

The Underclass and Crime: How to Deal With an Economic, Political, and Cultural Disaster?

The local council didn't clean the inscriptions on the Collyhurst war memorial in November. The renovation was suspended after a gang of youths threw bottles and stones at the contractors when they refused to pay "protection money". The workmen considered it unsafe to continue and no replacement contractors were found in time, so the memorial remained in disrepair for the Remembrance Day ceremony. One paper quoted Arthur Peplow, 89, the President of the Royal British Legion in Higher Blackley, Manchester: "If I had my way I would flog these youths. They have no respect, no sense of what is right". Despite not knowing anything more about the youths in question, the tell-tale marks of the underclass in their behaviour – not their circumstance – are unmistakable. Mr Peplow knew what the problem was. They have "no sense of what is right".

The underclass has always been one of those issues which inherently cannot be seen alone; the problems of welfare, crime and poor education reinforce each other. As Charles Murray explained when he first wrote about the British underclass for the *Sunday Times* in 1989, the underclass is not a description of people who are mostly poor, or even very poor. The underclass refers to a type of poverty and a type of behaviour, whose members are defined by the values they hold – their sense of what is right – not their annual income. The underclass is not a symptom of unemployment, which is lower now than in the 1970s when the underclass was barely identifiable. It is not a problem of endemic racism – the British underclass is predominantly white. The problem is cultural. The root cause is a combination of changing philosophical ideas (a convergence with Continental philosophy) and the long-term fundamental decay of conservative ideas and institutions in Britain, including a historically unprecedented collapse of belief in marriage and a consequent epidemic of illegitimacy and unsocialised offspring who, *contra* the expectations of our post-War intelligentsia, have not justified the age-old hope of Rousseau (that the absence of restrictions on humans produces happy peace) but have instead illustrated the truth of Hobbes (that the absence of restrictions on humans produces violence and despair). The consequence of this collapse is welfare dependency, rising violent crime, and an over £100 billion bill, hence this subject is now talked about in Britain – it is becoming too expensive to ignore. Tony Blair's "Respect" agenda and the beginnings of a debate on welfare reform are the first clear sign that concern about the underclass problem has reached all the way to the top.

There exists a large and increasingly violent underclass because Britain suffers from a vicious circle: the collapse of belief in values (of family, marriage, self-responsibility) has now spread from the elites (where it has done philosophical and political damage) to the working classes (where it has done real physical harm). This is what has bred the underclass and the welfare system sustains it. Through the benefits system the welfare state pays the underclass to grow; poor state schooling cannot compensate for the harm caused by broken homes and absent fathers; inadequate policing cannot suppress the symptoms of crime and disorder. The culture of Britain's media is dominated by the university-educated who despise Christianity (but have nothing to replace it), and who both despise and mis-understand markets and the role of economic incentives in social life. This distorts public debate on the causes of the underclass or how the harsh consequences (teenage pregnancy, drug abuse, violent crime) can best be tackled. For a more complete understanding of the underclass, and for any hope of a political strategy to stem the growth of this emblem of modern Britain, it is first necessary to go back to Charles Murray's tell-tale markers, and see what deterioration (if any) has occurred.

Illegitimacy

Unsurprisingly, the decline in marriage as the foundation for raising families continues unabated. In 1993, just over a third – 34.5 per cent – of all births in Britain occurred outside of wedlock, already high by European standards. When Murray looked at the British underclass in 1989, he made a conservative estimate that by 1999, on a linear trend, more than 40 per cent of births would be to single women. He was right. According to the latest figures from the ONS, by 2004, this had grown to 42 per cent (the equivalent US figure was 35 per cent). This is an exceptional

rise. *It is likely on this trend that the majority of all babies produced in Britain in a decade will be born to single or unmarried mothers.* They already are in Wales, and in a host of other places you care to name across Britain: in Sunderland, Newcastle, Manchester, Nottingham, Dundee, Glasgow, Stoke, Norwich, Plymouth, Weymouth and Belfast. In Hartlepool, Blackpool, Liverpool and Lincoln, the illegitimacy rates are already over 60 per cent. Figures also confirm that pregnancy is no longer seen as a trigger for marriage. In 1992, 27,200 girls aged 15-19 were married and by 2003, this had more than halved to just 11,700; this at a time when the birth rate amongst single women under twenty remained stable at roughly 25 per 1,000. A similar pattern has occurred in older age groups. The result is that more babies are being born outside of marriage, and more children are growing up without a stable parental relationship.

