyone who was willing to question the conservative hegemon and listen: We all, irrespective of our gender, ethnicity, religion or sexual orientation, suffer as a result of elite investors' greed and the unrestricted movement of capital, but if we stand together we can displace our collective enemy, relieve suffering and make genuine progress. These institutions allowed the working class to organise in opposition to the interests of capital, avoid the totalitarian perversion of Stalinism and succeed in effecting concrete improvements to the lives of many millions of working-class Britons.

However, many of these institutions have disappeared entirely from the political stage, or now find themselves in such a decrepit condition they verge on irrelevance. For the moment at least, functioning leftist institutions capable of harnessing popular dissatisfaction to a universal political cause are thin on the ground. Instead, the left's traditional demands for economic stability and inclusion have been replaced by a cacophony of identitarian bickering, which now pervades academia, mass media and social media. As liberal-postmodernist identitarianism convinces the left's self-appointed elite that they are about to uproot the imaginary cultural power structure, its excesses alienate the electoral majority needed to uproot the actual corporate power structure. While some on the left still hope to truncate the economic inequality intrinsic to neoliberalism, they accept the dominance of the business class and ignore the traditional project of class solidarity. Indeed, many mock this project as an anachronism as they throw themselves headlong into capitalism's relentless competitive struggle in the hope of advancing the specific interests of their chosen micro-community. For them, this is now the sole meaning of 'politics', the only game in town.

It is now vital that we are brave enough to acknowledge the depressing truth of our situation. It's clear that throughout the neoliberal age the working class has been in full retreat. The small improvements in identitarian 'tolerance' we have seen on the cultural field – which

translate politically as tactical concessions made by neoliberalism to improve its 'progressive' image and secure its continuity (see Fraser, 2013a, b) – are overshadowed by the horrors that have unfolded on the economic field. Stable and secure industrial jobs have disappeared, to be replaced by highly exploitative, short-term and often quite demeaning jobs in the service sector (see Cederstrom and Fleming, 2012; Lloyd, 2012, 2013). Technology threatens an increasing number of jobs in all sectors of the economy (Yang, 2018). Many of the entitlements won during the post-war era by trade unions and legally enacted by the left's main political parties have been withdrawn, and many of the communities that grew in the shadow of modern industries have broken apart and no longer offer the support and comfort once taken for granted. We can deny all of this – and many of our colleagues on the left often do precisely that – but the facts are there for all to see. In the absence of true opposition, the global business oligarchy has now seized an almost incomprehensible proportion of global wealth (see Hope, 2018). The state, hamstrung by its continued devotion to market ideology and regularly demonised by a left infected with libertarianism, continues to imagine itself incapable of regulating the global oligarchs. The gap between rich and poor is now as wide as it was during the brutal years of industrial restructuring at the beginning of the capitalist project (Picketty, 2014). We are living through an uncanny postmodern variant of the gilded age. Crisis stacks up on top of crisis. In Britain last year well over one million people found themselves hungry and reliant on food banks (Trussell Trust, 2018). A country with the sixth-largest economy in the world, and with over 134 billionaires and 191,000 millionaires in London alone (see Gillet, 2017; ITV.com, 2015), now displays a quite staggering breadth of inequality. The obscene wealth of the transient absentee elite sits alongside the desperate poverty of the socially immobile post-proletariat (see Atkinson, 2017). Where, we might ask, are the political representatives of the struggling and divided masses? Why has there yet to be a concerted attempt to transform this depressing reality? What happened to those who promised to rescue the working class from capitalism's relentless competition, and lead them into a peaceful future free from insecurity, want and exploitation?

