
‘We’re reaping what we sowed’:

Everyday crisis narratives and acquiescence to the age of austerity

Liam Stanley
liam.m.stanley@gmail.com

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Abstract

The British public have seemingly accepted the inevitability of the Coalition-government’s ambitious fiscal consolidation plan despite the fact that it may harm many. In this context of general acquiescence, many existing accounts appeal to elites: notably, how the narration of a Debt Crisis has rendered the ‘age of austerity’ as both a logical and common-sense response to the UK ‘living beyond its means’ in the pre-crisis years. Utilising the notion that elite-driven crisis narratives must resonate with the ‘mood of the times’, this paper analyses non-elite crisis narratives. Specifically, it looks at how homeowners from middle-class neighbourhoods justify fiscal consolidation – drawing on a series of focus group interviews to do so. It is argued that the shared popular wisdom and experiences are extrapolated from the personal to make sense of the state level – but in a way that tends to legitimise spending cuts. A key aspect to this mood of the times, it is argued, is the notion that the British public are, as one participant put it, ‘reaping what we sowed’.

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Introduction

At least we know, folks, that it's not our fault. No, no. It's these sub-prime bastards.

I was trying to think who they were the other night, as I sat on my DFS sofa that I haven't paid off for three years, looking at my 54-inch plasma television on interest-free credit, in my Cashmere hoodie and my Abercrombie and Fitch tracksuit bottoms that I've not paid off on my store card, and I thought, "Who are these sub-prime bastards?"

It's us! We are sub-prime. It's like Spartacus meets Ocean Finance.

Nobody wants to admit, do we? "I'm not sub-prime."

"I'm not sub-prime!" "I'm not sub-prime."

You are, IT'S US!

(Patrick Kielty, *Michael McIntyre's Comedy Roadshow*, broadcast 4th July 2009)

How do everyday actors make sense of fiscal deficit reduction plans? And what do these processes tell us about the legitimacy of austerity and the wider politics of crisis? Political economy scholars are increasingly conceptualising crises as 'endogenous constructions' (Widmaier *et al.* 2007) to explain 'great transformations' from one political and economic institutional order to another. During the radical uncertainty associated with economic failure, an interpretive battle commences in which policy-makers draw on ideas to narrate crises; these causal stories are used as both weapons to delegitimise pre-crisis institutions and as blueprints for a post-crisis settlement (Blyth 2002). Many have suggested that these narratives must resonate with what has been termed the 'public sentiment' (Campbell 1998), 'public philosophies' (Schmidt 2008) or, to spell it out, an intersubjective consensus about the legitimacy of change among the broader population (Widmaier *et al.* 2007) if they are to be successfully accepted as blueprints for a post-crisis order. However, this last point, also referred to by some as the '*mood of the times*' (Widmaier 2004), is rarely explored empirically. This is unfortunate, because, as this article highlights, exploring

it can tell us about the wider politics of legitimacy and acquiescence in times of crisis. Indeed, while there are a few existing studies that do analyse something akin to ‘the mood of the times’ during crises (Hay 1996, Seabrooke 2007a, Watson 2009), they problematically rely on methodological proxies. This article explores the mood of the times, through a series of focus group interviews with non-elite actors, surrounding the ‘age of austerity’ in the UK.

In May 2010, the British Conservative and Liberal Democrat parties formed a coalition government in which the leaders of both parties formally agreed that ‘the most urgent task facing this coalition is to tackle our record debts’. The resulting policy strategies involved announcing the largest cuts to public spending since the Second World War (Taylor-Gooby and Stoker 2011). This paper explores a particular and distinctive period within the self-styled ‘age of austerity’: that is, from 2008 to 2012, when the political environment was characterised by acquiescence from some sections of the British public to the *idea* of fiscal consolidation. The focus on the idea, as opposed to the ‘reality’, is what makes this period distinctive: as of mid-2012 many of the spending cuts were still projected and indeed yet to be fully implemented. Indeed, the Conservative party won a minority victory at the 2010 election on the back of *explicitly promising* ‘the age of austerity’ as a necessary solution to an out-of-control fiscal deficit. It is intriguing that so many people have seemingly accepted the necessity and inevitability of this state strategy.

That ‘Labour’s Debt Crisis’ resonated with the ‘mood of the times’ – understood as shared popular wisdom and experiences – helps us understand this. In short, the answer points to *crisis*. It is seemingly accepted that due to the UK’s crisis-size budget deficit and debt levels, the state must start living within its means – starting with painful but wholly necessary spending cuts. This particular middle-income

homeowning story, crucially, *justified* the imposition of fiscal retrenchment through the use of shared popular wisdom and experiences. As the epigraph hints at, both the inherent morality of debt and experience of the increased financialisation of everyday life have been extrapolated from the personal and onto the state and public finances. The result is a cultural disposition towards viewing the cutting of the large fiscal deficit as a necessary solution to a moralised crisis of *state* over-spending, reflecting wider *societal* experiences of perceived over-spending and related feelings of guilt concerning pre-2008 excessive consumption and financialisation. As one focus group participant put it: ‘we’re reaping what we sowed’. Consequently, there was a limited *legitimacy gap* between the fiscal consolidation plan and the everyday justification of these plans based on shared wisdom and experience. This helps explain the general acquiescence to the idea of fiscal consolidation, despite the potential harm of the measures.

The article is split into three further sections. The first sections draw on literature on the politics of ideas, the construction of crises and ‘everyday IPE’ in developing an analytical framework, before outlining the focus group research design. The second section provides some background by reviewing the pre-crisis environment and turn to fiscal consolidation, before introducing the focus group discussions in the context of the much discussed ‘household metaphor’ – a form of analogous reasoning used by elite actors to render austerity necessary. The final section then reconstructs and interprets the narratives of fiscal consolidation seen in the focus groups, showing how the sense-making process tends to legitimise austerity.

