Life After Debt: A critical analysis of the engagement/non-engagement of debtors with the Insolvency Service of Ireland

Zachariah John Joseph Roche
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Supervisors:
Dr. Carmen Kuhling
Dr. Martin Power

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Abstract
The state established the Insolvency Service of Ireland (ISI) in 2013 to respond to an arrears crisis involving almost 150,000 mortgages. The ISI’s strategy has focused upon teaching financial skills to insolvent debtors over a period of supervision lasting up to 6 years, after which some debt is written off. After five years of operation, the ISI has only approved 4,672 arrangements, despite the continuation of the mortgage arrears crisis (Insolvency Service of Ireland 2018). This thesis critically investigates this low uptake from a qualitative perspective, with a focus on the ISI’s applications process. 22 semi-structured interviews were conducted, 18 with debtors who wished to join a debt arrangement, and 4 with Personal Insolvency Practitioners (PIP’s), experts who administer the ISI’s arrangements. By interviewing these participants, my thesis accesses the beliefs, meanings, and contexts of these two groups, who are compared and contrasted throughout.

My findings concentrate on the problematic nature of the applications process as a whole, disagreeing with the ISI’s own explanation that the dearth of applicants is due to a lack of awareness of the service (Insolvency Service of Ireland 2014a). I explore this application process in a step-by-step manner aided by governmentality theory, guiding the reader through the process as though they were applying for debt relief. Throughout I identify problems with this process as they emerge, such as class disgust, sexism and an interview between the debtor and the PIP that has the character of a confession. PIP’s emphasise the personal responsibility of debtors, and are opposed to debtors easily joining debt programmes, and I critically reflect on the implications of these personal responsibility discourses.

This tends to result in feelings of embarrassment, shame and humiliation – leading my indebted participants to construct alternative means of coping in the absence of the ISI. Most common among these are (in)voluntary social exclusion, whereby debtors withdraw from social life, as they are ashamed that their friends and family will see the consequences of their financial situation, in addition to harsh budgeting and / or using charities. Regardless, my indebted participants are adamant that they cannot go through the humiliating process of applying again, and actively discourage other debtors from engaging with the service.

I conclude my thesis by reflecting on the original problem that the ISI was supposed to solve: the mortgage arrears crisis. There remain tens of thousands of mortgage holders in arrears, whose mortgages are now steadily being sold to vulture funds. While mass repossessions remain politically untenable, it is now likely that the ISI’s ‘soft’ approach to debt relief will not work and the ‘hard’ approach of the funds will finally resolve the legacy debts of the economic boom and the crisis which followed it.
Declaration

I, Zach Roche, declare that this thesis is entirely my own work, in my own words, and that all sources I have used are fully acknowledged.

Signed: _______________________________
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**Abbreviations**

**DRN** – Debt Relief Notice. An arrangement for those with smaller amounts of unsecured debt.

**DSA** – Debt Settlement Arrangement. An arrangement for those with very large amounts of unsecured debt.

**ISI** – The Insolvency Service of Ireland. An organization established in 2013 to help insolvent debtors become solvent.

**MABS** – Money Advice and Budgeting Service. A government run service that provides financial advice to debtors at no cost. MABS has a strong focus on self-help (e.g. budgeting) and encourages debtors to try to see their problems as having a solution, even if that solution is difficult to accept.

**PC** – Protective Certificate. A protective legal document applied for by a PIP and issued by a court. This document makes it illegal to seize the debtor’s assets for non-payment of their debts, or for a creditor to contact them for 70 days. This document can be issued once every 12 months.

**PFS** – Prescribed Financial Statement. An accurate financial statement submitted by a debtor applying for an insolvency arrangement. The PFS includes information about the debtor’s bills, receipts, budget (if they have one), and should demonstrate that the debtors finances are poor enough to necessitate inclusion in an insolvency arrangement.

**PIA** – Personal Insolvency Arrangement. The most commonly sought insolvency arrangement offered by the ISI. This arrangement is for debtors who have secured debt and unsecured debt.

**PIP** – Personal Insolvency Practitioner. The frontline operators of the ISI. Each PIP holds a license valid to administer insolvency arrangements as regulated by the ISI and Department of Finance for 3 years. The license must then be renewed.

**RLE’s** – Reasonable Living Expenses. While on an insolvency arrangement, a debtor must stick to a mandatory budget, referred to as their reasonable living expenses. These expenses are technocratically determined by the PIP, in consultation with the debtor and their creditor(s) at the beginning of an insolvency arrangement, and revised on a yearly basis in response to changing circumstances.

**RTB** – Residential Tenancies Board. An independent board dedicated to resolving disputes between landlords and tenants.

**Secured Debt** – Debt which is secured by an asset (usually a house or a car). Secured debt is distinguished from unsecured debt because non-payment of secured loans will result in the asset in question (e.g. a house) being repossessed by the creditor or lender who offered the loan.
UK – The United Kingdom.

**Unsecured Debt** – Debt which is not secured by an asset. These are usually unpaid bills, credit card debt, medical bills, student loans, holiday loans, and other small loans.

USA / US – The United States of America
Chapter 1 Introduction

1.1 Background and context
At the outset of the project I knew I wished to study some aspect of the Personal Insolvency Act (2012), which overhauled Irish insolvency and bankruptcy law for the first time since the Victorian era (Stamp 2016). However, I was unsure of how exactly to go about this and began with a generalized study of indebtedness, a reading of the law and a study of its effects. Through reading authors such as Graeber (2011), Lazzarato (2012; 2014), and Montgomerie (2016) I became more interested in the effects of state power on the debtor, and the options pursued by debtors in situations of crisis. It was clear that the ISI had been struggling from the outset, before it even existed in any tangible sense it was already under attack by the media (Weston 2012), NGO’s (Irish Mortgage Holders Organisation 2015; 2014a) and wary academics (Stamp 2012b). Some feared that it would be too lenient, allowing debtors to unfairly dismiss their debt and create problems in the still-fragile Irish credit system (Insolvency Service of Ireland 2013a; Mortgage Brokers 2013). Others were concerned that it would lack the power to challenge creditors, and would be a figurehead organization that would have limited success (Irish Mortgage Holders Organisation 2015).

Time has shown that many of the fears of the media were groundless. Though a ‘flood’ (Dineen 2013; Sheehy 2013) of debtors was anticipated upon the Insolvency Service of Ireland’s (ISI’s) opening, the opposite has been the case. Although there were many inquiries initially these did not transform into applications, or even face-to-face meetings with the ISI (Insolvency Service of Ireland 2015b; 2017). As I came to this conclusion I became more interested in the reasons for the service’s failure to attract most indebted individuals into utilizing its debt relief programmes. As I began to understand the service in a more structured and organized way, I began to see many emergent issues which could provide the grounds for a qualitative research study, such as its applications process. While policy makers (Oireachtas 2013), academics (Stamp 2016), NGO’s (Irish Mortgage Holders Organisation 2015) and the ISI (Insolvency Service of Ireland 2014a) itself speculated on the reasons why so few debtors were engaging with it, nobody had any concrete data to go on, and I wished to be the one to collect that data.

1.2 Research questions: Incorporating theory and literature
The ISI was established in the context of Ireland's largest debt crisis, amid fears that a lenient organisation would promote 'strategic defaults' from debtors (Insolvency Service of Ireland
It is very much a product of this social context. Despite this, the ISI's success was confidently predicted, particularly by the Minister for Justice, Alan Shatter, who stated that between 16,000-21,000 debtors per year would use the ISI (Oireachtas 2013). As of September 2018, the ISI has been active for 5 years, and has had 13,405 applicants (a quarter of whose applications are vetoed by creditors) (Insolvency Service of Ireland 2018). Of these applicants, 4,672 have had their arrangements approved (Insolvency Service of Ireland 2018). This means that in five years of operation that the service has failed to receive the engagement it was predicted to have within 12 months.

My central research question therefore became:

- Why have the vast majority of debtors not used the arrangements of the Insolvency Service of Ireland?

Secondary or subsidiary questions included:

- What are the perspectives of PIP’s and policy makers on the ISI's current policies?
- How is debt policy operationalized by the ISI to affect debtors at the ground level?
- What is the ISI's impact on different populations (male/female etc.) of debtors?
- What are the realities of indebtedness (financial, social etc.), both within and outside a debt relief programme, as contrasted by the expected reality articulated by policy makers?

My project was to pursue these questions in a structured way, but a sociological PhD must conceptualize its findings within particular theoretical matrices. Methodologically I was pursuing a grounded theory approach which emphasised that theory is emergent from data at the level of analysis (Corbin and Strauss 2008; Flick 2009; Hennink et al. 2011; Creswell 2012). Initially I pursued a Foucauldian analysis, rooted in studies of governmentality, which focuses on how behaviour is influenced (not controlled) by governing organisations (Foucault 1991a; 1991b; 1979; Foucault and Senellart 2008). Foucauldian studies typically examine discourses however (Wetherell et al. 2001a; 2001b), and qualitative research utilizing governmentality while not unheard of, is unusual. I struggled from an early stage to find how to merge a Foucauldian perspective within the unique framework of a qualitative research study; I found it in Clark (2005) quoting Foucault:

“[A]s in my earlier work, the target of analysis wasn’t “institutions,” “theories” or “ideologies,” but practices – with the aim of grasping the conditions which make
those practices acceptable at a given moment; the hypothesis being that these types of practice are not just governed by institutions, prescribed by ideologies, guided by pragmatic circumstances – whatever role these elements may actually play – but possess up to a point their own specific regularities, logic, strategy, self-evidence and “reason.” It is a question of analyzing a “regime of practices” – practices being understood here as places where what is said and what is done, rules imposed and reasons given, the planned and the taken-for-granted meet and intersect.” Foucault 1991 (cited in Clarke 2005, p.53).

This theoretical matrix does not therefore impose itself on the data by presuming in advance what the outcomes are likely to be. It is instead a study of practices, of techniques and strategies, in my research I analysed this at the level of governance. Specifically how the governance of a particular organization was operationalized at the ground level to affect a specific population. For Clarke (2005) this theoretical framework was fundamentally qualitative, because the practices under study are presumed to have, as Foucault says, their own reasons, rationalities, logics, strategies and peculiarities. This theoretical framework did not presume that a certain set of practices are ‘normal’ and that others are therefore ‘abnormal’ and then search to confirm this hypothesis. Each subject within the matrix of practices has different reasons for doing what they do, they are not simply blindfolded by ideology, nor are they entirely subjugated to institutions. Instead they have their own subjectivities and reasons which are worthy of discussion in their own right, which also provides an intersection with grounded theory through its insistence on a detailed study of the particular circumstances under discussion (Corbin and Strauss 2008).

As I proceeded through my research project, I began to see the emergence of patterns, and repetitions which were centred on particular practices in relation to the ISI. Some of my participants were adamant that they would not join a debt relief programme, but agreed to go to an information meeting with a Personal Insolvency Practitioner (PIP). However, having arrived for the meeting, they found that debt arrangements were limited in their effects and difficult to join. At the time, this was confusing to me. I presumed that the service should be as accommodating as possible to as many qualifying applicants as possible. I also assumed that those people who qualified would do everything in their power to join a programme, to reduce their debts and improve their quality of life. Governmentality theory (Foucault 1991a; 1991b; Foucault and Senellart 2008) and Clarke (2005) clarified these problems by helping me to look past what I perceived as irrationalities and to look for the structured patterns of practices and reasons offered for why these behaviours take place (as in the preceding quote). When I did this, I found that many of my participants went to these meetings already resigned
to the ineffectiveness of the service, which often led to a strained and difficult meeting between them and the PIP. Above all else, debtors did not wish to lose control of the limited parts of their finances they had kept power over. PIPs on the other hand tended to feel that they were without guidance. They had been told during their training to expect that many ‘undeserving’ debtors would arrive to meetings, and that vigilance was necessary. Thus there is hostility and suspicion on both sides.

In addition I found that the meeting between the PIP and the debtor was less of an information session, and more of a space where the debtor is compelled to tell the PIP about their failings and errors. In other words, it takes on the character of a confession (Foucault 2015), which Foucault and Rabinow (1984) discusses both as a feature of power and/or knowledge. The power in the relationship resides with the person who sits, listens and says nothing (Foucault 2015), and therefore acquires knowledge and information from the confessor. Secondly, it functions as a mode of truth-telling because the information acquired during confessions becomes part of a whole set of discourses and truths about whatever was being confessed (Foucault and Rabinow 1984). This proved to be an important theoretical leap for me, as it was the first time in my research that I had utilized a theoretical position other than governmentality to explain my findings.

However, through the course of my research, I found that there were elements of my data that could not be explained by any Foucauldian perspective. After various discussions with my peers and supervisors, as well as a review of various alternative theoretical positions, I realized that my research would be improved by engaging with a broader theoretical framework. In the data, my participants repeatedly returned to their dreams, hopes, and ambitions, all of which had been dashed by the economic crisis. It was clear that their houses were not just objects of governance, subject to taxes, home owners associations, laws, and regulations, but they were also homes. These were spaces with emotional debris, where families were raised and lifelong memories were made. To develop a more complete understanding of what my participants were feeling I utilized Berlant’s (2011) theory of ‘cruel optimism’. Berlant (2011) argues that we are in a state of cruel optimism when the object of our desire is ultimately an obstacle to our flourishing. Berlant (2006; 2011) argues that cruel optimism has been a more common state of subjectivity under neo-liberalism and austerity, as there is a particular notion of ‘the good life’ (Berlant 2011, p.8) to which we have become attached. Berlant characterises this as a kind of life story that we tell ourselves is desirable, beginning with attendance at a university, during our time at university we are
supposed to meet our life partner, after this we get a full-time job that is dependable and once
these goals have been achieved home ownership and children are supposed to quickly follow.
Berlant (2006; 2011) suggests that this life path has become so ingrained in our social psyche,
and is so desired, that failing to live up to it brings about crushing disappointment and
feelings of failure. For many of my participants an Ireland under austerity has made any
prospect of achieving ‘the good life’ much more difficult and the repossession of their homes
seems inevitable, yet they do not give up. Berlant (2006; 2011) predicts this as well, as she
identifies that when our chances of achieving what is desirable to us is threatened, that pain
and suffering will be justified to acquire it. For my participants, their house becomes their last
chance to enjoy ‘the good life’ (Berlant 2011, p.8), and they justify poverty, anxiety,
depression and exclusion as the price they must pay in order to enjoy the good life in the
future.

Foucault and Berlant became the two core theorists of my research, though I blended more
theories into my project as they became appropriate. It emerged in my findings that there
were sexist assumptions about the capacity of women to participate in, and have a full
understanding of financial affairs. These assumptions centred on the inability of women to
fully comprehend ideas such as debt, interest, insolvency and so on. Thus I used a feminist
perspective to aid me in analysing these sexist assumptions. In other cases I found that
statements by my participants were highly classed, with many stories and anecdotes being
shared regarding their neighbours, who they suspected of welfare fraud, strategic default, or
selling cigarettes or drugs on the black market. This (along with my experiences with the
PIP’s) led to the introduction of a discussion on class disgust within my theoretical
framework.

Each of these theories were like the pieces of a jigsaw puzzle (Power 2008), with each piece
making the overall picture clearer; or a kaleidoscope (Kuhling 2004) where changing the
reflector (or theory) changes our perception of the image, though in an objective sense the
image (or object of our inquiry) has remained the same. By the time I had gone through this
struggle of theory, I was quite late in my research and still wanted an overall framework
within which I could house my research. While debt may generally be considered to be a
financial issue, there are strong moral assumptions underlying the apparently economic
relation (between the borrower and their creditor). This was the final piece of the theoretical
jigsaw puzzle for me, and aided me in tying together the various theoretical perspectives and
positions to create a unique and powerful theoretical approach.
1.3 Outline of Thesis

1.3.1 Literature Review 1: A History of the Present
This is a contextual chapter which situates the ISI within its historical and social setting by critically discussing the circumstances that led to its creation, beginning globally before narrowing the discussion to Ireland. This first literature review opens by discussing the transformation of ‘golden-age’ capitalism into neo-liberal capitalism, and the difficulties this transformation encountered along the way. This change was primarily brought about by two momentous historical incidents, when Margaret Thatcher defeated the National Union of Mineworkers strike in 1985; and Ronald Reagan’s firing of all 12,000 air traffic controllers in the USA (Harvey 2007). This marked the end of a period that had continued since the end of the Second World War where wages increased in line with productivity, and labour could (somewhat) resist the demands of capital. The neo-liberal era has been defined by attacks on unions, welfare ‘reform’ (usually meaning cuts or rollbacks), and the growth of private profit regardless of the cost to society (Harvey 2017).

I then narrow the focus to Ireland and the economic boom which informally became known as the ‘Celtic Tiger’, with a discussion of the processes and policies which created the boom. While the discourses around the boom maintained that Ireland was building a knowledge economy with a thriving technological and educational sector, buttressed by a service sector; the truth was that the boom was based upon property speculation. This speculation was not only encouraged by the government, but enshrined in policy. Successive governments wished to continue the boom, and they did so by offering tax cuts on hotel construction; considerably slowing down the construction of social housing, preferring to have private property developers work on housing projects; and otherwise encouraged the construction of property and mocked or derided those who challenged the hegemonic viewpoint around the boom. Media organisations, educational institutions and various experts from many different fields offered ideological backing for the government’s position, leading to widespread property speculation. This was particularly the case for housing, which was highly desirable to the average Irish person as they wished (and were encouraged to) own a home, so that they could raise a family, leave a legacy and live in a respectable area. When the price of housing failed to rise, and then started to decrease, the boom rapidly became a crash, a recession and a depression (O’Toole 2009; Coulter and Nagle 2015).
There were therefore thousands of Irish mortgage holders who went into arrears; without the possibility of selling their houses or refinancing they were left in a precarious position. In response to this the state established the ISI in 2013, a service dedicated to helping those who could not pay their debts get back on track. The service is a product of its social context, and I argue that the assumptions of neo-liberalism are embedded within it ideologically; in addition to offering a summary of how it functions.

1.32 Literature Review 2: Life After Debt
This chapter focuses entirely on the field of debt research as relevant for my findings. I thus review a range of government reports, academic studies and policy documents, to access a range of useful concepts extant within the field.

The total body of research on debt is vast, with hundreds (if not thousands) of studies having been done from a range of perspectives, times and contexts on the different kinds of debt, and credit, with different foci on their effects or impacts. I therefore narrow my focus (as in the rest of my project) to studies which relate to mortgage debt, and to the arrears of the same.

Chapter 3 therefore begins with how debt problems are defined, and I narrow my attention to the concept of over-indebtedness, as this term is widely used, though its exact definition differs depending on the researcher and the context. I then examine how over-indebtedness is addressed or dealt with, specifically in Ireland (although I mention the international context where it is relevant). This happens in four key ways: debt advice, informal arrangements with one’s creditors, insolvency/bankruptcy and finally through vulture funds.

I then discuss the problems caused by over-indebtedness, attending to those issues which emerged within my own research’s findings. Firstly those problems which can broadly be thought of as ‘mental health’: stress, anxiety, depression, and suicide, and secondly those problems which emerge from deprivation as a result of being over-indebted: social/financial exclusion, fuel/food poverty and stigma.

1.33 Theoretical Framework
Chapter 4 details my theoretical framework. Sociologically, my research is heavily influenced by Foucault (1991a; 1991b; 1979; 1989; 1997; 2000; 1984; 2008; 2009) and Foucauldian researchers, such as Rose (1998; 1999; 1991; 2000), Dean (2012; 2018), Miller (1990) and Burchell et al. (1991). I access the conceptual framework of governmentality to elaborate on how governing forces in Irish debt policy are influencing debtors through technologies of power/knowledge. I also utilize Foucault’s concept of the confession to
explain how the interview between debtor and PIP mirrors the theological confessional process. I relate the confession back into Foucault’s framework by linking it to Foucault’s conceptual ideas of power/knowledge and how the confession is used as a device to both access and create truths.

I specifically pay attention to the technologies of normalization and responisibilization evident within the governance of debt, whereby debtors are made to feel that they must be responsible within the context of an imagined ‘other’ debtor who is recovering due to their own industriousness. Such discourses are common in welfare provision and discourage dependency on welfare services of any kind (Boland and Griffin 2015a; 2015b; Power 2008).

My research incorporates several other theories however, particularly Berlant’s (2011) cruel optimism to explore my participant’s continued attachment to their houses (we are cruelly optimistic when what we desire is an obstacle to our flourishing); Girard’s (1989) concept of the scapegoat to analyse who my participant’s blame or scapegoat for the problems they encounter, and various authors to discuss the intersectionalities of class disgust (Tyler 2008; Jones 2011) and gendered discrimination (Crenshaw 1989; Goode 2012) which emerged in my findings.

1.34 Methodology
In this chapter I begin by outlining my epistemological and ontological positioning, which is interpretivist and qualitative in nature; and I offer explanations for why an interpretivist approach is most appropriate for my research. I also discuss how I recruited my participants, including the issues of access and gatekeeping I faced throughout the research process, in addition to my sampling frame.

This led to 22 semi-structured interviews, 18 with debtors who wished to use the ISI’s services, and 4 with PIP’s, who administer over the ISI’s various insolvency arrangements. My analysis was based on Corbin and Strauss’ (2008) grounded theory, but with additional insights from Creswell (2007; 2012), Bryman (2004), Silverman (1993; 2005), Hennink et al. (2011), Flick (2009) and Clarke (2005). My analytic approach stressed a close relation to the interview data, with all key findings emerging from that data in the form of themes, codes and categories.
I also discuss the ethical considerations that went into my research, namely benefice and justice, along with how I obtained ethical approval and how I negotiated ethical issues which arose throughout my project.

Additionally, as qualitative research on debt is uncommon, my research makes a new contribution to knowledge by utilizing a qualitative, person-centred approach to studying indebtedness.

**1.35 Reflexivity**
Chapter 6 details my reflexive reflections in three ways. Firstly my pre-project reflexivity, what kind of person was I before coming to my project and how my life experiences affected my choice of project, etc. Secondly, how did I reflect on my project as it was ongoing; including the frustrations, difficulties and challenges I encountered along the way, with an explanation of how I dealt with these challenges. Finally I offer my post-project reflexivity, my personal reflections now that the project is over.

**1.36 Findings**
My findings are discussed in chapter 7, and my overall key finding is that the reason debtors do not engage with the service is due to the process of applying. Each participant’s issues cannot be reduced down to or located in a single aspect of the process. This chapter is told as a narrative or story as though the reader were applying for debt relief through the ISI and did not know what to expect, mediated through the experiences and anecdotes of my participants; I call this method Cicerone.  

The chapter begins by assuming that there is a person who desires debt relief from the ISI, but does not know how to get it. They launch their initial inquiries online, conducting some basic research on the service. Typically this ends in frustration, as the service does not operate the way similar services (such as welfare organisations) do. There is no centralized contact point, and the debtor must instead contact a PIP, a licensed expert who administers over the ISI’s various insolvency arrangements.

I then explore the meeting between the PIP and the debtor, which is fraught with difficulty. The PIP’s are not given any resources by the ISI, and invite applicants into an office maintained in their own home. As the ISI lacks a standardized applications procedure, each

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1 Cicerone refers to the guided tours one typically takes while on holidays, where a number of people cluster around a single individual who brings the group to various attractions or historically important areas, explaining their import and meaning.
PIP must individually interview each applicant to see if they qualify for one of the ISI’s arrangements.

The debtor however is stressed and panicked, and acquiring accurate information can be difficult. This leads to a demeaning interview where the debtor is encouraged to confess their failings and problems to the PIP. Debtors find this process upsetting and difficult, but in a strange sense it is also cathartic, as the average debtor will never have discussed their debt problems with anyone. Theoretically I discuss this interview in terms of Foucault’s confession (Foucault 2015), which he argues became important for maintaining sexual and moral norms and mores in feudal Europe.

The governing of debtors at a distance is also evident here (Rose 1991; 1998), done through the PIP’s who are expected to prevent moral hazard and strategic defaults (Paul 2018; Insolvency Service of Ireland 2013a), to maintain the moral elements of indebtedness; and a sub-section discusses the intersectionalities (Crenshaw 1989) of debt which emerge here, particularly class disgust (Tyler 2008) and sexism (Jibrin and Salem 2015).

At this point the debtor must decide if they will continue on and apply, or drop out of the process. Those who submit an application find that their creditors will now learn of their application, and that their creditors are permitted to veto the process if they feel that the debtor has not made a significant effort to pay their debts. I suggest here that creditors are deliberately vetoing many arrangements to prevent the normalization of debt relief in Irish society, even if it would be financially advantageous for the creditor for the debtor to become insolvent.

Nearly all applications have failed by this point, either because they have been excluded by the requirements of policy, or the debtor has dropped out. When this happens debtors redefine the service as not appropriate for them, and refuse to reconsider it even after it has been reformed. As an alternative, they develop complex coping mechanisms including budgeting, use of charities, borrowing from friends and families, deliberately socially excluding themselves from their communities in order to save money, and more. As in Berlant’s (2011) theory of cruel optimism, they have become attached to a vision of the good life, and are prepared to sacrifice to make it a reality. Also evident here is Girard’s (1965; 1987; 1989) exploration of scapegoating, and debtors blame a wide array of people as truly responsible for their problems.
1.37 Conclusions
Finally I conclude my research by reflecting on my project as a whole. I summarize my key findings, the original contributions my thesis has made to sociological knowledge and the policy recommendations I make on the basis of my research. I then state the limitations of my project, indicate future directions related research could go in, and close with my final reflections.
Chapter 2 A History of the Present

2.1 Introduction
While the overall goal of this dissertation is to explain why so few debtors are applying for the ISI’s services when there are so many qualifying candidates, the service is itself the result of complex historical and contextual processes, all of which are important for understanding why it has taken its current form. This chapter provides that context, and is split into three parts, the first is a general overview of the history of contemporary capitalism, starting with its so-called “Golden Age”; and then moving on to the transformation of golden age capitalism into neo-liberalism. I wish to enunciate the importance of the accumulation of debt which began to happen at this time (due to various policy initiatives), and which only slowed in the 2007/2008 global recession.

