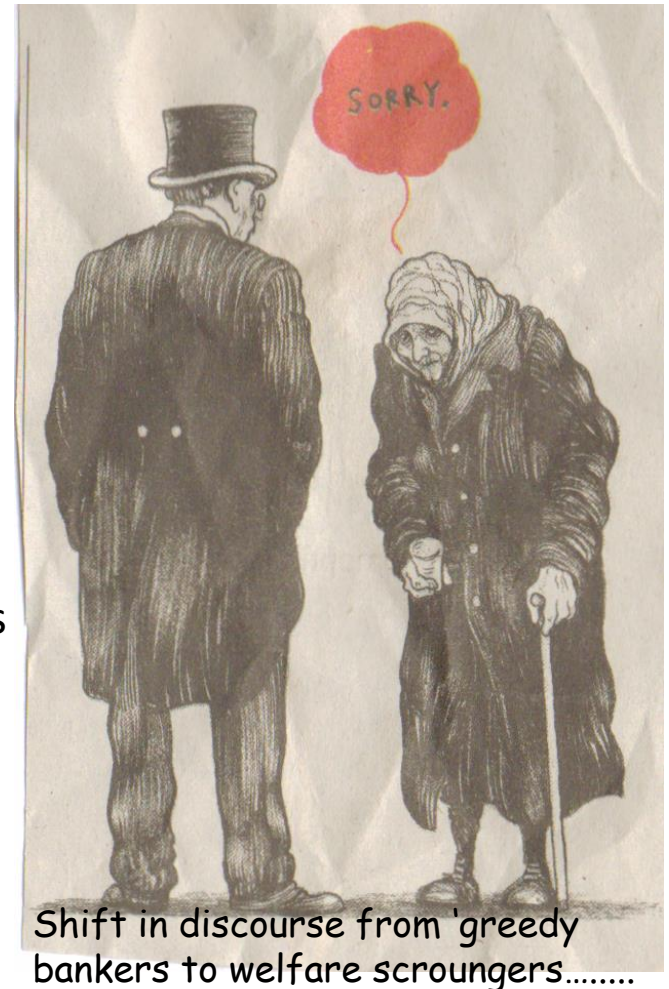


Toward a Cultural Political Economy of Household Debt

©Keith Paterson, University of Aberdeen
CPE Workshop and Conference – 6-8
September 2017 V.18 9 2017:

Note: These slides (re-edited) formed the basis of the talk at the CPE conference on 6 September 2017 and the ASE conference on 15 September. However in addition to this presentation there are a number of *supplementary* slides as the complete slides are being used as a framework for developing 2 chapters in the project thesis. These supplementary slides are available on request. Comment on the presentation and the arguments of the project are welcome: keithpaterson@abdn.ac.uk



Shift in discourse from 'greedy bankers to welfare scroungers.....

Content

- Study, Abstract and Background;
- Detour: Provident financial;
- Aims of research;
- Context: Crisis of 2017 and return of debt to high levels; squeezed incomes; housing and debt; impact of debt; economics in crisis – *maybe*; political economy alternative;
- Starting point of study: debt in Aberdeen - an institutional ethnography;
- Revealed: institutions of debt iceberg; the role of the state; importance of debt-employment-income relationship; the centrality of the meaning and morality of debt infusing the social relations of debt; building debt into the circuitry of capitalism;
- Understanding - making theoretical sense of debt – financialization, social reproduction and financialization of everyday life;
- Cultural Political Economy completes the framework, arguably within a critical social science perspective;
- Today's crisis is multidimensional, encompassing ecology, society and politics and embracing the environment, finance and social reproduction.

Abstract - Toward a CPE of hh debt

This project aims to develop a cultural political economy understanding of household debt by bringing together the multiple meanings and discourses associated with indebtedness and the social relationships of the creditor - debtor nexus.

- Using an institutional ethnography method and starting from the experiences of working class families in several poorer areas of the superficially prosperous city of Aberdeen, a complex network of institutions, intermediaries and markets in debt is uncovered.
- This constitutes the self proclaimed credit industry in relation to which the state at all levels plays a prominent role as lender, borrower, adviser, regulator, legislator, enforcer and guarantor. Housing one way or another is also implicated in much of the debt experience of the initial study group and needs to be included as a specific area of study.
- The study has as its background the dramatic rise in household debt over the past few decades and the 2007 financial and economic crisis, the effects of which continue to linger. The current context is one of austerity accompanied by renewed growth in household debt, stagnant incomes and squeezed living standards for low and middle income families. This exploration suggests that the scale, composition and distribution of debt can't be separated from the structure of employment, patterns of remuneration, levels of welfare provision, savings (if any) and the ownership or otherwise of financial assets. From the standpoint of the family, the examination proceeds to the institutions of and markets in credit-debt, then to the macro economy and the state.
- The initial explanatory framework deployed in the study made use of the political economy concept of financialization in association with the idea of social reproduction revitalised by a new generation of feminist political economists. This view was contrasted critically with the failures of mainstream economics to explain the crisis and its limited view of debt. Household debt in this political economy conceptualisation is seen as part of the financialization of the every day life of families in which debt and the market plays an increasing role in their reproduction and that of their labour power as the state retreats from social provisioning. Women bear a disproportionate share of this burden. To illustrate this political economy view, the economy is portrayed as working through the operation of two interlocking circuits - one relating to the production, circulation and distribution of value; the other concerning the social reproduction of households and labour. In this combined circuit, debt is both an expression of class relations of exploitation-expropriation and a claim on surplus value and household income. Effectively money as debt and the financial institutions of debt mediate these circuits.
- Cultural Political Economy (CPE) contributes to this preliminary framework an ideal conceptual vehicle for bringing together the *social structural* framework of financialization and social reproduction with the multiple *cultural* meanings of debt which infuse its operation. The different meanings and moral imperatives of debt are thus co-produced, circulated and exchanged as credit is advanced managed and packaged and its reciprocal in debt is policed, reclaimed, bought and sold. The social relationships of debt dialectically intertwine with meanings and morality and those orthodox and behavioural economic imaginaries which inform state regulator interventions. These draw on the assumed merits to borrowers of competitive markets and informed, financially literate and 'included' consumers.
- This formulation fits in with a critical social science understood as one which contributes to the understanding of oppressive social systems and thereby to the liberation of people from domination and oppression (Sayer)
- It is concluded that the position of families who participated in the empirical part of the study, understood theoretically within the cpe-financialization framework, provides an initial standpoint for an emancipatory politics of debt.

Background....