In fact, the state we're in is a good deal worse than we have hitherto suggested (see Winlow and Hall 2013). The metaphor 'dark storm clouds gathering on the horizon' is a cliché so apt we can revive it without embarrassment. Financial instability, technological replacement of workers, climate change, resource depletion, mass migration and the rise of ethnocentric nationalism further erode modernity's achievements and cast doubt on the continuity of liberal democracy as a doxic way of life (Eatwell and Goodwin, 2018; Winlow et al, 2018). The neoliberal business class will continue to use the supine mass media to convince us that we cannot live without their acumen and dynamism. The nationalist right is growing in strength as it feeds on the abundant anxiety and anger that permeates areas of permanent recession in the cities and the provinces (Goodhart, 2017). Already they are whipping up ethnic hatred and scapegoating minorities, but while they claim to be defending the nation from instrumental immigrants and extra-national corruption they still promote the socially destructive neoliberal market economy. As the nationalist right prosper the hapless postmodern liberal left aid their cause by promoting toxic identitarian wars and alienating huge swathes of everyday voters (see Winlow et al, 2017).

Only a renewed left can rise to the meet this gargantuan challenge. However, the current political left is in absolute disarray. The left's losing streak throughout the neoliberal era cannot be attributed solely to the ideological power and guile of a powerful, skilled and dedicated adversary. Throughout Europe and the USA, the left's mainstream political parties enacted policies that immiserated large sections of the multi-ethnic working class and enriched the global oligarchy. In Britain, the Labour Party, established to advance the interests of all working people, capitulated to a regressive market fundamentalism that destroyed traditional industries, impoverished and fragmented the working class, and freed the global business class from regulation. In doing so the party gradually alienated its grassroots supporters. Since the election of Neil Kinnock in 1983 the Labour Party has accepted Thatcher's victory in the economic argument. It restricted itself to the task of applying neoliberal principles to grow the

national economy in the unrealistic hope that somehow at some point this would serve the interests of all. Labour politicians followed Hayek in assuming that all state involvement in the economy is counterproductive, and Friedman in assuming that the fundamental objective of economic policy should be to cut state spending, reduce taxation and balance the budget. Their commitment to neoliberal economic logic matched that of their counterparts in the Conservative Party. The Democratic Party in the USA underwent a similar reorientation, as did the Socialist Party in France. All parties justified their capitulation by claiming that it would free the people from the dependencies of the past and ensure progress and prosperity. We can see quite clearly that couching this grim economic programme in the narrative terms of freedom and progress aligned it rather nicely with progressive sociocultural policies around gender, ethnicity and sexuality. Of course, we now know that neoliberalism's adoption of the latter with a spectacular display of mass-mediated piety, enthusiasm and razzamatazz helped to justify the former, but perhaps more importantly it was able to do this without inconveniencing itself. Adopting identity politics cost neoliberalism absolutely nothing in the dimension of political economy, but it profited greatly in the cultural realm as it promoted itself as the champion of minorities and the slayer of regressive tradition's monstrous dragon. Of course, not everyone fell for this, but it convinced enough to remain electorally successful and hold its position as the only game in town.

The neoliberal left told everyone that they should never feel ashamed about competing aggressively for upward social mobility. Only an inadequate work ethic would prevent the individual from rising. The market would give people new technologies, drive new efficiencies and, in time, the lifestyles of all would improve. Neoliberalism's populist ideological project was thus based on a lie by association and a half-truth, both carefully constructed and broadly disseminated; first, surely politicians so keenly involved in progressive cultural policies must also be involved in progressive economic policies; and second, these policies would improve the lives of the whole population. This ideological project succeeded brilliantly by being so near to the truth yet so far.