In doing so, I will show how the broad processes and pressures of global capitalism led to the creation of the ‘Celtic Tiger’ or the ‘Irish economic miracle’ as it is also called (Titley 2015), which forms the second part of this discussion. The story of the Irish economic boom is well known, and has been heavily discussed in sociological circles, in particular the implications the recession and its aftermath has had for unemployment (Boland and Griffin 2015bb), culture and politics (Keohane and Kuhling 2014), and in how the crisis has manifested for the Irish at the everyday level as austerity (Coulter and Nagle 2015; Allen 2015; Kennedy 2015). While these discussions are interesting and useful, this part of the review will instead focus on the consequences of the economic crash for those in debt, in addition to discussing the foundations of the economic boom, rooted in the property market.

The third and final part of this review will explore the founding of the ISI. At the time of the ISI’s formation in 2012-2013 the Irish people had accumulated €157bn of personal debt, the third highest in the OECD and there were 100,000 mortgages in arrears over 90 days (Honohan 2009), as well as a suicide epidemic (Coulter and Nagle 2015), and issues of stress (Mind 2008), food poverty (Pressman and Scott 2009), and financial/social exclusion (Combat Poverty Agency 2009), and so the state was forced to take action. The ISI was that action, but it was formed in the context of an Ireland under austerity (Coulter and Nagle 2015), and its approach to debt relief reflects this. The ‘second chance’ of the ISI comes with terms and conditions. In exchange for writing down some debt, and restructuring what remains to be more manageable, the ISI expects debtors to live an austere and ascetic
lifestyle, and navigate a complex and difficult applications process. This review focuses on the origins and general structure of the ISI, with future chapters (particularly 3, 5 and 7) exploring the ISI from other angles.

2.2 The Start (and End) of a Golden Age
I begin my review by outlining the emergence of what some have called ‘Golden Age Capitalism’ (Marglin and Schor 1992), which could also be characterised as the golden age of the welfare state. This system existed approximately from the end of World War II to the end of the 1960s. I trace the beginnings of the problems which would lead to its eventual decline and replacement by a different ideological system: neo-liberalism. This section discusses these economic systems in a general sense, with future sections narrowing the focus to particular nations and policies.

In the aftermath of the Second World War, the Western capitalist democracies enjoyed a period of unprecedented growth and prosperity. Lasting from 1945 until the end of the 1960s, this era became known as the "golden age of capitalism" (Marglin and Schor 1992, p.1), with good reason. Almost 30 years of constant economic growth, together with the establishment and expansion of the welfare state, almost full employment, and rising wages had led to a belief that the problems of capitalism identified by Marx and other anti-capitalist critics had finally been transcended. On the macro-economic side, rising profitability within businesses, low inflation for consumers and similarly low yields on government borrowing had led to an optimal situation where the issues of homelessness, unemployment and 'business cycles' (i.e. recessions) had finally either been done away with, or were so reduced in their severity that they were no longer considered serious problems (Harman 2009; Harvey 2017). So firmly ingrained is the narrative of the golden age, that there is belief among some contemporary economists that were the policies of the golden age adopted today, then a return to global prosperity would be assured (Krugman 2012; Stiglitz 2012), though this has been questioned (Harman 2009; Lazzarato 2012).

Under this form of governance, markets are seen as problematic for several reasons (Krugman 2012). Firstly, they do not always meet the needs of the poorer members of society, which led to the emergence of social institutions such as the National Health Service (NHS) in the UK (Rose 1991; 1999). Secondly, markets are not always good for society in an abstract and more general sense. For example pollution is something which has little effect when done by people individually, but when whole industries pollute on a large scale, then it
can pose serious health risks for a population (Harman 2009). Engels (2009) shows that the capitalist industry in Manchester and Liverpool during the 19th century polluted to such a great degree that diseases such as measles, cholera, dysentery and smallpox were four times more common in cities than in the rural countryside. Thirdly, when left to their own devices, markets have a history of concentrating wealth at the upper levels of society (Hourigan 2015; Harvey 2007) and creating updrafts of wealth which increase inequality (Lazzarato 2012). Golden age capitalism therefore saw markets (and capitalism more generally) as useful but flawed (Foucault and Senellart 2008), and in need of corrective action to ensure the negatives outlined above do not become threatening to general society (Lazzarato 2012).

It was in the late 1960s and early 1970s that the first major problems began to appear for golden age capitalism. Inflation returned, and with it came steady increases in unemployment. The Bretton Woods Monetary system was dismantled in 1971 by President Nixon (Streeck 2011), leading to rapidly increasing national debt for the United States. The popular logic at the time was that inflation could be dealt with by a growing economy, and an economy could be grown through public investment (Harvey 2007). These efforts failed, and the strain of trying to maintain the welfare state, low unemployment and high profitability resulted in a wave of working class militancy in the late 1970s and early 1980s (Lazzarato 2012). Harvey (2007) argues that there were two key pivotal moments in the birth of neo-liberalism, the first being Ronald Reagan's firing of all 12,000 of the United States' air traffic controllers after they went on strike, and the second was Margaret Thatcher's defeat of the National Union of Mineworkers in 1985. This marked the point at which Harvey (2007) argues that labour became subjugated to capital, and the neo-liberal system was able to begin enacting its preferred policies in earnest. Combined with the oil shock of 1973, the stock market crash of 1973-1974 (Žižek 2015) and the 1973-1975 recession (Coulter and Nagle 2015), the post-war consensus was broken (Marglin and Schor 1992; Harvey 2007).

In its place came a new form of governance, one which argued that human happiness is best secured when individual entrepreneurial freedom is advanced (Harvey 2007). Foucault characterises this tendency towards entrepreneurial freedom as the push for neo-liberal society to create “homo economicus” (Foucault and Senellart 2008, p.283) or economic man. According to neo-liberal economic theory, the role of the state is to secure the rights of private property, and develop the growth of free markets and free trade between nations (Harvey 2007, p.2). As a result, neo-liberal capitalist policies have tended to argue for the social benefits that can be achieved through tax cuts, deregulation of the economy and
privatization of government institutions (Harvey 2007; Foucault and Senellart 2008). For neo-liberalism, this push toward building an economy solely based on markets is justified by the natural efficiency and fairness of markets. In a perfectly free market, all actors have equal information and (in theory at least) an equal chance of success (Foucault 1991b; Foucault and Senellart 2008).

Government intervention in the market is undesirable, because the most successful economy will be one where the citizens make their own decisions. Each individual proceeds by attempting to maximise their self-interest by making economic and financial decisions that align with those interests (Foucault and Senellart 2008). Market economies are highly complex, and attempts to predict, or worse, intervene in the economy are doomed to failure. In other words, a government intervention in the economy to provide full employment may have some disastrous and unpredictable side effect, with an oft cited example being the stagflation (stagnation and inflation) of the 1970s and 1980s (Stiglitz 2012). Instead, government should move out of the way of markets and allow them to flourish, not only because you should not try to intervene, but because you cannot:

“In the language of mainstream economics, crises appear as a punishment for governments failing to respect the natural laws that are the true governors of the economy” (Streeck 2011, p.9).

State intervention must therefore be limited to the establishment and protection of markets, including private property rights. Neo-liberalism pushes the state to go a step further:

“Furthermore, if markets do not exist (in areas such as land, water, education, health care, social security, or environmental pollution) then they must be created, by state action if necessary” (Harvey 2007, p.2).

Despite achieving victory and beginning the slow process of dismantling the welfare state and developing a policy framework which would ultimately favour the wealthier members of society (Streeck 2011), neo-liberalism had problems of its own. In the next section I will examine the policy differences which define 'golden age' capitalism as opposed to neo-liberal capitalism. I particularly focus on the increases in debt and the other crises which began to affect neo-liberalism; starting in the 1980s and becoming more pronounced over time (Harvey 2007).

2.21 The Rise of Neo-liberalism
In the previous section I introduced golden age capitalism, and gave a brief outline of when its economic model of full-employment, high taxes, and market interventionism began to
change into neo-liberalism, spurred on by several crises. In this section I discuss this transition, and chart the specific policies and problems faced by neo-liberalism. The feature of neo-liberalism which I focus upon the most is its tendency at many levels (personal, commercial, governmental) to accumulate debt. I give special focus to the origins of recent problems which have emerged as a result of mortgage debt, and the policies which increased this type of debt. Further, I focus upon the general tendencies of neo-liberalism as they developed in the United States, with section 2.3 narrowing the discussion to focus upon Ireland.

The rise of neo-liberalism coincided with the downfall of global communism as well as a sharp rise in the problems of the welfare state. The Berlin Wall had just fallen, the troubling stagflation and union militancy of the 1970s and early 1980s had been dealt with (Lazzarato 2012). Businesses were returning to profitability and unemployment was decreasing, though it never again reached the lows of the golden age (Harvey 2017). In addition the types of employment which became available changed from skilled or semi-skilled factory work to work in the services industry (Harvey 2007) leading to a decline in wages and job security (Harman 2009). It is in this environment of recovery that declarations were once again issued that the problems of capitalism had been overcome (Harvey 2007; 2017). That in the future we could expect no recessions, and no significant political turmoil (Harvey 2017). Francis Fukuyama, an American political scientist suggested that:

"What we may be witnessing is not just the end of the Cold War, or the passing of a particular period of postwar history, but the end of history as such: that is, the end point of mankind's ideological evolution and the universalization of Western liberal democracy as the final form of human government" (Fukuyama 2012, p2).

Fukuyama's iconic quote came at a time of unique historical significance. As Fukuyama said, we have arrived at the end of history. Unfortunately, history stubbornly refused to comply with Fukuyama's declaration, as the era from the 1980s onwards has been plagued by indebtedness, unemployment, and poverty (Coulter and Nagle 2015; Lazzarato 2012; 2014; Streeck 2011). While employment and productivity both increased, it is at this point that wages for workers cease to match increases in productivity, a trend visible across all OECD countries (Wilkinson and Pickett 2009; Skidelsky and Skidelsky 2012).
Figure 2.1: Growth of Productivity vs Wage Stagnation (Bivens and Mishel 2015)

It is here that the endurance of neo-liberalism can be seen, which will be a recurring theme of this review. Unlike golden age capitalism, which buckled under the pressure of its crises, neo-liberalism has shown an ability to withstand and adapt to crises (Krugman 2012). Harvey (2007; 2017) outlines how, at the signs of the first crisis (the labour militancy of the 1980s) neo-liberalism responded decisively. Through enacting its policies Harvey (2017) explains how the results shown in the graph above was cultivated by deliberate policy decisions, specifically tax cuts for the wealthy and the disempowerment of labour through concentrated attacks on unions. As a result, we see the separation of productivity from hourly compensation and without the purchasing power of steadily increasing wages for workers, there was a fear that the militant labour problems of the 1970s would return again (Das 2011). The solution was to provide workers in first world countries with cheap credit, through credit cards; easy access loans; and most infamously, through mortgages (Das 2011; Harvey 2017).

A single origin point for the growth in debt cannot truly be traced, but I start with Bill Clinton's launch of the National Homeownership Strategy in May 1995. It was marketed as a means of recapturing the 'American Dream' of prosperity and wealth:

"Our nation's greatest promise has always been the chance to build a better life. For millions of America's working families throughout our history, owning a home has come to symbolize the realization of the American Dream. Yet sadly, in the 1980s, it became much harder for many young families to buy their first homes, and our national homeownership rate declined for the first time in forty-six years, Our Administration is determined to reverse this trend, and we are committed to ensuring
that working families can once again discover the joys of owning a home” (National Homeownership Strategy 1995, p.1).

Clinton tackled this from several angles, but the primary thrust of the legislation was in financing, particularly in allowing minorities (especially African and Native Americans) which had never had a history of homeownership to be able to successfully apply for a mortgage. This, combined with other policy and regulatory changes was to have very significant knock on effects only a few short years down the line (Harvey 2007).

Clinton also moved to reform America's financial institutions, by pushing for the repeal of the Glass-Steagall act of 1933 (Krugman 2012). The act was passed in the aftermath of the Great Depression of the 1930s, and had enforced a separation of commercial and investment banking. Its repeal allowed for the merging of several of America's largest banks, thus concentrating the hazard of a large number of risky loans among a small number of financial institutions. Both of these policy changes (the easing of mortgage acquisition, and the changes to banking policy) laid the foundation for the causes of the 2007/2008 global recession (Das 2011). At the time however, that was to come over a decade in the future, and there were other policy changes in the 1990s and early 2000s that proved to be important, such as Clinton’s drive to change American welfare “as we know it” (Carcasson 2006, p.1).

Clinton’s reform of the American welfare system to a ‘work for welfare’ model, combined with his reform of the financial sector and his push for homeownership led to a rapid increase in debt on several levels (Carcasson 2006; Das 2011). Firstly there was a large increase in household debt, from 36% of personal income in 1952 to 127% in 2006 (Harman 2009); as the stagnation of income led to a whole generation of Americans borrowing in order to support a family, to go to college (student loan debt in the United States has recently crested over a trillion dollars) (Lazzarato 2012) or to simply live day-to-day (Lazzarato 2014; Montgomerie 2016). Secondly, the financial institutions offering these loans ended up taking on large risks, with several institutions carrying hundreds of billions of dollars in loans, well in excess of what was considered financially sound or safe (Stiglitz 2012). In such a situation, if even a small number of their mortgagees failed to make their payments, or worse, defaulted, then the bank could be left insolvent. Of course, this is exactly what happened, and for the first time in modern economic history there were widespread cases of people failing to make even their first mortgage payment (Krugman 2012). From the financial institutions’ point of view, all that was important was that the mortgage be agreed upon so that it could be
listed on a balance sheet and then sold in bulk as a collateralized debt obligation (CDO) and traded on the market (Allen 2015).

The mortgages themselves, in actuality were almost worthless (Allen 2015). Any close scrutiny would have revealed that the people taking these loans were incapable of paying them back (Coulter 2015). These became known as sub-prime mortgages (Stiglitz 2012). However, the ratings agencies which evaluated the quality of these mortgages (i.e. how safe they were as an investment) frequently rated them as AAA, the highest rating that can be awarded. This lulled many investors into a false sense of security, believing that they were a sound investment when in actuality what they were purchasing was 'junk' (Stiglitz 2012; Krugman 2012). In late 2007 / early 2008 when homeowners began defaulting en masse the banking system found itself under immense pressure, and many of America's most prominent banks found themselves bankrupted in a matter of days (Harman 2009). The global effects were catastrophic, and brought the world economy, particularly in the Western world to a point of near destruction (Streeck 2011). What is also significant is that the strategy of widespread borrowing and an obsession with property was followed in several other countries, particularly Portugal, Italy, Ireland, Greece and Spain (who would become known as the PIIGS) (Streeck 2011; Lazzarato 2014). In all cases, the new neo-liberal strategy of governance had changed the economic outlook for the foreseeable future, stagnating wages, an increasing focus on the luxury / consumer economy, and the desire of people to own their own property fuelled a rise in debt in Western society.

### 2.22 The Financialization of the Western World

The processes described in the previous section have an important contextual root: financialization. This refers to the increasing significance of financial instruments and assets for the purposes of profit making in the economy. I will begin my discussion by grounding it in the origins of financialization in the UK and USA (McCabe 2015), before narrowing my discussion to how this process has taken place in Ireland. Throughout I will concentrate on the financialization of housing in particular, as this forms part of the core focus of this thesis.

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2 A CDO describes a complex financial instrument composed of asset-backed securities which have been packaged together and sold to investors. This notoriously happened in the 2007/2008 financial crisis when thousands of mortgages were bundled together and sold to investors, who would profit on the repayments. The problem was that many of these mortgages were subprime, in other words the mortgage holders could not afford the mortgage they had taken, making the bundled package of mortgages effectively worthless.
Histories\(^3\) of financialization generally trace its roots to the US (McCabe 2015) and UK (Hearne 2017) as the Keynesian period ended, though its processes have since been applied to the world. In line with the previous discussion (sections 2.2, 2.21), in the pre neo-liberal era, there was a greater tendency to treat housing, healthcare, education etc. as social goods or human rights. With the advent of neo-liberalism, there has been a distinct policy push towards housing as a commodity, rather than as a basic need. This has corresponded with a sharp rise in homelessness, a decline in the construction and importance of social housing and the trading of housing on financial markets as though they were any other commodity. The neo-liberal era began in an environment of declining incomes (see figure 2.1), where rising productivity was no longer tied to corresponding increases in compensation (Harvey 2007). At the same time prolonged crises of unemployment, increases in the cost of living and stagnation in the economy led to increases in indebtedness; not only for the purposes of buying a house, but also for daily expenses (Montgomerie 2016; O’Toole 2009; Pitcher 2016).

An important part of how financialization was achieved was in the privatization of social housing in the UK (Montgomerie 2016; Stanley et al. 2016; Walker 2011) and the provision of low-income mortgages in the USA (Harvey 2007; 2017; Montgomerie 2009; 2013). In the UK, Margaret Thatcher introduced the ‘Right to Buy’ policy encouraging and facilitating those who lived in council houses to buy their houses at a discount from the state (Montgomerie 2016). This led to an entire generation of working class families taking on significant mortgage debt, despite having low incomes and poor job prospects (McCabe 2015; Harvey 2007). Concurrently, this privatization of social housing was facilitated and driven by the increasing financialization of the US and UK economies (Montgomerie 2016). While the open purpose of the policy was to facilitate home-ownership for a group that had rarely had the opportunity before, the reality was that many of these families could not pay the debt back (Harvey 2007; O’Callaghan et al. 2015).

\(^3\) What is presented in this section is a short curated history of financialization as it occurred in the USA, UK and Ireland. There is a large body of literature examining the political economy of debt, see the following authors for example (Hearne 2017; Byrne and Norris 2017; Hearne and Murphy 2018; McCabe 2015; O’Callaghan et al. 2014; O’Callaghan et al. 2015). This section provides context for the remainder of this thesis, but the discussion is kept intentionally short due to its tangential relevance to answering the central research question.
This left the British state as the holder of millions of pounds worth of mortgages (and the properties they were secured to) which were characterised as low value (Montgomerie 2016; McCabe 2015; Dorling 2015). In time many of these mortgages would be sold in packages to investors, based in Britain and internationally on private markets. It is here that the financialization of housing can be seen most clearly (Springer 2016; Dorling 2014; 2015; Hearne 2017). While the mortgages themselves were of a low value due to their placement in working class communities, they were sold for even less than they were actually worth (McCabe 2015). This enabled speculative investors to trade these mortgages within various financial markets, making huge returns on very little investment (McCabe 2015). Contemporary analysis has also revealed that 40% of right to buy homes have ended up owned by private landlords, many of whom charge rents that are twice those charged by the local authorities (Collinson 2017).

Displacement, eviction and homelessness have been the results of this policy, meaning that many working class communities in the UK have been hollowed out (Montgomerie 2016). This hollowing was doubly significant due to a corresponding lack of investment in these areas, leading to increasing deprivation, inequality and unemployment. Additionally, due to the continuation of privatized neo-liberal housing policy in the UK, there is a dearth of social housing (Harvey 2017; Žižek 2015). This has forced local councils to buy back the council houses which they originally owned in the 1980s at above market value (Tansel 2017). The financialization loop can then begin anew, with these houses being sold to tenants who cannot afford them, the mortgages are then sold at below market value to investors who package and sell them on unstable financial markets in times of plenty, only to be bought back by the state at the expense of the taxpayer at a time of crisis (McCabe 2015; Dorling 2015; Hills 2014).

Once the crisis has passed and the price of housing and other financialised assets has recovered, the state will often buy back the housing stock (which it originally owned) at current market prices, considerably more than what investors paid for it. This technique of financialised neo-liberalism has vastly enriched a small number of investors and landlords, many of whom have become millionaires (Montgomerie 2016; Hearne 2017). Concurrently, there has been an impoverishment of many communities, particularly working class communities whose houses have been traded and used in this manner, many of whom have ended up homeless or poorer than they were decades ago (McCabe 2015; Titley 2015). This strategy will be a recurring theme in this section.
In the USA, the process of financialization was, if anything, even more intense. However it did not happen in exactly the same way, as social housing is less common in the USA than it is in the UK, or Europe more generally (Caporaso and Madeira 2011; Streeck 2011; Das 2011). Instead Bill Clinton’s strategy of increasing home-ownership, particularly by easing mortgage regulations to allow non-white racial groups to acquire a mortgage for the first time in the history of the US (Das 2011; Krugman 2012). While the technique may have been different, the outcome was the same.

Rapid increases in the number of mortgage applications by low-income minority groups was the (relatively predictable) outcome. This led in the USA, as in the UK, to the marketization, privatization and trading of housing as a commodity as a financial commodity. Though this happened on a much larger scale and with a proportionally much greater number of people in the USA than in the UK (Das 2011). In particular I call attention to the phenomenon of NINJAS (no income; no job; no assets), a group of people who despite their lack of ability to repay a loan were given a mortgage anyway (Krugman 2012). While this is similar in some ways to the UK, in many cases the NINJAS in the USA were so deprived that many of them failed to make even their first mortgage payment and the 2008 crisis was the first example in financial history of this occurring on a large scale (Krugman 2012; Stiglitz 2012; Mason 2010). American banks were so heavily embedded within the financialization of housing and property that when mass non-payment of mortgages coincided with decreases in property values there was a shockingly fast collapse of the banking system (Harvey 2017).

Far from an accident, the deregulation of the finance industry on the one hand, and the cultural pressure to get on the housing market worked side-by-side to creating a perfect storm of financialization (Finn 2015). Once again, creditors ended up with huge property portfolios which were (at the time) almost worthless (Streeck 2011). However the state bailed the creditors (particularly the ‘too big to fail’ banks) out, guaranteeing their loans, no matter how speculative or destructive (Monaghan and O’Flynn 2017; Das 2011). This has in effect amounted to a double bailout, as the investors were repaid once when their loans were guaranteed by the state, and a second time as the property market began to recover in 2013 onwards and their properties could be reintroduced to the speculative investment market yet again. This allowed these creditors to trade twice on assets they received for almost nothing, due to the original inability of the NINJAS to pay for the debt (Montgomerie 2013).
In Ireland the process of financialization has a somewhat different history, though once again the result is essentially the same: a small number of wealthy elites profit from the treatment of property and housing as a commodity. Monaghan and O’Flynn (2017) have drawn comparisons between the Irish case and the American one, attending to the ‘Maddofization’ of Irish society. This refers to the Ponzi scheme run by American investor Bernie Madoff, where he was successfully able to con investors out of billions of dollars. Madoff was only caught once his scheme collapsed, and was sentenced to 150 years in prison in one of the most infamous white collar crime court cases in American history. What Monaghan and O’Flynn (2017) argue is that Madoff’s strategy of taking money from new investors to pay old investors (a classic Ponzi scheme formula) can be used as a metaphor for understanding how these same tendencies exist in the financialization of the Irish economy.

They specifically refer to 5 elements, forms or practices which demonstrate the Maddofization of Irish society and finance (Monaghan and O’Flynn 2017, p.670):

1. Accumulation by debt expansion
2. Mass deception
3. Efforts to maintain secrecy and silence
4. Obfuscation
5. Scapegoating

As in the UK and USA, Ireland followed the key neo-liberal strategies to financializing the housing market (McCabe 2015). Firstly there was a reduction in the amount of social housing being constructed, which formed part of a deliberate strategy to force Irish people (particularly poorer and working class Irish people) to engage with the private property market (Hearne 2017; Byrne and Norris 2017). Secondly, regulations were rolled back, and as in the UK successive governments introduced tenant purchase schemes, allowing those who lived in council housing estates to purchase them from the local authority (Byrne and Norris 2017). The results were the same as in the USA and UK, however this financialization within Ireland could never have occurred without a third element – the European Union (Finn 2015; Allen 2015).

When Ireland joined the EU in 1973, and adopted the Euro as its currency in 2002, it was the start of, and then acceleration (respectively) of the financialization of the Irish economy. As an agriculturally dependent export driven economy, Ireland was not in the same position as either the UK or USA to financialize its economy without strong outside influence (Finn
Ireland’s membership of the EU allowed access to previously untapped markets, and this included financial markets (Finn 2015; McCabe 2015). These markets led to the rapid increase in the financialization of the Irish economy. Financial regulations were rolled back, allowing for international investors from across the EU (particularly French and German banks) to purchase assets in Ireland (O’Toole 2009; Hearne and Murphy 2018). In particular these assets were land, property and eventually housing. In many cases these investors did not actually purchase the property directly, but instead simply provided cheap credit to Irish banks, which facilitated these purchases (McCabe 2015).

The combination of these factors shows the first of the Monaghan and O’Flynn’s factors, the accumulation by debt expansion. As greater access was acquired to financial markets, and regulations were rolled back to allow for great engagement with those markets, there was an increase in debt accumulation that was as rapid as it was reckless. This mirrors Madoff’s strategy of encouraging investors to borrow in order to invest in his Ponzi scheme, and to favour large unwieldy investments over smaller safer ones (Monaghan and O’Flynn 2017). When the financial crash occurred, the Irish state guaranteed debts of approx. €279.3 billion, but the actual total bank liabilities have been estimated to be as high as €411.1 billion (Monaghan and O’Flynn 2017, p.678). The most important element for the continuation of the Ponzi scheme is new investors to facilitate theoretically infinite growth, and there were influences throughout Irish society from the government to journalists and economists (explored in section 2.31) which pressured Irish people to purchase private housing.