- Household debt remains at historically high levels –
- featured prominently in the financial crisis of 2007 - aftermath continues to shape the economic landscape not least in underpinning policies of austerity;
- Consumer debt now rising rapidly;
- Interest in debt flourishing - from popular media to academic research on debt from the anthropological to the philosophical and theological via the sociological and the economic;
- Financial crisis becomes economic crisis becomes *economics* crisis (for some).....
- **Researcher: Mature student formerly community planning and development worker, Aberdeen City Council;**
- **Working in ‘regeneration areas’ – research trigger begins in 2008**
- **at a health issues in the community workshop in Torry.....**
- **‘Provvie (*)wiz aye there for me’? (but is their business model floundering?)**
- **Several years later this comment prompted study of household debt**

‘Provvie’ is the Provident Financial one of the largest providers of sub prime credit and until Recently quoted on the FTSE 100

Brief detour – the Provident in crisis.....

- Doorstep lender *Provident Financial* levy high rates of interest for example 13-week, £100 loans that incur an equivalent annual percentage rate of 1557.7 per cent.
- The firm's documents reveal their main customers are women, mostly middle-aged, working part-time and earning less than £15,000 a year.
- After replacing thousands of loyal self-employed agents with a smaller number of 'customer experience managers', a huge part of Provident Financial's debt is not being repaid on time.
- Toward the middle of August 2017, it was collecting just 57% of sums owed, down from the usual 90%
- Provident Financial lost its FTSE 100 status in a reshuffle of the elite share index after the doorstep lender lost two-thirds of its value since May.
- Source: thisismoney.co.uk - Mail on Sunday 27 August 2017
- In the quest for the ever-cheaper employee, it underestimated how much its business relied on human judgment (Guardian, Zoe Williams 4 September 2017)

Shares in Provident Financial plummet....

AUGUST 30, 2017 by: [Emma Dunkley](#)

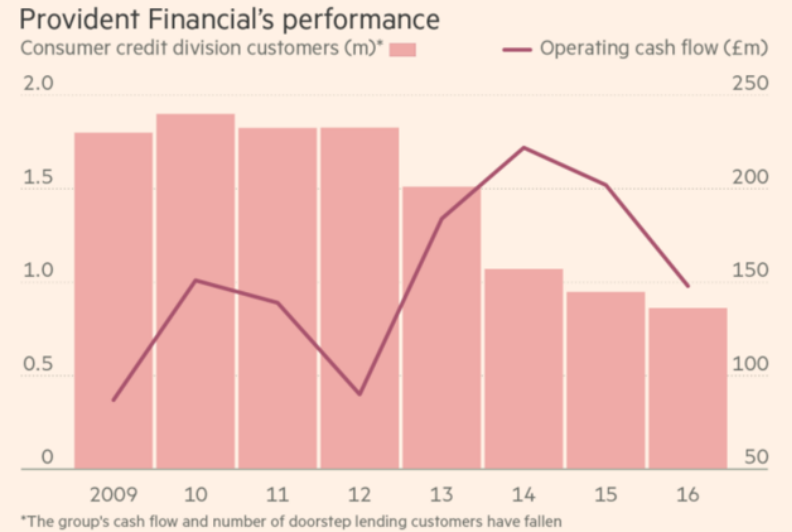
Provident Financial's rise looked inexorable after the British subprime lender was catapulted into the FTSE 100 at the end of 2015, fuelled by a surge of demand for credit after the financial crisis.

But less than two years later, the group — along with [Royal Mail](#) — was on Wednesday night ejected from the UK's blue-chip index.

Shares in [Provident](#) plunged 65 per cent on Tuesday last week, when it scrapped its interim dividend and issued a second profit warning in three months, following a botched attempt to reorganise its doorstep lending business. The turmoil prompted chief executive Peter Crook to [step down](#) with immediate effect.

The reversal of fortune for Provident has been dramatic. Dubbed the “Provvy”, the lender — which provides door-to-door loans and credit cards — claims it has posted a profit every year since it was listed on the UK stock market in 1962. Its growth — particularly in credit cards — was turbocharged following the credit crunch, when the biggest British banks were forced to rein in riskier lending. From the start of 2009 to the end of 2016, Provident's share price quadrupled.

Source: Financial Times, 30 August 2017



Aims

- This project aims to develop a Cultural Political Economy understanding of household debt by bringing together the multiple ***meanings and discourses*** associated with indebtedness and the ***social relationships*** of the creditor - debtor nexus;
- Starting from an institutional ethnography study of the experiences of working class families in three poorer areas of the superficially prosperous city of Aberdeen;
- a complex network of institutions, intermediaries and markets in debt is uncovered;
- Debt is established as a class relationship of exploitation-expropriation and redistribution; a claim on value and family income and the working class wage infused with morality and meaning;
- Crisis is three fold: economic and financial; ecological; social reproduction.

Context

- Financial and economic crisis of 2007 raises issue of household debt;
- August 2017 Debt is again rising;
- Incomes squeezed;
- Employment precarious;
- Housing as unique commodity;
- Impact on family budgets, well being and health
- Mainstream Economics in crisis (for a while anyway).

Financial Times: The credit crisis did not lead to deleveraging - The debt just moved around – And today the world is awash with more debt than ever

The financial crisis that began to wash over the world 10 years ago was the result of an enormous accumulation of debt in rich countries — the bulk of which was owed by households and financial institutions. It was the realisation that many of these claims may not be honoured that triggered the credit crunch and ensuing financial market freeze.

Since then, the debt-to-GDP ratio in mature economies has remained roughly constant. But debt has continued to play an important role in post-crisis developments, in two ways.

The first is that the composition of indebtedness has changed markedly. Public debt increased sharply as governments tried to cushion the shock to aggregate demand as the private sector tightened its belt and tried to “deleverage” or reduce its debts.

And just as the rich world reined in credit growth, the emerging world — led by China — opened the stimulus spigot. As a result, the world is today more awash in debt than ever. How that debt accumulation can possibly end is one of the big questions hovering over the global economy today.

Should we be worried about the amount of leverage in the world — or where it lies? Share your thoughts in the comments below.