Researching the mood of the times

Ideas, crisis and everyday politics

Peter Hall's (1993) piece on policy paradigms is a seminal influence on the modern research agenda on the politics of economics ideas. While the specific concept of paradigm might not always be present in the vocabulary of contemporary scholars, the notion that studying 'the overarching hierarchical goals that guide policy' (Hall 1993: 278) or the 'elite assumptions that constrain the cognitive range of useful solutions available to policy makers' (Campbell 1998: 385) remains an important factor in explaining policy change and stability for many. Meanwhile, the likes of John L. Campbell (1998) and Vivien Schmidt (2008, 2010) have sought to conceptualise ideas beyond paradigms as the background cognitive assumptions of elite policy-makers: 'Public sentiments' refer to 'public assumptions that constrain the normative range of legitimate solutions available to policy makers'; frames are the 'symbols and concepts that help policy makers to legitimise policy solutions to the public' (Campbell 1998: 385). In many ways, this article seeks to see how, in the case of austerity, the latter resonated with the former. Both concepts, however, require some elaboration and alteration: while public sentiments can be understood as the mood of the times, 'frames' can be understood as crisis narratives. We shall look at the latter of these two first.

The policy paradigm framework also spawned a different but closely related set of literature – characterised by Colin Hay (2006) as 'constructivist institutionalism' – that looks at how constructed crises can trigger transformations in institutionalised policy paradigms. Set up against the notion that that crises are transformative because they alter the structural position, and thus material interests, of key domestic groups (e.g. Gourevitch 1986), it is assumed that in times of radical uncertainty ideas inform

notions of self-interest. Crises are thus considered ‘endogenous constructions’ (Widmaier *et al.* 2007): brought into existence via intersubjective narratives, or ‘causal stories’ (Stone 1989, Blyth 2002: 39), that in defining and explaining a ‘problem’ (such as an economic downturn or the rise of a fiscal deficit) constitute an appropriate and necessary intervention (Baker 2013, Blyth 2002, 2007, Carstensen 2013, Hay 1996, 1999, 2001, Widmaier 2003, 2004, Widmaier *et al.* 2007). The language of crisis itself is of particular importance: it is used to signify an irremediable condition of emergency – *unless* an intervention is made with decisive swiftness (Hay 1999: 323-7, Koselleck 2006: 358, Gamble 2009: 38-9). While serving a certain purpose, this literature is restricted, at no fault of its own, to explaining either paradigm transformation or reinforcement through elite narratives, with little recourse to the questions regarding legitimacy posed here.

Everyday politics approaches, however, seek to place legitimacy at the forefront of analysis. As Leonard Seabrooke has perceptively pointed out, much constructivist work contains an implicit concept of ‘auto-legitimacy’, whereby the public are generally considered as ideologically susceptible or unimportant as elite-driven narratives unproblematically gain legitimacy ‘by proclamation’ (2006: 40). This has been placed within a wider critique of international political economy, in which everyday politics scholars seek to highlight how non-elite actors can drive change in the global political economy (e.g. Hobson and Seabrooke 2007, Seabrooke 2007a, 2010, Langley 2008a, Broome 2009, Montgomerie 2008, 2009, Watson 2013).

This has led to something akin to the public sentiment or the mood of the times being given a more prominent role. Widmaier *et al.*, for instance, argue that ‘elite agents’ constructions of crises as turning points for policy change is particularly effective when there is a sufficient intersubjective consensus about the legitimacy of change

among the broader population' (2007: 749). Empirically, Seabrooke (2007a) argues that the Keynesian revolution in British interwar economic policy was made possible by shifting everyday expectations about the economy. In contrast to elite understandings at the time, mass conventions considered equality and fairness as increasingly important parts of a functioning economy. The gap between public and elite ideas about justice lent the eventual elite Keynesian demand-side thinking legitimacy. Furthermore, Matthew Watson (2009), in the more recent context of the 2007-8 global financial crisis, argues that a middle-class moral panic regarding falling house prices shaped the government's response to banks' bailout demands. With middle-class homeowners positioned as beneficiaries of the rescue plan, the moral panic gave important legitimacy to the Government's positive response to banks' bailout demands.

Both of these studies, however, rely on methodological proxies relying on secondary sources to make claims about the lived experiences of non-elite actors. While this is entirely consistent with the specific sociological analytical strategies deployed, we would be mistaken to believe that accessing primary sources, when possible, would not be beneficial. As Seabrooke explains, one inspiration behind the historical sociological method he employs involves imagining how non-elites from different historical periods would argue how the economy should work and how this challenges the legitimacy of rulers (2007b: 391). If the empirical puzzle at hand is contemporary, then there is no need to fantasise about a time machine (Seabrooke 2007b: 390-1) because the researcher is in a position to pose those very questions. Developing this idea, however, requires thinking about legitimacy and the power of ideas.

Much of the literature on legitimacy shares the starting point that the (supposedly) Weberian 'belief-in-legitimacy' concept is problematic (Beetham 1991: 6-19, Clark

2003: 80, Seabrooke 2006: 45, Reus-Smit 2007: 158). As David Beetham (1991: 11) argues, ‘a given power relationship is not legitimate because people believe in its legitimacy, but because it can be *justified in terms of* their beliefs’. This means that when we seek to assess legitimacy we do so on the basis of it conforming to existing shared values, standards and expectations (ibid). Thus, a ‘legitimacy gap’ exists when elite action cannot be justified on the basis of the shared beliefs of the public (Seabrooke 2007a: 796). Thus, justification of certain policy ideas on the basis of shared beliefs is paramount¹. Furthermore, the power of ideas cannot be reduced to the ‘means of power available to those who control their dissemination’ but should be ‘measured’ in terms of their credibility to the recipient (Beetham 1991: 106). A certain crisis narrative, then, is not legitimate because those with power say so – an example of the legitimacy-by-proclamation thesis discussed by Seabrooke – but because the story is justified in light of existing assumptions and lived experiences. This is why the methodological proxies can be problematic: the analyses of the legitimacy of crisis narratives should be based on an analysis of justification based on shared beliefs.

Intersubjectivity and focus groups

This focus on ‘shared beliefs’ takes us full circle: The justification of ideas based on them can indicate an intersubjective consensus over the legitimacy of change. One way to ‘access’ shared beliefs, or the mood of the times, is through analysing everyday economic talk from homogenous sub-group of people gathered, in this case, from focus group interviews. The purpose of focus groups is to understand how a particular sub-group process and negotiate meaning around a given situation. Although more popular in political marketing, there are now numerous examples of focus groups used in research about politics (e.g. Gamson 1992, Hopf 2002, O’Toole

2003, Marsh *et al.* 2007, Hopkins 2007). Focus groups are particularly relevant to analysing intersubjectivity: the common-sense conceptions and ordinary explanations shared by a set of social actors (Calder 1977: 358). Indeed, focus groups produce '*sociable public discourse*' in which participants tend to act as if 'speaking to a gallery' as governed by the norms of public discourse (Gamson 1992: 20).