The increase in cohabitation makes these figures seem less disastrous than they might otherwise be, but the point about cohabitation is that most examples of successful cohabiting couples are amongst the well-off middle classes who stay unmarried even after having children for ideological or tax reasons – not because the male partner changes every 12 weeks, which is a distinctive trait of the underclass. But why does all this talk of illegitimacy matter? The reason is simple. The evidence has long shown us that teenage pregnancy and illegitimacy is encouraged by welfare, and absent fathers and single mothers damage children's emotional and psychological development, often permanently. Dozens of social science and economic research papers have been published in the US since the 1970s proving these points, including one of the most influential, by Mikhail Bernstam of the Hoover Institution at Stanford in 1988, that showed that childbearing by young unmarried women increased by 6 percent in response to a 10 percent increase in monthly welfare benefits; among blacks, the increase could be as high as 10 percent (Mikhail S. Bernstam, "Malthus and Evolution of the Welfare State: An Essay on the Second Invisible Hand, Parts I and II", Hoover Institution, 1988). While there have been some studies that argue the causality is unclear or there is no net impact overall, there has never been a paper which proves that welfare actually promotes marriage and the maintenance of stable families, nor any that show that children benefit from being born into broken homes. The consensus is that out-of-wedlock birth and growing up in a single-parent family means the child tends to experience retarded cognitive development; lower educational achievement; lower job attainment; increased behaviour and emotional problems; lower impulse control; and retarded social development. Unsurprisingly, such children are far more likely to engage in early sexual activity; have children out of wedlock; be on welfare as adults; and engage in criminal activity.

At its root, the problem of illegitimacy is a product of cultural attitudes that legislation cannot wipe away. But, its growth and entrenchment are legitimised by badly-designed incentive structures, namely the absence of sanctions on young men to behave responsibly and the positive material incentives embodied in welfare for young girls to behave irresponsibly, by choosing to bring a child into the world without a father committed to its care. Because the underclass problem is not just single mothers but absent fathers. The periodic rows over the Child Support Agency's abysmal record in tracking down errant fathers is viewed by the British media as another example of operational failure (a problem of too much bureaucratic inertia and poor leadership) rather than what it really is – a crime of State irresponsibility to match the personal irresponsibility that led the father to abandon his pregnant girlfriend in the first place.

Welfare dependency

The hackneyed example of the overweight teenage mother on a council estate, subsisting entirely on junk food and benefits, is too readily allowed to obscure an even worse problem: a whole class of young males who have left school uneducated and yet have never worked, and more worryingly, who regard work as non-essential to their material existence. The number of young men aged 16-24 who are not employed (classed as both economically inactive and unemployed) is 428,000 according to government figures for 2005. This amounts to roughly a fifth of all young men who are not in some form of full-time education. Those the Government now affectionately classes as NEETs (Not in Employment, Education or Training) are all those non-students categorised as "economically inactive", which alone now stands at around at least 180,000, or roughly 8 per cent of all young men. The problem is worse in Scotland, where one in five young Scots aged 16-24

has never had a job, and one in eight have no qualifications at all. In the Drumchapel district of Glasgow, as many as 38 per cent are economically inactive. The number of Scottish NEETs aged 16-19 rose in 2003 to 35,000.