The debt relay: governments and emerging markets pick up the baton

Mature markets debt

By sector, % of GDP (aggregate of 22 countries)



1 The crisis was preceded by a huge run-up in the debt-GDP ratio in mature markets

3 In the last decade, the debt in mature economies was increasingly owed by governments as the private sector deleveraged

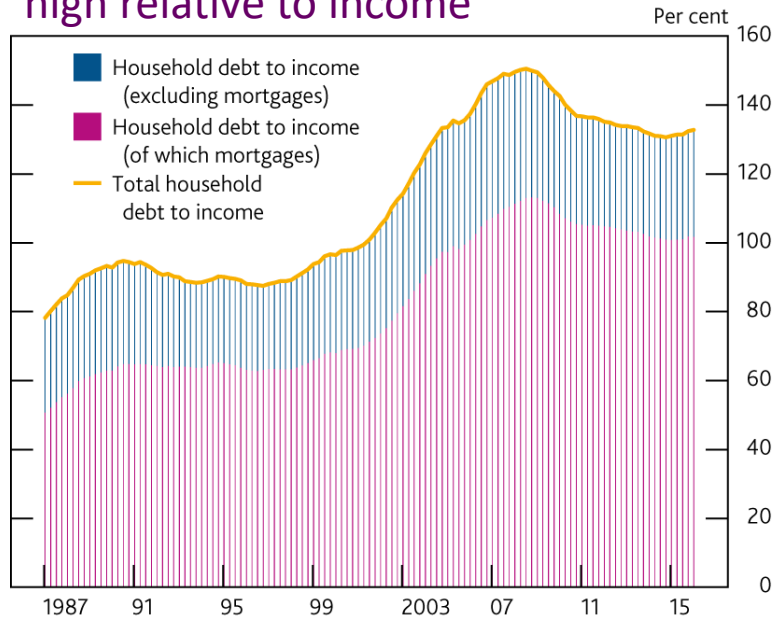
Emerging markets debt

By sector, % of GDP (aggregate of 21 countries)



Note: scale differs from mature markets chart

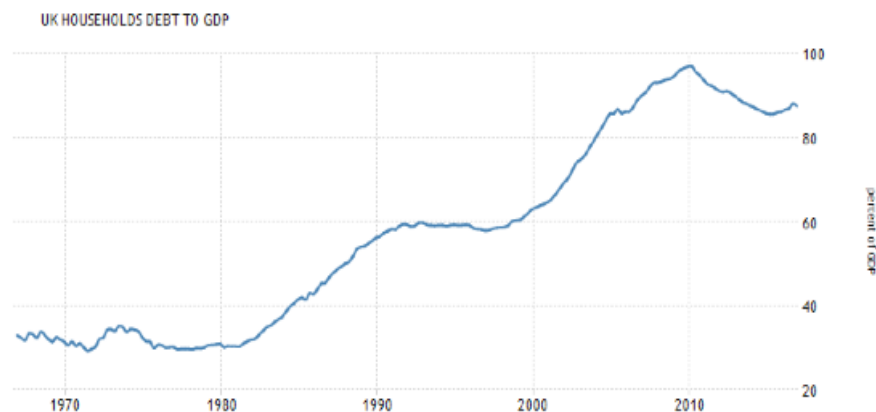
Chart A.27 Household debt is high relative to income



Debt High; Incomes Squeezed; employment precarious; student debt rises

- Total consumer credit =£200b
- Total mortgage market =£1.4tr
- Real wages stagnate
- Unemployment falls but precarity rises – 15% workforce now self employed many 'enforced'; 6% on short term contracts; 3% on zero hours contracts
- Between 1979 and 2012 only 10% of income growth goes to bottom half of income distribution, 40% to richest households.

Household debt to GDP rises particularly from 1980s



SOURCE: TRADINGECONOMICS.COM | BANK FOR INTERNATIONAL SETTLEMENTS

Real average weekly earnings since 2001
Average weekly earnings (regular pay) adjusted for CPIH inflation



Source: Resolution Foundation analysis, ONS

Housing and debt

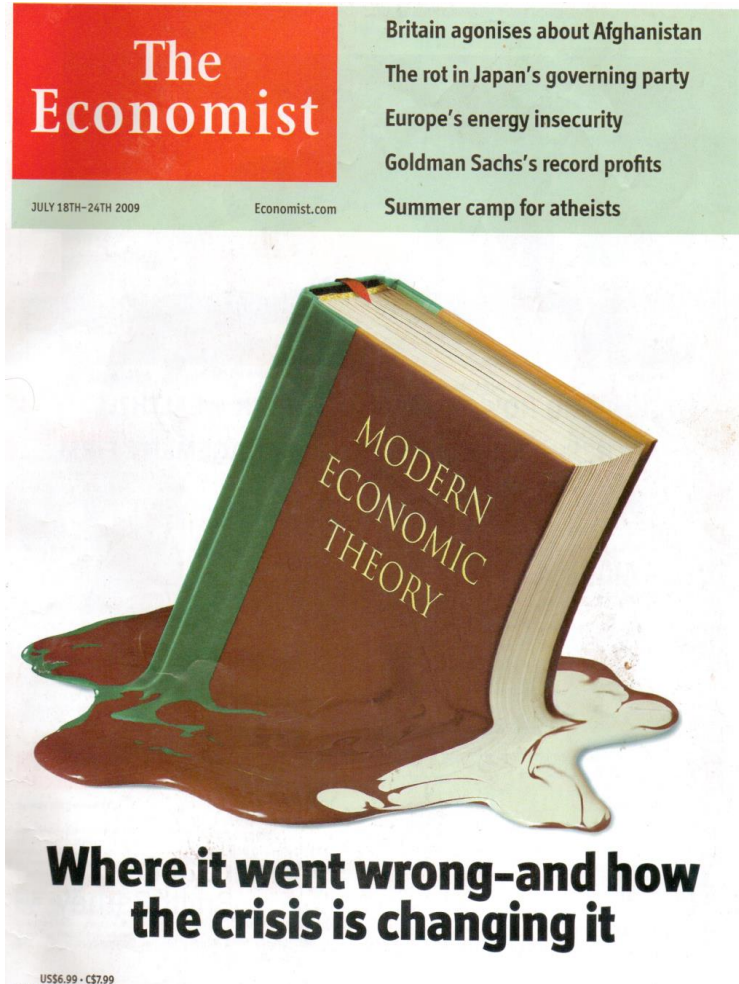
- Housing as unique commodity
- Use value
- Exchange value
- Asset
- Liability
- Source of household's 'asset based welfare'
- Bulk of household debt relates to mortgages

Impact of Debt

- on physical and
- mental wellbeing
- family budgets
- Health
- Family stability and relationships
- ‘a crisis in social reproduction’

Crisis in economics -

Economics in crisis



- Questioning of theoretical adequacy of orthodox neo-classical economics
- Political Economy alternative –

...With some serious questions

The Global Financial Crisis – Why Didn't Anybody Notice?

On 17 June 2009, a group of leading academics, economics journalists, politicians, civil servants, and other practitioners met at the British Academy for a round-table discussion of the current financial crisis. The question under discussion in this British Academy Forum had been framed by Her Majesty The Queen on a visit to the London School of Economics in November 2008, when she had asked: if these things were so large, how come everyone missed them? A purpose of the Forum was to provide the basis of an 'unofficial command paper' that attempted to answer this question. The discussion inevitably ranged more widely – touching on the social fall-out of the crisis, and including a plea for a greater emphasis on the teaching of economic history in universities. But it was with The Queen's question in mind that the two convenors of the meeting, Professor Tim Besley FBA and Professor Peter Hennessy FBA, subsequently drafted a letter summarising the discussion: it was sent to Buckingham Palace on 22 July.