Neoliberalism has already achieved most of what it set out to achieve. Principally, it has seen off organised mass labour and expanded profit-making opportunities for bankers and investors. It will not simply disintegrate at any moment now because increasing numbers of young, middle-class voters – often mired in personal debt, unable to find a satisfying and reasonably remunerated job and staring downward social mobility in the face – are attracted to the old-school, social democratic politics of Jeremy Corbyn. Neither will it collapse because academic leftists continue to issue their perennial calls for 'social justice' while exposing in ever more graphic detail the genuine harms neoliberalism inflicts on individuals, societies, culture and the environment. To win the support of ordinary men and women who have suffered greatly during the neoliberal era and are now, regrettably, flocking to populist parties on the political right (Winlow et al, 2017, 2018; Goodhart, 2017; Hochschild, 2017), the left must undergo a fundamental transformation. Many voters who have not been exposed to the 'liberalising' effects of doctrinal higher education and have no interest in the claims to moral and cultural superiority relentlessly issued by the established liberal intelligentsia (see Hedges, 2011) have drifted away from the Labour Party. Support has declined significantly in many of the constituencies devastated by deindustrialisation and disinvestment (see for example Goodwin and Heath, 2016; Ford and Goodwin, 2015). Many working-class voters believe the political left is composed of elitist middle-class liberals who look down their noses at the working class and find many of their cultural traits and everyday concerns reactionary and distasteful (see Winlow et al, 2017). For many, the left's principal concerns appear to be cultural tolerance and political correctness. In politics, mass media and academia, the left's traditional concern with the traumas that underemployment and poverty have visited upon the communities of the old proletariat have been overshadowed by the largely middle-class politics of identity. For ordinary people, the left is more concerned with ensuring the free movement of people across borders than providing reasonably stable and remunerated employment; more concerned with increasing the number of women and ethnic minorities on the boards of

large corporations than curtailing the power of those corporations; more concerned with securing equal pay for female broadcasters than boosting public investment to reduce inequality, anxiety and despair. This is the crux of the matter: For many ordinary people today, not only has the left ceased to represent them and their interests, it does not even appear regretful, embarrassed or apologetic about it. Rather, the left is firmly aligned with a neoliberal social, political and economic order that has systematically ignored gradual immiseration and increasing desperation. Twenty years of qualitative research in Britain's old industrial regions (see for example Winlow, 2001; Winlow and Hall, 2006; Hall et al, 2008; Winlow et al, 2018) has for us made it abundantly clear that if the left is to move beyond the injustices of the present and create a new and inclusive economic system, it must fight hard to forge new links with the post-industrial working class. It must stop focusing solely upon minorities and first and foremost seek to represent and improve the lives of all those in insecure socioeconomic positions. If the left cannot do this, if it refuses to construct an appealing economic narrative and leaves ordinary people feeling forgotten and unrepresented, then many will continue to drift to the far right (see Winlow et al, 2017, 2018). The political battles of the future will hinge on this issue: who will capture the hearts of an increasingly insecure, angry and animated working class? If the left fails, catastrophe awaits.

### ***We are all zombies now***

Happy to occupy the moral high ground and indulge themselves in a constant iconoclastic critique of every cultural meaning, practice or value they deem obsolete or regressive, today's left has no intention of actually taking power and using it to make a better world (see Holloway, 2010). Deracinating cultural history, virtue-signalling, anti-authoritarian posturing, calling out stigmatising media discourses and removing discriminatory practices represent the limit of their ambitions. These goals vary widely in their laudability, but too often they appear as a loose set of cultural objectives that has replaced the traditional commitment to economic inclusion and equality. Many leftist academics now seem disinterested in the evolution of capitalism and the present state of global political economy. They have lost interest in the grubby business of production, consumption and exchange at the very time when its tumultuous upheavals are causing the most severe damage. When pressed to comment on economic matters, they tend to argue that the state must combat tax avoidance to increase its revenues. These tax revenues, they claim, should be used to bolster our ailing welfare state and then perhaps boost employment in 'green' industries. As we will see in the pages ahead, such strategies are ill-informed, out of date and totally inadequate.

The economic policies of culturally-fixated leftist political parties have not kept pace with the rapidly evolving global economy, and neither have they consulted the best new academic theories and research produced in economics and social sciences. Even the most radical leftist parties in Europe tend to go no further than the 'tax and spend' limit imposed by social democrats in the sixties and seventies. This must be transcended. Policy tools are available that can assist us to build a post-neoliberal order in which the injustices of the present are entirely absent and the economy functions to address the needs of the people. We will return to this vital issue in a moment.