Some of the specific financializations used to achieve this in Ireland include:

- Housing primarily viewed as a market commodity (like cars, televisions etc.) rather than a home responding to housing need
- Housing valued primarily for its exchange value – as an asset rather than a home – capital appreciation, return on investment, rental income, wealth generation
- ‘The market’ is principal provider of housing not the state or government
- Households and individuals access housing through the market (depends on ability to pay (and borrow) rather than need
- Encourages investment and speculation in housing and land

Source: Drudy and Punch (2005)
As part of this, the capacity of local authorities to borrow for the purpose of building social housing was reduced (Hearne 2017), and social housing in general became less important for housing provision than relying on private markets (McCabe 2015). As part of this, developers were given large tax incentives to build housing, and Irish people had no choice but to buy from them (Hearne 2017). Local authorities, rather than providing housing for the poor based on social need, steadily began to acquire portfolios of private property from their tenants who wished to buy the houses they lived in (Housing Policy Review 2003). As in the USA and UK, these portfolios were then packaged with other similar portfolios and sold to private investors (Hearne 2017).

As asset based financial systems become larger, as they did in Ireland, they become less stable due to their reliance on continuous increases in asset prices (in this case, property) and the point at which this stability collapses into chaos is known as a ‘Minsky Moment’ (Monaghan and O’Flynn 2017, p.673). Ireland’s Minsky Moment was to come in 2008 as the global economy was collapsing. Yet even as the property market crashed, taking with it the stock market and ushering in a global recession, there were those who denied that anything significant had happened. Generally this was vocalised through the language of the ‘soft landing’, echoing the second of Monaghan and O’Flynn’s practices: mass deception.

When Madoff was caught and his scheme was exposed there were many among his investors who refused to believe it, even when presented with incontrovertible evidence of Madoff’s guilt. The deceived investors referred to Madoff’s reliability and his sterling reputation as a pinnacle of Wall Street, yet eventually the reality of the situation had to be accepted. In Ireland mass deception was achieved through the media (Power et al. 2016), which reassured the Irish public repeatedly that nothing was amiss. Fahy et al. 2010 discusses this, using data from qualitative interviews with Irish journalists who were encouraged not to report on financial news with a negative slant. Ireland’s reputation as a great small country in which to do business was emphasised (Fahy et al. 2010). This was justified on the pretext that negative reporting would lead to a loss of confidence among the public of the finance industry, which would in turn lead to economic collapse (Fahy et al. 2010). Not only were criticisms not reported, but critics were lampooned and mocked (Das 2011; O’Toole 2009; McCabe 2015; Monaghan and O’Flynn 2017). This leads to the third factor, efforts to maintain secrecy and silence.
Madoff was able to keep his Ponzi scheme running for so long because he created an atmosphere of secrecy around his dealings. He told investors that they would get a great deal, but only on the condition that they agreed not to share the details of their business relationship with anyone else. This prevented discrepancies from Madoff’s dealings from being discussed with other investors, and even investors who noticed ‘red flags’ were encouraged to keep quiet, under the pretext that the issues they identified within Madoff’s system would benefit them over others. Within Ireland it is noteworthy that there was so little discussion of the problematic nature of the credit bubble in Ireland (Monaghan and O’Flynn 2017; Power et al. 2016). This extended even past the popping of the bubble and into the era of financial uncertainty before the bailout had taken place. In this instance the media once again exercised “verbal discipline” (Monaghan and O’Flynn 2017, p.682) and repeated the government’s talking points that financial default could not be seriously considered. This is despite the overwhelming majority of the loan share being from private and international financial investors, and not from average Irish debtors or mortgage holders (though even this quantity of debt was very high). How was this possible? In part through obscuring and obfuscating the truth.

Madoff’s monthly statements to his regulators were often frustratingly ambiguous or vague (Monaghan and O’Flynn 2017, p.683). Madoff would deflect or use semantics whenever he was asked to offer concrete or real examples of how he was capable of securing such vast returns consistently. On the rare occasion that he would offer an answer, it would often be in the unclear language of financial economics, and was purposefully designed to make the person asking the question seem ignorant. This strategy is well in evidence in Ireland, with economists who appeared on the media to justify the Celtic Tiger either stating meaningless jargon or terms they knew the public would not understand (discussed further in section 2.31). This provided the superficial appearance of a scientific character, while in actuality being based upon nothing (Keohane and Kuhling 2014). Deliberate obfuscation was often used as a means of reassurance, the complexity of the system was a sign that it was working, and only legitimised experts could understand it in any significant sense (Das 2011; Keohane and Kuhling 2014). In reality, even many experts were uncertain as to the status of these complex financialised instruments, with billions of Euros of Irish property being traded on financial markets on a regular basis. However once the full brunt of the crisis hit, and obfuscation was no longer a viable strategy it became obvious that someone would have to be held responsible for this catastrophe.
As Monaghan and O’Flynn (2017, p.685) say:

“When Madoff’s Ponzi scheme collapsed he was pilloried and jailed. Yet, if Madoff is understood in the context of a predatory financialised system that enabled him to operate for at least two decades, then such condemnation bears the hallmarks of scapegoating”

Indeed Madoff does bear his share of responsibility, but while his reputation was destroyed there was an implicit transference of blame from the system he was a part of to him. Madoff’s involvement in the financial system was characterised as an aberration or unusual incident (Monaghan and O’Flynn 2017). In reality Madoff was quite a representative example of how typical business is conducted in the financial industry, which even prices the anticipated costs of future bailouts into its budgets (Monaghan and O’Flynn 2017). Within Ireland scapegoating has taken the form of a democratization of blame, whereby all Irish people are supposed to atone for errors made across the society generally. Austerity is framed as the necessary punishment which must be endured for the excessive borrowing of all Irish people. This narrative exists at the same time as a handful of wealthy elites have been incredibly rich from the bailout and aftermath of the economic crisis (also called vulture funds, explored more in section 3.44).

The combination of these five factors led to the rise of financialization in the Irish economy, and a corresponding updraft of wealth from the Irish people to the wealthy (McCabe 2015; Hearne 2017; O’Callaghan et al. 2014; 2015). This has been achieved through the transfer of property from the Irish working and middle classes to wealthy elites, in addition to structuring the bailout in a way that can only be described as two-tier (Hourigan 2015). Through a process of financialization the Irish economy came to be structured in a fashion similar to a Ponzi scheme (Monaghan and O’Flynn 2017), whereby new investors (Irish people buying houses) paid off old investors (creditors, financial investment firms and banks), leading to increasing inequality and a shortage of housing for human need, but not for financial investment (Hearne 2017).

As in the UK and USA, the apparent fall of financialization was not permanent and once the bailout had been secured a process was begun to purchase large tranches of properties, including office space and housing from NAMA at extremely low prices. This has enabled a handful of (primarily international) private investors to profit massively from the Irish
economic crash and the austerity which has followed it. I will now discuss this in more detail in the next section, which will outline the growth of the housing market in the Celtic Tiger.

2.3 The Celtic Tiger

In this section I examine Ireland’s recent economic boom, commonly referred to as the ‘Celtic Tiger’. I begin by outlining the favourable global economic environment which facilitated the boom in Ireland, initially explored in the previous part of this discussion. As Ireland is a small export-based economy, it has historically depended on the strength of its trading partners for economic prosperity; the Celtic Tiger was no different. In an environment of growing exports, international economic growth, and cheap credit; domestic policy would play a crucial role in the boom to come. I therefore elaborate on the policies which would fuel the large increases in debt, especially mortgage debt which are now associated with the Tiger. The term 'Celtic Tiger' itself is contested, and has been used in a variety of different ways by different authors, for the purposes of this discussion; I use the term to refer to the economic boom that took place in Ireland roughly between the years of 1994 – 2007/2008 (Keohane and Kuhling 2014).

Several important factors coincided at the international level to make the Tiger possible. After the resolution of the labour and economic crises discussed in sections 2.2 and 2.21, the international economic climate went from strength to strength, and Ireland was able to take advantage of this, particularly through Europe. Firstly, on January 1st 1973, Ireland joined the European Economic Community (EEC), which gave Ireland access to a market of 200 million people. Significantly, this would mark the first time in contemporary history that Ireland would engage in large-scale trade with countries other than the United Kingdom (Balcerowicz et al. 2013). Upon joining, Ireland was a relatively poor agriculturally driven economy; as a consequence much of Ireland was able to meet the EEC's definition of an underdeveloped region (Balcerowicz et al. 2013). Ireland has received over €72.5 billion from the EEC (later the European Union) between 1973 and 2014, giving it a considerable boost in building its economy (Balcerowicz et al. 2013).

Secondly, while Ireland had access to larger markets, the opportunity would have been wasted without the capacity to interact and invest in those markets. Fortunately, several EU nations were going through booms of their own, and Ireland was able to reap the advantages of trading with them, and begin diversifying its own economy beyond agriculture (Balcerowicz et al. 2013). In Europe, Germany (2005-2012), Sweden (1997-2007), and
Greece (2000-2007) each enjoyed booms of their own (to greater or lesser degrees) in the post-1990s period (Balcerowicz et al. 2013). The United States had its own boom which started under Bill Clinton, though the dot-com bubble and crash in 2001 presented issues (Stiglitz 2012), the boom was to continue until the end of 2007 under George Bush with the advent of the 'Great Recession' (Krugman 2012).

Thirdly, these advantages were compounded by Ireland's joining the Euro single currency in 1999 (though it did not enter circulation until 2002). This simplified trading within the EU, and gave Ireland the advantage of a currency that traded favourably against the US dollar. Ireland could essentially piggyback on the strength of existing economies to boost its own economic fortunes (Balcerowicz et al. 2013).

These intersecting factors, a global economic boom, Ireland's joining of the EEC, and adoption of the Euro as its currency, are credited as the key reasons behind a 37.6% rise in GDP per capita between 1987 and 2004 (Balcerowicz et al. 2013). This is only half the story however. The aforementioned global economic boom, combined with low inflation led to an influx of cheap credit, particularly within historically underdeveloped countries such as Portugal, Ireland and Greece. This credit was put to work domestically by these countries, who borrowed heavily with the expectation that the boom would continue indefinitely and that a national financial collapse was unlikely, and that a global collapse was virtually impossible (Harvey 2017). Unfortunately, as we know now, that was not to be the case.

For its part, Ireland was engaged with the EU as soon as it joined, and began to cultivate a favourable image of itself as the "best small country in the world to do business" (Irish Times 2015; Coulter 2015, p.2). However, as time would show, Ireland’s ‘economic miracle’ was to be based upon a mortgage fuelled debt bubble. The stated principles of the boom were that it was grounded upon:

1. A commitment by the government not to interfere in the economy, except as a type of referee (in line with the principles of neo-liberalism) (Boland and Griffin 2015bb)
2. An attempt to move away from a production based agricultural economy, and into a technologically advanced knowledge economy (Nagle 2015)
3. The availability of property, particularly through homeownership, to the majority of Irish people (Lazzarato 2012) (McCabe 2015)
In actuality only the third principle was ever adhered to with any consistency, and it was done in a way that was exploitative; as the boom was mostly based on a cycle of ever increasing property prices created by artificial speculation in the market. Concerns were expressed about this, and the response was that there may be some small issues within the property market, but even if there are, that we are going to have a ‘soft landing’ (Harvey 2007; Lazzarato 2014; Harman 2009). But that wouldn’t be necessary, because the official narrative held that, in line with broader European Union and United States economic policies, the majority of production had moved to the developing world. Instead of the production of physical goods, Ireland had become a pseudo-utopian economy built on a foundation of knowledge (Nagle 2015). On that basis it was insulated from any economic shocks due to the lack of a material economic foundation to be ‘shocked’ in the first place (Lazzarato 2012).

There were calls to re-brand Ireland as the ‘Silicon Isle’, with a dedication towards the values of freedom, consumerism and post-materialism (Coulter and Nagle 2015). The knowledge economy never truly materialized in Ireland and was much more of an ideal than it was a reality. Nagle (2015) outlines the scope of the problem, particularly with respect to technology based start-up companies (for example a company that makes apps or does freelance web development):

“Despite the obsession of successive Irish governments with them, technology start-ups appear to grow slowly, have a poor survival rate and contribute little to the wider economy. In Europe, after seven years, new start-up high-tech firms comprise, on average, 18.5 employees with revenues of £250,000 and only a 36 per cent likelihood of surviving beyond a decade. In the UK, over 2,900 of these surviving companies have been in business since 1991. Despite massive investment, they were responsible for only 40,000 jobs” (Nagle 2015, p.115).

In Ireland the story is even bleaker, most infamously at the 2013 International Web Summit, an event involving high-tech firms from all over the world travelling to Ireland to show off their products and network with other likeminded individuals (Nagle 2015). The Taoiseach (Prime Minister) at the time, Enda Kenny, stated his desire for Ireland to become the ‘capital of the digital world’ (Nagle 2015, p.114). It is no doubt ironic then, that up to 50% of the attendees at the Summit were unable to connect to the Wi-Fi due to infrastructure problems, and many attendees also complained that the drinking water was of such poor quality that they had to purchase bottled water and recommended to one another that they avoid showers unless essential (Nagle 2015).
The dream of an online, knowledge based economy was not to be realized, as Ireland lacked (and still lacks) even the basic infrastructure to support such an economic model. The gains of the boom came about primarily due to the inflation within the property market, which supported a whole network of enterprise (virtually any business based on housing was to gain: auctioneers, builders, plasterers, painters, glass-makers etc.). As the knowledge economy floundered, the property market boomed (Coulter and Nagle 2015; Keohane and Kuhling 2014).

With this in mind, and considering the advantages Ireland had been able to accumulate from being a member of the EU, including cheap credit, development aid, the single currency and more trading partners, why did Ireland spend so much on property? Mirroring Bill Clinton's 1995 Homeownership strategy, from the mid-1990s the Department of the Environment, Community and Local Government began to push harder for owner occupied housing over social housing. In the Housing Policy Review (2003) of 1990-2002, the Department outlined its commitment to the production of 50,000 new homes every year for the purposes of owner occupied housing. This was justified by the rapid economic growth that was taking place at the time, along with anticipated future demand for couples wishing to purchase their own homes. This commitment came with further enticements, including mortgage reforms to ensure interest rates would remain low (which did happen), and a dedication to keeping the price of housing within affordable limitations (which did not) (Coulter and Nagle 2015; O’Toole 2009). For comparison, the Department only committed to building 22,000 units of social rented housing over 4 years (Housing Policy Review 1990-2002, p.43). This is despite Allen's (2015) argument that more than twice that amount was required to meet the demand caused by population increases as well as escalating inequality and homelessness, and that this was known at the time.

As a result, Ireland ended up with a bizarre and lopsided property market, with some counties being so oversaturated with housing that the end result were so-called 'ghost estates'. The Urban Institute at University College Dublin (UCD) has estimated that in 2010, outside of the Greater Dublin area more than 20% of finished houses were unoccupied (Norris 2013). Of those that are occupied, many are stated to lack basic infrastructure connections such as water, lighting, pavement or access to services such as public transport or schools. On the flipside in many other counties, there was a shortage of housing, particularly social housing, and instances of hotels being constructed that failed to ever open because they were built in isolated rural areas with no prospect of commercial success (Norris 2013).
These problems can be traced back to property policies held by successive Celtic Tiger governments (O’Toole 2009). A range of special tax reliefs were available for property developers, in principle these reliefs were offered to incentivise construction of socially important projects which were otherwise unattractive from an investors point of view. For example, the Section 23 property tax relief, which was expanded to include hotels during the latter years of the Celtic Tiger, which led to the construction of more than 200 unviable hotels (O’Toole 2009). The intention behind this tax relief being extended to hotel construction was to encourage the building of hotels in areas where the market was promising, but risky for investors (rural areas with good tourism prospects were cited as an example). In reality hotels were simply built wherever it was possible to acquire the relief, leading the Irish Hotels Federation to remark in 2009 that more than 15,000 hotel rooms would have to be taken out of the system for the hotel industry to remain viable (Irish Hotels Federation 2009).

Other domestic policy initiatives ensured that the cheap credit offered by Ireland's favourable economic position in the EU would be spent on housing, including the neo-liberalisation of Ireland's economy. As explored in section 2.21, neo-liberal economics stresses the importance of low-regulation or even unregulated private markets as the means to prosperity, along with a counterpoint that government spending is naturally inefficient. The availability of low interest credit, along with Ireland's infamous 12.5% corporation tax rate led to the creation of an unusually large banking / finance sector. Coulter (2015) says for example:

"In 2007, the Irish banking system issued €342 billion in loans, around twice the size of the entire national economy of which it was a part" (Coulter 2015, p.6)

To coincide with this, it was a very poorly regulated and under supervised sector (something not unique to Ireland), leading to increasingly risky loans over time. Mortgages were offered to those who had little to no prospect of paying them back, for example adjustable rate mortgages, which had an initial low "teaser" interest rate, which would balloon into a much larger interest rate after the teaser period had ended. According to Coulter (2015), this practice and others like it went either under regulated or totally unregulated, as the banking community in Ireland has been historically small and many of the senior bankers maintained personal relationships with those who were supposed to be regulating them (Hourigan 2015; O'Toole 2009). The confluence of all these factors, from global prosperity to domestic policy decisions and a neo-liberal attitude to financial regulation led to one of the most rapidly growing property markets in history (Coulter 2015).
Without these policy initiatives, Ireland may not have had a property bubble at all, or the bubble may have been considerably smaller (Kay 2011). While Ireland's improved economic position granted it access to cheaper credit, it was the domestic policy decisions of the Irish government which first began to grow the property bubble. Without a domestic market cultivated by deliberate policy decisions, the cheap credit afforded by EU membership would not have had a market as large to be spent in. Criticism of the Tiger was not looked upon well however, consider the (at the time) Taoiseach's (Prime Ministers’s) rebuke of a suggestion that the economy may not be as strong as it appeared:

"Sitting on the sidelines, cribbing and moaning is a lost opportunity. I don't know how people who engage in that don't commit suicide because frankly the only thing that motivates me is being able to actively change something" (Hennessy 2007, p.1).

He made the remark against those who doubted Ireland’s economic miracle in July of 2007, only a short time later in September 2008; Ireland became the first Eurozone economy to formally enter recession. Suddenly those sitting on the sidelines criticising the government’s policy decisions seemed to have valid complaints. The Taoiseach’s comments came from a sense of confidence, as the preceding 5 years (arguably up to 10 or more) had, on the surface at least, been very good for Ireland. Ireland's historical reputation for being a poor rural country with an agriculturally driven economy, out on the periphery of Europe and being of little consequence had changed. It should also be noted that the ESRI supported the economic dimensions of Ahern’s statement, with Ahern recently pointing out that a 2005 report supported his position (RTE 2015).

2.31 Justifying the Tiger
In section 2.21 I discussed Bill Clinton’s championing of homeownership as a source of economic growth and individual freedom. I expanded this argument to Ireland in the previous section, explaining how Ireland took advantage of an international environment of high-growth to develop policies on property development and speculation. In this section I will discuss how these policies were marketed to the Irish people. Economists, financial advisors and auctioneers were part of this process, but also the media, politicians and educational institutions, who provided arguments supporting more mortgages and more debt, while dissenting voices were dismissed (O’Flynn et al. 2014; O’Toole 2009; Browne 2011). The opinions of these experts had an important role in increasing the length and breadth of the economic boom, and therefore the crisis which followed it.
Throughout the boom, property was treated as the object of a kind of scientific discourse, with a multitude of experts ready to explain why the market could not fail. While these discourses may appear scientific on the surface, I agree with Keohane and Kuhling (2014) that they possessed a religious character, with repeated assurances given that the complexity of the economic system was too great to understand, and it must be taken on faith that everything is operating smoothly. This notion is underpinned by a raft of recent studies in the area of economic-theology (Dean 2018; Krier 2017; Schwarzkopf 2018). Indeed, I argue that the Celtic Tiger itself was a kind of economic theology, as its ‘scientific’ justifications fell apart when they were put under any significant scrutiny (Keohane and Kuhling 2014; Dean 2018; Schwarzkopf 2018). Nevertheless various experts constructed a narrative around why the Celtic Tiger had been such a success. Broadly speaking, it was reduced to property, and the Irish public were repeatedly told that housing was a safe investment (Kay 2011; O’Toole 2009; Coulter and Nagle 2015). Infamously, one Irish journalist said that purchasing property in July 2007 as the property market was collapsing would be a “smart, ballsy move” (O’Connor 2007, p.1). Journalists and the media became important agents in motivating the increased spending within the property market. They encouraged people to buy based on their assumed expert knowledge and, due to their mass audience and almost uniform adherence to a similar narrative, it had a telling effect. More recently, there have been calls from within media organisations to admit to their part in encouraging the growth of the property market (Browne 2011; Cooper 2010; O’Toole 2009).

Aside from the media however, there were other aspects of the scientific discourse which should be explored, notably the banking industry and the economic models which supported their behaviour. In the post-boom reflection period, it has become more acceptable to say that the inventors of Credit Default Swaps (CDOs) created something “even financial services professionals themselves scarcely understand” (Keohane 2013, p.1-2). Despite lacking understanding themselves, economists were quick to state that the science behind these economics was too complex for the layperson to understand (Browne 2011), which is another aspect of the theological dimensions of the boom, the inherent goodness of the market had to be taken on faith (Schwarzkopf 2018). In this way, economics assumed the position of a hard science, and the reality of the property boom was compared favourably to immutable scientific laws such as fluid dynamics or gravity (Langley 2009).

The arguments of the media and economists notwithstanding, the Irish people were granted additional assurances by highly placed politicians about the unassailable nature of the
property market. Two key examples can be cited here. The first comes from then Taoiseach (Prime Minister), Bertie Ahern, who made statements in the Dáil in February and December 2007 (Oireachtas 2015a), both times offering assurances to the Irish public that any issues in the property market were minor. Significant issues within the property market, unlikely as they were, would result in a “soft landing” (Oireachtas 2015a, p.21; McCabe 2015), which became the signature phrase of assurance, repeatedly used until the magnitude of the crisis was too obvious to ignore. McCabe (2015) also suggests that both times Ahern gave his statements it is likely that he was in receipt of privileged economic information as the head of the Irish government that property prices had begun a steady decline, and were anticipated to decline further (McCabe 2015).

Instead of accepting this, Ahern used his parliamentary privilege to attempt to halt the decline by assuring the Irish public that nothing was amiss (Cooper 2010). This is despite the likelihood that he was in possession of a whole range of warnings given in 2006 and 2007 by the European Union (Finn 2015) and the IMF (International Monetary Fund 2016) that Ireland’s economic position had become unstable and that the property market was most likely about to decline. The second key example comes from Ahern’s successor as Taoiseach, Brian Cowen, who made similar statements in early 2008 (Oireachtas 2015b). Cowen insisted that the decline of the property market and the finance sector which supported it would imminently stop, and even reverse. It is again likely that Cowen had been in possession of knowledge which contradicted his public statements: that the decline would continue and a serious crisis was forthcoming (Oireachtas 2015b; Cooper 2010; McCabe 2015). This fits within the matrix of broader analyses that we have entered an era of the post-political (O’Callaghan et al. 2014) where disentangling truth from falsity becomes increasingly mired in uncertainty and trust in political systems is breaking down (Mouffe 2005).

The inherent sensibility of property ownership was therefore encouraged by the Irish government, and lauded by economists, particularly those trained at the Chicago School of Economics, and transmitted to the public by the media (Browne 2011). An uncritical media campaign which encouraged property ownership and was particularly targeted at the layperson who could not understand the complex economics behind the system (Kay 2011), but they were assured that the system worked (O’Connor 2007; O’Callaghan et al. 2014). It was no longer the case that one should pay off a mortgage on a single home, primarily intended for one’s family. Irish people were encouraged to believe that property speculation was possible for every person, especially those who were courageous enough to seize their
opportunities boldly (Kay 2011). Multiple mortgages became possible, even on a limited income. Further, these media campaigns represented a significant conflict of interest. In the contemporary era media organisations, particularly newspapers have very slim margins of profit, and the majority of their revenue comes from the advertising space they sell. During the boom, many media organisations received large payments from property developers for advertising purposes. Fahy et al. (2010) discuss this in detail, presenting evidence from qualitative interviews with journalists working at the time of the Tiger that they felt pressured not to report on the national rise of indebtedness, or any issues they may have found in the property market. One of their participants for example said that journalists:

“[...] were leaned on by their organisations not to talk down the banks [and the] property market because those organisations have a heavy reliance on property advertising” (Fahy et al. 2010, p.15).

This conflict of interest even extended to the media arguing in favour of speculation (Fahy et al. 2010), i.e. buying a house with the purpose of selling, or buy-to-let properties was encouraged. The banking sector (McCabe 2015), likewise, was encouraged to give out loans to almost anyone who applied. This lax regulation was pushed from the highest levels, for example O’Toole (2009) says this about the foundation of the IFSC (Irish Financial Services Sector):

“The attraction of the IFSC for the global finance industry was not just low taxation. It was also lax, and in some cases virtually non-existent, regulation. The Irish state acquired an incentive to keep banking supervision to a minimum” (O’Toole 2009, p.127).

With the economy functioning so well, it is perhaps unsurprising that many people invested in rising residential markets (including previously excluded groups, such as those on low incomes). The intellectuals who were generating these scientific discourses were held to be very knowledgeable, and there was little reason to not trust them. Loans and debts were increasing, but this seemed irrelevant. In 6 months the value of your property would have increased and you could refinance or renegotiate on more favourable terms with your bank and use the difference to acquire more loans (Kay 2011).