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London SW1Y 5AH
Telephone: +44 (0)20 7969
5200
Fax: +44 (0)20 7969 5300

22 July 2009

British Academy 'Global Financial Crisis' Forum Full list of participants

Professor Tim Besley, FBA (then Bank of England Monetary Policy Committee; London School of Economics)	Professor Michael Lipton, FBA (University of Sussex)
Professor Christopher Bliss, FBA (University of Oxford)	Rt Hon John McFall, MP (Commons Treasury Committee)
Professor Vernon Ruggleson, FBA (University of Oxford)	Sir Nicholas Macpherson (HM Treasury)
Sir Samuel Brittan (Financial Times)	Mr Bill Martin (University of Cambridge)
Sir Alan Budd	Mr David Miles (Bank of England Monetary Policy Committee)
Dr Jenny Corbett (University of Oxford)	Sir Gus O'Donnell (Secretary of the Cabinet)
Professor Andrew Gamble, FBA (University of Cambridge)	Mr Jim O'Neill (Goldman Sachs)
Sir John Gieve (Harvard Kennedy School)	Sir James Spurgeon
Professor Charles Goodhart, FBA (London School of Economics)	Rt Hon Clare Short, MP
Dr David Halpern (Institute for Government)	Mr Paul Tucker (Bank of England)
Professor José Harris, FBA (University of Oxford)	Dr Sushil Wadhvani (Wadhvani Asset Management LLP)
Mr Rupert Harrison (Economic Adviser to the Shadow Chancellor)	Professor Ken Wallis, FBA (University of Warwick)
Professor Peter Hennessy, FBA (Queen Mary, University of London)	Sir Douglas Wass
Professor Geoffrey Hosking, FBA (University College London)	Mr James Watson (Department for Business, Innovation and Skills)
Dr Thomas Huertas (Financial Services Authority)	Mr Martin Weale (National Institute of Economic and Social Research)
Mr William Keegan (Observer)	Professor Shujie Yao (University of Nottingham)
Mr Stephen King (HSBC)	

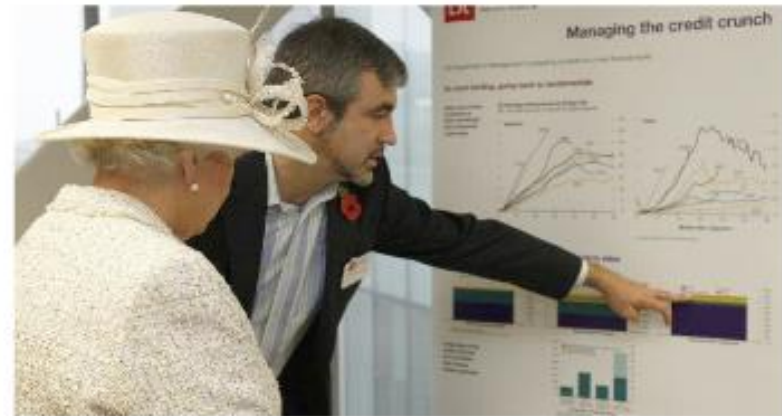
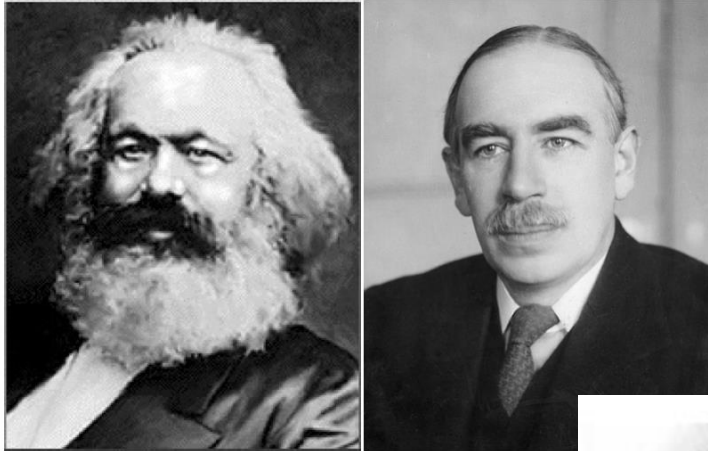


Figure 1. Queen Elizabeth II is shown a display about the credit crunch by Professor Luis Garicano, during a visit to the London School of Economics and Political Science on 5 November 2008. Photo: Wigglesworth/FA Wire URN:6524464 (Press Association via AP Images).

“So in summary, Your Majesty, the failure to foresee the timing, extent and severity of the crisis and to head it off, while it had many causes, was principally a failure of the collective imagination of many bright people, both in this country and internationally, to understand the risks to the system as a whole”.

A political economy alternative.....

Between Marx and Keynes



..... Gramsci and Foucault



Household debt – the starting point

- Institutional ethnography;
- Households and debt;
- Institutions of credit-debt;
- Markets in credit and debt;
- Rationale(s) for state intervention

Aberdeen Oil Capital Of Europe



.....but a tale of two cities

- 28 Aberdeen data zones (*) are among the most deprived 15% of all Scottish data zones according to SIMD
- 19,206, just above 9% of the city's total population of 200,000.
- Most deprived data zones are: Middlefield, Cummings Park, Northfield, Tillydrone, Woodside, Seaton and Torry.
- One of most deprived data zones in Scotland is in the Middlefield neighbourhood - 111th out of Scotland's 6,505 data zones.

(*) Data Zone – equivalent to census enumeration zone around 600 people

Method

Institutional Ethnography – A Sociology for People

- ontology of the social as the coordination of peoples activities
- A method that allows people to explore the social relations that structure their every day lives
- Developed by sociologist Dorothy E. Smith (2005)
- Fits political economy ideas of social reproduction and finance

Institutional Ethnography

- Starts from standpoint of those researched
- Studies ruling relations of institutions which govern peoples lives across time and space
- Centrality of 'texts' (*) as key means through which power exercised
- idea of 'ruling relations' refers to how social relations and social organisation can be mediated by texts of all forms

(*) Text here refers to that which is written, drawn or otherwise reproduced – can be paper, print, electronic, film etc and having the capacity to coordinate people's activity through space and time – key is replication

Initial Research Questions

- What are the experiences of finance and debt of low income households in a period of economic instability ?
- From their standpoint - identify the ruling social relationships shaped by financial institutions ?
- From this perspective open a window of enquiry into the social relationships of finance into which they enter

Intended Outcomes

- Reveal the social relationships of finance
- from the experiences, perceptions and understandings of residents
- Consider how relations are shaped by financial institutions including the institutions of the state
- The role played by texts, technologies and discourses in terms of which institutions operate.
- How these extend beyond the immediacy of particular individuals and households.
- explore how these processes link households to financial markets.