The financial crisis in 2008 signalled the end of a specific economic stage of neoliberalism. The years of using quite ruthless national and supranational institutions to restructure the world as a playground for free markets and speculators without any grave systemic setbacks were at an end. For a moment history gestured that it might reengage its dialectic and move in a different direction (see Winlow et al, 2015). However, the left beyond Blairism – fixated on minority cultural issues, politically inept, unpopular and largely economically illiterate – was unable to take advantage of capitalism's weakened condition. The left simply joined everyone else in expressing disgust at the powerful financial sector's greedy denizens, at the same time playing into the bankers' hands by stressing the argument that taxes pay for public spending and unthinkingly confirming their claim that the country needs them more than any other

industry. Even the Conservative Party, by then totally dedicated to advancing the interests of neoliberalism's financial elite, was capable of sensing the popular mood and strategically engaging in a bit of measured banker-bashing. However, this effusive moral critique from across the political spectrum meant absolutely nothing. The neoliberal right is impervious to such attacks no matter where they come from. The financialised global market cannot be shamed, nor can it be rehabilitated through its agents. It can only be controlled or replaced. What was needed was a strident structural critique capable of drawing the attention of ordinary men and women to the operational and consequential realities of neoliberal capitalism's market dogma. The financialised market itself was at fault, and unless significant regulations were enacted by states such crises would happen again and again. However, the mainstream left refused to identify the market as the fundamental cause of the crisis. Many refused to talk about capitalism altogether. The left's political elite quite clearly still had faith in the market. They could look past the widespread suffering caused by the crash to a near future in which the market once again enhanced our prosperity and drove forward our consumer lifestyles. Correction and redemption, as always, are just around the corner.

Ultimately, there was no intellectual cohesion amongst the left because none of its leading lights feel compelled to propose a convincing alternative economic model to the public. The need for that has passed. Instead, the financial market was permitted to limp onwards to the next stage of its development. Put simply, dogmatic neoliberalism strategically dispensed with its ideological garb and presented itself as pure economic pragmatism. Most mainstream economists were sure that the free market had proven itself to be the best means of creating employment and boosting lifestyles. Of course, they were sure of the free market's unrivalled efficiency and organisational capacity because during their philo-Hayekian disciplinary socialisation this point had been stressed repeatedly, and many of their jobs depended upon promulgating neoliberal myths that were themselves built upon the most reductive and simplistic accounts of human subjectivity and decision-making. The elements of Keynesianism that remained active in the mix were those advanced by neo-Keynesians, who were, by and large, interested in diluting Keynes's original work and aligning it with neoclassical first principles, favouring wage flexibility and the gig economy over minimum wage laws and trade union bargaining. Economists, especially those steering the policies of the International Monetary Fund, the World Bank, The European Central Bank and the World Trade Organisation, stated clearly in the months after the crisis that they were willing to use any tool that might function to restore order. For a while that seemed true, but once the economic power of the state had been used to stabilise the financial economy, all key financial institutions returned to their focus on market solutions. The financial crisis had ensured that neoliberalism's principal protagonists would no longer talk openly and enthusiastically about the mysterious wonders of markets, but that no longer mattered. An increased measure of coyness did not prevent the logic of the market continuing to inform their decisions and act as the object of their unconscious commitments. If the financial crisis of 2008 killed neoliberalism, its believers refused to accept its death. Its corpse was quickly reanimated with a massive dose of new money created by central banks – euphemistically renamed 'quantitative easing' to calm the fears of hyper-inflation that, ironically, neoliberalism had always stoked up to manipulate populations – and it stumbled forwards as a zombie to wreak yet further devastation.

On the political field, zombified neoliberalism's principal move was the reinforcement of the Friedmanite injunction to cut state spending. A perfect justification was found: the nation could no longer afford it. Efficiently burying the fact that after the 2008 crisis the UK's central bank created almost a trillion pounds of new currency to bail out banks – it was not injected into the real economy and therefore inflated only the bond markets in the financial economy – the neoliberal economists and politicians declared that the country was broke. The sprawling bureaucracies of the state were expensive and inefficient therefore it made no sense to spend hard-up taxpayers' money on them. Everything that could be cut had to be cut. Neoliberal dogma pushed western populations into the vortex of austerity (see Kelton, 2015).