There were a number of critical voices, in Irish society and elsewhere who predicted the economic crash, with Terrence McDonough (2018), Vincent Browne (Browne 2011) and David McWilliams (McWilliams 2018) becoming increasingly sceptical as time went on. In the context of the boom, dissenting opinions were only permitted to exist in principle, and
were not taken seriously regardless of the arguments they used or the evidence they presented. A good example of this is the work of Satyajit Das, who, in 2006, presented his research to several organisations, including multiple seminars and lectures at the Chicago School of Economics. Broadly speaking, his findings indicated that lax regulatory practices had led to global over-inflation in the property market, evidenced by a massive credit bubble. Failure of property prices to continue rising as they had for the last 5-10 years (location depending) would result in a corresponding drop off in investment. The resulting crash would be deep and severe, and would likely result in millions of people losing their homes and jobs. In all cases Das was ignored or mocked (Das 2011), and he was assumed to simply lack a complete understanding of the economic situation. It is possible that had his findings been taken seriously, then the global economic crisis could have been averted, or its effects made less severe.

For these reasons it seems unsurprising that there have been cries of outrage in the aftermath of the economic crisis, particularly directed at the banking system. I quote Kay:

“If one family defaults on its mortgage, they are pariahs: if 200,000 default they are a powerful political constituency. There is no shame in admitting that you too were mauled by the Celtic Tiger after being conned into taking out an unaffordable mortgage, when everyone around you is admitting the same” (Kay 2011, p.214).

This sentiment is now common, and the falsity of the Celtic Tiger’s apparently scientific discourse on property (Foucault and Senellart 2008) is now apparent and open to all. Discourses are never fully destroyed however; they simply change form, and once again we see neo-liberalism’s ability to adapt to changing circumstances. In the aftermath of the Celtic Tiger and the global economic crisis that new discourses have taken the form of the justifications for austerity, and how new economic science has proven beyond all doubt that austerity works, I examine these discourses in the next section.

2.32 Aftermath and Austerity
In a post-boom environment, it is important to explore how the economic boom and crisis is being remembered and discussed. In the previous section I outlined how the discourses surrounding property, supported by a range of ‘experts’, combined with dedicated policy decisions to encourage owner occupied housing over social housing, led to an uncritical acceptance of the property market as the driving force of the Irish economy. In this section, I will discuss how the economic boom is being enshrined in history, and how that historical
remembrance has become a tool of the present government to justify a set of policies which cut spending and increase taxation, commonly termed austerity.

2008 was a difficult year for Ireland. The housing bubble was bursting in earnest, marking the point at which housing prices began to decrease back to pre-Tiger levels; leaving tens of thousands of Irish mortgage holders in negative equity (Kay 2011; O’Toole 2009). This was followed by a vacuum of investment into the property market, leading to widespread unemployment amongst builders, carpenters, glass-makers and the other industries which had come to rely upon the booming property market for their livelihoods. To make matters worse, the financial system was in the midst of a severe crisis, and nobody was certain how or when it would end. There were fears that if a single bank collapsed, that the whole financial system would follow. Additionally, as the financial system was inseparably linked to the economy, a large number of businesses and investors could expect to be simultaneously bankrupted as Ireland’s banks called in urgent repayment orders. In September 2008 after a great deal of political and economic uncertainty, the government made the decision to implement a bailout of Ireland’s six largest banks, using the Irish state as collateral to guarantee debts of approximately €440 billion (Coulter 2015, p.7). The government believed that by doing this, they would prevent the fear of systemic failure from causing systemic failure. The history of bank runs has shown that when citizens fear the collapse of a bank, they are likely to withdraw all their money at the same time, lest they lose everything, thus causing (or accelerating) the collapse they fear will happen (Stiglitz 2012).

It was believed that the guarantee would provide confidence in the Irish banking system, thus preventing a bank run (Coulter and Nagle 2015). Paradoxically the government argued that the bailout provided evidence that there was nothing wrong with the financial sector (this raises the obvious question as to why it was done in the first place) (Coulter and Nagle 2015). However, the bailout failed to achieve its desired effect, and Ireland’s economic situation continued to deteriorate at a more rapid pace as time went on. In 2010, when the bank guarantee was about to expire, Ireland was in an extremely difficult situation. Over the next two years, the six largest banks each required constant injections of cash to prevent them from collapsing. The greatest sum went to Anglo Irish Bank, which required over €30 billion, with the grand total being approximately €64 billion. As the news about the bailout became bleaker, Ireland found itself under considerable strain. Public finances had been worsening since the middle of 2007, and unemployment was over 15% in many parts of the country as the over-saturated property sector had been forced to lay off many workers (Coulter and
Nagle 2015; Boland and Griffin 2015a; 2015b). These issues overlapped one another and magnified the problems of the crisis. When a worker was laid off, not only would they no longer pay tax on their salary, but would cost tax as they applied for jobseekers benefit, medical cards, fuel allowance etc. and came at a time when the government was ill equipped to support these additional costs (Boland and Griffin 2015a).

As Ireland’s international reputation worsened, it was forced to borrow money from the international markets at higher and higher interest rates, thus making its existing problems worse by having to devote more of its money supply to paying back interest. In the end, Ireland entered an economic adjustment programme to repair its financial state. In exchange, the IMF and European organisers of Ireland’s bailout programme (generally called the Troika) stated that Ireland would have to make considerable cuts to its public finances to become an economically viable country again. This policy strategy is referred to as austerity, and its implementation has been controversial both in Ireland and in Europe more broadly.

Broadly speaking, austerity describes a set of policies dedicated to reducing government deficits (if a government is spending more than it earns through taxation, it is running a deficit) (Coulter 2015). On the surface level, austerity sounds benign. In practice however, it has involved widespread hardship in most (if not all) of the nations it has been used in. This is because austerity frequently involves the cutting of services which would be inaccessible to most of society if they were not free at the point of use, including access to healthcare, welfare, housing, education and so on. Austerity in Europe has been accompanied by social unrest, strikes and protests. As such, whenever it is utilized, it has always required a complex set of justifications which make it seem reasonable, or the only possible option (Harvey 2017; Lazzarato 2014). In Ireland, Coulter (2015) has identified three tropes in the aftermath of the Celtic Tiger which promote and justify the implementation of austerity; I discuss them below.

The first of the tropes is that, “we all lost the run of ourselves” (Coulter 2015, p. 10). This trope signals that the blame for the economic crisis belongs to all Irish people equally, and therefore we must all equally share in the burden of repairing it. However, as Coulter (2015) and others have identified (O’Toole 2009; Boland and Griffin 2015b; Lazzarato 2012; Taft 2015), this is, at best a thinly veiled attempt to rewrite the history of the Celtic Tiger, at worst it represents an outright lie. The idea that we all lost the run of ourselves implies a moral, as well as an economic mistake. O’Toole (2009) considers this a moral-religious dimension of the crisis, the Irish people took things too far, and now there must be a period of reflection
and punishment. The Irish mortgage holder is held to account in particular as a case which must be held accountable. Here, the ideal type is the arrogant and greedy Irish debtor who borrowed too much and is now over-indebted, further they refuse to engage with their bank, which nobly does everything in its power to reason with this irrational person. We must collectively remember how dearly their mistake cost all of us, by producing a bubble in the housing market which led to the collapse of the Celtic Tiger and the default of the Irish government. Coulter is not convinced by this narrative:

“It is also true that during the boom many Irish people borrowed money on a scale that would not have previously been possible, let alone believable. The principal reason for the explosion of personal debt during the Celtic Tiger, however, was not because individuals were sustaining celebrity lifestyles but rather because of the not entirely unreasonable ambition of owning their homes” (Coulter 2015, p.11-12).

O'Toole (2009) also demonstrates that during the time of the boom, the majority of the population in Ireland were earning under €40,000 a year (the average industrial wage). While a few were earning millions (or even hundreds of millions) per year, and that this small handful were the most responsible for the crash, due to having, by far the greatest quantity of debt. However, this is not the trope which is being promulgated; the trope is that we are all, in some way responsible for what happened. The immediate follow up to this is that we must sacrifice and get through this for the sake of future generations. In practice this has left many mortgage holders stuck with mortgages that they cannot repay, and in houses that are worth less than the value of the mortgage, meaning that they also cannot sell the house. As discussed in the previous section, the financialised nature of the contemporary Irish economy means that repossession forms part of an overall strategy of neo-liberalism.

The second trope is that "we are where we are (Coulter 2015, p.12)." Aside from being a tautology, this trope implies firstly, that there is no point in examining the past, what's done is done, and secondly that there was no alternative to austerity (though this phrase is carefully avoided due to its Thatcherite connotations). This has been used in conjunction with the aforementioned 'we all lost the run of ourselves' trope to justify regressive austerity budgets which cut vital social services. It simultaneously has left the wealth of the Irish upper classes not only intact, but growing while incomes stagnate for everyone else (Coulter 2015). The previously mentioned moral-religious dimension returns here, but it is more clearly evident than before. There are a whole new set of disciplinary and surveillance procedures being enacted in the post-boom environment. Coulter gives us some examples:
“One thinks here of the couple who took out a mortgage in good faith at the height of the boom and have fallen behind on their payments who now have to explain their satellite television subscription during the 'lifestyle coaching' sessions they are forced to have as part of their deal to reschedule their loan; or the 25-year-old being informed that his unemployment benefit has been cut because he does not happen to be twelve months older; or the university lecturer on contract forced to reapply for her own job every academic year [...]"

These instances of surveillance and humiliation are not an accidental by-product of the austerity programme but rather are central to its reason for existence. In the crisis years, the state has installed a disciplinary system that will survive any prospective change in Ireland's economic fortunes (Coulter 2015, p.14).”

The “we are where we are” trope is also used strategically to disarm the upset and anger associated with the bank bailout which Allen (2015) argues marked the end of the crisis for Irish elites and the beginning of the crisis for the Irish working class. The bank bailout of September 2007 was described at the time as a “genius stroke” (McCabe 2015, p.53), it has since been retrospectively re-imagined as an unavoidable punishment which had to be endured due to the mistakes of the populace (McCabe 2015).

The third and final trope is that “we’re all in this together” (Coulter 2015, p.14). This trope has been used by the government as a preventative measure against radicalism and dissent. This is achieved by creating a sense of unity within Irish people, that the world is harsh and uncaring, and only by working together will there be a recovery.

To quote Brian Lenihan as he was justifying the austerity measures deemed necessary by the crisis, "Let's be fair about it, we all partied” (Murray 2010, p.1). The idea that Irish people all share co-responsibility for the crisis has been used to justify the cuts to public services, tax increases and other austerity measures which have become increasingly common (O’Flynn et al. 2014). According to Allen (2015) these tropes and discourses constitute an attempt by the Irish government and the media to rewrite the history of the Celtic Tiger. The purpose of this rewriting is relatively clear, it shifts the blame for those who caused and supported the Tiger from the more wealthy elements of Irish society onto the poor and working classes.

Coulter (2015) concludes that these tropes have been used to justify cutbacks that (at the time) are argued to be temporary. However in practice the cuts to education (O’Flynn et al. 2014), housing (Waldron and Redmond 2016), welfare (Boland and Griffin 2015a; 2015b) and so on seem to be at least semi-permanent and have become part of “the new normal” (Mackay 2014). The original agenda of neo-liberalism as identified in section 2.21 was to
undermine the welfare state, and create a new kind of governance where citizens would not be dependent on state services (Lazzarato 2012; Harvey 2007), and austerity seems to have successfully achieved that.

Conventionally the scientific justifications for austerity are drawn from an infamous paper by economists Carmen Reinhart and Kenneth Rogoff (often shortened to the Reinhart-Rogoff paper) published in 2010. In this paper, Reinhart and Rogoff argue that when national debt exceeds 90% of a country’s GDP, growth will decline. This paper was used to argue that nations that had very high levels of national debt (Portugal, Ireland, Italy, Greece, and Spain) were threatening their prospects for growth and recovery by allowing their national debt to remain over 90% of GDP. Those who wished to see austerity implemented had found a new economic scientific argument, supported by an array of complex evidence (Reinhart and Rogoff used data from dozens of countries, across a time span of centuries). The authors claimed that their paper made a persuasive case that failing to address national debt, with alacrity would result in stunted national growth, which in turn would impact all of a nation’s services.

Their paper was widely used in arguments for austerity until 2013, when the paper came under intense scrutiny for a number of mathematical errors “The celebrated economists who had offered a key intellectual fig leaf for policies that had brought untold misery to millions had simply got their sums wrong” (Coulter 2015, p.13). Despite this, the Irish government has continued with its implementation of austerity, a commitment which was renewed going into the 2016 Irish general election (Fine Gael 2016).

This section gives us the context within which the ISI would come to be established. I discuss its establishment and outline the problems it faced from its inception.

2.4 The Insolvency Service of Ireland
The remainder of this chapter is dedicated to critically discussing the ISI, how it emerged and what it does. I do this by first examining the context within which it has emerged, and then going through how its arrangements are implemented in the final sections of this chapter.

With the economic crash and crisis having taken place, and Ireland firmly within a bailout programme, the question of what would happen to Ireland’s debtors became more and more urgent. At first, it seems that the government hoped that the problem would be solved by the reconciliation of debt problems through mediation between a debtor and their creditor(s)
This led to the restructuring of over 100,000 mortgages to interest-only payments, buy-to-let agreements, or a different private arrangement between the debtor and their creditor (Central Bank of Ireland 2016). This policy slowly (but steadily) reduced the number of mortgages in arrears after peaking at almost 100,000 in late 2012 (Cronin 2015) (Central Bank of Ireland 2018, p.2). For these debtors stress (Mind 2008), food poverty (Pressman and Scott 2009), and financial/social exclusion (Combat Poverty Agency 2009) resulted in calls for reform in the wake of a suicide epidemic, particularly in rural Ireland (Cronin 2015; Stamp 2013; 2016).

Over time it became more obvious that a structured solution would be required, Irish creditors were regularly stated to be uncooperative and unforgiving (Stamp 2016; Irish Mortgage Holders Organisation; 2018; Hennessy 2018a; 2018b), and there were fears that the restructured mortgages were not as stable as they initially appeared (Quinn 2018; Central Bank of Ireland 2017b; Gleeson 2017). As Allen (2015) says:

“Central Bank figures at the end of 2012 also showed that 94,488 households are in arrears for more than ninety days and 79,582 had their mortgages ‘re-structured’, which means they have reached an agreement with their lending agency on reduced payments. Nearly half of the latter category had fallen into arrears, despite the fact that the most common form of restructuring was moving to an interest only payment. Irish banks, which have already been generously re-capitalised, may, therefore find that their loan loss account is far higher than the projected figure of €9.4 billion assumed in stress tests” (Allen 2015, p.67).

It was clear that action had to be taken, and thus, a dedicated service to deal with the legacy debt of the Celtic Tiger (but also to service any problem debts that may arise in the future) was proposed. The Insolvency Service of Ireland was first discussed in late 2011, at this time the mortgage arrears crisis was beginning to peak (a few months away from its record setting high in 2012) (Central Bank of Ireland 2017a), and the Irish Mortgage Holders Organisation was becoming increasingly urgent in its pleas that something be done as the fears of mass defaults loomed on the political stage (Irish Mortgage Holders Organisation 2014a; Stamp 2016; 2013; 2012b).

From the beginning, the service was being pulled in several different directions at once. The ISI’s director, Lorcan O’Connor was expected to find a solution that would satisfy all parties. He said the following in April 2013:

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4 Mortgage arrears currently stand at 71,833 as of the most recent Central Bank statistics (Q1 2018) (Central Bank of Ireland 2018, p.2).
"We know, above all, the worry, the anxiety, and the distress that money challenges like this can cause – how they can eat up people’s lives. For that reason, we have been highly conscious of putting in place, quickly, the best solutions we can, taking account of the various complex factors that need to be addressed – the rights of creditors, moral hazard, the structures that will be needed country wide to ensure we have a fair, transparent and equitable insolvency service" (Insolvency Service of Ireland 2013a, p.1).

What resulted was a service that attempted to balance the 'rights of creditors' with the 'worry, the anxiety, and the distress that money challenges like this can cause'. The ISI was at risk of being fractured and ineffective. Regardless, its establishment was viewed positively within the political system and it was expected to be successful.

For example, in 2013, when the ISI was being finalized, the (at the time) Minister for Justice Alan Shatter was asked in the Dáil how he expected the ISI to perform. He replied that he anticipated 16,000-21,000 debtors per year would use the ISI (Oireachtas 2013). He was to be significantly off the mark, in its first 58 months (September 2013 – July 2018); it has had 12,424 applicants (Insolvency Service of Ireland 2018), which has resulted in 4,238 arrangements being approved. Each year the ISI has been in operation, it has insisted in official statements that a large increase in applications is just about to happen (Insolvency Service of Ireland 2013b; 2014b; 2015c; 2016d; 2017b; 2018) but this has never materialized. This has led to critiques from the media, opposition political parties, and NGO’s about the services’ performance:

"Last week the Insolvency Service of Ireland celebrated its first birthday – albeit probably a very muted celebration when one considers progress to date. In Q2 2014 just 30 DSA’s and 27 PIA’s were completed. These figures were heralded in some circles as significant progress but in the context of 100,000 people in mortgage arrears, it is pathetic" (Irish Mortgage Holders Organisation 2014b, p.1).

Regardless, the services’ doors opened in September 2013 and it began to accept applicants, and they encountered the service directly for the first time. I explore the new arrangements the ISI created in the next section, along with its general reforms of the debt and bankruptcy system.

2.41 Three New Arrangements
I offer a brief summary of how the ISI functions in this section, with the remaining sections of this review given over to more detailed explanations of the services’ operations. The ISI’s creation involved a complete reform of the bankruptcy system and the establishment of three new arrangements for insolvent debtors to use: the Debt Relief Notice (DRN); Debt
Settlement Arrangement (DSA) and Personal Insolvency Arrangement (PIA). I explore each of them below, with a focus on the PIA. More details on the PIP’s, the applications process, and performance of the service will be explored later in this chapter.

The ISI takes what it describes as an approach of international best practice to debt resolution and insolvency. It begins with a person in debt distress approaching the service, and formally applying for debt relief, selecting one of the ISI’s three insolvency programmes as appropriate for their debts and circumstances. Assuming that they qualify, the debtor applies and joins the relevant programme for a period of 1 to 6 years. The amount of time varies depending on the debtors income, quantity of debt, their history with their creditors (e.g. were they cooperative or uncooperative), and other factors (Insolvency Service of Ireland 2013a; 2016a; 2016c). While on such a programme, the debtor lives on an itemized budget, defined by the ISI as their ‘reasonable living expenses’ (RLE’s) which is intended to give the debtor a ‘reasonable’ lifestyle that does not result in deprivation or opulence (Insolvency Service of Ireland 2016c). Once the period of time has elapsed (1-6 years) the debtor successfully concludes their insolvency programme, and a given amount of debt is written off (in some cases this involves 100% of the debt being written off), and the remaining debt is restructured to be more manageable (Insolvency Service of Ireland 2016c).

Both a DRN and DSA are similar, so I discuss them together here. In both cases they are described as "a solution for people with unmanageable unsecured debt" (Insolvency Service of Ireland 2016a, p.2), meaning debt which is not secured by a specific asset, such as a house or car. Therefore these insolvency arrangements are for debtors who have a large number of unpaid bills, overdrafts, loans, credit card debt etc. and have no plausible future likelihood of repaying these debts. For a DRN, you may submit debts of up to €35,000 (increased in 2016 from its original €20,000), and applications are done through an Approved Intermediary (AI), who will then negotiate with your creditors on the debtor's behalf (Insolvency Service of Ireland 2016a). Assuming the debtor successfully gets on a DRN, they undergo a three year supervisory period, and their unsecured debts not exceeding €35,000 will be written off. Once approved, a record of the arrangement is published on the register of Debt Relief Notices. Further, though you will no longer personally be involved in negotiating with your creditors, your creditors will be in contact with your AI regarding your DRN and may discuss your performance.
A DSA shares many qualities with a DRN, though there are some important differences. Firstly it is for unsecured debt of over €35,000 (no upper limit), secondly it can take up to five years to complete; and the creditor has much stronger control over the character of the negotiations. Instead of an AI, the debtor applies to the DSA through an expert called a Personal Insolvency Practitioner (PIP) who will negotiate on your behalf, mediating between both parties (Insolvency Service of Ireland 2016c). Assuming an arrangement has been made, a certain percentage of the debt is paid back to your creditors over a period of up to five years and, once again the debtor enters a supervisory period where they live on their RLE’s (Insolvency Service of Ireland 2016c). Once this period is over, the agreed upon debts, both unsecured and secured are written off. However, during the applications process the creditors have the opportunity to ‘veto’ the arrangement. If the creditors involved do not believe that the arrangement works in their best interest, they may ‘vote’ against the arrangement going ahead. There is then a period of negotiation between the PIP and the creditors who have voted no. If they refuse to negotiate then the debtor is left in the same unsustainable position of being unable to make repayments, with the only alternative being bankruptcy.

The third option is a PIA. This is for debtors who have both unsecured and secured debt with a focus on mortgage debt. Similar to a DSA If the application is successful (and is not vetoed); then the individual enters into the arrangement for up to 6 years. After 6 years have passed, a large portion of their unsecured debt (averaging 83%) and a smaller portion of their secured debt (averaging 21%) will be written off (Insolvency Service of Ireland 2017a; 2018). For example, if a debtor had mortgage debt of €100,000 and successfully concluded a PIA, on average their debt will be reduced to €79,000. Their remaining debts will then be restructured to a more affordable repayment plan, typically with a reduced interest rate (Insolvency Service of Ireland 2016c). As my research involves specific substantive discussions on mortgage debt, the PIA will be discussed in more detail in the remainder of this chapter.

Finally, one of the more popular things the ISI has done was to reform the bankruptcy system, which was considered woefully outdated with the previous legislation, passed in 1987 having been inspired by bankruptcy law in 19th century England (Stamp 2013; 2016). Previously bankruptcy took at least 12 years before the bankrupt was discharged of their debt; however, in practice it could take as long as 18 years, meaning it was rarely used. A popular alternative emerged in the form of bankruptcy tourism (Stamp 2016). Temporary emigration to the UK (living there for at least one year) enabled a debtor to become bankrupt under the
UK’s much more lenient bankruptcy rules, which involves few restrictions and lasted only one year (Waldron and Redmond 2016). After becoming bankrupt, it was questionable whether the debtor would choose to return to Ireland, meaning that any potential gain from rehabilitating them as an economic citizen would be lost. Bankruptcy therefore went through major reforms, at first being reduced from 12 years to a maximum of 3 years, and then reformed again in 2016 to 1 year (Insolvency Service of Ireland 2016d). Once again the debtor lives under their RLE’s, and must abide by various other restrictions (e.g. they cannot be a director, manager, auditor, liquidator or receiver of a company without court permission, and must inform the High Court if they wish to travel abroad, cannot have power of attorney etc.). Unlike in insolvency arrangements, breaching the terms of bankruptcy is a serious crime and can result in imprisonment or fines (Insolvency Service of Ireland 2016c; 2016d).

These three new insolvency arrangements, in addition to the bankruptcy reforms have had some successes, yet the ISI continues to perform well below expectations, even 5 years after opening. To explain this, the next section will explore the four step process an applicant must go through if they are to successfully join and conclude a PIA.

2.42 Four Steps

When applying for a PIA, there is a four step process each applicant must go through in order to obtain debt relief and bring their application from its opening stage to completion. While there is a specific order of operations, the service actually contains a great deal of flexibility and aside from the broad contours, does not always follow the exact procedure I will describe below. Please see an image from the ISI’s documentation about the detailed order of operations (figure 2.2). As most of my participants are dealing with debt relating to the mortgage crisis, and this type of secured debt is the most common and difficult to deal with, I discuss the ISI’s arrangements with respect to the PIA, intended for those dealing with secured and unsecured debt.

The first two of these steps are of greatest relevance to us here, so they will be examined in the most detail. The first step is: applying to a court through a PIP for a Protective Certificate (PC), administered through the ISI. Once completed, the PIP will draw up the details of the arrangement, as this will affect the debtor and their creditors it must be agreed to be fair by all parties concerned. While the first step (acquiring a PC) is easily done for most applicants, it is at the second step that most arrangements fail, mainly due to the opposition of creditors.
to the arrangement which the PIP deems necessary to help the applicant become solvent again.

The third step assumes an application has been successful and requires the debtor to meet the obligations they agreed to upon entering the arrangement and the fourth step assumes that the PIA has been successfully completed and the debtor is no longer insolvent. While these steps are desirable for applicants, they are not relevant for the discussion that takes place here, which is about how the service functions with respect to its applications.

I will now discuss the PIP’s who act as the frontline operators of the ISI, explaining who they are and what they do.
Figure 2.2: Summary of PIA Application Procedure (Insolvency Service of Ireland 2016c, p.15).
Structurally, the ISI is highly decentralized, and the administration and implementation of its arrangements are handled by independent license holders – the PIP’s. Each PIP has completed a course in the area of finance, law or business (preferably all three) and has satisfied the ISI through its applications process that they understand and are capable of overseeing the various insolvency arrangements offered by the ISI. It costs €1,500 to apply for a license, which lasts for 3 years, and must then be renewed for a further 3 years at a cost of €1,000 (Insolvency Service of Ireland 2015d). Once this is done, the PIP’s are regulated and supervised by the ISI. However they receive no remuneration for this, and instead are ‘paid’ by the fees of the debtors who apply to the ISI (Insolvency Service of Ireland 2016c). They are essentially small business owners who are licensed to oversee the implementation of the ISI’s various insolvency arrangements, and as such they are effectively in competition with one another.

This can be difficult for an individual PIP who may have worked (or is still working) as an accountant or barrister, but is now attempting to succeed at a small business venture on their own. As already stated, the ISI does not offer any remuneration to its PIP’s; there is no office space available, no secretarial or clerical staff to help with the large amount of paperwork, and only a very light supervisory process (Insolvency Service of Ireland 2016c). This has created problems (see chapter 7) with the result being that most of the arrangements that have been administered are done by large law firms such as Grant Thornton, which can offer considerable resources to PIPs working for it (Insolvency Service of Ireland 2017a; 2017b). It is unlikely to be feasible for any one person to compete with such an organization, and indeed upon the ISI’s opening there were 161 PIP’s operating in Ireland, but there are now (August 2018) 109 (Insolvency Service of Ireland 2018). Thus much of the implementation and management of insolvency solutions are being done by large corporations with the resources to engage the process in a semi-automatic manner (i.e. ensuring that the correct paperwork goes out on time; standardizing the applications process).