- Construct a political economy of debt from city to macro
- Provide qualitative comment for critical examination of social policy
- Content for strategic planning of community groups
- Raise awareness of research participants and community activists
- Develop a community learning project to make accessible a demystified and non orthodox economics for community activists and trade unionists

Study so far -

- Recruitment through community projects - in Aberdeen communities: Tillydrone, Woodside, Middlefield and Northfield
- 25 family members living in a variety of households
- Two creditor agencies – housing and council tax
- Three workshops for community groups:
- 5 Community workers and activists
- Three support agencies
- Scott and Co – Sheriffs Officers

Study Group

- Wide representation - gender – 75% female –
- gender issue in dealing with household finances and debt?;
- families - single parents to couples with children to the elderly single; disability; sources of income vary –
- 50% incomes from employment; 50% from benefits, pension
- Age distribution
- 25% under 30;
- 55% 31-60;
- 20% - 61+

Wide Experiences of finance and debt

- Wide Experience of finance –
 - Street debt collector described the methods of debt collection, market segmentation of debt recovery, asset repossession and purchase and sale of debt;
 - worker in a commercial debt management agency described the processes clients had to go through to secure debt relief and resolution and cost;
 - Former agent for a door step lender – described the culture of home lending
 - One middle class respondent with her own quite astonishing story of mental illness huge debts and family breakdown and death
- All worried about not coping financially
- extent of financial difficulty – ranging from none to bankruptcy
- source of financial problems – rent and council tax and utilities; door step loans; high cost retail; credit card and home improvement
- one young couple used shop based high cost credit and pawn broking.
- Although none of the other interviewees currently used shop based or internet high cost credit, all were familiar with availability and the marketing of these forms; all mentioned high visibility and accessibility

Continued.....

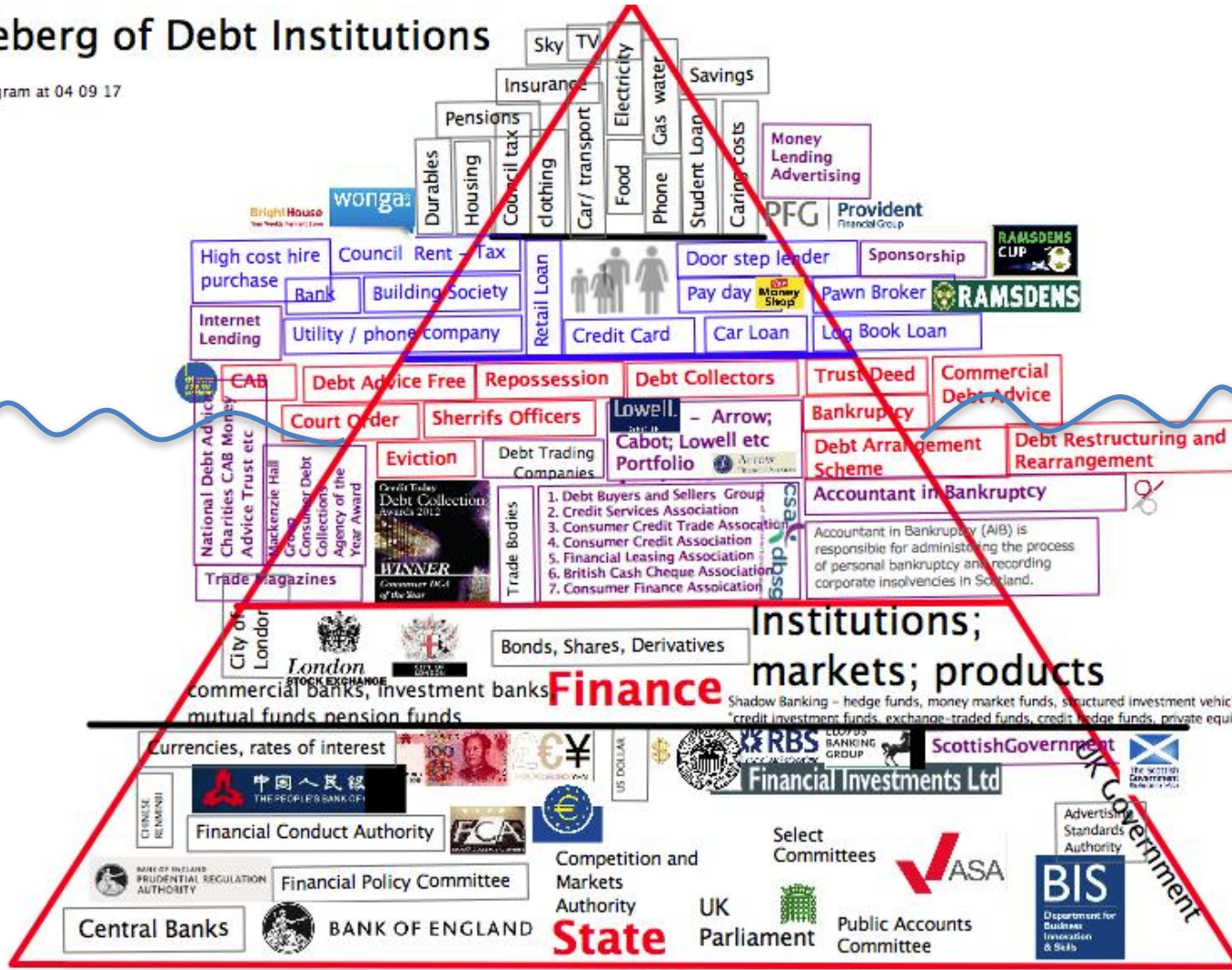
- actual amounts borrowed were often small but cumulative and regularly renewed on expiry;
- Debt and its management a 'normal' but troubling part of life
- Skills develop in navigating between different debt claims
- expectations of what life should be like in terms of consumption emerged as determining factors particularly in relation to presents for children;
- Many had sought advice but were only vaguely aware of the apparatus of debt management and the legal framework which lay behind their own experiences
- Experiences and perceptions changed through time and some expressed strong moral views about not getting into debt.
- Most knew of other family members, neighbours or colleagues who had experienced difficulty
- community workers were troubled by families who did not manage financially and appeared not to care and who were dependent on support and advice agencies to navigate through their difficulties. They worried that their views might be taken as supporting a conception of the 'undeserving poor'.
- **Discourses matter**

What emerges.....

- Debt system iceberg
- Role of the state
- Cultural political economy – ideas matter; structures matter
- Where next for research – gap in study for caring and hip op conveniently allowing for revisiting of sample of initial participants
- To enter into debt is to enter a series of unavoidable social relationships with at least some of the following.....

