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Modern realities are increasing the discomfort of the comfortably off

By Danny Dorling

The last time similarly privileged people felt such fear was a century ago, writes Danny Dorling



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When will it end? Can house prices really continue to rise faster than wages, year after year? Can European nations send children to university in ever greater numbers, but create fewer jobs that are well rewarded and stable? People talk about precariousness as if it is the curse of the poor. But the [squeezed upper-middle](#) also feel the ground wobbling beneath their feet. This group of people, in the top 20th of earners but outside the top 100th, is wondering whether the economic edifice that once served them well is so stable after all.

A decade ago, a couple earning £200,000 at today's prices – roughly what you need to qualify as a member of the 1 per cent – would have felt protected against life's rough and tumble. But today they are being squeezed from all sides.

First there is the ire of those who earn less, and the measures ([mansion taxes](#), bonus caps) politicians use to pitch for their votes. Then there are the global super-rich, the 0.01 per cent pushing up London house prices. For them a Mayfair pied-à-terre at £5,000 a square foot may be an investment wheeze; for many professionals, the capital is where they are forced to [live and work](#). Even a modest home – the kind that might serve as a starter home for the kids – is a stretch. So is a decent education.

The upper-middles know they are lucky. Many of their less fortunate friends earn half as much or less. But they are not the truly rich – not the ones whose income exceeds £1m a year, or who live off the millions they made in an instant: film stars, industrial heirs, tech tycoons. No, these are the more successful of the salaried classes – lawyers, doctors, accountants – and the lavish lifestyles of those at the very top make the rest of the 1 per cent feel frugal.

In many cities, they are to be found chipping away at a monolith of mortgage debt and prising off the interest that latches on like poison ivy with every passing year. Their homes are worth a small fortune now – but even that is not such a blessing. Compared to their [German counterparts](#), who live in homes of higher quality and larger average size, bought at lower cost, the UK upper-middles have far more to worry about. This week, many fretted over how they would find £10,000 a year to cover the tax on homes worth more than £2m [that Labour threatens](#) to impose. For most, housing wealth is an albatross. They cannot sell for they need a home – and one for grown-up children who cannot afford to leave. Even with an expensive university education behind them, their children's place in the upper echelon of society is far from assured.

Coming as they do from the same universities and industries, the upper-middles can see through politicians' words. Although living standards have fallen, they know that when it comes to cutting the national debt four years of "austerity" have been anything but; and that Britain's impressive recovery rests on a deficit that remains untamed.

The last time similarly privileged people felt such fear was a century ago. Taxes were raised to pay for the first world war. There was revolution in Russia and uprising in Ireland, followed by the General Strike, the Wall Street crash, the Great Depression and unprecedented mass unemployment.

Things began to change, and prominent members of the elite – Beveridge, Keynes and Attlee – were part of it. They were not simply altruistic: they feared the repercussions of not sharing their wealth and income more fairly. Those near the top began to take less, through wage restraint and rent controls; and they did so almost every year from 1913 until 1978. For 65 years inequalities fell.

A century on, perhaps we are in a similar position. The BBC has curbed pay for top “talent”. More London companies pay the living wage.

Or perhaps the top 1 or 2 per cent will simply cement their advantage, investing more in property and relying ever more on the resulting rents.

Those in the classes that were only recently described as “comfortably off” are no longer sure of themselves. The last turning point came when they last felt this way – when they last began to share other people’s doubts and fears.

The writer is professor of geography at Oxford university and author of ‘Inequality and the 1%’

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