The unearned income of the jobless underclass consists of the proceeds of crime and the welfare benefits they receive. The dependency culture by its nature is inherently warped and exploitative, and any welfare system is vulnerable to cheating by the dishonest. The well-publicised example is Incapacity Benefit (IB) which has become a new marker for those looking for signs of the underclass in Britain today. The figures for IB remain shocking although it is not a new problem (the long-term unemployed of all ages were shoved onto the IB list in the eighties to disguise high jobless figures). Crucially, the numbers *have not gone down* despite more jobs, a healthier general population and a more benign physical environment as a whole. Official figures show that 2.7 million people in the UK as a whole are on IB, costing the Treasury £12 billion a year. Over 1.9 million people are on IB in England, representing 3.8 per cent of the total population, and in Scotland and Wales the figure is 5.7 and 6.4 per cent respectively. In Wales, this amounts to 185,000 people on IB, out of a population of 2.9 million. In the South East, the proportion of the population on IB is 2.5 per cent. This compares to 6.2 per cent in the North East – 60 per cent of which have been on IB for more than a year (and likely never to work again). And the incentives to stay sick once declared “sick” are sizeable. After a year, the value of the IB payment jumps to £76.45 per week, almost double the jobless benefit rate.

Welfare dependency amongst the underclass continues to drive up the cost of welfare. And yet the public do not immediately think of welfare as a key element of public spending and are frankly shocked when told how much it costs – roughly £142 billion last year, with less than a third of this going to fund State pensions (about £45 billion). The majority is made up of housing benefit, Jobseekers Allowance, council tax benefit, and Incapacity Benefit. In comparison, spending on education last year was £68 and £90 billion was spent on health. Britain’s Burberry underclass isn’t cheap.

Violent crime

A society with a large underclass suffers more crime. This cause is one of the least debated aspects of criminal justice policy. In an IEA pamphlet in 1991, entitled *The Emerging British Underclass*, Charles Murray wrote:

“The key issue in thinking about an underclass is how the community functions, and crime can devastate a community in two especially important ways. To the extent that the members of a community are victimised by crime, the community tends to become fragmented. To the extent that many people in a community engage in crime as a matter of course, all sorts of socialising norms of the community change, from the kind of men that the younger boys chooses as heroes, to the standards of morality in general.”

One of Murray’s features of an underclass is its violent lifestyle, with violent crime and anti-social behaviour in all its forms dominating life in the inner city estates that the police have largely abandoned. The rise in violent crime in recent years has occurred alongside a growth in the underclass for whom violence is a way of life. Drug abuse, gun crime and domestic violence (including child abuse), common assault and general thuggery are all trademark characteristics. And you don’t have to be lost in the perennial debate over the accuracy of crime figures to understand the basic truth: if absolute crime levels rather than the ebb and flows of trends are assessed, it has long been obvious that Britain is a violent, high crime society – both historically, when compared to the rate of crime after the War, and when compared to other Western countries. Total offences of violence against the person rose from 502,788 in 1998/99 to 1,035,046 in 2004/05. A substantial rise is still apparent even after further fiddling by the Home Office with the recording methodology in 2002 – up 20 per cent by 2005 on the same counting measurements. Harlem is now safer than Lambeth. Violent crime in London in 2004/05 was running at a rate of 341 offences per 10,000 population – in the most violent borough, Lambeth, the rate in October 2005 was 387. This is far higher than the national average for England and Wales of 224, and

much higher (to put this in international perspective) than Atlanta, the most dangerous big city in the US, which suffered 207 violent crimes per 10,000 people in 2003. That paragon of zero tolerance success, New York City, recorded 75.

Still a good comparative indicator of whether a society is getting more violent is the most obvious one: the murder rate in England continues to rise, up a quarter since 1990 (and seven times the 1945 rate). For those living in Scotland, the murder rate is even higher. Recent figures show that there were 137 victims in 2004-5, a rise of over a quarter on the previous year. This total is a third higher than the total murder rate in England and Wales – currently around 16 per 1 million population. The murder rate in Glasgow is at Third World proportions. The annual rate of 55 victims per 1 million population is more than double the rate in London, and makes Glasgow the most dangerous city in Western Europe. And the response of the baby-boomers in the criminal justice elite whose failed ideas got us into this mess? The public are irrational and ill-disposed to make any judgement on the subject. (The casual working-assumption at smug crime seminars in London is always the same – “The public continue to be whipped up into a moral panic by *Sun* and *Express* leader writers who know very well what sell newspapers”. But the criminal justice elite don’t live in Tower Hamlets and the *Independent* doesn’t report the crimes that happen there). And for one more interesting measure, the International Crime Victim Survey (ICVS) has shown that Britain ranks 18 out of 19 countries in the world for the number of victims of crime, far ahead of our European neighbours and much higher than the US. Even the criminal justice elite who make their money out of dismissing the public’s “fear of crime” find it hard to argue with this – the ICVS survey is administered on behalf of the United Nations.