The mood of the times can be operationalised through the identification and analysis of two shared cultural resources: popular wisdom and experience (Gamson 1992: 117-34). Popular wisdom refers to taken-for-granted knowledge and maxims that are often used to make a point in conversation and are reliant upon the assumption that they shared. As William Gamson argues, popular wisdom is often utilised in the form of 'rules of thumb'. The notion is closely related to what Claudia Strauss (2012) terms 'conventional discourses': an often formulaic, and oft-repeated, shared schema. A pertinent example from the analysis below, for instance, is the rule that 'one pays back one's debts'. Experience, meanwhile, is often utilised through the use of emblematic anecdotes that seek to make a broader point about how the world works (Gamson 1992: 122). As such, experiences in the form of anecdotes have a privileged place in conversation (see also Atkins and Finlayson 2013). Indeed, Colin Hay (1996) shows how crisis narratives can become accepted by resonating with 'everyday experience'. Hay argues that the "success" of a narrative does not reside in its validity, but in providing a simple and flexible story that succinctly links together a series of 'symptoms' with a cause while attributing blame (Hay 2001: 204).

These resources – popular wisdom as rules of thumb, lived experience as anecdotes – act as relatively shallow, but practical, heuristics and hunches that allow individuals to make sense of externalised structures, contents and institutions (Lizardo and Strand 2010: 206).² Since shared understandings of the world allow individuals to

comprehend and organise experience (Quinn 2005b: 2) we can look for patterns across instances of everyday talk from sub-groups of people for evidence of such shared understandings (Quinn 2005a: 40-43).

The main sub-group for this research were homeowners from middle-income areas (groups A1-4, see appendix), with additional groups conducted with community members from poorer areas (groups B5-6) as a point of comparison. This ‘theoretical sampling’ (Barbour 2007: 58) was on the basis that while the former were hypothetically likely to be austerity supporters, and thus produce the austerity acquiescence narrative, the latter are not³. The British middle-class are also sometimes identified as an important constituency in which politicians’ either strategically hail their interests to legitimise interventions (e.g. Watson 2009) or genuinely target their rhetoric at (e.g. Reeves 2007, Holland 2011). Meanwhile, in Britain, homeownership has become both politically and culturally salient (Schwartz and Seabrooke 2008, Smith 2008, Finlayson 2009). That homeowners are disposed to conservative policy preferences (Watson 2008) and financial self-discipline (Langley 2008a: 193-9) means they are theoretically likely to produce the austerity acquiescence talk that this paper seeks to interpret.

The literature on focus groups suggests that conducting around four focus groups, or twenty participants, with one sub-group is enough to adequately reach ‘saturation point’ (Morgan 1996: 144, 1997: 43, Krueger and Casey 2000: 26, Bryman 2008: 477) – the point at which the research has enough data to both pre-empt the content of discussions and interpret common-sense cultural dispositions. Six focus groups, with a total of 39 participants, were conducted between May and October 2012 (see appendix for details). Participants for groups A1-4 were first identified through the electoral register, where a list of households was built on the basis of postcodes⁴.

Each 5th individual on the resulting lists was then phoned, screened, and asked if they were interested in participating – a process repeated until an adequate number agreed. Participants for groups B5-6 were recruited through adverts and contacts within community networks. All participants were offered £20 gift vouchers as incentives for their involvement – something recommended by the relevant literature (Morgan 1997: 85, Krueger and Casey 2000: 38). The groups contained a mix of public and private workers – as well as unemployed – and a mix of genders and ethnicities.

A limited facilitation approach taken by the author, meaning that questions and interventions were limited to allow the discussion to flow relatively freely. Towards the end of each group it was always asked whether they believe spending cuts in the name of austerity was necessary. The analytical strategy was to reconstruct the causal stories, the rules of thumb, and the anecdotes that were consistently apparent and relevant to austerity acquiescence. The process of reconstructing what was shared about these stories, particular the selection of indicative and exemplary passages, imposes an exaggerated coherence to the stories told, and interesting idiosyncrasies of individual stories are lost. But, as hopefully the following two sections will highlight, this is not only theoretically consistent with the content of this section, but also necessary move in order to gain adequate interpretive traction.

The politics of fiscal consolidation

Paul: Austerity is being spun, and it is being played on our individual, almost puritan feelings of it if you don't earn it you [don't] deserve it ... It's very deep seated, and it's played on all the time - You just feel really guilty.

Jerry: I really share all your feelings of suspicion about how we're being sold austerity ... and yet, I think there's a hard, hard reality for us as a country if every single [pound] we bring in [inaudible] that's what a structural deficit means, then at some point we would have to face a choice between making cuts or not paying the debts ... The hard economic reality is that we probably do have to pay off the debt which means we probably do have to spend less.

(Focus group A1)

In understanding the politics of fiscal consolidation outlined here, two interlinked contexts are particularly important: (i) contagion from the 2008 sub-prime crisis and resulting distress on the inter-bank credit system; and (ii) the implosion of the UK's 'Privatised Keynesian' growth model and related housing bubble (e.g. Crouch 2008, 2009, Watson 2008, Hay 2011). In both, 'financialisation' (e.g. Froud *et al.* 2007, Langley 2008b, Montgomerie 2009, Finlayson 2009, Montgomerie and Williams 2009, Callinicos 2012) – a general conceptual tool that seeks to make sense of 'the tempestuous rise of finance in contemporary capitalism' (Engelen 2008: 111) – is of central importance. Although a general term, financialisation is used here to refer to something quite specific: for it was the transformation of credit markets and the subsequent extension into, and impact upon, everyday life that made both the lending to American sub-prime borrowers and the 125% mortgages emblematic of Britain's own housing boom possible (Langley 2008a: 140).

