

# *Alternatives to Austerity: What the New Social Movements tell us*

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- Whether austerity is necessary is disputed by economists.<sup>1</sup> Whether austerity policy is based on sound data is disputed. Certainly austerity is disputed *politically*. Though one wouldn't get this impression from studying British party politics. There, the 3 main parties differed only on how fast austerity measures should be introduced.
- Nevertheless, if we look beyond the Westminster bubble, austerity is very much put in question.<sup>2</sup> If we study New Social Movements (NSMs), as my research does, if we study e.g. UKUncut, we find powerful and plausible arguments as to why austerity a) isn't necessary, b) is a *political* choice, one guided by neo-liberal principles of dismantling the state and privatising services – “Ideology dressed up as economics”, as the Ecuadorian President described neoliberalism, c) the idea that “we're all in this together” is falsified by a mass of data on austerity's uneven effects, d) there *are* alternatives, e.g. a Wealth Tax, a Transaction Tax, properly collected Corporation Tax, a ban on tax off-shoring.
- That even the Conservatives, resolute in a deficit-reduction ideology, are considering some of these concessions (witness George Osborne's recent promise to channel banking fines into an extra \$3bn for the NHS and to explore a “Google Tax”) gives a sense of how NSMs like Uncut are slowly winning the political argument.
- However, we need to see proposals such as those of UKUncut as only one of a wide spectrum of responses to austerity. Theirs can be defined as a broadly *Keynesian* response to austerity, by which I mean that the cause of our social and economic problems is taken to be a malfunctioning taxation system and an underfunded welfare state; increasing state expenditure (rather than slashing debt) can return us to the ‘norm’ of economic growth.
- We can then distinguish more radical responses to austerity within the NSMs, such as the ideas of Occupy and the Green Movement. The Green Movement challenges the very goal of returning to growth shared by Keynesians and neo-liberals; it talks instead of a “de-growth” which is itself to be distinguished from simple austerity (this debate is ongoing in groups such as “Resilience” and the “Transition Town” movement).
- More radical still is Occupy, a NSM which – in its various debates and communiques – set out a more fundamental critique of austerity, namely the argument that **austerity is socially-imposed (as opposed to natural) scarcity. Austerity is, for many in Occupy, a deliberate policy designed to shift wealth in quite dramatic fashion from “the 99%” to “the 1%”**. It is an example of what Naomi Klein (2014) calls “the shock doctrine”: economic shocks, such as the crash of 2008, are seen as an

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<sup>1</sup> This very brief position paper draws upon the approaches of political science and political theory. Such a mixed approach brings empirical data (gleaned from newspapers, journal articles and books) together with theoretical reflection (specifically by finding concepts which can explain the data/phenomena under investigation). Whereas political science on its own may seek impartiality (*Wertfreiheit*, to use Weber's famous phrase), a method which draws upon political theory may make values or perspectives (including the author's own) thematic or explicit, the understanding being that some perspectives may illuminate the matter at hand better than others.

<sup>2</sup> Was it a factor in the recent Scottish referendum? Evidence suggests it was and that it is remaining so in the fascinating post-referendum landscape. See e.g. the new SNP leader's first major speech (15.11.14) which effectively offered to prop up Labour in Westminster if Trident is scrapped and austerity dropped.

opportunity to radically redistribute wealth and power from the State to the richest percentiles of the population.<sup>3</sup>