Because of how the process works, each PIP (be they an organization or individual) has a great deal of discretion with how the insolvency legislation is implemented. This creates a level of unpredictability and uncertainty for an applicant that is generally not desirable. One PIP may examine an applicant and decide that they are insolvent, another may disagree.
I move on now to exploring the applicant profiles (who are the applicants), how eligibility for an insolvency arrangement is assessed and what the first steps in the application process are (step one in figure 2.2).

2.44 Applicant Profiles, Eligibility, PIPs & the Protective Certificate

This section examines how an applicant begins the process of applying for a Personal Insolvency Arrangement (PIA), what they have to do, who is eligible and the typical features of an applicant. I also expand on the work done by the PIP’s with respect to the definition of insolvency. Once again, this is from a technical standpoint, if the reader wishes to examine an account of what applicants and their PIP’s think of this process or how they experience it, they may find these detailed in chapter 7 (findings).

The average ISI applicant is a married (63.8% of applicants) male (52.4%) who works in the private sector (39.9%), between 45-54 years of age (35.4%) and is making an individual application (as opposed to a joint application) indicating that the debt they are dealing with is exclusively in their own name (49.4%) (Insolvency Service of Ireland 2017a, p.9). This information is accurate as of March 2018 when the ISI’s most recent quarterly report was Q3 2017. While this information also describes the ‘average’ applicant, by no means are all applicants like this (52.4% of applicants being ‘male’ means that 47.6% of applicants are ‘female’). Notably 24.8% of applicants are unemployed, and 33.4% of applicants are aged 35-44, meaning that over two-thirds of all applicants are between 35-54 years of age.

Further to this, the average applicant tends to live in Waterford (38.8 approved arrangements per 10,000 adults), Carlow (27.6 approved arrangements per 10,000 adults) or Wicklow (23.9 arrangements per 10,000 adults) (Insolvency Service of Ireland 2017a, p.12). Dublin has the greatest overall number of successful arrangements with 1,031 (Insolvency Service of Ireland 2017a, p.12), but areas in the South-East or North of Ireland tend to have a higher number of arrangements and applications per capita. See figure 2.4 for more details.

While this illustrates some of the important features or traits of the ‘average’ ISI applicant, it is now necessary to talk in some detail about how these individuals go from debtors dealing with what the ISI refers to as ‘problem debt’ (Insolvency Service of Ireland 2016a, p.1) to applying for a PIA. The core barriers that have to be overcome for a debtor to be considered eligible for a PIA are that they must meet the definition of insolvency, they must have worked with their creditor(s) as part of a mortgage arrears recovery process for at least 6 months, and it must be deemed unlikely by the PIP that they will not become solvent in the
next 5 years (Insolvency Service of Ireland 2016c). This means that if a debtor is considered likely to recover from their problem debt on their own, they will not be allowed to apply for an arrangement with the ISI. This may be the case for a person who has lost their job, but the PIP considers it likely that they will be able to return to work at a different company in the near future. This can also be the case for a debtor who falls into arrears due to an illness or accident in the workplace; the PIP may determine that they are likely to return to work in the future and thus disqualify them.

To be considered insolvent, a debtor must be “unable to pay their debts as they fall due” (Insolvency Service of Ireland 2016b, p.3), emphasis mine. It is not sufficient to merely not pay one’s debts as they fall due; as this may indicate that the debtor in question has not actually attempted to pay their debts, and is merely attempting to escape from their obligations. I discuss the moral implications of this in chapter 7. This is further elaborated on in the ISI’s documentation (and also in my interviews with PIP’s) that a debtor can be considered insolvent if they have made “personal sacrifices” to pay their debts (Insolvency Service of Ireland 2016b, p.3). No exact definition of what it would mean to make a ‘personal sacrifice’ is elaborated upon, though the term implies that the debtor should have endured hardship of some description in their efforts to become solvent again. A debtor may also be insolvent if:

- “You are not able to pay your bills in full when they are due
- You are paying a little off each bill trying to keep creditors (the people you owe money to) at bay
- You are reluctant to set up direct debits to pay bills in case your money cannot stretch to meet them
- You are receiving calls and letters from creditors about missed payments and threats of repossession”

(Insolvency Service of Ireland 2016b, p.3).
An individual application is an application by a sole debtor.

Where there are two (or more) debtors who are jointly liable for all of the debts to be included in a DSA or a PIA, a joint application is appropriate.

An interlocking application would be appropriate where two (or more) PIAs are to be administered in common – usually because of the financial relationship of the debtors involved. Examples would be a couple or business partners, where they are jointly liable for some – but not all – of the debts to be included in the PIA.

Figure 2.3: Profile of ISI Applicants (Insolvency Service of Ireland 2017a, p.9).
7.4 Geochart: Debt Solutions from 2014 Q1 to 2017 Q3

The geochart below shows the number of DRNs, DSAs, PIAs and bankruptcies approved from 2014 Q1 to 2017 Q3, together with the rate per 10,000 adults.  

There were 159 solutions in Donegal. This represents a rate of 13.5 solutions per 10,000 adults.

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2 There have been 16 insolventcies and seven bankruptcies where the debtors have been residing outside the state.

Figure 2.4: Map of Quantity / Location of Debt Solutions in Ireland (DRNs, DSAs, PIAs and Bankruptcies) (Insolvency Service of Ireland 2017a, p.12).
While these provide good guidelines for an applicant to estimate if they meet the definition, I emphasise that nowhere in ISI documentation is it elaborated upon what precisely a ‘personal sacrifice’ means. It is therefore within the discretionary purview of each individual PIP to decide if the debtor they are currently meeting has done enough to be counted as ‘insolvent’ due to the vagueness of the terms (Insolvency Service of Ireland 2016c).

This leaves a significant area of discretion for the PIP, who is the judge of whether the applicant is of sufficient character and has tried enough to pay their debts to be allowed to enter a PIA or other arrangement (Insolvency Service of Ireland 2016c). Discretion also introduces the possibility of human error in such arrangements, particularly when only one attempt can be made to join a particular debt arrangement. Failing to join the arrangement means the debtor is stuck in the same unsustainable position of being insolvent, while successfully joining an arrangement may only be done once in a person’s life (Insolvency Service of Ireland 2013a; 2016c).

The Personal Insolvency Act (2012) also mandated that bankruptcy can only be attempted once an individual debtor has applied to use one of the ISI’s insolvency arrangements. As we shall see in chapter 7, many debtors are anxious to cope with their debt as best they can, because they sense (perhaps correctly) that beginning to engage with the ISI is most likely the start of a process that ends with their house being repossessed, which almost always happens in bankruptcy (Insolvency Service of Ireland 2018).

Assuming that a debtor meets the unclear definition of insolvency, they must now meet with a PIP who will advise them to complete a Prescribed Financial Statement (PFS). This is an accurate statement of their financial affairs, and should demonstrate to the PIP that they are in need of an insolvency arrangement (Insolvency Service of Ireland 2016c). It includes bills, receipts, a budget (preferable but not required) along with proof of attempts to pay off the debts (bank statements, receipts etc.). Assuming that the PIP accepts the PFS, they will then apply for a PC through the courts (Insolvency Service of Ireland 2016c). A PC indicates that the debtor in question has formally begun the process of applying for an insolvency arrangement, and issues total legal protection over their assets. While a PC is in force, your creditors cannot contact you (such contact must go through the PIP instead) and your assets (house, car etc.) cannot be repossessed or seized. However a PC only lasts for 70 days and once issued, cannot be issued again for 12 months. See figure 2.1 for more details.
The purpose of the PC is to protect the assets and peace of mind of the debtor while their PIP draws up the paperwork necessary to make a formal application for a PIA. The PIP will draw up the RLE’s that the debtor(s) will be expected to live on. RLE’s govern the amount of money a debtor can spend each month, and is essentially a mandatory budget (Insolvency Service of Ireland 2016c). The debtor is required to participate in (at least) annual reviews, where they must fill out another PFS which demonstrates that the debtor still requires the insolvency arrangement. The goal of the ISI’s insolvency arrangements are to restore the debtor to solvency (where they can pay their debts as they fall due), and this budgeting is a part of that. However, the creditor(s) of the debtor continue to be paid while under an arrangement, I illustrate a simple example below.

Michael has successfully applied for a PC and is now on the road to getting on a PIA. His PIP has just drawn up his RLE’s, based on Michael’s monthly income of €1,250 and monthly expenses of €2,500 (most of his expenses go to servicing his debts). The RLE’s indicate that Michael will now have €900 per month to spend on himself (his reasonable living expenses) and the remaining €350 will pay the fees of his PIP and service his debts. Assuming that Michael completes his PIA, his unsecured debt will be written off, his mortgage debt will be reduced, his arrears will be eliminated and any remaining debt will be restructured to be more manageable. This assumes that he is capable of living on €900 / month.

I will now move on to discussing the full PIA proposal as well as the objections and issues that crop up at each stage of this applications process.

2.45 PIA Proposal, Creditor’s Veto, Programme Length
Getting to this stage is relatively easy. Most debtors who apply are capable of getting a PC. However, to gain the protections offered by the certificate on a more permanent basis, the debtor must apply for a full arrangement. I discuss how an applicant does that in this section.

This starts with the PIP, who evaluates the individual case of the debtor in question. They examine their PFS, looking at their finances, income, expenses, their attempts to pay their debts, personal sacrifices and more. Based on this information, the PIP draws up a PIA proposal, which will be voted on by the applicant and their creditor(s) later. This proposal includes how much debt the applicant will have to repay while they are on a debt relief programme, and indicates how much money will be available for particular types of expenses. See figure 2.4 for an example of what a typical RLE looks like. The ISI is quick to emphasise that this is merely a kind of ‘sample’ budget, and that they do not police the expenses of applicants (Insolvency Service of Ireland 2017b).
Regardless, the PIP draws up the terms of the arrangement, including the RLE’s, the length of the programme in question and even their own fee structure. As indicated in the simple example in the previous section, the PIP does not work for free, and their payments are organized through the same mechanism that pays the creditors of the applicant. To re-use the previous example with Michael:

Michael’s defined RLE’s state that he will pay €350 a month to pay the fees of the PIP and to service his debts. In this instance, the PIP will receive €100 as a fee for organizing and managing the arrangement; while Michael’s creditors will receive the remaining €250 to service Michael’s debts. This will not be apparent from Michael’s perspective, as a direct debit will simply deduct €350 from his account each month, and the PIP will be responsible for paying himself and Michael’s creditors.

I explore the implications of this more fully in chapter 7.

Once this official application has been completed, the PIP calls the debtor to a meeting and the debtor is permitted to object to any terms they believe are unfair. Assuming that the debtor and the PIP can come to an agreement, the applicants creditor(s) are called to a similar meeting with the PIP, and they are allowed to ‘vote’ on it. In the ISI’s original incarnation, 65% or more of the applicants’ creditors had to agree to the arrangement (Insolvency Service of Ireland 2014b). In its current reformed version more than 50% of creditors must agree to the arrangement (Insolvency Service of Ireland 2018). If creditors do not agree that the arrangement is fair, then it fails, and is considered to have been vetoed, and the debtor cannot apply for another PIA until they can get another PC in 12 months (Insolvency Service of Ireland 2016c). Their only other alternative at this point is bankruptcy. This means that creditors will only agree to an arrangement if they believe there is no chance of gaining repayment in any other way. While this seems relatively straightforward, it can actually take several months and more than one meeting each to get the various parties to agree to the terms.

Aside from completely vetoing the arrangement, creditors can also negotiate, and they are permitted to push for an arrangement that is in their own self-interest (Insolvency Service of Ireland 2016c). This is highly case dependent, so I won’t spend a great deal of time discussing this, except to say that depending on the context that creditors may push for an arrangement to be very long (6 years) or very short (1 year) for various reasons. Creditors may find that they will make more money in the long term if the debtor is given an opportunity to repay at a slower pace in an insolvency arrangement. On the other hand, a
shorter arrangement can mean that the creditor takes a short-term loss but will have a long-
term gain. The ISI gave figures in 2014 that each veto utilized has cost the creditor an
average of €100,000 (Insolvency Service of Ireland 2014a), as the exercise of the veto has
forced the debtor to declare bankruptcy, thus meaning that the creditor gets nothing. This
policy has been unpopular in political circles, and amongst debtors, who view it as a way of
discouraging them from even considering the ISI as an option (see chapter 7).

It was in this context that the Abhaile scheme was launched in 2016. Abhaile is:

“[…] a service to help homeowners find a resolution to their home mortgage arrears.
It provides vouchers for free financial and legal advice from experts, which are
available through MABS” (Money Advice and Budgeting Service 2018).

These vouchers can be availed of by those who (broadly speaking) also qualify to utilize a
PIA. The applicant must be insolvent, in mortgage arrears, at risk of home repossession, and
reasonably accommodated (i.e. their home must be reasonable to their needs) (Money Advice
and Budgeting Service 2018). Perhaps even more importantly, the scheme introduced a new
provision to the creditor’s veto in PIA cases. In those instances where the creditors have
vetoed a PIA, if the PIP believes that the proposed PIA was fair and reasonable, they may
refer the arrangement to be reviewed by a court. If the court determines that the terms of the
arrangement are fair, then the PIA may be imposed despite the opposition of the creditors.
While this introduces the possibility of overruling creditors who are opposed to virtually all
insolvency arrangements, it requires a PIA application to begin with. As there are so few of
those, the court review element of the Abhaile scheme has had limited success. However over
4,800 vouchers for free legal and financial advice from experts have been issued and utilized
in under one year (Department of Justice and Equality 2017), meaning that this voucher
scheme may be more successful than the ISI. This remains to be seen, as the scheme is still
too new to evaluate fully.

Assuming that a debtor is able to get past the barrier of the creditor(s) veto, they will begin a
PIA. This means that their PC is extended for the duration of their programme, preventing
their creditors from contacting them, and their assets cannot be seized. The debtor will remain
on the arrangement for a period of between 1 and 6 years, depending on what the PIP thinks
is reasonable, and subject to negotiation by the debtor and their creditor(s). While on this
arrangement, the debtor must live subject to their RLE’s, and submit to a yearly review where
the PIP evaluates if they are following the terms of their arrangement or not. The overall
The purpose of the arrangement is to transform the debtor from a person who cannot pay their debts as they fall due (insolvent) to someone who can (solvent). The ISI’s philosophy is that most repayment issues are not due to an inability to repay, but rather a lack of organization (usually a lack of budgeting) or the debtor becoming overwhelmed by a difficult situation and becoming paralyzed by anxiety (Insolvency Service of Ireland 2015a). Thus living under the RLE’s for a defined period where their assets are legally protected will get them back on track, and they will have the skills to get the most from their ‘second chance’ once the arrangement has concluded (Insolvency Service of Ireland 2018).

The maintenance of an arrangement via yearly meetings and the debtor keeping up their end of the arrangement is effectively part 3 of the process (see figure 2.1) and the successful finishing of the arrangement is part 4, which simply involves discharging the debtor from their successful arrangement.
Figure 2.5 on Reasonable Living Expenses, the listed costs are the baseline before any negotiation takes place (Insolvency Service of Ireland 2017b, p.7).
2.5 Conclusion
The ISI bears the marks of an Ireland under austerity, one which has suffered economic decline after years of growth and positive image management on the world stage. It is intended as a service for those with unmanageable debts to have a second chance; however the service has been made quite difficult to access in practice. The ISI emerged in the context of debtors being conceived as likely to engage in ‘strategic default’, where a person who can pay their mortgage chooses to seek debt relief instead. Media conversations about debt at the time of the ISI’s founding suggested that many debtors were ready to take advantage of an unwary service as a ‘moral hazard’ (Insolvency Service of Ireland 2013a; Minihan 2013; Gartland 2013; Ryan 2015; Croffey 2013), where a person takes a risk while knowing someone else will bear the costs of that risk. For example a debtor irresponsibly taking out large loans, while knowing that these loans can be discharged by the ISI, passing the risk of the loan from the debtor to their creditor. I agree with Power (2008), and Boland and Griffin’s (2018) argument that the welfare system in Ireland has become saturated by moral narratives around the deserving; and such systems have taken on a purgatorial character to discourage the ‘wrong’ kind of person from utilizing them (Boland and Griffin 2018). While the ISI is not an example of a typical welfare organization, in principle I argue that its workings are the same, and it is subjected to the same discourses, pressures and difficulties as contemporary welfare organizations.

RLE’s for example are a key case study for what Hourigan (2015) refers to as two-tier austerity, whereby those from the upper classes receive special treatment. According to the ISI’s initial guidelines for reasonable living expenses: a couple with three children and a car would be permitted to have expenses of €2,250.65 per month. This would place such a family just barely above the poverty line; and even this amount is subject to 'transparency, consultation and debate' (Insolvency Service of Ireland 2016c), which the ISI insists works equally well for both participating groups, and that debtors can make their case for any expenses they deem reasonable which will be fairly heard and judged by the ISI. Particular emphasis is given to cases of utterly essential expenses, such as costs to support a person with disabilities. However, aside from this, reasonable living expenses are not open to as much consultation and debate on the debtors’ behalf as ISI implies. I cite a much different case below from NAMA (the National Asset Management Agency), which was created as an intentional "bad bank" to absorb the unpayable loans from other Irish banks, effectively making NAMA the creditor of a large number of 'wealthy' Irish debtors.
Hourigan (2015) gives us the following example of two-tier austerity in Ireland:

"Christine Connolly and her husband, developer Larry O'Mahony, took a case to the High Court over agreements they had reached with NAMA regarding outstanding loans. Under the agreement, Ms Connolly had been allocated €6500 per month in expenses for herself and her three children. In the High Court, Ms Connolly claimed she needed a further €3750 to cover the costs of renting a four-bedroom home in Dublin 4 (€3000 - 3500), school fees and extracurricular activities for her three children (€1644), monthly car expenses (€820) and golf club subscription (€165). Her action against NAMA was successful and she was awarded €9000 expenses per month” (Hourigan 2015, p.159).

Hourigan distinguishes between rule and relationship based social systems. In a rule based system, a set of bureaucratically established rules define how legal, financial, social (etc.) arrangements are to be handled. In this way, systems predicated upon rules are 'fair' as they are equally applied to every person (though this assumes that the rules themselves were fair to begin with, which can be problematic). Alternatively Hourigan tells us that social systems can be relationship based, where the people one knows can enable you to gain entry to otherwise inaccessible options. In each case I have highlighted (at least in principle) there is a rule-based system in operation. The ISI has its reasonable living expenses, and NAMA reaches agreement with its debtors on what would be reasonable, though this process is more opaque and works on a case-by-case basis. In principle, NAMA is dedicated to recovering lost public money by ensuring its debtors meet a fair repayment schedule. In practice however, NAMA has proven to be flexible with its debtors (Hourigan 2015), who tend to be wealthy, upper class, and own multiple properties.

A debtor seeking mortgage relief from the ISI on a property that was overvalued in an overheated market, will by contrast find themselves scrutinized, living on a limited mandatory budget and at the mercy of a veto by their creditors. While a ‘wealthy’ debtor dealing with NAMA will face much more lenient restrictions. This is despite the overheated property market being caused (in part) by the reckless lending of creditors, the policies of the government and the narratives of the media, namely: the financialization of the Irish economy.

The ISI is therefore representative of the first of Coulter’s tropes, that "we all lost the run of ourselves” (Coulter 2015, p. 10). The debtor lost the run of themselves; otherwise they would not be in debt distress and require relief. They have a responsibility to do everything they can to repay this debt, lest they be suspected of attempting to strategically default.
In conclusion this chapter has provided the contextual information surrounding the establishment of the ISI. In the next chapter I investigate debt research more specifically.
Chapter 3 Life After Debt

3.1 Introduction
The literature on debt is dominated by sociological analyses and government reports which focus on the quantitative and definitional aspects of indebtedness. The questions asked by these studies and reports are often “how many” or “what kind” questions, e.g. what kind of debt do most people have on average; how many mortgages are in arrears. There is a dearth of literature on the qualitative aspects of indebtedness, and where it does exist it often takes the form of a secondary analysis which is taken to complement the findings of quantitative research (Stamp 2009; 2012a; 2012b; 2013; 2017; Bramall 2016b; Waldron 2016; Waldron and Redmond 2015; 2016; Montgomerie 2016; Korczak 2004). Where this is not the case, debt research is often done from a psychological perspective which focuses on measureable mental and physical health outcomes (Oxford Dictionary of Psychology 1995; Knapp et al. 2011; Wahlbeck and McDaid 2012; Sousa 2017). As a result a great deal of debt literature is theorized from a psychological perspective, concentrating on mental states and cognitive processes, leaving a large theoretical gap in the literature.

In this chapter, I review a relevant body of Irish and international literature related to the topic of insolvency in Ireland. The review includes academic literature and other relevant sources such as research reports and policy documents. This chapter is divided into three sections. In the first section, I review how debt problems are defined. There are hundreds of different types of debt and credit, many of which have been researched and I therefore focus on definitions, analyses and studies as they are relevant to insolvency and my overall research question.

In the second section I address how the debt problems identified in the first section are dealt with, both in Ireland and within an international context. The body of empirical research on indebtedness is vast; therefore, the scope of the review in this section is limited to the most pertinent themes that emerged as key findings in my research, as well as policy documents and interview data. I consider the literature on debt in this area in terms of four different responses: debt advice, informal arrangements, insolvency/bankruptcy and vulture funds.

In the third section I explore the difficulties and problems encountered by over-indebted individuals. As in the second section, studies on the problems associated with debt are prolific, and so I restrict my focus to those that are relevant toward an analysis of my findings. These can be thought of as existing in two broad categories: affective and
deprivatory. In the affective categories I discuss problems of stress, anxiety, depression and suicide as encountered by debtors; and in the deprivation categories I explore exclusions, poverty and stigmas encountered by debtors in everyday life, drawing attention to how these issues reinforce one another.

Throughout this chapter I highlight the gaps and lacunae extant in the literature I have reviewed. I conclude by showing how my study will make an original contribution to knowledge in the field of debt research and summarize this chapter.

3.2 Defining Debt Problems: Over-indebtedness
There is no universally agreed upon definition within the field of debt research for when a person goes from merely having debt, to it becoming “problem” debt (Stamp 2013). There are at least three useful indicators that can be discussed however: over-indebtedness, insolvency and arrears, especially mortgage arrears.

Over-indebtedness is a common measurement of when a debtor goes from simply having or possessing a debt to it becoming a ‘problem’ debt, where the person is having difficulty repaying the debt. Over-indebtedness was the measure used in the largest EU study of debt problems, involving a detailed analysis of personal / household debt problems in 27 EU countries. In this report over-indebtedness was defined as when:

"[...] their net resources (income and realisable assets) render them persistently unable to meet essential living expenses and debt repayments as they fall due" (Stamp 2012a, p.243).

This definition is used by Stamp (2012a; 2012b) as a placeholder, as Ireland does not have a common way of defining debt issues and problems, which in other research Stamp (2016) has discussed in the context of Ireland’s outdated debt relief system. Such a definition is useful because it is broad enough to provide a basis for a discussion on debt problems to begin. Though the definition can be challenged, for example when is someone ‘persistently unable to meet their essential living expenses’? Does this discount the importance of short-term debt problems? Or, what exactly counts as an ‘essential’ living expense? Regardless, it provides us with a point from which to begin a discussion on the debt issues facing Irish people.

More robust and empirically useful definitions have been given by the ESRI (Russell et al. 2011), CSO (2012) and Central Bank of Ireland (2012; 2016). The ESRI (Russell et al. 2011) argues that persistent arrears (of at least three months) on utility bills and mortgage payments was indicative of a state of over-indebtedness, making a household considerably more likely
to face deprivation and various forms of exclusion. This will be discussed in more detail in section(s) 3.43 – 3.44.

The Central Statistics Office (2012) provides more specific guidelines:

1. Experiencing arrears within the last 12 months
2. Going into debt to pay for everyday living expenses
3. Being unable to pay for an unexpected living expense of €1,100 without borrowing
4. Having difficulty in making ends meet
5. The burden of housing costs

Each of these are discussed in more detail in the CSO’s (2012) report, but they are bound together by their focus on everyday living expenses, such as car trouble or mortgage payments.

Notably these definitions of over-indebtedness share a thematic relation with the ISI’s definition of insolvency, discussed in detail in section 2.44. I will briefly restate the definition and guidelines used by the ISI here. To be considered insolvent a debtor must be: “unable to pay their debts as they fall due” (Insolvency Service of Ireland 2016b, p.3). With other indicators of insolvency being when:

- “You are not able to pay your bills in full when they are due
- You are paying a little off each bill trying to keep creditors (the people you owe money to) at bay
- You are reluctant to set up direct debits to pay bills in case your money cannot stretch to meet them
- You are receiving calls and letters from creditors about missed payments and threats of repossession”
  (Insolvency Service of Ireland 2016b, p.3).

This definition (and guidelines) of insolvency are very similar to those previously discussed, and this is no accident as the service was heavily influenced by these organisations and studies when it was founded.

The final organisation I will discuss is the Central Bank of Ireland, which defines a person as over-indebted when their mortgage is in arrears for more than 90 days (Stamp 2012a, p.244; Central Bank of Ireland 2012). The Central Bank does not deny that borrowers may be in
over-indebtedness in other situations (2012; 2016) but it restricts its discussions to mortgage arrears as that is its institutional purview. This focus on mortgage arrears can present problems however, such as when a mortgage is restructured, but the borrower still has a limited income and will therefore fall into arrears again in the future. I discuss these issues in more detail later in this chapter (section 3.32). For the moment it is sufficient to say that Ireland is considered to have serious mortgage arrears and household debt problems in the international context, and is one of the most over-indebted countries in the EU (Over-indebtedness of European households: updated mapping of the situation, nature and causes, effects and initiatives for alleviating impact 2012).