The thirty-years prior to the 2008 financial crisis witnessed a mass liberalisation of credit. The boom in consumer credit markets helped ignite significant growth in consumer spending and borrowing in the context of increasing expectations of living standards (Finney and Davies 2011: 1). Many have shown how consumer credit came to be used in the UK as a means to extending the capacity for consumption (Dearden *et al.* 2010: 7), possibly to 'maintain a historically constructed and politically significant standard of living' (Montgomerie 2009: 19) in order to 'keep up with the Joneses' (McKay 2005). The point, however, is that both secured and unsecured credit were relatively 'easy' before the 2008 crisis, leading to certain expectations about the role of debt in everyday life that, as argued later, were problematised come the 'credit crunch'.

There were two sides to the credit crunch: the seizing up of the inter-banking lending system in 2008; and the subsequent impact upon the credit conditions for households and businesses. From these two contexts, credit crunch and bubble bursting, arose two important, again interlinked, results: a ‘double-dip’ recession⁵ and increased fiscal deficit. The latter of these is, of course, particularly important for purposes here. In 2010, the year the Coalition government was formed, the UK had an undeniably large fiscal deficit, both historically and comparatively (Thompson 2013).

Opinion polls have consistently shown that while voters are wary over the speed, depth and harmfulness of the cuts, there is still a ‘vast majority’ who accept the necessity and inevitability of significant cuts in public expenditure (Dorey 2010: 414). In survey results from June 2010 to January 2012, a (albeit decreasing) majority of people continued to agree that the cuts are essential to Britain’s economic health (Clarke *et al.* 2013: 17-18). This article seeks to both compliment and go beyond this quantitative evidence by examining the cultural politics and meaning of debt that in part produce this acquiescence to austerity. The deficit and/or debt undoubtedly became an important part of the political agenda following the global financial crisis. However, as a series of recent high-profile critiques have demonstrated (e.g. Graeber 2011, Blyth 2013b), “living with ones means” may make common sense, but it can make little economic sense.

Although initial seemingly Keynesian crisis management strategies showed the potential for more sustained paradigmatic change (Blyth 2010: 19), the more orthodox view that public sector deficits are intrinsically damaging eventually dominated the agenda (King *et al.* 2012: 2). This followed the politicisation of deficit and debt to GDP ratios, both which had risen significantly from 2007 to 2010 (Lysandrou 2013: 3). As Photis Lysandrou (2013) explains, two propositions underpinned this move: the

argument that rising deficits and debts will lead to a crisis of confidence amongst sovereign bond investors, and that a 90% debt to GDP ratio will have an adverse impact upon economic growth. The first proposition of debt intolerance, for Lysandrou, makes little sense. During periods of global uncertainty demand for the bonds of G7 nations will increase since they very likely provide a safe haven for investors, as reflected in increasingly low UK gilt yields (2013: 11, 17). Meanwhile the second proposition, the 90% rule, is based on dubious Ricardian equivalence theoretical underpinnings (2013: 5) and has been increasingly undermined by empirical errors. It is for these reasons that many have persuasively argued that “growth-friendly fiscal consolidation” is, at best, based on faulty evidence (see Blyth 2013b).

Helen Thompson (2013), however, argues that the UK’s troubles are very much down to running a pre-crisis budget deficit that was exacerbated – not caused – by bank bailouts and automatic stabilisers. Thompson explains the pre-crisis fiscal deficit as a result of the ‘political context of Labour’s electoral predicament in the post-Blair years’ (2013: 9). Meanwhile, the rise of “modern monetary theory”, which reflects some key post-Keynesian ideas, has attempted to make the case that in an era of fiat-money in which sovereign governments have no financial limits, deficit-fuelled demand management should be encouraged. The debate on the causes of Britain’s fiscal deficit and public debt will rage on. What this debate can miss is that – possibly due to the contested and uncertain nature of it – the fiscal deficit as the central symbol in the politics of fiscal consolidation deserves analytical attention in its own right – instead of being backgrounded as ‘spurious’ (Sawyer 2012: 207) or as sufficiently unrepresentative of an otherwise contested economic ‘reality’.

A fiscal deficit and/or public debt do not arrive empty of meaning or naturally in ‘crisis’ demanding a specific intervention. Indeed, the ‘Labour’s Debt Crisis’ narrative managed to constitute the fiscal deficit within a specific causal story: the deficit is the cause of previous governments overspending, in which the only solution is to cut back that systematic over-spending in the form of cuts to welfare and state provisions in order to preserve the UK’s all-important international credibility. Within the literature, Mark Blyth argues that the Conservative party have transformed a financial crisis into a state crisis, which then justifies exceptional cuts to welfare and public employment (2013a: 23). ‘Again’, Blyth continues, ‘it’s the perceptions of the facts that matters ... a crisis of finance was deftly constructed as a crisis of the profligate state despite the inequity or the put (who pays) and the inanity of the analysis (who’s to blame)’ (2013a: 23). Meanwhile, Colin Hay similarly argues that austerity has been predicated on the construction of a crisis of the fiscal deficit in which New Labour overspending is blamed, thus making austerity appear as a logical solution (Hay 2011: 24).

Consequently, contesting the fiscal deficit is the key political battleground over austerity. Within Conservative rhetoric, it has featured prominently as the result of state profligacy and often conflated with debt: particularly through the prominent pre-election motif of how Gordon Brown ‘failed to fix the roof when the sun was shining’ (e.g. Cameron 2008a, 2008b, Osborne 2008a, 2008b, 2008c, 2008d, 2008e, 2008f). Opposition to this interpretation was successfully negated through accusations of ‘deficit denial’. This strategy was relatively successful in implying that to acknowledge ‘the deficit’ is to surely acknowledge the dominant narrative that legitimates, as common-sense seemingly dictates, cutting state spending both deeply and immediately. The notion of crisis is central to this.

Perhaps somewhat unsurprisingly, all focus groups identified ‘debt’ as a source and/or symptom of ‘crisis’, which was often linked to justifying spending cuts. However, the groups differed in the specific production of these narratives. Groups B5-6 were, in some ways, as quiescent as groups A1-4 about the prevalence of a debt crisis and the need to cut the deficit but without producing the same detailed stories and justifications. Indeed, the B groups, with the exception of one or two individuals (examples below), pointed out that debt is the problem in a matter of fact manner without sustained collective deliberation⁶. In contrast, the production of these detailed crisis narratives, and thus acquiescence to ‘dealing with the deficit’, was far more explicit in groups A1-4. It is for this reason that claims regarding the production of this specific debt crisis narrative is limited to the A groups.