- Writing from an ‘Occupy’ perspective, authors such as Klein and Federici note that, as examples of the shock doctrine, current austerity policies have antecedents, e.g. the policies imposed by the IMF on the Global South from during the 1970s and 1980s in response to the rise of various national independence movements (Federici 2014; Klein 2014). The effect of IMF policies was to tie those countries back into a relation of dependence upon the international financial system. In many cases it stifled independence struggles. If austerity is a *choice* rather than a *necessity* it would be important to explore – along the same lines – why it is being used as a policy in Britain in the wake of the banking crisis. This is one aspect of my own research.
- One possible answer begins to emerge when we consider the way austerity can be used as a means to impose social order. How can an ‘economic’ policy impose social or political order? The answer is that it can do so in various ways and at various ‘scales’. Firstly, on a macro-level, talk of austerity may be used to shore up the ideology that ‘there is no alternative’, i.e. the very denial of what we have seen to be a *choice*. In social policy terms it is linked to the replacement of the idea of ‘social security’ with that of ‘welfare’, stigmatising those on benefits in ways which has serious real-world effects.<sup>4</sup> In economic terms, debt, particularly mortgage debt, ties workers in to a future of labour in a way which the post-war principle of saving (work-first-then-buy) did not (see Federici 2014).
- Secondly on a micro-level, austerity can be seen to operate as a set of norms or practices promoting individual or household self-discipline via thrift (see e.g. Forkert 2014) or by new tests of ‘credit-worthiness’. It can also help to normalise insecurity, e.g. precarious labour and the removal of pension rights (Browne & Susen 2014). At both the micro- and the macro- scale, debt and austerity help ensure a ‘flexible’, i.e. a dependent, compliant and lifelong-working labour force. Combined with the sense that ‘there is no alternative’ a situation is created in which neoliberal policies can – so it is perhaps hoped – be pushed through at reduced political ‘cost’.
- If the above-summarised research holds water then it suggests that post-2008 neoliberalism can be understood as a new form of governance or ‘governmentality’, in Foucault’s sense (Foucault 1991). We should therefore perhaps talk of ‘austerity governance’ or the ‘austerity-form of neoliberal governance’. Again it would be interesting to explore this line of thought further.
- If that were the whole story it would be a rather gloomy conclusion. The antidote to studying attempts to impose governmentality is, of course, to study social resistance. And austerity is ripe for generating resistance because it represents a major challenge

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<sup>3</sup> “Corporate interests have systematically exploited these various forms of crisis to ram through policies that enrich a small elite—by lifting regulations, cutting social spending, and forcing large-scale privatizations of the public sphere. They have also been the excuse for extreme crackdowns on civil liberties and chilling human rights violations.” (Klein, 2014: ‘Introduction: A People’s Shock’)

<sup>4</sup> A Recent YouGov survey for the Daily Mirror (2014) found that:

- Up to 212,000 people have been physically attacked because they’re on benefits
- 6% say their children have been bullied at school because the family gets state aid
- 16% of claimants have been turned down for a home, and
- 11% have even been shunned by their own families

to the narrative of prosperity which traditionally allowed capitalism to mitigate class inequality. The promise of prosperity for all assuaged vast disparities of wealth. Austerity puts this key legitimising narrative of capitalism on shaky ground (Browne & Susen 2014). In a free market, belt-tightening is not supposed to happen.

- Significantly, as with the *critique* of austerity, most *resistance* to austerity policies comes from outside party politics and from within the NSMs. Of particular interest to my research is that the NSMs' offer not just critique but practical *alternatives* to austerity. In what sense?
- If we look at 'post-Occupy politics', i.e. the political landscape influenced by Occupy – in spite of Occupy's apparent dormancy – we see a range of 'prefigurative' experiments set up as alternatives to austerity, e.g. alternative forms of exchange and mutual aid, debt forgiveness programs (like the 'Rolling Jubilee'), not-for-profit forms of education (e.g. 'Student as Producer'). Above all, economic, social, political and educational forms which consciously 'prefigure' a society no longer premised on profit and debt. Of course many questions remain about these experiments, e.g. whether they can be 'scaled-up', as David Harvey puts it (for a critique see Gunn & Wilding 2014). But they are undoubtedly changing the way people 'do' politics (witness the recent upsurge in grassroots political activity in Scotland).
- My own research asks why the turn to alternative social and economic forms often goes hand in hand with commitment to direct democracy and horizontalism. My answer, briefly put, is that such a dual approach challenges neoliberalism at its heart: horizontalism and its background principle of 'mutual recognition' represents the practical negation of neoliberal governmentality.
- The direction I see my research taking might be called 'the critique of the critique of austerity'. It takes inspiration from the prefigurative politics of movements like Occupy. It would involve reflecting on the possibilities for radical economic democracy opened up by anti-austerity social movements and which point beyond merely social-democratic or Keynesian – in essence ameliorative – responses to neo-liberalism. If austerity is the testing-ground for the neoliberal order then anti-austerity movements may be the testing-ground for a wholly new, democratic politics.

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