Iceberg of Debt Institutions

Diagram at 04 09 17



Role of the state – covers all roles in debt and more



Debt originator

- Paymaster – income transfers
– tax to benefit
- Lender – emergency
Budgeting loans; student loans
- Creditor – emergency loans,
rent, council tax
- Debt collector
- Repossession agent
- Debt advisor
- Debt manager /restructuring

Licensing, regulation and stability

- Debt market licensing
- Regulatory authority
- Market maintenance /
compliance
- Credit and debt Law
/Legislator
- Borrower and (via Central
Bank) lender of last resort
- Guarantor of financial system
stability
- Currency underwriter

Credit Matters

- Over the past thirty years households have become more reliant on credit as the means to secure homes, invest in education and skills, and smooth out fluctuations in income and expenditure. Taken together these uses of credit can be a powerful driver for economic growth..... Financial services markets have also become highly segmented, with low to moderate income households paying the most. 'Risk based pricing' gives cheap credit to the wealthiest and penalises the poorest. This is a major driver of wealth inequality in Britain today.

Centre for Responsible Credit (CfRC)

There is nothing new about working class debt.....

- Neither the act of lending nor the state of indebtedness is new phenomena Debt is also not a novel feature of capitalism..... The variants of consumer, corporate and sovereign debt are, however, distinct in the neoliberal era of capitalism and have, alongside growing forms of social insecurity, come to symbolize the 'new normal'.
- However the scale, composition and impact....

Politicizing Debt and Denaturalizing the 'New Normal'
Adrienne Roberts and Susanne Soederberg *Crit Sociol*
2014 40: 657

Making sense of it all – Toward a theoretical framework

- Theoretical framework:
- Initially:
- Financialization and
- Social reproduction
- Finance, debt and employment need to be linked
- Ideas and culture matter
- Then.....
- Cultural Political Economy

Social reproduction

- a concern with how families and workers (and hence their capacity to labour) reproduce themselves temporally - on a day to day basis but also generationally -
- physically, biologically, ideologically and socially through unpaid work in the home and through the realms of household consumption
- but also drawing on market provision, civil society and the state
- feminists use social reproduction to refer to the activities and attitudes, behaviors and emotions, responsibilities and relationships directly involved in the maintenance of life on a daily basis, and intergenerationally.
- includes how food, clothing, and shelter are made available for immediate consumption
- the ways in which the care and socialization of children are provided, the care of the infirm and elderly, and the social organization of sexuality.

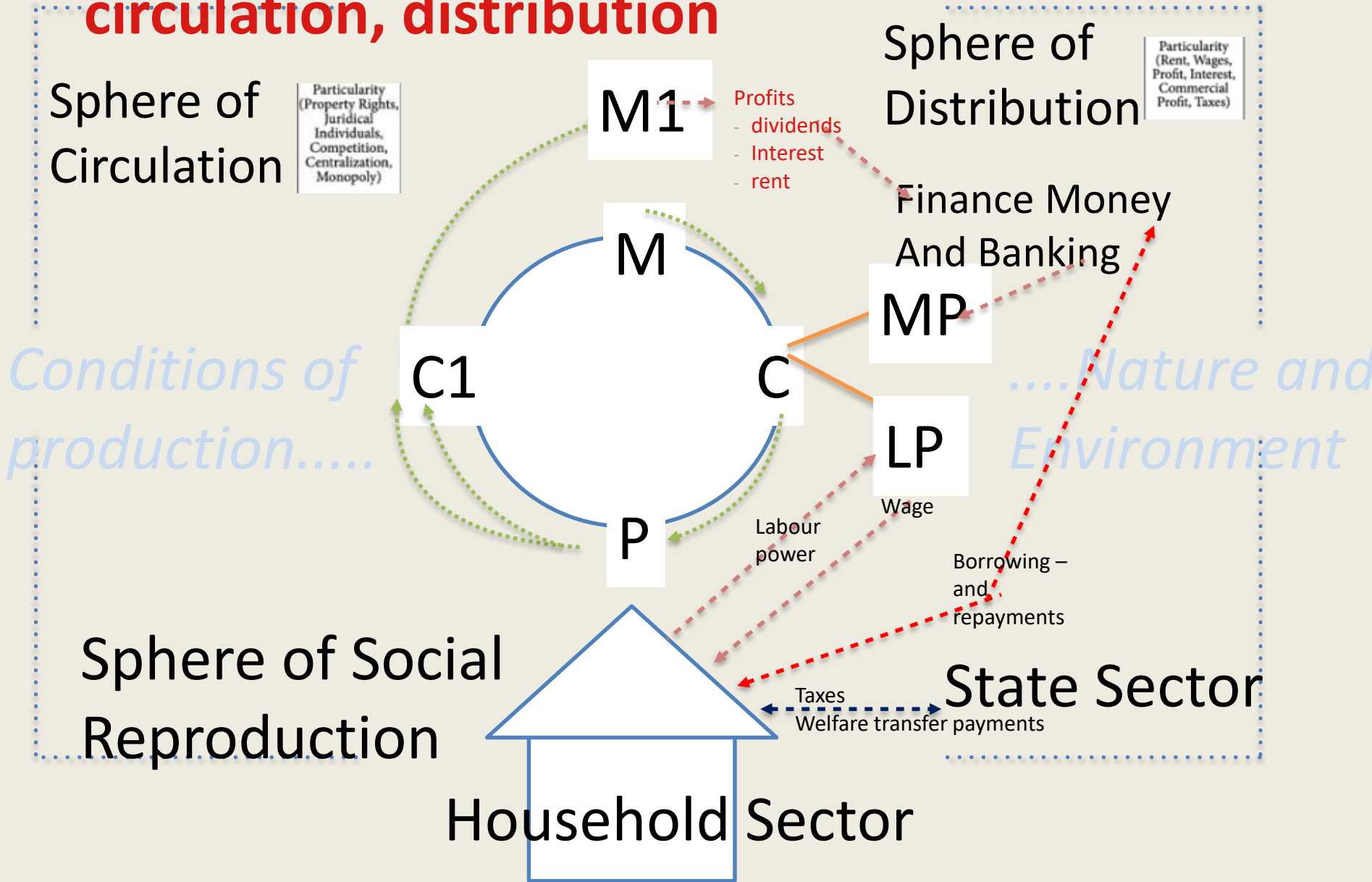
Financialization.....