Although there was some limited discussion from individuals about whom the debt is owed to or whether businesses should contribute more, the shared conclusion that the state should cut back was fairly consistent:

Kyle [driving instructor]: I don’t know how else you do it [reduce the deficit], because if you do it ... the only other way is taxation. I just think if you tax us anymore we’re already bleeding dry.

Nicholas [car trader]: I tend to agree with that.

Linda [housewife]: Yes.

(Focus group A2)

Sarah [child-minder]: I think they [the spending cuts] are necessary.

Rachel [part time sixth form lecturer / carer]: I think we need to claw back somewhere ... no doubt about that.

Lucy [IT support at local college]: I think probably, yes ... the deficit should be partly made up from elsewhere – like very profitable businesses. I think people who make a lot of money should be made to have a bit more of a social conscience.

(Focus group A3)

Maddie [retired]: An interesting question [‘what is the ‘problem’ with the UK?’]. I don’t think there’s a single-word answer for it.

Jo [volunteer]: Everything. That’s a single-word answer.

Laughter

Maddie: Debt is a problem.

Jo: Yeah.

Maddie: And y’know [...] whether you go from individuals, to nations, to the globe. Debt is a problem [...] [and] essentially you cut back on spending, but you have to do some spending to generate more income. So it’s finding that balance isn’t it.

(Focus group B6)

There are two important points to make at this point about the production of this narrative. First, the causal stories did often align the ambiguous debt and/or deficit to state spending (whether welfare or bank bailouts) but rarely attributed blame to the Labour government specifically (see also Dorey 2010: 413). Instead, ‘politicians’, along with bankers, were mostly conceptualised and blamed as a homogenous group⁷. Second, and more importantly, there was often contestation and cynicism towards how spending cuts were justified by politicians (“it’s all crap”, as one participant succinctly put it). Yet, crucially, the participants still reached the same conclusion themselves using other sources of justification. This raises the question of how this particular meaning of crisis was generated, or, to put it differently, what resources were used in the production of this story?

The ‘household metaphor’ could be one answer. Many members of the coalition government have come under criticism for consistently invoking this analogous reasoning – understanding the finances of the state as if it were a household – when communicating the necessity of fiscal consolidation. The use of this metaphor has garnered attention because it excludes Keynesian counter-cyclical deficit-fuelled

stimulus from the imagination. Subsequently, for those on the left the use of this analogous thinking is a disingenuous device that is ideological in nature. Deputy Prime Minister Nick Clegg's 2010 conference speech was, for instance, partly scrutinised by both commentators and bloggers for containing the 'simplistic nonsense of comparing a governmental deficit with household debt' (Engel 2010). On a more general level, Paul Krugman (2012) argues that showing the inaccuracy of the household metaphor highlights how 'the austerity drive in Britain isn't really about debt and deficits at all; it's about using deficit panic as an excuse to dismantle social programs'.

This debate is thus of paramount importance. If the public do conceptualise the state as analogous with the household, then austerity would indeed appear as common sense as a well-managed household avoiding the accumulation of unnecessary unsecured debt. Although the impact of this elite rhetoric on the views of the mass audience is presumably part of what makes the household analogy of both political and analytical interest, this issue of audience is rarely explicitly raised in these discussions. Pointing out the incorrectness of a simplistic and limiting worldview utilised ideologically in elite rhetoric is one thing. But to understand how, if even at all, such views actually *work* in the imagination of the public is something all together different. The following section argues that the dominant story, in which fiscal consolidation is justified, consisted of three elements: 1) 'Debt' as an ambiguous moral obligation; 2) Financialisation as 'living beyond our means'; 3) The profligate state. Each will now be explored in detail, before I return to the question of whether or how members of the public use the household economy to make sense of the state.

Everyday narratives of fiscal consolidation

'Debt' as an ambiguous moral obligation

Unsurprisingly, debt was a central theme in the focus group discussions, particularly in the middle-income groups. It was consistently positioned in overtly moralised terms through the conjuring of popular wisdom through two rules of thumb: “one lives within ones means”, and “one pays back ones debts”. David Graeber (2011) argues that, historically speaking, debt has been usually considered an inherently moral obligation. In highlighting the power of the second of these rules of thumb, Graeber recounts an illuminating conversation with an attorney on the topic of the global justice movement. When Graeber explains that one the main aims of the movement was to cancel Third World debt, the sympathetic but inquisitive lawyer objects: “But they’d borrowed the money! Surely one has to pay one’s debts.” For Graeber, the interesting thing about this objection was the self-evident nature of the statement itself: ‘the very assumption that debts *have* to be repaid’ (2011: 3). He goes on:

The reason it’s so powerful is that it’s not actually an economic statement: it’s a moral statement. After all, isn’t paying one’s debts what morality is supposed to be all about? Giving people what is due them. Accepting one’s responsibilities. Fulfilling one’s obligations to others, just as one would expect them to fulfil their obligations to you. (2011: 4).

This morality regarding debt was apparent in the middle-income focus group discussions.

Linked to the ‘paying debts’ obligation rule is the ‘living within means’ prudence rule. Conservative actors consistently drew on this twin notion of prudence and obligation to tell a causal story about the rise of the fiscal deficit. As David Cameron explains:

A Conservative Government will make sure Britain starts “living within our means.” This is what households up and down the country do. When people get a pay rise, they don’t go and spend it all at once and then go to the bank manager asking for

more money. They spend some – and put some aside in the kitty. We should expect the same from government (Cameron 2008c).

The popular wisdom apparent in this passage, I would suggest, is not simply an example of imposing a narrative upon an audience, but is instead drawing on deeply culturally embedded moral values. This point can be reinforced with a quick comparison. Other studies that have looked at the construction of economic necessity, such as New Labour's hyper-globalisation discourse (e.g. Watson and Hay 2003), have tended to focus on communication of a *new* concept in particular terms. Yet, in this case this was unnecessary. The meaning of debt was 'already there', as it were, in the form of generally accepted popular wisdom as cultural resources for elites and non-elites alike.