But where has all this crime come from? Despite his poor record on law and order, Tony Blair is right to say it wasn’t like this when his grandfather was young – living poor and uneducated in the slums of Glasgow. *It just wasn’t*. It has been shown that social networks in which the opportunities to profit from crime are less; in which the risk of detection is high; and in which the punishment is more severe, will foster less crime. The underclass has grown in the last thirty years amid the social networks where these conditions are absent. In respect of one factor – the risk of detection – the police alone have been allowed to neglect their part of the bargain (detection rates are abysmally low and haven’t improved despite record numbers of officers and resources). In underclass communities, usually of the high-rise estate variety, committing a crime is not a risky business, for many it is a way of life and the closest thing to an occupation they have. You cannot hope to mitigate this attitude until you ensure that crime becomes a dangerous game with the common understanding that, despite the potential pay-offs, more often than not you will be caught. This requires better policing and tougher sanctions. But those communities up and down Britain in which the complicated social networks enable a criminal underclass to reproduce itself, and transmit its harmful values to young people, are almost impossible to make law-abiding in the long term, at its root, this is about culture. But proper beat-based policy backed up by accountable policing and zero tolerance would make a big difference.

Is “education” the solution?

If you want to be caring and deal with the “root causes” of crime, most would agree you have to tackle behaviour and values. Unfortunately for the British political classes who have largely given up on any notion of public morality (as any relativist culture must), education is not enough. Even if schooling were capable of overcoming the conditional influences of a child’s home life, the sort of schooling that the underclass currently receives is incapable of teaching basic literacy, let alone the values of common decency, self-restraint, the value of hard work and the virtue of respect for oneself and others. With so many children (a majority in the underclass) playing truant – an estimated 55,000 pupils were missing classes every day during the last school year, with persistent offenders now effectively leaving school permanently aged 13 – there is little hope that any improvement to teaching could foster the attitudes necessary to raise a civilised individual out of the corrupting social networks of crime and drugs that dominate in underclass neighbourhoods. One essential feature of the condition of the underclass is that it is self-replicating, with the daughters of teenage mothers themselves growing up in enough cases to become teenage mothers (studies have shown the psychological need of girls who have grown up without a father

to seek such a role model amongst their male peers). This means many could not be saved even with a much improved education system.

Nevertheless, the good news is that politicians can, at least in theory, make some differences to the aggravating factors and help many on the fringes escape the underclass curse, most importantly by ensuring that the compulsory education that the State provides is not going to make matters worse. With systems of vouchers and school choice, it is even possible to imagine a quality of education that could alleviate, for a great many, the poor parenting effects that shape the life chances of the underclass. School choice would, by raising standards and improving teaching, enable some to escape their environment and bring a growth in, first, specialist schools targeted at the less academic and, second, faith schools which would provide a vocational and ethical context for the poorest children, giving them a better chance to resist the appeal of drugs and crime.

A political solution?

Despite the essentially superficial nature of Tony Blair's "Respect" agenda (and it is doomed to fail), this was at least a coded reference to the underclass problem from a politician who is better attuned to public opinion than most, and knows how dangerous all this could become, both for his Party and for the political class as a whole. At a Downing Street press conference following the last election, the Prime Minister showed both an understanding of the causes of the crime / underclass problem, and some knowledge of the limitations in our current climate for politicians to do much about it: *"I do think there are some very deep seated causes of this that are to do with ... family life in the way that parents regard their responsibility to their children, in the way that some kids grow up, generation to generation, without proper parenting, without a proper sense of discipline within the family, and ... I can't solve all these problems, that is one of the things I want to say. I can start a debate on this and I can legislate, but what I can't do is raise someone's children for them"*. Fair enough, you might say, although this sentiment is a bit too little too late given this problem was obvious in 1997 and eight years later we are still waiting for any serious welfare reform legislation (John Hutton's belated offering in the next month will be a *Green Paper*).