Figure 3.1 Household Debt to Income Ratio and Frequency of Arrears in 22 EU Countries (Over-indebtedness of European households: updated mapping of the situation, nature and causes, effects and initiatives for alleviating impact 2012)

Taking Stamp’s (2012b) general definition as a starting point, it is well established that over-indebtedness is correlated with a range of related social problems and indicators such as:
unemployment (Stamp 2013), financial/social exclusion (Stamp 2017; Russell et al. 2011), poverty (Adam and Monaghan 2014; Montgomerie 2016; Goode 2012), mental health problems including suicide (Wahlbeck and McDaid 2012), stigma (Sousa 2017) and a loss of confidence in institutions such as the government or financial services industry (Stamp 2012b; 2016). With this in mind the way that over-indebtedness is solved or addressed is extremely important.

3.3 Responses to Over-Indebtedness

3.31 Debt Advice: Can't Pay or Won't Pay
In both Ireland and the international context, the most common response to over-indebtedness is debt advice (Heuer 2014; Stamp 2016). This can be delivered by state, semi-state, or NGO’s, and can vary by country, and the goals of the particular service or organisation giving the advice. While Ireland is considered to be a textbook case of severe over-indebtedness (Over-indebtedness of European households: updated mapping of the situation, nature and causes, effects and initiatives for alleviating impact 2012), its debt advice services particularly MABS are considered to embody the best practices of debt advice provision.

Studying the effects of debt advice is complex because the type of advice delivered to each debtor depends greatly on the level of their debt, what kind of debt it is (secured / unsecured) their personal circumstances (unemployed, dealing with ill-health, deprivation) and so on. With these caveats in mind, there are some general points that can be made about debt advice in Ireland and I narrow my focus primarily to mortgage debt.

MABS is a state funded debt advice service which has offices in every county in the Republic of Ireland. It delivers its debt advice in a variety of ways, on the telephone, via face-to-face meetings with a financial adviser, by email inquiries and through various web-based tools designed to help debtors such as online budget planners. A general problem for the delivery of debt advice is acquiring all the relevant information, debtors who contact the service will typically have been over-indebted for years and should have contacted the service much earlier. Emotions and affective states such as guilt, shame, fear and anxiety are common, and it can be difficult for the financial adviser to get the debtor to tell them all of the relevant information. However, debtors repeatedly report that the service is extremely helpful, and once the debtor has had some time to collect their thoughts, MABS can begin to help them.

The profile of the debtors who most frequently contact MABS are young women in poverty who have unsecured debts such as unpaid bills or credit card debt (Stamp 2016). MABS
therefore angles its advice towards helping debtors that fit this profile, and Citizens Information provides a general outline of what MABS can do and how it provides advice to its clients:

- “Look at all your income and ensure that you are getting all your entitlements
- Check through all your debts and ensure that you are the person who is liable for them
- Help you to work out how much you need to cover your everyday needs
- Give you advice on budgeting
- Draw up a financial statement for use when dealing with your creditors
- Help you to decide which of your debts have the highest priority
- Help you to work out a payment plan – how much you can afford to pay each week off each debt
- Negotiate with your creditors on your behalf, if you wish
- Provide support while you deal with your debts
- Refer you to other services and contact them on your behalf, if you wish
- Help to arrange to pay regular amount off your debts, as agreed with your creditors
- Refer you to someone who can help with a personal insolvency option if appropriate”

(Citizens Information 2018)

This structured programme of advice has been very effective at dealing with smaller unsecured debts, such as small loans, or unpaid credit cards (Stamp 2013; Citizens Information 2018). MABS has a relationship with all of Ireland’s major creditors, which enables it to negotiate effectively on behalf of its clients. While debt write-downs for its clients are rare, they are not unheard of, and payment extensions, reduced interest rates and an understanding of the debtors’ duties and responsibilities in the context of Irish law has proven to make the situation much more manageable for those debtors who do contact MABS. However, as amount of debt increases and the debt changes from unsecured to secured (mortgage debt), the effectiveness of MABS’ services decreases. As MABS’ advice is generally aimed at younger women in poverty and the average mortgage holder is a middle-class professional its advice becomes necessarily less relevant and helpful (Waldron and Redmond 2016; Stamp 2016). It does still have an effect, and for many debtors who end up becoming bankrupt or insolvent, MABS represents an important first step so that they can understand how these other processes work (Stamp 2016).
3.32 Informal Arrangements
Debt advice may fail for a variety of reasons. The debt may be too large for the debtor to practically repay, creditors may resist the payment plan proposed by MABS or the advice may simply not be useful for the debtor’s situation. This latter point is particularly the case for mortgage arrears, in which case it is possible for the debtors to reach a private informal arrangement with their creditor.

The most recent and accurate data on mortgage arrears in Ireland comes directly from the Central Bank (2018) which collates information from Ireland's largest creditor organisations (primarily banks, but also credit unions and small lenders). The data from June 2018 tells us that there are 728,575 private residential mortgages for principal dwellings as opposed to second homes or homes which are purchased for re-sale (Central Bank of Ireland 2018). Of these, 71,833 are in arrears (late on their mortgage payments), with 48,538 of those in arrears being in arrears for more than 90 days (generally considered to be over-indebted) (O'Toole 2009; Cooper 2010; Stamp 2012b; Central Bank of Ireland 2016; 2017a; 2018). The number of mortgages in arrears has decreased slowly over time, primarily due to private informal arrangements being reached between the debtor and their creditors. Some authors such as Waldron and Redmond (2015) have argued that the arrears figures are made to appear to be less serious than they really are, by using these informal arrangements as a technique to redefine dysfunctional cases so that they seem unproblematic.

As of June 2018 (Central Bank of Ireland 2018), 117,334 mortgages are defined as having been restructured. Mortgages are restructured subject to two conditions, they must be in arrears, and the original arrangement must be obsolete, such that the mortgagee is unlikely to exit arrears in the next 6 months (Central Bank of Ireland 2018). Thus the mortgage must be restructured in some way to make repayment feasible for the debtor. According to the Central Bank the main restructuring methods are:

"[...] a switch to an interest-only mortgage; a reduction in the payment amount; a temporary deferral of payment; extending the term of the mortgage; and capitalising arrears amounts and related interest" (Central Bank of Ireland 2016, p.3)

Capitalising arrears involves simply adding the arrears back onto the balance of the mortgage, to be repaid as with the normal balance (Central Bank of Ireland 2016, p.2). Therefore this method does not actually solve the original problem, which is rooted in an inability to make the mortgage payments. Stamp (2012b), Gleeson (2017) and Quinn (2018) have suggested that the interest-only payment arrangements are likely to cause a renewed crisis in the future.
As the name suggests, none of those actually on this scheme are paying back the principal of their mortgage, and instead merely pay back the interest. This leaves the mortgage in a state of limbo where even small decreases in the mortgagees’ income could render them destitute, bringing them back to their starting point. There is also the issue that this extends the period of the mortgage by several years, and there is the possibility that the mortgagor may die before they have the chance to completely pay back the mortgage, pushing the cost of the mortgage onto their children or whomever inherits the property (Stamp 2012b; 2013). Similar arguments can be made for deferring payment, arrears capitalisation and extending the length of the mortgage: none of these issues solve the original problem, which is rooted in an inability to pay. These informal arrangements have therefore had generally poor results in Ireland (Quinn 2018; Stamp 2016).

Leading on from this the majority of cases of an inability to pay are due to involuntary unemployment particularly after the financial crisis, ill health, increases in the cost of living, education costs, and the type of debt with secured debt being more related to an inability to pay than unsecured debt (Stamp 2012a; 2012b). Evidence from the literature indicates that an inability to pay is only rarely caused by the debtor attempting to strategically default (Montgomerie 2016; Stamp 2013), though such stories continue to feature in the media (Paul 2018).

3.33 Insolvency and Bankruptcy

Informal arrangements may fail for a number of reasons, because the creditor will not agree to the arrangement, or because switching to an interest-only payment or pursuing arrears capitalisation will not work because the debtors’ circumstances have not changed, and so they end up in arrears again. In these cases debtors have few choices but to pursue insolvency, and failing that, bankruptcy.

There are at present no comparative studies of insolvency in Ireland (which discuss the ISI in the context of its international counterparts), and this thesis represents the first external study of the insolvency service of Ireland. Several studies have been commissioned by the ISI itself (Insolvency Service of Ireland 2014a), which have interviewed or conducted focus groups with those debtors who have successfully gone through one of its arrangements. The conclusions of these studies are that the service performs well and that the reason more debtors do not use its arrangements are due to a lack of awareness by debtors of the ISI’s services (Insolvency Service of Ireland 2015d; Lyons 2014); in chapter 7 I argue that neither
of these conclusions are accurate. For context, it is important to frame Ireland’s case within the international provision of debt recovery.

In the international context bankruptcy and insolvency tend to be discussed together in a systematic manner. That is to say, the various bankruptcy and insolvency regimes are catalogued or organized by type and then compared, with the two most rigorous analyses being done by Stamp (2016) and Heuer (2014).

Stamp (2016) divides the debt recovery regimes within the West (the USA and Western Europe) into three models (Stamp 2016, p.132). The first of these is the liberal-economic or market approach to debt recovery. This model emphasises the entrepreneurial and economic aspects of indebtedness, suggesting that a bad debt can be thought of as a bad business deal, and that it is therefore in everyone’s best interests for the bad deal to be brought to its conclusion as rapidly as possible (Stamp 2016, p.132). This model typically features short periods of bankruptcy or insolvency and a key example is the USA.

The second of Stamp’s models is the social-liberal / statist development approach (Stamp 2016, p.132). Those countries that adopt this model think of debt provision as an aspect of the welfare state, in the same vein of universal provision of education or health care. Debt is likened to a force of nature (Stamp 2016, p.132) and we should help its victims who are best served by a fresh start, Denmark is a key example of where this model has been applied.

The third and final of Stamp’s models is the Catholic-familial / conservative approach (Stamp 2016, p.132). This approach tends to feature limited state intervention, with an emphasis on self-help (Stamp 2016, pp.132-133). In these systems debtors are seen as the architects of their own downfall, with creditors being the wronged party. Debt relief in these systems is generally punitive and offered subject to heavy terms and conditions, for Stamp (2016) pre-boom Ireland is a key example of this model. In pre-boom Ireland the debt legislation was influenced by bankruptcy legislation from the Victorian era (Stamp 2016, p.133) featuring imprisonment for the non-payment of debts and a 12-16 year bankruptcy period (Stamp 2016, pp.133-134). During the economic boom, Stamp (2016) proposes that there was a change, and that while debt recovery remained dominated by the Catholic-familial approach, that lending was liberalised. In the post-boom environment, this Catholic ethos remains, though Stamp (2016) suggests that the ISI may represent a push toward a more social-liberal model but that this is a work in progress. For example, Stamp specifically discusses the way debt is
framed in public discourse through narratives of “debt forgiveness” which leave no ambiguity as to who is at fault (Stamp 2016, p.132).

Heuer (2014) offers a more comprehensive four model approach which mostly agrees with Stamp’s analysis; I summarize Heuer’s four models below for brevity and comparative purposes.

1. The ‘market’ model which offers a quick and easy (relatively speaking) fresh start for those in debt distress, seen in the USA and Canada.
2. The ‘restrictions’ model that imposes various restrictions on debtors (civil, economic, political), seen in England / Wales, Scotland, Australia and New Zealand.
3. The ‘liability’ model that emphasises debtor responsibility for repayments, featuring long mandatory periods in debt repayment programmes, seen in Germany and Austria.
4. The ‘mercy’ model which emphasises the suffering already endured by the debtor in attempting to pay their debts back, and the necessity of debt relief. Seen in Denmark, Finland, Norway and Sweden.

While Heuer (2014) did not include Ireland in his analysis, I argue that Ireland fits into his categorization of the ‘liability’ model, or Stamp’s (2016) Catholic-familial model. Ireland’s model of insolvency reflects this, with a PIA lasting up to 6 years (with the possibility of a 1 year extension), creditors being permitted to veto arrangements and many restrictions being imposed on debtors. Bankruptcy is different however, with the Personal Insolvency Act reducing bankruptcy from 12 years to 3, and now to 1, with the goal being to give debtors a second chance to re-enter the market as a rehabilitated consumer. Ireland’s bankruptcy regime therefore falls more in line with Stamp’s (2016) liberal-economic model, or Heuer’s (2014) market model.

When debt advice and an attempt to seek an informal arrangement from one’s creditor fail, a debtor in debt distress will find themselves facing a difficult insolvency process; bankruptcy is easier by contrast by far less desirable as it requires the debtor to surrender their house. It is no surprise that few debtors avail of either of these options, though there are more cases of bankruptcy than before the system was reformed. In a political context where the government did not wish to allow creditors to repossess houses (particularly family homes), and debtors were unable to discharge their large debts, typically accumulated during the economic boom
we have seen the rise of vulture funds as the final manner in which over-indebtedness is being responded to.

3.44 Vulture Funds
In the current Irish political context, a ‘vulture’ fund is an international money management or hedge fund which is purchasing large tranches of ‘non-performing’ mortgages. These funds argue that mortgages are held by over-indebted mortgagors who do not engage with

I wish to mention here that there is significant overlap between the points made in section 2.22 on financialization, within Ireland specifically and the world economy more broadly, and vulture funds. There is a considerable body of literature dedicated to critically discussing the neo-liberal agenda which lies behind the modern vulture fund. I discuss that literature in this footnote as a means of offering a more complete picture of how vulture funds operate. However this literature has limited utility for offering an explanation of my central research question (why is the ISI being underused) and so it does not form a significant part of the discussion in this thesis.

The core authors in this area (Hearne 2017; Byrne and Norris 2017; Hearne and Murphy 2018; Drudy and Punch 2005; O’Callaghan et al. 2014; 2015; McCabe 2015) call attention to the way that the aftermath of the economic crisis was dealt with, and the specific role of the vulture fund in contemporary Irish policy. To summarize section 2.22, we are seeing an intensification of the financialization of housing within Ireland in a manner that is quite similar to the market crash of 2007/2008 in the US. Housing, rather than being seen as a human right, is increasingly treated as a commodity to be traded on the international market. As the arrears crisis has worsened, this has prompted the Irish banks, which were bailed out at huge expense to the taxpayer, to sell their stock of “non-performing” loans. These loans are increasingly being sold to “non-bank entities” (Hearne 2017, p.72) or vulture funds. These funds in turn are enjoying huge profit as the price of housing returns to levels previously seen during the Celtic Tiger.

This is achieved through the purchase of distressed or non-performing mortgages, typically the mortgage will have been in arrears for several months or years, allowing the funds to negotiate a deal with the creditor who owns the house for discounts of up to 70% (Hearne 2017, p. 72). The funds, such as Lone Star (Hearne 2017; O’Callaghan et al. 2015) then demand payment on the principal of the mortgage, or in the event of a mortgage-to-rent informal arrangement (see section 3.32) will considerably increase the rent charged to the tenants. This generally ends with the eviction of the debtor, allowing the house to be sold within a package of other similar houses to investors, in an extremely favourable tax regime at a tax loss of billions to Ireland (McCabe 2015).

While this may be the case for private mortgages in recent years (particularly 2016 onwards), the funds have actually been operating in Ireland since at least 2013. At this time NAMA had taken on billions in toxic loans and properties (including thousands of unfinished properties) (Hearne 2017), and was seeking a way to offload them. By offering these funds a favourable tax regime, as well as special deals in a recovering property market the funds were able to increase their asset share considerably. As Hearne (2017) says “the total assets in real estate funds in Ireland was €18 billion at the end of 2016 […] up from €6.9 billion in 2014, doubling in 2015 and increasing by 300% in 2016” (Hearne 2017, p.78). These funds, which are overwhelmingly from the US have now purchased thousands of acres of land in Ireland at extremely low prices from NAMA, are now profiting enormously from the current homelessness and rent crisis (McCabe 2015; Hearne 2017; Byrne and Norris 2017).

This is occurring in an environment where thousands of properties in Ireland remain vacant and unused. I am in agreement with Hearne’s (2017) argument that the best explanation for this lies in the neo-liberalization and financialization of the Irish property market. This has enabled a handful of wealthy companies and individuals to enrich themselves vastly while the majority of people in Ireland suffer through a serious cost-of-living crisis (Byrne and Norris 2017). I also argue that this was intentional and by design, as there was a need for the government to offload these ‘toxic’ loans to provide a superficial impression that public finances were healthy again, in addition to returning Ireland to financial markets and allowing private organizations to execute desired government policies without the political fallout that would be caused by direct intervention (Byrne and Norris 2017; Hearne 2017).
their creditors, and usually have not attempted to pay their debts in several years (Quinn 2018; Gleeson 2017; Gartland 2013).

Actual experience is now challenging this narrative, with a controversial sale of 10,000 mortgages from PTSB to the fund ‘Start Mortgages’ happening in July / August of 2018 (Finn 2018; Ryan 2018). This company has a record of aggressively demanding immediate repayment and threatening eviction when a borrower cannot meet the repayment schedule (Finn 2018; Irish Mortgage Holders Organisation 2018). It is currently unclear how this situation will be resolved, but the deadlock of thousands of over-indebted mortgagors in arrears being both unable to pay their debts and unwilling to surrender their houses cannot continue indefinitely.

Either the insolvency system will have to be reformed or the debtors’ houses will eventually be repossessed by one creditor or another, I explore this further in chapter 8 (conclusions). I also add that vulture funds are discussed in this thesis only because they came up occasionally in the interviews with my indebted participants. Several of my indebted participants were concerned that vulture funds were going to purchase their mortgages and begin the evictions process as quickly as possible. While there is some empirical evidence to suggest this (Hearne 2017) it is just as likely, if not more likely that repossession will come through a creditor. However, perception is reality for my participants, and on this basis I included this short discussion on vulture funds.

3.4 The Consequences of Debt

3.41 Stress and Anxiety

Debt produces complex affective and emotional states in those who carry it as a burden; stress and anxiety far from being unusual are typically expected by those who are interviewed about debt problems (Stanley et al. 2016; Bramall 2016b; 2016c). This is a finding common to many groups who are economically vulnerable such as non-white racial groups (Pitcher 2016), people with disabilities (Hitchen 2016) or those in poverty (Russell et al. 2011).

Stress is not easily defined, but is usually thought of as a kind of tension or pressure (Waldron and Redmond 2016; Carruthers and Kim 2011) felt by individuals due to difficult circumstances. This may be a new job, a bad medical diagnosis or some other life event, or it can be an ongoing process such as being indebted for a long period of time. Stress is generally taken to produce physical or medically observable effects in those that feel it, such as an elevated heart rate (Carruthers and Kim 2011; Nelson et al. 2008), or sleeplessness.
(Mental Health Ireland 2018), but stress is a complex affective state that is often expressed socially. Stress can become a kind of lived experience (Hitchen 2016) where the future cannot even be imagined as it produces too much tension in the stressed individual. While anxiety and stress are often used interchangeably I agree with Brown and Harris’ (1978) point that anxiety better describes an emotional state where stress has become a part of everyday lived experience and is semi-permanent.

Those in debt are more likely to be stressed than those who are not (Waldron and Redmond 2015; 2016; Carruthers and Kim 2011; Russell et al. 2013; Norris and Winston 2011; Debt.org 2018), and this rises with the amount of debt. Nelson et al. (2008) for example found that for each additional $1,000 in debt that participants were more likely to report being overweight, to binge drink, to consume fast food and to use drugs. Mortgage debt, particularly when in a state of long-term arrears is strongly related to stress (Over-indebtedness of European households: updated mapping of the situation, nature and causes, effects and initiatives for alleviating impact 2012). This can actually prevent the debtor from making progress in repaying their debts, as their stress may result in a semi-permanent anxiety which makes them feel too nervous to contact their creditors (White 2010; Walker 2011; Money and Mental Health 2018). This can cause a cascade or snowball effect where the debtor feels too stressed to contact their creditors or even debt advice services, this results in missed payments, which causes creditors to attempt contact more aggressively, which can make the debtor avoid contact even more (Money and Mental Health 2018; Graeber 2011; Bullock 2018).

Far from the only negative affective states inhabited by debtors, stress and anxiety are located in a whole matrix of emotions. Once stress develops into a state of anxiety, and there are more missed payments or avoidance of one’s creditors, this tends to produce related affective states. White (2010) for example discusses anxiety within the affective locus of shame, guilt and fear, which he argues are emotions which are highly related to debt. Debt itself implies a kind of responsibility, a responsibility to repay, to keep one’s word (Graeber 2011), and for White (2010) debt is therefore about honour. White (2010) further argues that this is why deliberate policy decisions were taken to cultivate an association between one’s credit rating and personal qualities such as trustworthiness or reliability. A person with a good credit rating has these qualities, and a person with a poor credit rating lacks them (White 2010; Lazzarato 2012; Stanley et al. 2016).
3.42 Depression and Suicide
Suicide has been the subject of extensive study by sociologists, most notably Durkheim’s (2007) study originally conducted in 1897, which represented the first intensive interrogation and sociological examination of suicide as a topic. While mental health has a certain level of stigma attached to it, recent public awareness campaigns in Ireland and abroad have helped to reduce the taboo around discussing suicide and depression (Braverman et al. 2018). Though reduced, the stigma certainly still remains and it is still difficult for those suffering with depression to seek help. There is a well established relation between depression and suicide, as depression is often the affective state which precedes suicidal ideation. As in the previous discussion on stress, an objectively precise definition of depression is elusive, but there are some persistent details we can focus on. Depression is typically a longer term mental health issue, where the affected person experiences feelings of despair, hopelessness and worthlessness (Oxford Dictionary of Psychology 1995). They may feel that they cannot accomplish anything worthwhile and often lack energy, motivation and the emotional resources to cope with loss or difficult circumstances. Depressed individuals are therefore highly vulnerable and generally require help to deal with their problems.

Over-indebtedness has a strong relation to depression (Knapp et al. 2011; Women’s Health Council 2007; Wahlbeck and McDaid 2012) and depression in turn is related to a whole series of other social and psychological problems such as drug and alcohol abuse (Wahlbeck and McDaid 2012), and unemployment (Caju et al. 2016) with men being affected by these issues more often than women (Wahlbeck and McDaid 2012). Depression for men is often brought about by debt after years of failed attempts to engage with creditors, and is exacerbated by personal problems such as relationship difficulties or job loss. For women in debt, depression is often caused by feelings of failure to provide for one’s family, food provision being a key example (Goode 2012; Ghate and Hazel 2002; Attree 2005). Women are culturally expected to perform unpaid domestic labour in the home (Attree 2005) which often takes the form of child-rearing and cooking (Goode 2012; Ghate and Hazel 2002) and women’s self-esteem and self-worth are therefore heavily embedded in these practices. Women in debt will struggle to create nutritious meals on a limited income, leading to a cycle of debt (Atfield and Orton 2013), depression (Goode 2012) and stigma (Women’s Health Council 2007) rooted in discriminatory cultural expectations and food poverty.

In Ireland there has been a crisis of depressed debtors suiciding, particularly in rural and farming communities. This is frequently reported in news stories which often feature a farmer...
who was harassed by lenders (Halpin 2017; Whelan 2016; Moran 2018), those struggling with gambling debt (Quinn 2018) or mortgage debt (Ryan 2016). With respect to this latter category, in 2016 the Irish Mortgage Holders Organisation (IMHO) released the results of a survey conducted with almost 500 debtors (Ryan 2016). The survey found that more than 40% of their participants felt depressed ‘all of the time’ or ‘most of the time’ (Ryan 2016), 30% had felt suicidal thoughts in the past 4 weeks and 45% consumed alcohol in a way that they believed was unhealthy (Ryan 2016). Mental health difficulties tend to go hand-in-hand with debt problems.

3.43 Financial and Social Exclusion
Exclusion can happen in many different ways, from education, employment, from political life and many more (Bourguignon and Scott-Railton 2015). Within debt research, the two dominant forms of exclusion are those from finance and society. Being excluded can generally be taken to mean that individuals, families or communities are prevented from participating in one aspect of society or another. They may or may not actually desire to participate in the activity or sphere they are excluded from, what matters is that they are unable to do so (Byrne 1999).

While it may seem counter-intuitive, financial exclusion is actually one of the most common forms of exclusion encountered by those who are over-indebted. Being financially excluded means being unable to participate in essential financial activities in everyday life. In contemporary Ireland (and Western society generally) being able to access financial services, especially at short notice is essential. A wide ranging study showed that in 2008, 20% of Irish households did not have a current account, meaning that they cannot secure an overdraft or bank loan at short notice for unexpected expenses (Russell et al. 2011). Those lacking a current account are more likely to be over 65, unemployed, a person with a debilitating illness or disability, a person without educational qualifications, a lone parent household, to in debt with a high arrears burden, a local authority tenant and / or households located in the bottom quintile of income distribution (Russell et al. 2011).

This study also found that those who are over-indebted are much more likely to lack access to a credit card, to overdraft facilities, to savings and insurance (Russell et al. 2011). Over-indebtedness typically results from arrears on various payment obligations, usually caused by unemployment, ill health or pay cuts, and indeed over-indebtedness is also strongly related to various poverty indexes (Russell et al. 2011). This can mean that although a debtor has a
mortgage and a well-paying job that they may be in poverty because though their income is relatively high, almost all of their money is spent servicing their debts (Russell et al. 2011). Stamp (2012a) reported similar findings in his own research and also found that debt advice (see section 3.31) is an effective way to help people cope with being financially excluded.