This popular wisdom about debt was utilised by participants to make points about the necessity of fiscal consolidation. One group, in particular, discussed and contested this popular wisdom at length. Their resistance to the popular wisdom of prudence and obligation, is in many ways indicative of how engrained it is:

Paul: The way the government is selling it as 'oh, you shouldn't pay for things you haven't earned' – I have to step back from this and think: this worked when I was 7 but it doesn't actually work now because our lives are built around credit.

Denise: I was brought up to believe that you should save it up. But at the same time you need credit to buy a house.

Damien: I'm also very much influenced by my upbringing ... If you want something, you wait ... We've moved away from this basic creed.

(Focus group A1).

The 'we' used in these discussions is noteworthy. Throughout the discussions it seemed to refer a number of things, but most notably 'Britain' as a whole: as if government and personal debt were subject to similar mechanisms. It is this 'we', in tandem with the *ambiguity* of debt that allows states and households to be discussed

in the same terms, that makes this guilt possible. To summarise, these discussions had a number of notable shared characteristics: first, debt was often identified as a, if not the, ‘problem’; second, debt was often discussed in surprisingly ambiguous terms; third, debt was often conceived as a moral obligation. Taken together, this is a powerful story and an important part of austerity acquiescence: “*one pays back ones debts*”. However, this is not the full picture. Part of the narrative is also *why* there is so much debt, and it relates to what Damien is referring to above – the moving away from a ‘basic creed’ of prudence and obligation.

‘Living beyond our means’

The respondents consistently made an implicit temporal distinction between pre-crisis and post-crisis experiences and expectations of finance. This distinction – evident in the use of tenses, examples below – was between a past in which the UK was caught on a ‘hamster wheel’ on consuming beyond its means through ‘finance up to our eyeballs’ and an austere present and future. The mood in the discussions suggests a shared perception that these otherwise increasingly easy conditions have been jolted and then halted: and with that, a disturbance of the prevailing expectation outlined previously and a reappraisal of the role of credit and debt.

Matthew Watson has used the work of Erving Goffman to highlight how ‘occurrences can lead to often seriously disproportionate responses provided they tap into a sufficiently energised public mood’, with the key lying ‘in the disturbance of the appearance of normality’ (2009: 430). The point is that the image and experience of credit suddenly being withdrawn disturbed normality: it led to a reconsideration and reflection upon the role of credit and debt in everyday life akin to the prudence and obligation outlined previously. As Watson reminds us, ‘[a]ll that is necessary to destabilise the subject positions associated with an extant social order is for the veneer

of normal appearances to be broken' (2009: 430). This was certainly reflected in the focus group discussions.

All groups discussed how either they themselves, or the UK more generally, problematically (morally and/or economically) relied on debt before the global financial crisis. The excerpts below are particularly indicative of a change in expectations, which is emphasised by the use of past tense to denote an era that has passed:

Nicholas: Everything was done on finance. It was finance up to your eyeballs ... The whole thing just exploded from nothing really, we're just reaping what we sowed before and everyone benefitted because they've all bought the conservatories, the car, they've all had a new settee ... Everything just exploded and now we're back to how it should have been in the first place. We're back to when where we should have been ten years ago.

Kyle: The bubble has burst

Nicholas: It was all false.

(Focus group A2)

Michael: It was too free and easy. I was at university in the early 90's and as a result of that ... I walked away with a massive amount of debt.

Caitlin: You could have as many [credit cards] as you like [...] I don't think it's like that anymore – every day you'd get offered one [...] Don't think you get that like you used if you think about it.

(Focus group A4)

This reappraisal of the pre-2008 role of credit and debt was common, but is perhaps best summarised here, where it is linked back to a return to a previous prudence:

Linda: Feeling that anything you wanted you could go out and buy and we all got caught on the hamster wheel and its much better to go back to the way I was brought up which was you don't buy anything until you could afford to buy it within reason.

(Focus group A2)

This shift in experience and expectations links into the ambiguous guilt surrounding the sources of 'the UK's debt' that is used to justify fiscal consolidation:

Denise: We've been on some nice holidays, but unless we've got the money ... I don't know if we are. So yes, perhaps it [the Conservative narrative] is working on me. I feel guilty ... Before I would have taken credit, but now I'm not so sure.

(Focus group A1).

The third, and final, part of the narrative involves accounting, specifically, for the level of state debt through reference to everyday experience.

The profligate state

Narratives of state over-extension are hardly unfamiliar. Indeed, it was a central theme in the narratives that made Thatcherism possible (e.g. Hall 1979, Hay 1996). Over the past four decades or so, the British state has been consistently attacked by the Right for being too big; too bureaucratic and onerous; too wasteful with 'our money'. In this sense, the coalition government had a rich tapestry of well-rehearsed stories and well-engrained values to conjure when constructing their own crisis narrative.

Nevertheless, anecdotes were consistently hailed to complain about the misuse of public money. As discussed previously, anecdotes have a privileged place in conversation. When people use experiential knowledge to make a point about something, they usually do so through stories about themselves or someone that they know personally (Gamson 1992: 122). Analysing anecdotes, in this setting almost always delivered to make a wider point, is thus one of the primary ways of analysing experiential knowledge⁸.

While respondents had their individual 'big' reasons for state indebtedness (the armed forces, 'too many people in the country'), it was the 'little' reasons that were consistent, particularly amongst those from the private sector:

Caitlin: There's a lot of money that's wasted. For instance, there's new lights being put all up our road and you look and think, y'know... [...] But if times are hard you probably just leave that a couple of years and they'll last [...] All the time, there's money just wasted on y'know, like, office furniture and paperclips.

(Focus group A4)

Nicholas: My controversy is that they're spending money around here on the roads. They're throwing money around and I'm thinking 'why are they doing that?' [...] They've extended the pavement ... What have they done that for?!

(Focus group A2)

However, it wasn't just private sector workers who made such arguments. The public sector participants also complained about the wastefulness of state spending, but often instead pointing to 'the suits', a reference to unnecessary levels of management above them, or the structure of public services themselves. For example:

Michael: We feel the same. We're baffled at some decisions. That's common across any public sector workers. The decisions that are made ... you just think 'Christ – what's that about?'