The personal tragedies caused by austerity, ranging from food banks and riots to increased rates of suicide and mental ill-health, are legion and well-documented (Blythe, 2015, Mendoza, 2015; Lansley and Mack, 2015). However, the political tragedy is that the left was not prepared to take the historic opportunity presented by the 2008 financial crisis. The inherent contradictions of the neoliberal economic model had been laid bare. The media was for a time abuzz with stories of corporate malfeasance, and the mindboggling wealth and greed of the global banking elite inspired considerable popular anger. The long-standing neoliberal drive to deregulate the financial sector had enabled it to construct new financial instruments derived from other assets – hence the ‘derivatives’ market – and sell them to the global investment class. In the run-up to 2008 even cautious investors were distracted from indications of impending structural problems in the financial markets by the promise of high returns. When the market did crash, the vast majority of those who had for many years profited so handsomely from the vagaries of financial markets appeared to walk away entirely unscathed. The punishments dished out by the state to those who had played a role in the catastrophe were shockingly weak. It was ordinary men and women who earn their incomes and pay tax in the real economy who bore the brunt of the catastrophe, and they bear it still. In the weeks following the crash, the state created around £850billion of new money ‘ex nihilo’ to bail out banks judged ‘too big to fail’ (see Grice, 2009). £850billion. It is a sum to take the breath away.

Throughout most of the larger industrialised states of the global north, the regressive and counterproductive politics of austerity followed the 2008 crash. The answer to a problem caused by the speculative excesses of the deregulated free market was to allow the market more room to manoeuvre by ensuring the gradual withdrawal of the state and its welfare systems. There were, of course, notable changes. In the wake of a historic contraction of the financial market, during which there really was a genuine threat that cash machines would be turned off and a financial crisis would precipitate a deep and destructive social crisis (see Darling, 2012), much of the rhetoric about the self-correcting efficiency of markets would have to be wound down. The market would have to be nurtured back to life by a brief but intense burst of state intervention. However, the state intervention that followed the 2008 crisis was unusual because it was geared to resuscitating the deregulated financial market rather than creating full and stable employment or forcing the market to reel in its most predatory and destabilising practices. Instead, new money was created to recapitalise the banking system. Key politicians made it abundantly clear that the state would do everything in its power to return the market to an even keel. Sure, people were suffering and consumer lifestyles across the west were in rapid descent, but the most important thing was to reassure capital that it would see a return on investments. Once the market had stabilised and investment capital had been coaxed from off-shore tax havens, GDP would return to growth, tax returns would increase, business leaders would be happy, and politicians would be able to tell voters that they had fought hard to return the national economy to growth and done so in the interests of all. This time the financial market speculators would handle their volatile derivatives with more care.

One could be forgiven for assuming that the reaction to this disappointing result would be an animated attempt by the left to convince the public that it had on its drawing board at least an adumbrated sketch of an alternative direction. On the contrary, even today, ten years after the crisis, the senior politicians in the Labour Party – the official opposition, no less – are bereft of alternative economic ideas. Not only that, but these politicians and their advisors seem resistant to the idea that alternative ideas should even be on the agenda.

### ***You get what you pay for***

We have already noted that identity politics and virtue-signalling are cheap, a safe political substitute for the economic justice that would cost the business class the earth – quite literally, because they own most of it (see Pearce, 2012). Most politicians are now convinced that no



matter what we decide to do it must be done on the cheap. The tacit suspicion amongst the business class – who are perhaps already unconsciously adjusting to ecological limits – that economies can no longer keep on growing in the sectors that produce traditional high returns is now fuelling new legal and illegal entrepreneurial schemes in the digital economy (Hall and Antonopoulos 2016). For those who rely on their labour rather than rent-seeking or big business profits for their living, the future looks more uncertain than ever. Without a substantive leftist politics to alleviate that uncertainty and the insecurity that is bound to accompany it, the future of politics looks bleaker than ever.