The political problem for achieving a post-Blair consensus on the need for such a change in direction on crime, education and welfare is essentially two-fold. First, the public remains unaware of the main facts (since nobody tells them) and how this vicious cycle is behind the crime and taxes that cost them so much (Incapacity Benefit alone is more than the entire transport budget last year). This relegates the issue in the public mind while more immediate (and ultimately frivolous) propositions are allowed by the media to monopolise debate. Second, in one area where solutions to these problems might once have been found, the cupboard is bare. The "Conservatives" who will dominate the parliamentary Party in the years ahead have such profound ideological and organisational problems that they would struggle to do much about this problem *even if they wished to*.

The US experience

The great misunderstanding that persists in Britain is that the underclass is a social problem that, with enough political attention and taxpayer's money (even when well "targeted"), we can solve. This is a fallacy and any debate on welfare reform conducted on such terms is futile. The very idea that the causes of the underclass are problems that are receptive to public money – usually expensive education and job-training programmes – was and is deluded. We know this from forty years of US experience, and yet we are still trying it ourselves (the £3 billion Sure Start scheme for disadvantaged children rumbles on). Money is still spent in the US, of course, but not in the large-scale systematic way which has been shown manifestly to fail. The one exception is prisons where spending on the "out-of-sight-out-of-mind" policy that voters like so much has clearly worked in one respect – crime has fallen by a third nationally in the last 15 years. The US underclass, in Murray's words, are no longer "underfoot". In other cases when Americans spend money on the underclass now, it is done more efficiently through a reformed welfare system, or occasionally just in an awkward and dismissive way – like when an embattled President Bush post-Hurricane Katrina responded to the plight of the homeless in New Orleans by giving them debit cards paid for by the

Federal Government. (While it may have eased their immediate suffering, it was no solution for their social circumstance and if anything only showed how Conservatives should not approach the welfare issue).

But the US lesson is clear: when there is not the will to prevent the underclass from existing (by more or less ending universalist welfare provision altogether), you can at least enact certain policies that prevent them from reproducing in ever-greater numbers and prevent the worst consequences of their lifestyles from disrupting civil society for the rest of us. Britain is still a long way from this position. US public opinion accepts that to cope with the consequences of violent crime you have to be prepared to increase the severity of sanctions with the view that, while this has a cost (2 million are now in prison and many will never be fit for civil society again), you will at least stem the rise and can reduce crime significantly. Given that Britain's incompetent police (shielded by incompetent civil servants) are detecting fewer crimes despite record funding, it is even more necessary now that the sentence imposed on those successfully convicted of a violent offence should be higher in order to provide a deterrent effect and remove persistent offenders from the streets. The result would inevitably mean that you have to imprison a lot more violent, uneducated and emotionally-retarded young men a lot more routinely (like they have in the US) – and keep them there long-term. This sort of policy, leading to a prison population of something like 200,000 in the UK (currently 78,000), would be expensive and politically difficult, but would provide some solution to the anti-social consequences of an entrenched underclass. This response was politically unacceptable in America until rising violent crime made the pressure on politicians to do their first elected duty – guarantee security and the rule of law – overwhelming. Similar pressure may yet prove crucial in changing the debate in Britain.

The choice

Unfortunately, as Charles Murray has rightly predicted, where at least theoretically politicians could make the most difference, by choosing to restructure welfare arrangements to punish irresponsible behaviour and ending financial incentives to raise children outside of wedlock (which would have some effect over time in resurrecting superior behavioural norms), there is neither the political will nor the public support in Britain to do so. This is despite the fact that ambitious reforms that time-limited certain benefits in the US (and slashed welfare dependency by half) were pushed through by a *Democratic* President in 1996. In Britain, “bashing single mothers” – as it would invariably be labelled by an ignorant media (and was in the US case) – is a sure-fire way of ending a political career. Murray said in his original *Sunday Times* article, “The very word ‘illegitimate’ is intellectually illegitimate” – it was in 1989 and it is even more so now.