(Focus group A4)

Jerry: The way in which in public services are organised – modernisation – make public sector inefficient – waste more.

(Focus group A1)

Although the bank bailouts have made deciphering the Debt Crisis even more ambiguous (Clarke *et al.* 2013: 17), these acts represented another key cause of the UK's indebtedness in the discussions. For example:

Kyle: ...with Northern Rock you had people queuing outside of Northern Rock, we took a slightly different view and we sort of spent all of our money on it [laughter].

Nicholas: And they're still doing so.

(Focus group A2)

The focus group discussions often deplored the moral failings of bankers, especially in relation to seemingly obscenely high bonuses. These discussions were, in turn,

often linked to a moralisation of the “undeserving rich” (see Kidder and Martin 2012), a group that encompasses both politicians and bankers. Consequently – and although a few participants celebrated the bank bailouts for ensuring the stability of the financial system (see also Dorey 2010: 413) – most discussions were equally critical of the morality of both politicians and bankers in the bailouts effect on the nations finances, reinforcing a sense of profligacy.

Discussion: How the household metaphor works

These three elements – debt as an ambiguous moral obligation, the experience of ‘living beyond our means’, and experiences of state profligacy – are brought together to make sense of the fiscal deficit. This story is perhaps best reflected the following passage:

Caitlin: I agree with that, personally, I think that, y’know, for years and years this country as a whole borrowed way too much money and [...] it’s like you did it yourself on your own credit card. There is a point when you just can’t borrow anymore and you have to cut. [...] So I sort of think it has to be done, but I probably think that because it doesn’t affect me that directly ... while if it affected me more directly I might be thinking ‘oh this isn’t fair, this isn’t right’. But I don’t really see that there’s any other option. It’s got to be sorted out and I think this is probably the only way.

(Focus group A4)

The ambiguous nature of ‘the UK’s debt’ allowed the middle-income participants to weave between different levels – personal, the state – with relative ease, seamlessly applying lessons from one and applying them to the other in a process of sense-making. It is also explicitly apparent when discussions of an everyday reliance on debt lead to comments such as:

Nicholas: Politicians were doing same thing, borrowing money they couldn’t afford.

(Focus group A2)

The experiences of financialisation and subsequent reappraisal of economic dependence on credit – a return to a moralised past, perhaps – is extrapolated from the everyday and is central to the process of making sense of ‘the fiscal deficit’ in the context of Labour’s Debt Crisis.

In this sense, the narrative plays on some notion of guilt. As Bob Jessop has argued, there may be a ‘widespread belief that ‘everyone’ is to blame because of generalised ‘greed’ based on the financialisation of everyday life in the neoliberal economies’ (Jessop 2013)⁹. But also important are the moral rules of thumb about debt (one only buys what one can afford, one pays back ones debt), which, in tandem with the ambiguity of the ‘UK debt’, are important sources of austerity acquiescence.

This is where the profligate state element of the story becomes important. First, it means that the crisis of debt (which must be caused by overspending) gives sense to concrete experiences. Experiences in which public money is deemed to have been wasted ‘stick’ and later help make sense of, and to an extent, confirm stories of state indebtedness and overspending. Second, these anecdotes are used to excuse and justify the potentially harmful consequences – whatever they may be – of reluctantly accepting spending cuts. If one makes the connection between state indebtedness (and thus overspending) and inefficiency and profligacy, then it gives the sense of something palpable and relatively harmless to be cut.

Although we can and should be critical of elite actors using disingenuous rhetoric to justify policy strategies, this analysis has implications for the understanding how, if at all, the household analogy works in the imagination of the public. On the one hand, evidence of the household metaphor as a cognitive filter came out in two similar ways: first, through the extrapolation of popular wisdom and personal experiences of

finance to understanding fiscal issues; second, through the ambiguous nature of ‘UK’s debts’ that allowed participants to swap freely between or amalgamate personal and state debt. Yet, on the other hand, there is a need for caution in jumping to conclusions about both the apparent ideological nature and stable cognitive nature of the household analogy.

I argue that people draw on different cultural resources – popular wisdom as rules of thumb, lived experience as anecdotes – in the process of sense making. It is obvious, in a way, that when something as abstract and non-tangible as an ‘£Xbn fiscal deficit’ is constituted in crisis through the telling of a particular narrative, people will turn to what they know when engaging. In this case the participants have experienced a credit boom and crunch and understand culturally salient rules of thumb about debt. What could appear as the realignment of the public’s interest with the interests of those whom rule, or the existence of a stable cognitive filter or heuristic, could be as simple as people merely applying the lessons they have learned from their lives to an inherently complex and abstract issue. That these lessons are ‘incorrect’ economically speaking is in some ways irrelevant to the questions posed here. As scholars of constructed crisis remind us, it is often the simplicity of ideas that matter, not their validity.

Stuart Hall famously argued that the ‘success’ of the Thatcherite story of state overload ‘does not lie in its capacity to dupe unsuspecting folk but in the way it addresses real problems, real and lived experiences’ (1979: 20). The ‘success’ of Labour’s Debt Crisis came not from duping the public into acquiescence, but through giving sense to a particular shared – middle class homeownership – set of experiences and meanings that meant they were receptive both the proposed causes and ‘symptoms’ of crisis, as well as the logical fix. Or, to put it into the terms set out here,

there is little evidence of a significant and serious legitimacy gap: the actions and narratives of the government are seemingly in-tune with the shared beliefs that the middle-income participants used to justify fiscal consolidation.

This point is important. If substantial parts of the public draw on cultural resources that mean they are receptive to the Labour's Debt Crisis narrative, then the intervention that the narrative constitutes as necessary becomes legitimated because it can be 'justified by shared beliefs' (Beetham 1991:11) or the mood of the times. And that intervention is, of course, the 'age of austerity' and the subsequent spending cuts. Consequently, the mood of the times – the perceived inefficiency and incompetence of the public sector and the bank-bailing state, popular wisdom about credit and debt, and the ups and downs of financialised capitalism – is one factor in understanding the "success" of the idea of austerity and the debt crisis narrative.