Neoliberalism can continue to deliver cheap imaginings of cultural justice in its competitive circuits for the foreseeable future, playing musical chairs with those amongst the identitarian groups who manage to keep a fingerhold on the economy as the economically discarded sink further down. But in this age of incorporation, where will the impetus for a substantive form of social justice come from? DeValve et al. (2018) speak of love as the basis of justice. At least, as a principle, love is far more substantive than tolerance, a concept that essentially means putting up with things you don't much care for (see Badiou, 2013). So many of our songs are about love. The regularity with which we keep on singing about it would suggest that in its personal romantic form it is one of our timeless primal yearnings. Tolerance pales by comparison; we could hazard a guess that 'I will Always Tolerate You' would not have been a hit for Whitney Houston. But in their otherwise interesting text Devalve et al. perform the standard classical liberal manoeuvre of excluding the economy as a field where love can operate with its unmatched heroic, enriching and civilizing outcomes. Playing into classical liberalism's hands like this leads us to an impoverished destination where affective public virtues are not intrinsic to a way of life, but mere fleeting consequences of private vices allowed their head and organised by the market. Exempting the economy as a distinct sphere reproduces the pseudo-pacification process, which has displaced and utilised the finer forms of our affective being and our culture as insulation rather than drive and purpose (Hall, 2012). The economy is too vital and basic to be an exception. If love in the broader unconditional, selfless and social form of *agape* cannot be extended to the economy, talking about it too much seems to be evasive and hypocritical; too long spent talking about abstract ideals as economic reality becomes more unstable and unjust will induce in the public imagination nothing more than suspicion, cynicism and nihilism. The left will continue to be deservedly mocked and outmanoeuvred by the regressive and brutal but more transparent and sincere far right.

The inability to extend *agape* beyond personal relationships and the tribal micro-community has been one of humanity's timeless frustrations (Eagleton, 2008). Early distributive efforts in the chaotic military tribalism of mediaeval Europe failed, as the personal ambition fuelled by rapidly expanding opportunities in the nascent market economy burst through fragile ethical codes (Hall 2012). As far as capitalist investors were concerned, long-term economic projects that sustained communities and provided a degree of security were always an inconvenience; they were financed and maintained only where necessary for production and profit (Hall and Winlow 2003). To cut a very long story short, at this point in neoliberalism's global project – and it was indeed a conscious, intentional project and not a naturally evolved form (see Slobodian, 2018) – the system's logic has compelled us to settle on the socioeconomic principles of short-term profitability and redistributive taxes to pay for social infrastructure and other complex human needs. This makes us dependent on wealth creators in a globally financed system, which, in a partially deindustrialised British economy kept alive by a service industry struggling against austerity, disproportionately increases dependency on the financial system and its taxes. The left can preach love and justice, and indeed work hard to ensure that these ideals are practiced as much as possible in specific institutional settings such as criminal justice or healthcare, but whether such practices can be normalised in the economic engine-room, where competition is relentlessly intensified to meet demand with supply at the right price, is another matter.

Where some have prospered and expanded their parameters of personal freedom, others now live in the wreckage of neoliberal economics (Lansley and Mack, 2015, Seabrook, 2015). The left's political abandonment of the economic base in favour of culture and identity has ensured that robust and effective opposition no longer exists where it is needed. Yet cultural analysis is a sharp tool that could, if combined with increased economic literacy, cut through the mysticism that sustains neoclassical economics' hegemon. For instance, to get straight to the heart of the matter, the foundational myths that sustain neoliberalism as the dominant economic form are based on cultivated misunderstandings of concepts such as money, hyper-inflation, deficits and so on. Let's take money as our primary example here. In large-scale ancient economies, money was never created as an exchangeable representation or store of value of the wealth *already created* by production and trade. No 'barter economies' existed – bartering was reserved for deals with enemies or non-monetised interpersonal micro-interactions. The agents of ancient economies noticed that economies that freely issued credit experienced rapid growth, because of the simple principle that existing goods could be traded for the promise of future labour. Money was thus issued as credit, based on a calculated risk of future economic expansion while its value was stabilised by official nomination as sole currency for payment of government money obligations – fees, fines, and taxes.