So where does this leave us? The solution is simple, but not easy: politicians and opinion formers must be willing to shame and blame the underclass for its behaviour and attitudes, and construct a system that will punish them financially when they transgress. Without this response, the options left to the rest of us are limited and costly (and invariably, because they echo American practices, intellectually unacceptable as well). In Britain, we could start at least by accepting that America has been here before. You can go some distance, as they have, with a reformed welfare system, stricter criminal sanctions and systems of school choice, which together would take Britain a long way towards getting its underclass problem under control. But in the long-term, the vicious circle will remain unless the ideas that have corrupted the working classes and have sustained the post-War welfare system are challenged and debunked. So long as the prevailing ideas of our media and criminal justice elites remain dominant, the stale debate on welfare and the cycle of ineffective and costly intervention will go on. The essential point about such cycles is that they are hard to reverse without the political leadership to see the hard choices and to realise how, in the case of the underclass, the issue is intimately connected with wider policy on welfare, education and crime. (And unlike America, it is hard to see a spontaneous grassroots campaign emerging which could challenge our current consensus, although the birth of *The Taxpayers' Alliance* is a good sign that new networks across the country could yet emerge). Moreover, once you have a dysfunctional political system that simultaneously has centralised control (unlike in the US) and is incompetent, it is hard to reverse direction.

On a practical level, the centralised British political system is a huge structural handicap that prevents people voting for local initiatives that would test institutional competition and demonstrate alternative paths: for example, real devolution allowing county councils to raise taxes and determine the welfare priorities that voters were willing to finance; or cities with accountable mayors who could demonstrate the clear benefits of a zero tolerance approach to crime; or local authorities brave enough to experiment with school choice. All this would help to start the long process of reshaping wider public opinion.

A new consensus on how to deal with the underclass is years away, but unless the Conservative Party decides to begin the enormous task of changing the terms of the debate and supporting local initiatives, then the current dysfunctional dynamic, sustained by a infantile media, will ensure the continued growth of underclass and all its associated problems. There needs to be a concerted communications effort by the Right to focus on several fronts: an intellectual war with the established media; the building of grassroots campaigns to push for welfare reforms on the cost/waste argument; the decentralising of police to put them under democratic control, and real school choice based on vouchers to shake-up the State system and arrest the slide towards moribund mediocrity in Britain's schools.

The underclass is a product of teenage pregnancy and broken homes. Enough people do know this. But most British politicians are still in denial that these characteristics are themselves the result of values, rather than circumstances, and they are locked in a vicious circle which doesn't make freedom of action easy. These values are maintained and transmitted – like the communal values in any respectable neighbourhood – by parents and authority figures that comprise the common culture in which children grow up. For young children brought up by teenage mothers, with abusive or more often absent fathers, in communities where crime, drugs and dependency are the norm, good examples to follow are rare. Unfortunately for politicians, whose worst nightmare is impotence, rarer still are the chances of solving this issue unless the welfare state begins to be seen not as a humane way of alleviating the worst elements of the underclass problem, but as its major catalyst. Although dealing with this series of problems *could* fit perfectly within the agenda of a truly modernising Conservative Party determined on repairing Britain's common culture and the lives of the poor, despite the occasional flicker, there is little to suggest it wants to lead such a revolution. It took the Labour MP for Birkenhead on Merseyside where the illegitimacy rate is running at 57 per cent, to sum up the utter hopelessness of the present situation. The underclass, Frank Field remarked, were a "lost generation", but unlike earlier lost generations who were sent to die in foreign wars "these, thank God, have not been lost in battle", he said, "but they might just as well have been".

- If you want to follow this debate, Government statistics on births are available through the ONS – <http://www.statistics.gov.uk/>
- For more on the research into the consequences of welfare: *How Welfare Harms Kids*, Robert Rector & Patrick Fagan, Heritage Foundation – <http://www.heritage.org/Research/Welfare/BG1084.cfm>.
- One of the more interesting studies on crime and social networks is *Crime: Economic Incentives and Social Networks*, Paul Ormerod, IEA, 2005.
- Civitas has done extensive work on the welfare problem in Britain and gives the best explanation of the true levels of crime – www.civitas.org.uk
- The next edition of the International Crime Victim Survey is due for publication in early 2006 – <http://www.unicri.it/wvd/analysis/icvs/index.php>

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