Financial exclusion can compound the other effects of over-indebtedness. For example a debtor who is unemployed with large arrears on their debts may find it difficult to access short-term credit essential for them to pay the costs associated with job hunting (Russell et al. 2011). Financial exclusion also exacerbates mental health difficulties, and prevents the over-indebted from saving for their retirement, or even having a savings account of any kind.

Social exclusion is strongly related to financial exclusion and happens when individuals, groups or communities are pushed to the margins of society. Those who lack financial resources may also find themselves deprived from socializing or participating in society in a ‘normal’ manner. This is almost always worse for those who live in rural areas where access to services such as public transport is already likely to be poorer and more expensive (Stamp 2017), necessitating a car to travel to a local town or village. These effects compound one another, as an individual becomes more socially isolated and unable to participate in the sports, nightlife, religion (etc.) of their local community due to a lack of money, they may become known as a person who does not enjoy these activities and become ostracized. This leads to further social exclusion and can make financial inclusion even harder as the individual may lack the social basis to ask for financial help in times of need (Russell et al. 2011). This is further compounded by large debts and/or arrears, which can ostracize a debtor even more than others facing financial / social exclusion and lead to extreme stress and depression (Russell et al. 2011).

3.44 Poverty
Poverty is not a universal concept, its measurement is necessarily different in each society it is studied in and must change as the society does (Lister 2004). Conventionally, poverty refers to deprivation, almost always rooted in a lack of financial or economic resources, and it is usually broken down into relative and absolute poverty (Bowles et al. 2000). Poverty however is a contested concept with a broad array of research and perspectives (Lister 2004; Dixon and Macarov 1998). Debates on the nature of poverty, how it is defined, the effects it has etc. continue and are important (Lister 2004; Taylor 1990; Wray 2006; Skeggs 1997; Kane and Kirby 2003; Levitas 2005).
Poverty is a complex process bound up with other inequalities. Those in poverty are often unable to access education (Byrne 1999), experience stigma (Kish and Leroy 2015), and class disgust (Jones 2011), with these latter discriminations often resulting from problematic representations seen in the media (Skeggs 1997). The continued existence of poverty under neo-liberalism is not accidental, and authors such as Harman (2009) argue that it is to the advantage of neo-liberalism systematically if there is a group of people who can be looked down upon. Poverty becomes a dual-purpose tool, one the hand serving as a cautionary tale that one can always fall lower (Harman 2009; Kane and Kirby 2003), and on the other giving the successful or middle classes a group to stigmatize (Stuber and Schlesinger 2006; Wray 2006; Jones 2011). This can operate for example through discourses of ‘white trash’ (Wray 2006) or chavs who have ‘given up’ (Skeggs 1997). Stereotypical conceptions of poverty are therefore deeply rooted in notions of meritocracy and failure (Sayer 2005; Golding and Middleton 1982), with those in poverty stigmatized and labelled as lacking in ‘class’ or resolve (Skeggs 1997). This is especially problematic as poverty often goes hand in hand with powerlessness and a loss of voice (Lister 2004), and those in poverty are unable to resist these demeaning depictions of their character and lives (Lister 2013).

While these discussions and debates on the multifaceted and complex nature of poverty are important, for the purposes of my research I wish to attend to fuel and food poverty in particular, as these were the poverties faced by my participants.

Absolute poverty is when there is a failure to receive sufficient resources to support a minimum of physical health and efficiency, often expressed nutritionally (Lister 2004). Whereas relative poverty is more flexible and abstract, referring to someone who cannot maintain culturally defined acceptable living standards normal to their society (Byrne 1999; Lister 2004). In contemporary Western society, absolute poverty is uncommon, though there remain persistent issues of relative poverty (Jones 2011).

Poverty manifests itself in many specific ways, for the purposes of this discussion I will focus on two aspects of relative poverty which are relevant to an understanding of indebtedness, food poverty and fuel poverty.

Fuel poverty can be defined as: “the inability to heat one’s home to an adequate (safe and comfortable) temperature owing to low income and poor (energy inefficient) housing” (Clinch and Healy, cited in Stamp 2017). Fuel poverty is more common for those in debt than those without, though the majority of these cases involve debts of less than €20,000 (and are
not usually those in mortgage debt). A common issue facing those struggling in poverty is the cycle of poverty, which can operate in different ways at different times. Generally the cycle of poverty argument is taken to mean that those in poverty find it difficult to escape, because they are marginalized and lack the resources to get out of poverty (Lister 2004).

This is clearly visible in the case of fuel poverty, where being fuel poor is more expensive than more conventional alternatives. Stamp (2017) raises the issue of boiler maintenance, those in fuel poverty often have to delay servicing their boiler, which can pose health, environmental and financial risks; and a lack of boiler servicing is much more common for those with a mortgage than those without (Stamp 2017, p.23). The inability to service the boiler due to a lack of money means that the people facing this issue must turn to more expensive less efficient options, such as a fireplace, or even a hot water bottle at bedtime if money is lacking (Stamp 2017). While a fireplace is nice for those who can afford to use it, this option is far less efficient than central heating, as it only heats one room of the house and must be carefully maintained. Stamp’s (2017) findings are mirrored in the UK (Adam and Monaghan 2014; Shildrick 2013) who further argue that children are disproportionately affected by fuel poverty; as, like many types of poverty, fuel poverty can cause health problems in children which affects their future physical development such as respiratory problems (Adam and Monaghan 2014,p.4). Consequently there are issues of debt embedded within fuel poverty, as parents wish to provide a warm and safe home for their children, thus going into debt in order to be able to afford the necessary repairs, or simply to pay arrears on utility bills to avoid disconnection (Stamp 2017; Adam and Monaghan 2014).

Food poverty has also begun increasing after many years of decline, particularly in Ireland and the UK where food banks and charities are being stretched to their limits by those in need of their services. In Ireland there are three indicators that go into the government’s definition of food poverty:

1. You cannot afford a meal with meat or a vegetarian equivalent every second day
2. You cannot afford a weekly roast dinner or vegetarian equivalent
3. You have missed a meal in the last 2 weeks due to a lack of money

Source: Safe Food (2012)

This tripartite definition encompasses the basics of food poverty, but as a lived experience those facing food poverty often find going to food banks demeaning (Stamp 2017). This can
mean that those who need them most do not use their services as they feel ashamed or embarrassed, and are usually concerned that someone they know will see them using a charitable service (Adam and Monaghan 2014). As previously argued, debtors are often stressed, depressed and socially excluded, they do not wish to add to their existing burdens by revealing the scale of their problem to their friends and family. The use (or avoidance) of charities is therefore entwined with complex issues of identity, dignity and self-worth and has a great deal to do with stigmatization.

3.45 Stigma
Stigma and debt have a strong interrelation, with stigma being conceptually related to disgrace, shame and dishonour. It is therefore affectively and emotionally close to feelings of depression and worthlessness. Research by Sousa (2017) has found that debt is undergoing an increase in stigmatization, and has noted that this has a strong relation to social class and suicide. Sousa’s (2017) findings are broadly that those individuals from ‘higher’ social class (middle and upper classes) are more likely to agree that an individual has a right to commit suicide as a result of going bankrupt. Sousa (2017) suggests that this is because when an individual from the middle or upper who goes bankrupt, they feel intense shame at having failed despite a plethora of advantages (educational privilege, social connections and so on) but this also manifests in a kind of class disgust that the lower classes ought not to have accumulated that debt to begin with (Sousa 2017).

Other research by Graeber (2011) and Lazzarato (2012) has found that one’s ability to accumulate debt is based on trust, and that trust is itself a kind of commodity, one which is scarce. Failing to pay a debt back evokes powerful cultural mores around shame, dishonour and disgrace, and White (2010) has argued that one’s credit rating is now culturally synonymous with one’s trustworthiness. Those in debt difficulties therefore feel a strong stigma which is felt much more severely by those from a working class background (White 2010; Graeber 2011; Williams 2005; 2008).

3.5 Conclusion
In this chapter I have reviewed empirical literature on indebtedness within the context of over-indebtedness from the angles of the problems caused by over-indebtedness, and the solutions to it. The literature in Ireland is limited and almost all of it has been conducted by a single researcher (Stamp) from the angle of public policy, because of this I have included a range of international literature, mostly from the UK. However even when this literature is
included, debt research is broad and unfocussed, typically addressing one culturally or socially specific sample with limited transferability. Nevertheless it is important to outline the research that has been conducted in this area, and I drew my focus to those studies that had relevance for the findings of my research.

I began by critically outlining the somewhat unclear definition(s) of over-indebtedness, and the measures most commonly used to identify it in the literature. I juxtaposed this with the mortgage arrears crisis in Ireland. Over-indebtedness necessarily focuses on problems faced by debtors in meeting everyday expenses.

I then discussed the manner in which over-indebtedness is dealt with, primarily within Ireland but I also reviewed a range of international literature. The core manner by which over-indebtedness is reduced in severity is through debt advice. Multiple snapshot and longitudinal studies of indebtedness show that receiving good advice can help a debtor to take a more realistic perspective on the repayment of their debts, and can help open a door to a possible recovery with time.

When debt advice fails, it is usual for a debtor to speak with their creditor (usually a bank) on a private informal basis. The creditor and the debtor may come to a private arrangement of some kind, such as temporarily moving the debtor to an interest-only payment scheme. I am in agreement with the body of literature that this is not solving the problems of over-indebtedness, and is only forcing the problem to be dealt with at a later time.

If a debtor cannot secure an informal arrangement, or their arrangement expires and their creditor is unwilling to agree to another arrangement, the debtor is faced with a difficult decision. In most cases an over-indebted mortgagor is not in a strong bargaining position, and faces the likely repossession of their house. Insolvency represents another possible outcome, whereby a debtor can prevent repossession by joining an insolvency programme and having their debt restructured. I argued that the Irish model of insolvency aligns with Heuer’s (2014) ‘liability’ model and Stamp’s (2016) ‘Catholic-familial’ model, whereby the responsibility of the debtor for their debts is accentuated. Such systems are not well used and are unpopular. Without insolvency, debtors must face bankruptcy; failing that they may encounter a vulture fund.

Debt literature discusses the affective and emotional consequences of debt from a range of perspectives, and I discussed the anxious, depressive and suicidal components of the debt
literature. It is also common for debts to face exclusion, both from society and from finance. These exclusions are made more severe by the poverty faced by many debtors, specifically food and fuel poverty, which debtors utilize only under great duress with research, reports and studies calling attention to the stigmas faced by the over-indebted. These effects operate in a feedback loop. Being over-indebted causes a debtor to encounter poverties, which causes stress, depression and exclusion; these in turn make it harder for the debtor to initiate a recovery, eventually resulting in bankruptcy or repossession via vulture fund.

There are gaps within this literature, methodologically these studies are virtually all either historical, quantitative, or based on observational / anthropological evidence, leaving a significant qualitative gap in studies of over-indebtedness. Much debt research is also under-theorized, particularly from a Foucauldian perspective, and my study addresses the methodological, epistemological and theoretical gaps within studies of indebtedness.
Chapter 4 Theoretical Framework

4.1 Introduction
This chapter discusses the theoretical framework I utilize to explore indebtedness in the context of contemporary Ireland. As we have seen previously (chapter 2) and will see (chapter 7) debt is a moral relation as often as it is a financial one. Debt creates a bond between debtor and creditor which is complex and layered, going beyond a simple owing of money and into moral values of reliability, respectability and responsibility. It is this dedication to studying the moral foundations of debt which gives my theoretical framework its direction and purpose. Throughout this chapter I return to the moral foundations of indebtedness several times and elaborate on the connections between my specific theories and this broader umbrella which frames their usage.

The dominant theoretical perspectives used are Foucauldian, emerging either from Foucault directly or from theorists inspired by him, with a core focus on governmentality theory. I discuss each of them in turn before giving a section over to explaining how they are interrelated. My perspective on governmentality theory is particularly influenced by Rose (1991; 1998; 1999; 2000) but also Burchell et al. (1991), Foucault et al. (1991; 2009), Foucault (1979; 1991a; 1991b) and Foucault and Senellart (2008). Of significance are several other Foucauldian or Foucault inspired theories of analysis such as Foucault’s writings on the confession (Foucault 2015), the interrelation between truth, knowledge and power (Dean 2012; Foucault 2015; 1995) and the growth of neo-liberalism in contemporary political economy (Foucault and Rabinow 1984).

It is also important to mention that while this research is heavily inspired and influenced by Foucault and Foucauldian researchers, I echo Rose’s (1999) point that:

“There are those that seek to be Foucault scholars. That is their privilege. I advocate a relation to his work that is looser, more inventive and more empirical. It is less concerned with being faithful to a source of authority than with working within a certain ethos of enquiry, with fabricating some conceptual tools that can be set to work in relation to the particular questions that trouble contemporary thought and politics” (Rose 1991, pp.4-5).

Similarly, while this research uses Foucauldian analyses, it is not trying to be meticulously faithful to Foucault’s original writings, and is more interested in using the tools offered by Foucault and researchers inspired by him to clarify and explain the empirical aspects of my research.
There are also a number of other theories which are used on a more specific basis. While these theories do not have the same explanatory power as the Foucauldian theories (particularly governmentality) they are important because they each provide a different perspective on my research, allowing for a more holistic and thorough analysis. These are theories of cruel optimism (Berlant), feminist analyses (Ghate, Goode), class disgust (Tyler, Lawler), displacement (Freud), and scapegoating / sacrifice (Girard). While these theories are not used as extensively as Foucault’s theories, they contribute towards answering the central research question, and each will be discussed in turn.

Throughout, I offer context and examples from the diverse body of theoretical literature already done in these areas, such as the governance of debt, the framing of debtors as ‘cognitive delinquents’, and the feminization of debt. This chapter therefore contextualises chapters 2 and 3 by tying that literature into broader theoretical processes, giving them a clearer and more critical sociological vision and outlook.

4.2 Sovereign and Disciplinary Power

4.21 Shifts in power

Foucault’s analysis of forms of power outlines the importance of a particular evolution in the practice and usage of power. For Foucault this was the change from sovereign power to disciplinary or regulatory power. Sovereign power exists when a state, territory or particular area is under the rule of a king, emperor or other monarch who Foucault argues is the physical embodiment of the state, and this person has the right over life and death of the populace (Foucault 1995). Power is therefore concentrated within a particular personage, who is a physical representation of the whole of the state. Beginning in the 17th, and accelerating in the 18th centuries however there is a shift from power as sovereign to power as disciplinary (Foucault 1995; Carr 2015).

Foucault illustrates this most clearly in the introduction to Discipline and Punish (1995) where he details the brutal execution of Robert-François Damiens, who stabbed King Louis XV with a penknife, inflicting a minor wound. Damiens was convicted of attempted regicide, and was executed publicly by being drawn and quartered, burnt at the stake and dismembered. Foucault (1995) argues that the punishment was so severe because Damiens did not just attack a man who happened to be the king, he attacked the heart of sovereign power; by attempting to kill Louis XV, he attempted to kill the living embodiment of the
French state. Sovereign power is exercised openly, it uses torture and public executions, and there is a sense that the exercise of this power is a kind of spectacle (Foucault 1995).

The second part of the introduction to *Discipline and Punish* presents us with a strict timetable that prisoners in 19th century France must follow (Foucault 1995). They must awake at 6am in winter and 5am in summer, they will work for exactly 9 hours each day and will have 2 hours to be instructed (educated), there are designated times for eating meals, for recreation, for praying and so on (Foucault 1995). These two things, the timetable and the execution take place within 80 years of one another. The form of power has changed; it is no longer a spectacle exercised over life through torture and public executions, it is now about control of the body, exercised from within disciplinary institutions.

**4.22 Discipline, norms and subjectification**

The growth of these institutions is slow and tentative, but like Foucault I will examine them through their essential characteristics, focusing on how and why they work rather than exhaustively interrogating a particular institution. Foucault charts this through various examples, asylums examined in *Madness and Civilization* (Foucault 1989), prisons examined in *Discipline and Punish* (Foucault 1995), hospitals in *The Birth of the Clinic* (Foucault 1996), and in each case he reveals something unique about discipline in our modern society.

Disciplinary power is to be distinguished from sovereign power because of its focus on the control of the body through institutions (Foucault and Senellart 2008; Foucault 1995; 1979; 1991b). Bodies are to be controlled and regulated, their motions, actions, and positioning are to be governed. Bodies are no longer an unspecified mass, but new forms of science catalogue, count, compare and describe them such as statistics, demography, and psychiatry, and further, bodies do not just exist a priori, they must be worked upon, changed and improved (Foucault 1995; Carr 2015). Where resistance is encountered, bodies must be made docile, such that they accept the ‘improvements’ which are always governed by the society of the day, but Foucault argues that the alterations or changes that are made to bodies revolve around what that society considers ‘normal’. Rose (1991; 1999) illustrates that even the idea of a given concept, mode of behaviour or activity being ‘normal’ has a history of its own, and normal as a term did not enter wide circulation until the 19th century (Rose 1991).

Disciplinary power is therefore often exercised through the definition and enforcement of given norms (Carr 2015), and it is not merely that they *must* be followed or obeyed, they *should* be obeyed (Rose 2000). One ought to follow these norms, because they are the result
of a whole set of scientific and technical research on the body, which has determined that the norms prescribed by the institution are sensible and should be followed (Rose 1991; 2000; Foucault 1995). A key way norms are identified is through the outlining of abnormal or deviant behaviour. A timetable is not only a device that explains where one should be at a given time, but also acts against tardiness, laziness and truancy (Foucault 1995). Lateness (for example within schools or prisons) then acquires a set of corrective punishments associated with it, such that the abnormal behaviour will be expunged. A time table further controls bodies by dictating where they will be at a given time, and what they will be doing while they are in these places. Under disciplinary power, space and time become essential for the control and regulation of bodies (Dean 2018; Foucault 1995; 2000).

By working in this way, disciplinary power integrates a huge number of people within its institutional framework, and new forms of subjectivity are created by these institutions. These are often categories of deviance which serve as a signpost for the abnormal – the insane (Foucault 1989), the criminal (Foucault 1995), the sick (Foucault 1996), the truant (Foucault 1995; 2000) are all created as undesirable subjects. In the same way we can see that under contemporary governance that the strategic defaulter has been created as a term to describe abnormal or deviant debtors. Demarcations and boundaries are therefore created between ‘good’ and ‘bad’ subjects, with specific areas or punishments designated for the ‘bad’ subjects until they are made docile (Foucault 1995; Rose 1991).

In *Discipline and Punish* Foucault (1995) gives us three ways that bodies are to be trained and made docile. The first is through hierarchical observation, whereby a figure of authority (who possesses the power to punish abnormal behaviour and reward good behaviour) stands upon an elevated area. Foucault tells us that a common feature of French schools was that the teacher and their desk would rest on an elevated platform a few feet taller than the pupils and their desks. This would allow the teacher at a glance to observe the whole of the room, thereby discouraging deviant behaviour (Foucault 1995; Foucault and Senellart 2008; Foucault *et al.* 1991).

The second manner by which bodies are trained is through the normalizing judgement (Foucault 1995), outlined in this section in general terms already. Foucault gives us examples:

“The workshop, the school, the army were subject to a whole micro-penality of time (latenesses, absences, interruptions of tasks), of activity (inattention, negligence, lack
of zeal), of behaviour (impoliteness, disobedience), of speech (idle chatter, insolence),
of the body (‘incorrect’ attitudes, irregular gestures, lack of cleanliness), of sexuality
(impurity, indecency). At the same time, by way of punishment, a whole series of
subtle procedures was used, from light physical punishment to minor deprivations and
petty humiliations. It was a question both of making the slightest departures from
correct behaviour subject to punishment, and of giving a punitive function to the
apparently indifferent elements of the disciplinary apparatus: so that, if necessary,
everything might serve to punish the slightest thing; each subject find himself caught
in a punishable, punishing universality’” (Foucault 1995, p.178).

Everything from poor attitude to lateness is catalogued and entered within the normalizing
judgement, which identifies the correct means by which something is done and punishes all
deviations (Foucault 1995).

The third of the means by which bodies are trained is through examination (Foucault 1995).
While examinations have existed for thousands of years in one form or another, it is through
disciplinary power that the examination becomes a means of making docile bodies. The
examination combines hierarchical observation and the normalizing judgement, and creates a
gigantic body of literature, records and transcripts of the results of these examinations. Each
individual thereby becomes a ‘case’, to be studied and compared with other cases, be they
similar or different (Foucault 1995; Foucault and Senellart 2008). A doctor examines a
patient to determine their health, a teacher examines a pupil to evaluate their knowledge, the
drillmaster examines a soldier to test their skills and reliability; disciplinary power conducts
countless regular examinations to build ever larger corpuses of knowledge by which the
bodies it disciplines can be better understood and regulated (Foucault 1995).

4.23 Power / Knowledge
I am in agreement with Foucault’s assertion that power and knowledge are two intertwined
aspects of the same process:

There is no power relation without the correlative constitution of a field of
knowledge, nor any knowledge that does not presuppose and constitute at the same
time, power relations (Foucault and Rabinow 1984, p. 27).

The examinations of the previous section generate knowledge, but can only be acquired or
utilized through the exercise of power. Authority figures such as teachers, priests, officers,
doctors (etc.) arise or are created and designated (socially and culturally) to regulate, utilize
and grow the corpus of knowledge relevant to their speciality (Foucault and Rabinow 1984;
Foucault 2000; Dean 2018). In doing this they are permitted to examine, discipline and
punish the relevant individuals who fall within their power. Power is therefore exercised by using knowledge, and knowledge cannot be acquired without the use of power (Foucault and Rabinow 1984).

However, Foucault was keen to emphasise that power is not an object that can be physically grasped:

“...[power] is never appropriated in the way that wealth or a commodity can be appropriated. Power functions. Power is exercised through networks, and individuals do not simply circulate in those networks; they are in a position to both submit to and exercise this power. They are never the inert or consenting targets of power; they are always its relays. In other words, power passes through individuals. It is not applied to them” (Foucault and Macey 2003, p.29).

Those who operate disciplinary institutions therefore exercise power, and are the bearers of power for a time, but power is also exercised upon them (Foucault 1995). Their power comes with rules, regulations and responsibilities, and they utilize it without controlling it. Power operates within a network of systems, and cannot be possessed in the ordinary sense of the term, it can only pass through designated individuals at the appropriate time. This is in keeping with Dean’s (2013; 2018) characterisation of power as signature. Dean’s (2012) argument is that power has a distinctive signature even though it is used in a wide variety of ways, and is typically constructed via two opposites. Power is sovereign or disciplinary; power is over someone or of something; power is mobile or structural (Dean 2012) and so on. For Dean each of these representations of power leaves behind a unique signature, a mark of its passing, in the same way that we can tell it has been raining if the ground is wet, even if it is not raining now (Dean 2018). By examining these signatures we can observe the exercise of power, even though as Foucault and Macey (2003) say, it circulates in relays and merely passes through individuals.

As power does this, Dean (2018) observes that when power passes through particular individuals enough times, or with enough frequency it leaves behind a kind of sediment or deposit, which is representative of knowledge. Over time this sediment collects into ever larger systems of understanding, which in turn informs the future exercise of power (Dean 2018). These systems can be institutions (such as the ISI; a government department; a prison), a field of expertise (sociology; psychology; medicine) or ways of viewing the world (ontologies; epistemologies; axiologies) (Dean 2018). However once again I emphasise that a Foucauldian conception of power / knowledge is not goal driven, in the sense that power does
not have a unique normative purpose, power and knowledge are not supposed to do anything, and they are not inherently good or bad (Dean 2018; Foucault and Macey 2003; Foucault 1995; 2000).

Power is also not the same as domination, for Foucault these are entirely different things and he acknowledges the difference:

“Of course, states of domination do indeed exist. In a great many cases power relations are fixed in such a way that they are perpetually asymmetrical and allow an extremely limited margin of freedom. To take what is undoubtedly a very simplified example, one cannot say that it was only men who wielded power in the conventional marital structure of the 18th and 19th centuries; women had quite a few options: they could deceive their husbands, pilfer money from them, refuse them sex. Yet they were still in a state of domination insofar as these options were ultimately only stratagems that never succeeded in reversing the situation”(Foucault and Lotringer 1996, pp.441-442).

Foucault accepts that domination does exist, but this is not the same as the exercise of power. Power by its very nature implies more than a capacity for resistance and opposition, the possibility for change and growth, domination instead entails stasis it is eternally stagnant and unmoving, its relations never changing (Foucault 1995). A very useful example and study in power relations comes in the form of the panopticon.

4.24 The Panopticon
An example of how power / knowledge is applied is through the panopticon. This is a building conceived of by Jeremy Bentham in the 18th century, which is designed to exercise a very specific kind of control over those who are within it (Foucault 1995). The design of the panopticon is circular, and at the centre of the circle is a tower, tall enough to overlook the rest of the structure. An individual within the tower will, because of the design of the panopticon be able to observe all the individuals within their cells, which are dispersed in the circular structure constructed around the central tower (Foucault 1995). According to Bentham’s original design, each individual cell is to be lit from the inside out, rather than the outside in, meaning that there will be no privacy for whoever is inside as glass can be difficult to see through when a bright light is shone on it from outside. Bentham conceived of this as a type of prison, asylum or possibly a workhouse, which would be “a mill for grinding rogues honest” (Munday 1994, p.167), in other words for disciplining those who were abnormal or atypical.
Foucault picks up where Bentham left off, and concludes that the panopticon is the ideal disciplinary institution, and can be taken as model of power/knowledge in the disciplinary society (Foucault 1995; Burchell et al 2011). The panopticon provides a central observer with the ideal conditions for inculcating their desired norms on those who are within the rest of the structure, be they schoolchildren, prisoners or anyone else. It allows for excellent hierarchical observation, whereby a single observer can watch for the deviance or errors of a great number of other people (Foucault 1995). Additionally, Bentham theorized that through a complex system of mirrors (today more easily replicated by one-way glass) that the central observer could not themselves be observed. This for Foucault is crucial, as it creates uncertainty in the minds of the observed (Foucault 1995; 2000). They could rebel, or choose not to do their work on the assumption that the observer may not be surveilling them, but there is no way to be certain. Foucault theorizes that this causes the gaze of the outsider, once external, to become internalized bringing about discipline and correcting abnormal or unwanted behaviour. This allows for the maximum collection of knowledge, because the observer can see everything the inmates do whenever they desire, and the maximum application of power, as the occupant of the tower has total control over what happens to the inmates with the minimum of effort (Foucault 1995; Dean 2018). By internalizing the gaze, the prisoners, inmates, patients or whoever else is within the panopticon internalize its surveillance within themselves, which creates a new kind of subjectivity, and which Foucault thought would create docile bodies very efficiently (Foucault 1995; 1991a; Burchell et al. 2011).