Along with the stability of prices, the stability of currency is vital to economic health. At various points across history, money, which functions simply as a record of debits and credits, has been wrongly conflated with the physical medium in which these IOUs were recorded. Since the USA abandoned the gold standard in 1971, most currencies around the world are issued by fiat. Some governments spend and tax in their own fiat currencies, others in foreign fiat currencies. The former either allow their currencies to float freely or adopt a fixed exchange rate. Cash, reserves and treasuries constitute the net money supply, which is used by the banking sector to facilitate settlement payments. Banks are simply private companies franchised by states – initially because of their knowledge of specific local economic conditions and opportunities for growth – to create another layer of money through the issuance of bank credit. This credit should be used first and foremost to grow the real economy, but today lending primarily fuels the FIRE sector (Finance, Insurance, and Real Estate), which is wealth extractive, not wealth creative. This fragile house of cards sits on the back of existing material assets and social infrastructure. Vast profits and payment of substantial taxes (many of which are still evaded or avoided) allow the financial sector to propagate the myth that we are all dependent on its activities.

This way the elite investment class exert disproportionate control over the issuance of money, insisting that credit is created only where it guarantees high returns rather than where it grows sustainable economies reactive to human needs. Today's restricted issue of money by treasury departments for public spending or by central and commercial banks for real economic growth – otherwise known as austerity – is justified by ideological myths of hyper-inflation or the threat of deficits immiserating our children's future. In fact, over-production of money is a *consequence* of hyper-inflation, not the cause. It is triggered by seismic events such as the loss of a war, a collapse in output, brazen corruption, political instability, or removing a peg to a stronger currency. The causal relation between inflation and money growth in stable, productive countries is weak if not absent, a fact that flies in the face of Milton Friedman's claim that inflation is primarily a monetary phenomenon (see De Grauwe and Polan, 2005). The point is that democratic control over the issue of money could shift the balance away from the global finance industry by insisting on more investment in long-term projects, new services, new production centres and new markets that meet social needs, provide real benefits for current and future generations, and comport with ecological sustainability. Demand for goods and services and the ability to use the currency to pay taxes will sustain its extrinsic value, therefore it can be issued to meet all demands and employ all labour *up to a society's productive limit* without causing runaway inflation. Of course, this sort of economic model is not simple to operate and there are many problems to debate. For instance, in a globally dependent economy, currency devaluation could impact badly on a

nation's ability to import materials for production, and centralising such mighty economic power in the hands of national governments and encouraging import substitution could lend support to ethnocentric nationalism (see Mitchell and Fazi, 2017). Our point, however, is that the vital debate on the relationship between new economic models and their potential impacts on societies, cultures and subjectivities is virtually absent throughout academia – even in economics departments (Earle et al. 2017) – mass media and politics.

For us, a debate of such vital importance must become central and ubiquitous. Given the abject failure of command production economies in the past, such as the Soviet Union's Gosplan system, and neoliberalism's slow-motion catastrophe (Dupuy, 2013), a new economic model should be the first item on the left's agenda. There is no space here to discuss the whole spectrum of heterodox economics in detail, but, briefly, to whet the appetite, despite censorship by the dominant neoclassical hegemon in economic thought and little support from the culturally-fixated left, contenders are taking shape in various dark rooms. Firstly, advocates of cryptocurrencies argue that they should replace fiat and credit money. These new digital 'commodities' operate outside of politics and bypass big investors. The hard limit set on these digital coins forces participants to 'mine' them as if they were gold, which, advocates say, should sustain their value and force participants to engage in productive and trading activities. However, many progressive economists see this as the least attractive solution. The value of Bitcoin, for instance, has fluctuated wildly. The basic principle behind the cryptocurrency increases cynicism and suspicion of human institutions while it bolsters blind faith in market participants, what Keynes described as Animal Spirits (see Akerlof and Shiller, 2010). Thus far the cryptocurrency scene has become riddled with criminals' 'dirty money' and a crypto-oligarchy has rapidly arisen from the winners who converted their digital currency back into fiat currency, which they claim to loathe. The statement that libertarian deregulation is the road to justice has up to now sounded rather empty.