- Finance now runs the full social spectrum from global flows to state funding to corporate strategy to personal finance.
-permeates everyday life, with products arising from the commercialisation of life - student debt, personal pensions, credit cards, insurance mortgages .
-increasing dominance of the finance industry in the sum total of economic activity; of financial controllers in the management of corporations; of financial assets among total assets
- the state has played a decisive role in the process of financialization.
- through deregulation of finance and the management of economic policy
- the expansion of the borrowing needs of the state

Financialization of social reproduction

- ‘Shifting constellation’ of responsibility for SR – from state to family – debt implicated
- How much of social relations of debt fall on women ?
- *Note – social relations embedded in money and finance – e.g. debt relations underlying ‘unfree’ labour relations (debt bondage; sex trade; domestic servants; etc)*

Fig 1 Capitalism as a totality of, production, circulation, distribution



Today's crisis is multidimensional, encompassing ecology, society and politics

- first, the ecological strand of crisis, reflected in the depletion of the earth's non-renewable resources and in the progressive destruction of the biosphere, as witnessed first and foremost in global warming.
- second, the financialization strand of crisis, reflected in the creation, seemingly out of thin air, of an entire shadow economy of paper values, insubstantial, yet able to devastate the 'real' economy and to endanger the livelihoods of billions of people.
- Finally, there is the strand pertaining to social reproduction, reflected in the growing strain, under neoliberalism, on what some call 'care' or 'affective labour', but what can be understood more broadly as the human capacities available to create and maintain social bonds, which includes the work of socializing the young, building communities, of reproducing the shared meanings, affective dispositions and horizons of value that underpin social co-operation.
- Taken singly, each of these strands of crisis is scary enough. Put them together, and you have a constellation that is truly alarming. It is the convergence of these three strands – the ecological, the financial and the social – that constitutes the distinctive character, and special severity, of the present crisis.

Debt, finance and employment linked

- Theories of financial structure and functioning largely ignore employment, and theories of employment largely ignore credit structures. The credit-market and labour literatures are quite distinct, and macroeconomic models are no longer 'thick' enough to bring them all together. But if ideas about financial market behaviour are to have any specific content, these links have to be made. We therefore explore the direct and indirect links between the evolution of employment and of financial structures in the current period
- Source: Gary Dymski, Association for Social Economics, Leeds 15 September 2017

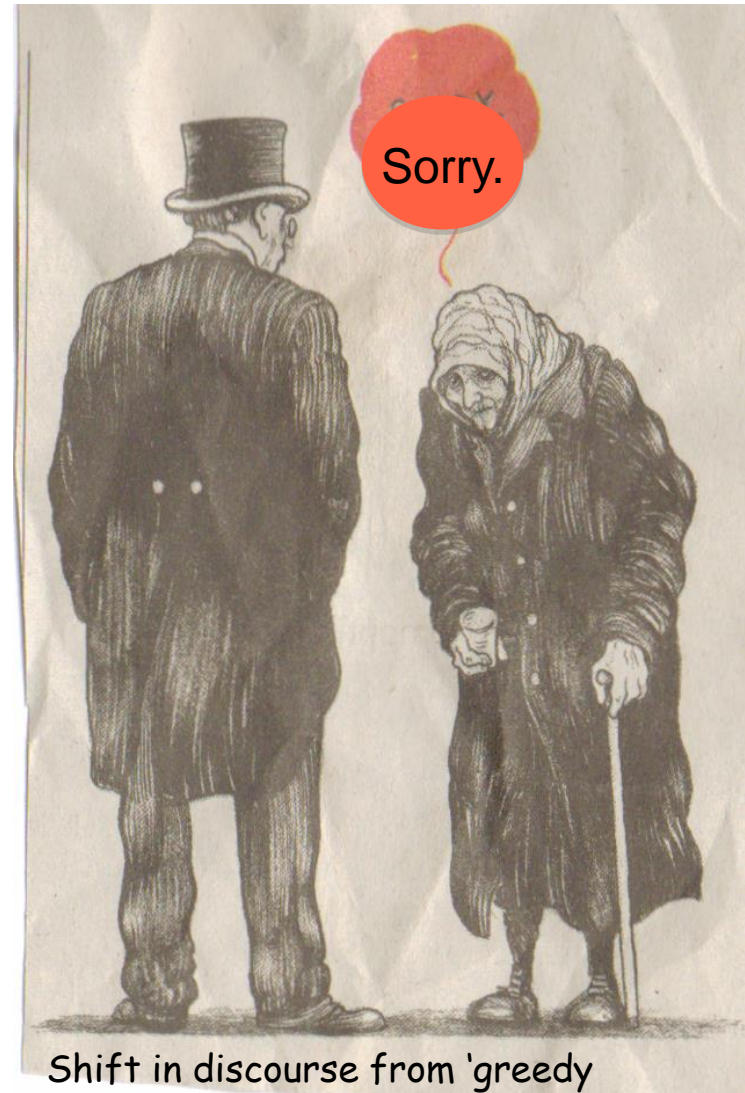
Cultures, meanings and moralities of debt matter.....

- The study of consumer credit brings together the multifaceted concerns and aspects of the history of consumer societies. It puts economic and cultural, social and political historical narratives into conversation with one another. Credit can speak to the democratic promises and aspirations attached to expanded material consumption. At the same time, many forms of debt remain to this day associated with desperation and destitution, highlighting the shortcomings and inequalities of our consumer societies.

Source: Report by Jan Logemann from Cultures of Credit Consumer Lending and Borrowing in Modern Economies Workshop at the German Historical Institute, Washington DC February 5-6, 2010

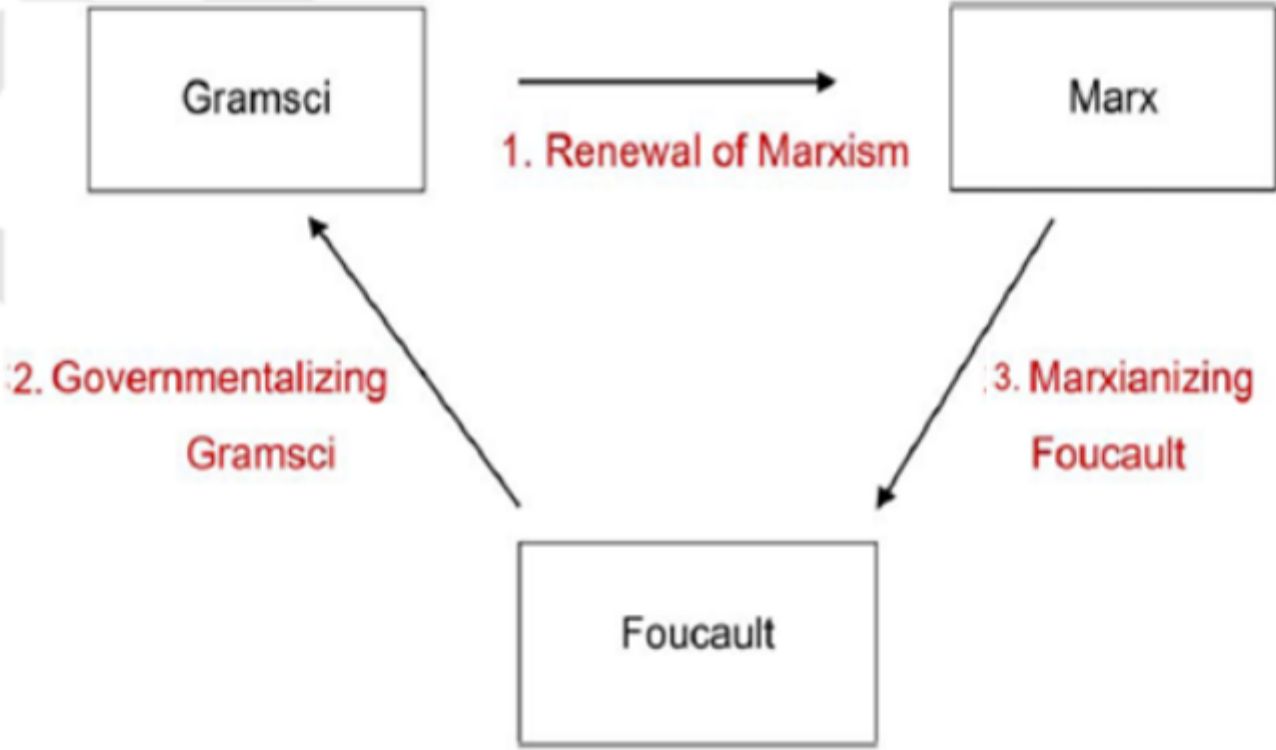
To complete the picture, political economy needs to include:

