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SOCIAL HELP, SOCIAL MOVEMENTS AND MIGRATION – CONSEQUENCES OF DEBTS FOR THE MIDDLE CLASS IN ICELAND

Until the recent financial crisis personal indebtedness was considered a norm, an obvious part of adult life in capitalist societies. Many important parts of modern life, such as education, mobility (cars) and a place to live were acquired 'on credit'. Taking loans became a precondition for exercising citizen rights (e.g. to education or to defense in court) and using public services (healthcare), which turned citizens into subscribers and members of exclusive clubs (Williams 2009, Düvel, Jordan 2003, Kowzan 2011). Even though debt is a mechanism of social control older than capitalism (Graeber 2011), knowledge about economic violence in contemporary societies is still not common. It is developing nowadays, because it started to concern the middle class (Ehrenreich 1989). Those who 'work with words' seem to be less ashamed by their debts and are able to give testimonies about the oppressive situation they found themselves in. Some even withdrew their support for the state, "which had turned its middle class into the poor, for whom the institutions of help and control were originally established" (Kowzan 2010). The most noticeable choice of indebted people is migration, which can be understood as 'punishing' the state by refusing to take part in democratic processes and using an exit strategy instead (Hirschman 1970).

In this paper I am going to present some results of my research on personal indebtedness in Iceland. Field studies in Iceland were the part of my doctoral research and were conducted in 2009-2010 under the supervision of Tomasz Szkudlarek and Steinunn Hrafnadóttir. The research was supported by Iceland, Lichtenstein and Norway with a grant received from the Norwegian Financial Mechanism and the European Economic Area Financial Mechanism through the Scholarship and Training Fund. In biographical interviews with indebted people in Iceland (Icelanders, Poles and Czechs) I have been searching for meanings given by people to their indebtedness. My respondents, who were interviewed in English or Polish, were not chosen according to any specific type of debt. All debts were legitimate in this research, no matter if they were results of credit (including subsidised student loans) or other forms of financial obligations. Respondents had various ideas about what they had learned from their indebtedness and about possible solutions for their problems. Some stressed the need to be cautious, to develop self-control and overcome ones own weaknesses. Others pointed that certain people in power were responsible for crisis and demanded that these people pay for the consequences. What is more, similar divisions of placing responsibility outside and inside the indebted individuals was characteristic also for social help institutions and social movements in Iceland. Ráðgjafarstofa, i.e. debt advisory service helped debtors to rationalise their spendings and informed about legal position of debtors, whereas a social movement called Hagsmunasamtök heimilanna (Iceland's Home Coalition) tried to change the law and has managed to undermine legitimacy of some bank practices. It seems that the different scope of interests between social movements and social help institutions has also had gender dimension. The majority of those who help and are being helped by social help institutions were women (Ráðgjafarstofa 2009), but in social movements males seemed to be more active and visible (Kowzan 2010). This pattern of placing responsibility can be interpreted as built on different concepts of power and empowerment. The first one, attributed to Michel Foucault, focuses on people and their bodies as vehicles of power – able to reproduce its structures. Consequently, individual consciousness (i.e. financial self-discipline) is the source of social change. The second way can be identified with Max Weber in whose conceptualisations power is a zero-sum game and it is crucial (e.g. for decisions whose debts will be forgiven) to gain control over resources. For those embedded in Weberian thinking, Foucauldian attitude is a dangerous mystification, blind on the problem of corruption (Cheater 1999), but for those embedded in Foucauldian thinking, Weberian

attitude is a part of the problem, because it does not prevent reproduction of the same mistakes in case of taking the power (Kowzan, Prusinowska 2010). From this perspective I am going to analyse possibilities for social work with indebted people.

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