A revived perspective based on localism and alternative money is rooted in the principle that local demands should be serviced by local complementary currencies and production, thus energising local economies, especially those abandoned by big finance. However, while the belief that large-scale national money issue and international bank credit disempowers and alienates communities rings true, localism is often accused of merely tinkering at the edges. Economically depressed regions would be very difficult to revive because large corporations would still control all the major markets. A dual money economy would not bring fiat money, the finance industry or the major economic sectors under democratic control – e.g. energy or transport – even though this would be essential for social justice and ecological sustainability.

Reform of the financial system would still present major problems. Softline bank reformers argue for regulation, while hardliners argue for the withdrawal of banks' entitlement to create money. This banking reform movement spans the political spectrum and can encourage points of agreement between otherwise hostile political enemies. The British 'Positive Money' movement, for instance, argues that banks should be bypassed and left to wither on the vine as citizens are allowed to open accounts at a central bank in a democratic, accountable and transparent sovereign money system. This would accommodate localism yet still wrest control from the rentier and financier class and allow lending for low-interest, long-term projects.

While the Positive Money movement furnishes us with many useful insights (see for example Jackson and Dyson, 2013), Modern Monetary Theory (MMT), which is endorsed by some Positive Money advocates, offers a deeper and broader approach that could still be combined with local democratic control. For MMT advocates (see for example Mitchell and Wray, 2016), money is not created through production and trade – the 'veil over barter' myth propagated by advocates of neoclassical microeconomics who simply erase money from their models except as the bogeyman that causes inflation (see Keen, 2017) – but issued as sovereign currency by governments. Like it or not, governments are at the centre of the risk calculations that organise all credit-based economies. The primary function of taxation is to create demand for

the currency, i.e. to have people willing to labour for it and invest in it. Therefore, government spending is not limited by tax revenues, and fiscal deficits allow the non-governmental private sector to net save in the government's currency. *Governments cannot run out of their own sovereign money*, but they are limited by land, materials, labour, and knowledge. If all currency were to be issued for expanding production and services rather than speculation, quantitative easing, share-buy-backs and so on, the increased productive capacity would constantly provide the currency issuer with more breathing (fiscal) space and inflation would remain low. Furthermore, as the Georgists point out, as long as government taxes land values (the rent of location), public and private investments would not be pocketed by rent-seekers as windfall gains.

To cut a very long story short, the unemployment problem can be quite easily solved. The sociological consequences would be enormous. The application of the MMT model could rescue abandoned communities, and fund essential public services and new sustainable green sectors of the economy. A job guarantee programme (see for example Mitchell, 2019), running alongside a welfare system for those unable to work, would not only eliminate unemployment but boost local services in ways that localism could not. It would also raise the wages bar to higher levels, with which private companies would be forced to compete. Of course, there are many problems to discuss, but the point we are making here is that something as vital as an epochal change in the economic model we use to organise our social lives is at present not even on the left's agenda, because it has been locked out of the room by a combination of destructive neoclassical economics and fetishized struggles across intersections of identitarian social power within the system as it stands. This new macroeconomic thinking, imaginative but also grounded and knowledgeable, has been marginalised and denied the space it needs to develop into a coherent political programme that can be taken to the people. A job guarantee programme addresses at root the huge practical problems ordinary people face in providing for themselves and their families. The ideas we have touched on briefly here – and, we must stress, we offer here only a very introductory and truncated account of a growing body of work that demands detailed attention – if they were to be adopted as policy and popularised, offer leftist political parties an opportunity to reconnect with ordinary people in ways that their current 'tax and spend' economic policies and iconoclastic cultural policies do not.

Struggles against discrimination on cultural grounds always lead to pleas for economic inclusion, but in the current neoliberal system the economic inclusion of all citizens is simply impossible. If anything, neoliberalism's ability to provide well-remunerated and secure employment or business opportunities for all has been rapidly diminishing for some time and shows no signs of improving (Yang, 2018). The existence of such obdurate, parlous and deteriorating underlying socioeconomic conditions demands that we defer talking about 'social justice' until we are able to construct the fundamental building blocks of an economic system able to accommodate it.

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