- Cultural political economy – how do particular economic discourses change and gain hegemony?
- How are they causally effective?
- Ideology, meaning and morality of debt
- State – how do we incorporate?
- Gender dimension – financialization of social reproduction falls on women



Shift in discourse from 'greedy bankers to welfare scroungers.....

From Jessop and Sum, A Cultural Political Economy as a synthesis of:



Cultural Political Economy

- Cultural Political Economy (CPE) contributes to this preliminary framework
- bringing together the social structural framework of financialization and social reproduction
- with the multiple cultural meanings of debt which infuse its operation.
- The different meanings and moral imperatives of debt are co-produced, circulated and exchanged as credit is advanced managed and packaged and its reciprocal in debt is policed, reclaimed, bought and sold.
- The social relationships of debt dialectically intertwine with meanings and morality and those orthodox and behavioural economic imaginaries which inform state regulator interventions.
- These draw on the assumed merits to borrowers of competitive markets and informed, financially literate and 'included' consumers.

Applying to debt

- Focusing on official responses to debt and illustrating by reference to two dimensions of CPE and the identification of a range of economic imaginaries underlying policy intervention

And noting complexity reduction has *both* semiotic and structural aspects with the 'cultural' and the 'social' as *dialectically related moments* of the social world.

- **cultural moment** refers to meaning-making and the resulting properties of discursive formations (such as distinct discourses, genres, genre chains, styles, or inter-textuality) regardless of their condensation, or otherwise, in social structures.
- **social moment** concerning the extra-semiotic features of social practices and the resulting properties of social interaction (such as social cohesion and institutional integration, dilemmas and contradictions, and institutional logics) that operate 'behind the backs' of agents and may not correspond to their meaning-making efforts.

Discourses on debt

- If the social moments of debt are accounted for in least in part through the interaction of finance and social reproduction what of the cultural moment?
- Policy interventions suggest a range of economic imaginaries as semiotic systems giving meaning and shape to the field of debt
- “We also know that austerity comes with a narrative – the demonisation of poverty – which has a catastrophic affect on politics” (*).

(*) Source: Guardian, Zoe Williams We're addicted to debt.... 4 Sept 2017

- Diagnosis - the idea of some debt is good too much is bad
- Debt and consumer demand - 'some debt is good'
- Desirability of competitive markets – CMA/ FCA
- Market imperfections - interventions to cap prices
- Stress affordability in making loans
- ensure consumers are informed
- Promote financial literacy
- Steps to end Financial exclusion BoE
- Underpinning - application of orthodox economics
- FCA promoting behavioural economics

Imaginaries, agents and technologies of debt – provisional

agents	Imaginaries
Households	Debt as means to end; dream; nightmare; discipline; shifting morality
Consumer / retail companies	Means to expand markets; special offers to buy; diversification – marketing credit as well as final profit.
Financial Companies	Commodification – selling credit/ making debt; sale and resale; profit versus risk; morality; intermediation; technologies of debt; calculus of risk; ‘we are here to help you’
Government and state bodies	Ambivalence of boosting aggregate demand versus sustainability; regulation; competitive markets; informed consumers
Orthodox economics	Utility maximising individuals borrow and save over a hypothetical life cycle.
Political economy	The new normal; subjectivity of indebted woman/man;

Conclusions and Future work.....

- working at the intersection of disciplinary boundaries – a sometimes lonely and nomadic existence
- the position of families who participated in the empirical part of the study, (understood theoretically within the cpe-sr-financialization framework) provides an initial standpoint for an emancipatory politics of debt
- A critical theory for our time must encompass three crisis dimensions (Fraser) ecology, economic, social reproduction
- Debt perspectives narratives and discourses – further study
- To elaborate on the policies, regulations and interventions to flesh out the genres and discourses etc built on such core ideas
- to consider the processes whereby these imaginaries rather than others have become embedded in policy
- Quantitative – how much household debt in Aberdeen
- Iceberg – part just above and just below the water line
- Market for debt – what is changing – door step V's high street V's on line – who borrows what and where; who is collecting debt and how
- What is changing in alternatives – mainstream banks, credit unions; what is impact of regulation
- Extent, content and depth of debt intermediaries in Aberdeen – what is their story?
- Issue of gender in securing and managing debt in reproduction of household
- Role of debtor, bankrupt – what is changing

Informed by a critical social science

- a social science that is avowedly 'emancipatory' in intent, and which contributes to the understanding of oppressive social systems and thereby to the liberation of people from domination and oppression of various kinds. This however must be done in a reflexive and critical way. Critical Social Science itself must be self critical.
- A critical social science should adopt a standpoint of the reduction of illusion, distinguished from mere scepticism and partisanship. It should stress the importance of the *denaturalization* of social forms (naturalization being the attribution to social science assumptions the status they are naturally embedded eg the assumptions of humanity being based on utility maximization as if this was a law of nature). So critical social science should stand in the tradition of promoting freedom, emancipation and the critique of avoidable suffering. Importantly a critical social science contends that issues of values, ethics and morality should not be divorced from social science as if they were beyond the scope of reason. A critical social science explicitly rejects the idea of a 'value free' social science. Social science should be about what is good, or in the interests of well-being or human flourishing.

Source: Andrew Sayer (2009) Who's Afraid of Critical Social Science?
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Supplementary slides

For reference and available on
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