Concluding remarks

This article has analysed everyday crisis narratives, highlighting, in the process, how fiscal deficit reduction plans are justified using shared beliefs. This 'mood of the times', it is argued, suggests there is a limited legitimacy gap between elite actions and everyday expectations. Two contributions emerge. First, the article adds to existing understandings of the politics of the age of austerity: how it has been narrated, but also why the mass public have generally acquiescent to a state strategy that can seem so potentially harmful and counter-intuitive to some. A second contribution concerns the literature on the political analysis of economic ideas and the emerging everyday IPE research agenda. By using focus group methods, this article has sought to go beyond elites to expand upon existing conceptual and methodological tools in

analysing, in Campbell's (1998) terms, 'frames' and 'public sentiment' in the context of legitimation and justification.

This article has also, by implication, highlighted an intriguing irony at the heart of the politics of austerity. The debt-fuelled pre-crisis growth model may be riddled with contradictions. However, the lessons learnt from the housing bubble and credit crunch – which we might reasonably expect to lead to *progressive* change given some popular accounts that emphasise an over reliance on private debt driven by financialisation – have been twisted into a moralised story of ambiguous indebtedness that helps narrate a crisis of the state. But, as we know, this crisis leads to a state strategy that, we should remember, many experts believe is not only essentially *regressive* but actually inappropriate for dealing with, and may even exacerbate, those original contradictions in the growth model (Hay 2013).

The real “success” of the narrative, however, is not exclusively down to reflecting the real contradictions of crisis or from elites tricking the public into thinking that there is a crisis when there is not. Instead, the main source of legitimation is from telling a causal story that resonates with pre-existing experiences and values. By providing the public with the base narrative with the links to the public's own cultural resources – including the sense that the UK needs a return of moralised prudence and obligation to counter pre-crisis profligacy – the middle-income participants in this study reached similar conclusion themselves, justifying fiscal consolidation in the process. This, I have argued, is a central element of the post-2008 politics in the UK.

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Appendix

Name	Date	No. of participants	Location, all in West Midlands (with postcode)	Average property value¹⁰
A1	May 2012	6	Kings Heath (B14)	£147,147
A2	June 2012	4	Sutton Coldfield (B72)	£241,081
A3	July 2012	3	Solihull (B90)	£226,423
A4	July 2012	3	Moseley (B13)	£210,109
B5	September 2012	10	Aston (B6)	£89,433
B6	October 2012	10	Shard End (B33)	£109,315

Focus group A1. Kings Heath, Birmingham, May 2012.		
Name¹¹	Age	Occupation
Paul	51	Agricultural researcher
Damien	47	English tutor
Denise	52	Teaching assistant
Maureen	52	Unemployed
Waheed	52	Unknown
Jerry	50	NHS manager

Focus group A2. Sutton Coldfield, Birmingham, June 2012.

Name	Age	Occupation
Duncan	46	Banker
Kyle	50	Driving instructor
Linda	56	Housewife
Nicholas	51	Car trader

Focus group A3. Solihull, Birmingham, July 2012.

Name	Age	Occupation
Sarah	52	Child-minder
Lucy	50	Part time sixth form lecturer / carer
Rachel	51	IT support at local college

Focus group A4. Moseley, Birmingham, July 2012.

Name	Age	Occupation
Caitlin	48	Part time researcher and craftsperson
Mandy	60	Retired teacher
Michael	38	Broadcast journalist

Focus group B5. Aston, Birmingham, September 2012.

Name	Age	Occupation
Lynn	46	Community organiser

Felix	36	Unemployed / volunteer
Jo	20	Volunteer
Rose	42	Volunteer
Linda	N/A	Unknown
Shauna	40	Events / community work
Eric	58	Unknown
Poonam	N/A	Retired
Beemal	34	Unknown
Jill	27	Mother

Focus group B6. Shard End, Birmingham, October 2012.

Name	Age	Occupation
Joanna	N/A	Unknown
Louise	37	Unknown
May	46	Care worker
Jamie	18	College student
Yangun	18	Retail assistant
Jilly	30	Unknown
Jo ¹²	20	Volunteer
Clare	N/A	Volunteer
Mary	77	Retired

¹ The parallel here with the work of Luc Boltanski and his co-authors (especially Boltanski and
² In regards to political science literature, this concept of the actor corresponds with the idea of the ‘bricoleur’ in some institutionalist literature (e.g. Campbell 1998: 383, Carstensen 2011).

³ This strategy of selecting a “paradigmatic” group is mirrored by Kidder and Martin’s (2012) methodology, in which they select white, Southern, small business owners and managers as an American anti-statist population likely to produce the anti-tax discourse they were interested in.

⁴ Each area, itself, was selected on the basis of average house-prices (see appendix) and party of local MP in order to ensure variety. Groups A1 and A4 have Labour MPs and lower average house prices, while groups A2 and A3 have Conservative or Liberal Democrat MPs and higher average house prices.

⁵ In June 2013, the second of these recessions – from late 2011 to early 2012 – was “revised away” due to new data from the Office for National Statistics. However, at the time of the focus group interviews, the double dip recession was still on official record and a prominent part of public debate.

⁶ However, these groups, while quiescent and cynical about the potential for change at an elite-political level, were far more positive about the potential for grassroots community-based change – which itself may be a reflection of the recruitment strategy outlined above.

⁷ The moral failings of politicians and bankers – often discussed in terms of one all encompassing ‘undeserving rich’ group – was often given as a core reason for the crisis. For reasons of space, this is not explored here. For this reason, the selective analysis presented here should not be taken to reflect the breadth of discussions in the focus groups.

⁸ This experiential knowledge is, however, likely to be biased. As the behavioural economic and public choice literature tells us, people are likely to remember losses over gains – what is done *to* them rather than what is done *for* them – and then extrapolate from those experiences (Kahneman and Tversky 1984, Weaver 1987: 373, Pierson 1996).

⁹ Note that this quote comes from an unpublished draft version of the reference.

¹⁰ Source: Zoopla Zed-Index. Based on first half of postcode of location of focus group discussion. Date of data: 1st February 2013. Only used for rough indication.

¹¹ Names have been changed to ensure anonymity.

¹² This participant appeared in two focus groups.