Foucault (1995) takes the panopticon as a kind of model of the disciplinary society that we are a part of. While the panopticon itself was never literally employed in Bentham’s lifetime, and only very rarely afterwards (Munday 1994), Foucault nevertheless uses it as a kind of metaphor for how power / knowledge are applied to create docile bodies and the various specific kinds of subjectivities we observe in contemporary society, the asylum creates our subjectification of mental illness and our ideas of madness (Foucault 1989), the prison creates prisoners and our notions of crime (Foucault 1995), the hospital creates patients and our conceptualization of health and illness (Foucault 1996). In each of these cases observation is employed by central observers (guards; orderlies; wardens; doctors; nurses) over a population who are exposed to constant surveillance (security cameras; identification cards; logging; records; sequestration; incarceration in cells) with the desired outcome being that the populace in question will adhere to a particular kind of normative behaviour (health; rehabilitation; mental stability).
As Foucault’s work advanced, he began to conceptualize of power / knowledge in different and more innovative ways. Chief among these was governmentality theory, which critically examined the desired outcomes and subjectivications of these disciplinary institutions and situated his analysis of the disciplinary society within a broader context.

4.3 Governmentality

4.31 History and origins

Governmentality theory has its origins with Foucault in his 1970s and 1980s lecture series' at the Collège de France (Burchell et al. 1991), and emerges from his writings on disciplinary power. Foucault proposes that something important happens for the history of governance in 16th century Europe (Foucault and Senellart 2008), which defines this period and the epochs after it as fundamentally different to those that came before. At this time, governing becomes an activity in its own right, one which can be performed more or less effectively, but governance of what? The answer lies in populations, which are now seen as more than a simple agglomeration of people in general, there are scientific analyses, and structured techniques developed which enable the influence of these populations (Foucault and Senellart 2008; Foucault 1979; Foucault and Macey 2003). These analyses and techniques are governmentality. Historically speaking, a prince may rule his land according to irrational personal desires, while a feudal lord may rule according to the laws of a particular God. The governmental 'style' from the 16th century onwards is different because the state rules for its own reasons, in other words, the state develops a certain rationality, a new and particular way of viewing governing (Carr 2015).

Foucault links his writings on power to those on governmentality when he says that power is:

“[...] the exercise of something that one could call government in a very wide sense of the term. One can govern a society, one can govern a group, a community, a family; one can govern a person. When I say ‘govern someone,’ it is simply in the sense that one can determine one’s behaviour in terms of a strategy by resorting to a number of tactics” (Foucault and Macey 2003, p.410).

Governmentality constitutes the use by governing bodies of these tactics, which can also be called techniques, strategies and practices intended to modify or alter the behaviour of particular populations (Foucault and Senellart 2008; Walker 2011). Governmentality seeks to “conduct the conduct” (Gordon 1991, p.2) of these populations toward specific ends. Governmentality is always oriented around a particular style or 'art' of governing, which has its own particular goals; under modernity we are witnesses to a governmentality whose goals
are to make the populations it governs over more efficient and independent from the government itself, this is called neo-liberalism (Walker 2011; Rose 1991).

Neo-liberal governmentality emerges from liberalism, sharing its views that a capitalist market economy, independent from the government is the most efficient way to run a society. However, neo-liberal thinkers made it clear that the project of liberalism, however well-intentioned, had failed (Rose 1991; Foucault and Senellart 2008). The state had become filled with administrators, planners, bureaucrats and other officials who were determined to meddle in the market, which as a consequence had become swarmed by monopolies, cartels, and state-sponsored (or worse, state-run) enterprises. In the early 20th century, these critiques lead to the birth of neo-liberalism, which was argued for initially by a group called the ordo-liberals (due to their common association around the journal ‘Ordo’) (Rose 1991, p.137).

In a radical departure from liberalism, the neo-liberals argued (and continue to argue) that the market is not to be thought of as an ever-present reality which naturally comes into being; it must be forced to come into being (Rose 1991; 1999; 2000). The state must have a limited role, but part of that limited role is to enforce the ‘rules’ of the market. State intervention must happen when a particular industry has become dominated by one monopoly for example, or industries which had formerly been state-run must be privatised. As a justification, neo-liberalism appeals to the ‘science’ of economics (Foucault and Senellart 2008; Rose 1991), which argues that individuals are self-interested profit maximisers. By running state services as private businesses, their efficiency will be increased, customer satisfaction will improve and the service will no longer cost the state money, it will in-fact generate money by paying taxes (Rose 1999).

Neo-liberalism frames all social problems utilizing the abstract definition of economics: how do individuals allocate scarce resources towards alternative ends. In this way, we have the second departure from liberalism, the expansion of the notion of the ‘enterprise’ to all human activity (Foucault and Senellart 2008; Foucault 1991a; 1991b). For neo-liberalism, the self is an enterprise, a totality of skills, knowledge, training and other desirable qualities which make a person attractive in a given marketplace (Foucault 1991a). This applies beyond strictly economic markets, for example a person who is fit, athletic and hygienic is more attractive in the marketplace of relationships than a person who does not have these qualities (Foucault and Senellart 2008; Rose 1991). The self becomes a site to be worked upon, improved, and trained, but never finished, we must never be satisfied with the enterprise of
our selves, and we must always be on the lookout for further investment opportunities (Boland and Griffin 2015b). We become the constantly failing subject, endlessly reinvented, worked upon and improved to more closely approximate perfection (Rose 1991; Boland and Griffin 2018).

This speaks to the wider deployment of governmentality and the matrix of concepts which surround and support it within Irish sociological scholarship, as well as the problems inherent in such an approach. This theoretical approach has been used to analyse the impact neo-liberal governmentality has had on subjectivities and bodies in the context of an Ireland under austerity in a variety of research methodologies and approaches. Thornton and Ni Raghallaigh (2014) have used governmentality in the context of Ireland’s direct provision system, concluding that there is a strong panoptic character of surveillance of refugees within that system. Carr (2015) has conducted similar research on anti-Muslim racism, finding that neo-liberal governmentality has promoted discourses of ‘racelessness’ whereby race does not exist, while at the same time engaging in policing and discrimination of Muslim communities, manifesting in discourses of self-care and responsibilisation where Muslim communities are encouraged to protect themselves from racisms. These racisms in turn only exist at moments convenient to neo-liberal governmentality, and Carr (2015) calls attention to the tension of the supposedly post-racial moment neo-liberal governmentality promotes to help regulate Muslims in contemporary Ireland. Other research, such as that by Gallagher (2014) on childcare has found that there has been a mobilisation of a particular kind of entrepreneurial subjectivity to defend the deeply flawed private childcare system in Ireland. Whereas Devaney (2017) has critically examined how families are constructed and problematised by neo-liberal governmentality in the context of drug policy, finding that families are governed at a distance (Rose 1991; 1999) through discourses of responsibilisation and normalisation. These discourses contrast ‘risky’ drug afflicted families with their normalised counterparts as a means of justifying and making distant interventions (Devaney 2017).

Concurrent with these critiques of austere neo-liberal governmentalities are reflections on the limitations and problems with such an approach. Kerr (1999) questions the top-down approach of governmentality studies, which tend to focus on agents of the state (such as civil servants) or institutions. Kerr (1999) concludes that in doing so, governmentality often undermines or overlooks the experiences of those on the receiving end of these policies, limiting its emancipator or critical potential. Boland’s (2018) work builds on Kerr’s, finding
that governmentality has become part of a growing ‘cacophony’ of critique that often
provokes hostility and resistance in the critiqued, limiting capacity for social change. Boland
(2018) argues that while governmentality theory can provide useful critiques of governing
forces, that it is also necessary for these critiques to be constructive. Additionally researchers
such as (Dwyer 1995; Donzelot 1991; Ewald 1991) are critical of Foucault’s conception of
power and his framing of docile bodies, with Dwyer in particular arguing that Foucault’s
reduction to individuals and their contexts to the level of docile and subjugated bodies is
disempowering and denies the possibility of freedom and resistance. My research is
positioned in the context of these critiques, and like Rose (1991; 1999) I seek to use
Foucault’s conceptual framework in a manner that utilizes certain critical concepts (such as
normalisation) on particular empirical problems (such as the ISI’s policies or its treatment of
debtors), without accessing and using all of Foucault’s concepts and arguments. In other
words, I use certain Foucauldian concepts in very specific and particular ways that are unique
to this research, and do not suggest or argue that every element of Foucault’s work on
governmentality, power, and subjectivity (etc.) is true.

An example of this can be found in how Boland and Griffin (2015a; 2015b) illustrate how the
changed nature of welfare in Ireland can be partly attributed to the government's renaming of
the category of 'unemployment' to 'job-seeking'. Unemployment, both as a general category
and as a way of framing a social ill has all but vanished from a governmental point of view. If
a person does not have a job, and they are claiming welfare, they are now called 'job-seekers'.
Boland and Griffin demonstrate that this is a change in the governmentality of the state,
which formerly guaranteed welfare as a universal right, but which now conceives of welfare
as contractual and limited. It is limited firstly by time (claiming welfare for too long will lead
to a sanction), and secondly by the efforts a job-seeker puts into finding work. If they do not
seek work, they violate the contract they have signed with the state, and are thus (in
accordance with market logic) subject to a sanction, or penalty. As an enterprise of the self,
the job-seeker must look for work, if work is unavailable they must work on their selves, they
must re-train, re-skill, they must expand their job-seeking efforts even to jobs they are not
qualified for, nor have an interest in. Thus we see governmentality in action, a state using a
given strategy (renaming the unemployed to job-seekers), to alter the conduct of the
population in question (pressuring the unemployed into work they would otherwise not seek)
with sanctions to back up a failure to assimilate the ‘correct’ conduct (Boland and Griffin
2015b; 2018).
For neo-liberalism then, good governance is economically restrained, it encourages individuals to look out for their own welfare, which prevents dependence on the state and ensures that society becomes self-regulating (Rose 1991; Boland and Griffin 2015a; 2015b). In practice however, this has resulted in problematic outcomes and relationships particularly between the state and its citizens (Walker 2011). I use the applied example of the technologies deployed by neo-liberalism to make its project a reality in the next section.

4.32 Technologies of Power and their Relays
The previous section offered a broad outline of neo-liberalism, utilizing ideas such as the enterprise of the self, the preference of neo-liberalism for there to be a restrained state, and the utilizing of economics beyond strictly economic spheres. In this section, I develop my explanation of the types of rationalities, norms and truths that neo-liberalism deploys in order to make its governmentality a reality. To do this, I turn primarily to Rose (1991) who expands and modifies Foucault’s governmentality theory, enabling it to be used more specifically as a mode of theoretical analysis on contemporary sociological problems. These are the theoretical devices of technologies, relays and governing at a distance (Rose 1991).

As we have seen in the previous section, neo-liberalism is keen to govern the populace according to the logic of the market (Rose 1999). It assumes that society is composed of individuals who are inherently interested in maximising their own gain. Despite this axiom it is not a form of behaviour which naturally exists, and neo-liberalism must find strategies and methods to influence the population such that they will behave in the appropriate ways. Rose discusses this through the medium of technologies:

“[…] a technology… refers to an assembly of forms of knowledge with a variety of mechanical devices and an assortment of little techniques oriented to produce certain practical outcomes” (Rose 1991, p.52).

Such a definition encompasses more than the usual cluster of devices we ordinarily associate with technology: computers, smartphones, vehicles and so on. Rose (1991, p.52) offers us the example of the popular classroom, still in use today, which was invented in the 19th century, and not simply as a site of education. In addition to educating children, the classroom was intended to teach them good moral habits, to understand the value of authority (and to ingrain an obedience to those authorities), and to correct defective or undesirable habits the children may have brought in from home (thus allowing governmentality a backdoor into the home by proxy). Here we have a technology of governance in action, with certain strategies and techniques: the layout of the room; the teacher standing while the children sit, implemented
in order to ‘conduct the conduct’ (Gordon 1991, p.2) of the schoolchildren, by teaching them self-control and discipline in addition to an educational curriculum.

Liberal and neo-liberal governance change strategies, and as the classroom example shows, 19th century governmental literature is “haunted by the spectre of the crowd” (Rose 1991, p.72). Governance is therefore angled around preventing riots, mobs, or other large clusters of people who cannot be controlled. In the 20th and 21st centuries, the mode of governance changes:

“[…] persons were to be governed not through imposing duties, but by throwing a web of visibilities, of public codes and private embarrassments over personal conduct: we might term this government through the calculated administration of shame. Shame here was to entail an anxiety over the exterior deportment of the self, linked to an injunction to care for oneself in the name of the public manifestation of moral character” [Emphasis in the original text] (Rose 1991, p.73).

A strategy of this kind is clearly evident in the neo-liberal governance of indebtedness, where indebted people have been taught that they are cognitive delinquents (Walker 2011), and shame comes to form the structure of their world (White 2010). How is such an administration of shame to be organised? Neo-liberal governmentality wishes to keep its interference in its citizens’ lives reserved and it therefore governs ‘at a distance’ (Rose 1991, p.49), which works in several different ways.

Firstly, as it cannot (or will not) act directly, neo-liberalism tends to work in a circuitous manner via technologies of normalisation and responsibilisation and secondly through a network of relays, which are usually experts. Lastly neo-liberalism governs at a distance via a ‘regime’ of truth (Foucault and Senellart 2008, pp.18-20).

4.33 Normalisation
Similar to previous arts of governance, neo-liberalism creates lists informing those who govern of the content and qualities of the population (Foucault and Senellart 2008). However, neo-liberalism makes the defining of ‘normal’ behaviour very important (Rose 1991; 1999; Walker 2011). By establishing what is normal, or what is acceptable, neo-liberalism thus exposes those individuals who are abnormal, who must have their uncivil, unhygienic or otherwise defective behaviour modified in line with established norms (Foucault and Senellart 2008; Rose 1999; Foucault 1979). It does this by appealing to the notion that there exists a socially average, fit, healthy, solvent, reasonable and responsible type of person that each individual can compare themselves to (Stamp 2013; Walker 2011). In Irish debt
discourse this technology has crystallized in the form of the ‘strategic defaulter’ who attempts to default on their debt despite being able to pay. The media has repeatedly warned that this is a widespread problem waiting to happen, but notably this discourse always draws a comparison between the humble, ordinary, good mortgage holder who pays their debts and this strategic defaulter (Paul 2018; Brennan and Bardon 2018; Broadsheet 2017; Mortgage Brokers 2013). This demarcation is drawn between ‘good’ and ‘bad’ debtors, with the obvious implication being that one should strive to be in the ‘good’ category. Paying ones debts, regardless of circumstances or extenuating factors becomes normalized.

Rose (1991) explores the means by which the norm was made technical:

“[...] norms could be calculated for populations, individuals could be individuated by comparing their characteristics – height, weight, circumference of the skull, and later intelligence and moral worth – with those of the population as a whole. The capacity to identify, measure, instil and regulate through the idea of the norm becomes a key technique of government” (Rose 1991, p.75).

Through norms, populations were made governable because they were made comparable (Rose 1991).

In a related example, Boland and Griffin’s (2015b) research shows that the ‘normal’ job-seeker is expected to be one who seeks work with fervour, who re-trains, re-skills or otherwise changes any problematic qualities preventing them from securing work. This provides a site of resistance however, because despite its governing strategies, there are those who resist the framing of themselves as a broken object of governance (Boland and Griffin 2015b; Burchell et al. 1991). For those individuals, the technology of normalisation exposes them to a series of sanctions or punitive measures, designed to discipline their bodies (Carr 2015, p.17) and their minds (Foucault 1995; 1991a). For the job-seeker, this takes the form of their welfare being restricted, and then cut off entirely (Boland and Griffin 2015b), for the debtor it entails a slow and steady decline in their standard of living, as they are disciplined into understanding that they must live a modest life on a budget (Stanley et al. 2016). Those who are unprepared to engage with the process of becoming ‘normal’ can find themselves faced with destitution (Boland and Griffin 2015b) or, in the case of debtors, the loss of their houses (Hitchen 2016; Coleman 2016).
4.34 Responsibilisation

A further technology linked to the above process of normalisation is responsibilisation (Rose 1991; 1999). There is an injunction in neo-liberal governmentality for each individual to be responsible for their own ethical self-development and welfare. Responsibilisation is neo-liberalism’s governance through entrepreneurship writ large, public and governmental objectives in a variety of areas were to be actualized through changes made in the home. Each individual family and home were to take upon themselves the responsibility to be healthy, hygienic, educated, law-abiding and so on. Neo-liberalism governs frugally, cutting back on social services such as health care, education, and welfare in its drive for smaller government, to be replaced by the government of individuals who not only have been made responsible for their own welfare, but desire to be responsible. In using this theory I acknowledge critiques of it, such as Morrison’s (2014) argument that Roses’ deployment of responsibilisation is frequently apolitical, critiquing discourse without addressing the inequalities created by them, and as such should be used alongside other theoretical paradigms.

Rose argues that a key element of contemporary governmentality is governing us through our desire to be responsible (Rose 1991). According to Rose (1991) this is persuasive because through a long process of neo-liberal governmentality, initiatives and strategies, it was made apparent that personal liberty and everyday life would be enhanced by adhering to ‘responsible’ behaviour (Rose 1991, p.74). In Boland and Griffin’s (2015b) research the unemployed individual who is bold enough to actively embrace the subject position of job seeker, and enthusiastically networks and builds on their existing skill set will be rewarded with a better job, which entails prestige, more financial resources and the dignity that is commonly associated with work. Positive associations were also deliberately cultivated between public and individual health, and reduced the benefits that can be acquired from good health to those which are individually achievable (Rose 1999). For example the public awareness campaigns against smoking (Rose 1999), which typically promote the cold-turkey approach where an individual stops smoking suddenly, which requires little public expenditure. The cessation of smoking has public health and environmental benefits due to the consequences of second-hand smoke, a reduction in the number of cigarette butts and large improvements in the health of those individuals who do stop smoking (Rose 1999).

This works both ways, the government will not need to spend as much money treating the heart, lung and dental disorders associated with smoking, and the individual will be healthier
and feel better (Rose 1999). Thus neo-liberal governmentality cultivates linkages between public projects and individual benefits, encouraging individuals to govern themselves, ostensibly for their own good but also in a manner which creates ‘better’ citizens (according to the definition of neo-liberalism) (Rose 1999). By treating the self as entrepreneurial and working towards better selves which more closely approximate normalised standards not only makes us better people but creates a better society (Foucault and Senellart 2008; Foucault and Macey 2003). Our education creates a more educated workforce, our participation at a local gym reduces the likelihood of our needing medical treatment in the future, our sensible borrowing habits helps to make the financial market more stable. The behaviours of the individual have the knock-on effect of making our society better, though neo-liberalism also uses this same logic to justify cuts to public services (Forkert 2016; Bramall 2016b; 2016c; Stanley et al. 2016).

Forkert’s (2016) research on the shutdown of public libraries pointed out a common discourse in neo-liberalism, that this problem is really an opportunity for the motivated to prove their worth. The libraries were closing, but this was a chance for the truly industrious who wished to actively build their communities to volunteer their time to use their ‘creative resources’ to make a better Lewisham (the area where the libraries were closing) (Forkert 2016). Sociology has long discussed the relationship between the private troubles of the individual and the wider problems of general society, first elaborated on by C. Wright Mills (Mills 2000). In the case of debt in Ireland, many thousands of different individuals took out mortgages that they were later unable to make the payments on (Kay 2011; Coulter and Nagle 2015). To each of these individuals, this appears as a serious error in judgement, that they should have been wiser and better informed, avoiding the pitfall of problem debt. This is one of neo-liberalism’s key strategies in governmentality, to appeal to the personal responsibility of those who are affected by social problems. The unemployed are lazy and must seek work, it is irrelevant if the rate of unemployment is 15% and none of those looking for a job can find one (Boland and Griffin 2015b); the debtor is irresponsible and must pay his debts, even if his debt is the result of an aggressive government private housing initiative (Coulter 2015; Stamp 2012b; 2013).

As Lazzarato says:

“The dedication, subjective motivation, and the work on the self preached by management since the 1980s have become an injunction to take upon oneself the costs
and risks of the economic and financial disaster [emphasis in original]” (Lazzarato 2012, p.8).

Social problems become the problem of the individual, and it is up to the individual to find a way to deal with them. This is often problematic, particularly in the case of structural inequalities or disadvantages such as being racially discriminated against (Carr 2015) or having disabilities (Hitchen 2016).

The influence of these technologies is readily apparent to us by the spaces which were designed with them in mind, Rose calls attention to museums, department stores and other public spaces:

“Their design explicitly sought to discipline and regulate the conduct of the masses they attracted. They were often accompanied by instructions as to proper forms of dress, conduct, cleanliness, and deportment and the avoidance of liquor. And, within them individuals were not only scrutinized by guards, and attendants, but were scrutinized by one another, providing the spatial and visual means for self-education” (Rose 1991, p.73).

In this way, the governmentalities of neo-liberalism have a panoptical character. They involve surveillance of oneself, and encourage surveillance of others. The injunction toward constant self-improvement and an entrepreneurial spirit also manifests in an encouragement to judge those who do not share these values: the overweight, the criminal, the lazy, the uneducated (Rose 1991; 1999). We thus have a responsibility to adhere to normative values not only for ourselves, but for others as well (Rose 1991; 1999).

But as Rose (1999; 1991) has said, neo-liberalism seeks to govern from a distance. To meddle too intrusively in the lives of the governed would make it hypocritical and may provoke resistance. The key manner by which these technologies can be deployed in practicality is through relays (Rose 1999).

4.35 Relays
A relay is a device which enables the goals of a given governmentality to be translated from boardrooms, white papers and plans into action (Rose 1991; 1999). A relay is a therefore a kind of intermediary that stands between governing forces, and the population(s) they wish to influence, and together with normalisation and responsibilisation forms one of the techniques or tactics which can create observable changes in the population (Foucault and Senellart 2008).
Historically speaking, experts have been crucial in deploying and justifying governmental goals at the everyday level and are an ideal relay in neo-liberal governmentality because certain types of expertise have become widely respected (Rose 1991; 1999; 2000). Medical practitioners in general and doctors in particular are an important example of this (Rose 1991, pp.49-51). For instance the movement in the US to prohibit the consumption and sale of alcohol in the 1920s likely would not have succeeded if not for doctors (Rose 1991). Doctors argued (from their position of expert knowledge) that the consumption of alcohol was associated with morally questionable places, such as saloons or gin houses, resulting in broken families, where children would inherit the poor moral habits of their drunken parents (Rose 1991, pp.74-75). We further see here the deployment of the earlier mentioned technologies, through the idea that there are broken or otherwise ‘dysfunctional’ families, which are to be compared with their normalised counterparts (Rose 1991, p.76); and that the solution to this is to work on the self, to refrain from the consumption of alcohol, to inculcate good moral habits in other words: to be responsible (Rose 1991, p.77).

Experts are therefore an important relay for making the goals of governmentality a reality. Indeed, over time the position and importance of the expert has become so normalised that individuals naturally desire and seek help from them, from fitness instructors, to therapists to financial advisors (Rose 1991, p.78). They each encourage a kind of self-ethicising moral behaviour through the growth of positive attributes, and there is a push here towards self-help as a fusion between technologies of responsibilisation and normalisation and the expert who takes the form of a relay of governmentality. Over time this push toward self-help causes expertise to infiltrate the everyday and change our perceptions of good and bad behaviour:

“Everyday circumstances, such as debt, marriage and divorce, changing jobs, giving birth and so much more have become life events entailing coping and adjustment, spaces within which psychological forces of denial, repression, lack of psychosocial skill are played out […] (Rose 1991, p.91).

As the everyday becomes subjected to more intense and specific forms of expert knowledge, these forms become standardized and steadily begin to congeal into organisations and institutions. In contemporary Irish debt policy these are organisations such as MABS, the ISI, NGO’s, charities, and more. These organisations are staffed by informed experts who are capable of aiding the debtor in various ways. MABS for example offers advice on budgeting, welfare applications, negotiating with creditors and more (Stamp 2013). It is a service which aids the debtor in their process of self-examination and self-transformation into a more
responsible and solvent individual (Stamp 2013). MABS (and services like it) are therefore the frontline relays for governmentalities of debt in Ireland, and it is through services like MABS that governmental goals around indebtedness are actualized in the form of a technique which can change the behaviour of debtors.

This is additionally exemplified in the forms of the discourses which exist around debt, specifically the case of the ‘moral hazard’ (Paul 2017; Insolvency Service of Ireland 2013a). A moral hazard takes place when an individual takes a risk knowing that someone else will bear the cost of that risk. A moral hazard in the case of debt refers to these relief / advice organisations, because a debtor can go to them and attempt to get their debts written down or reduced, transferring the risk of debt from debtor to creditor. Moral hazard is therefore a kind of responsibilisation discourse that exists in the context of debt, encouraging debtors to take responsibility for their debts, instead of pushing a risk they undertook willingly onto another innocent party. This discourse and others like it form a part of the truth-telling of neo-liberal debt discourse, how the ‘truth’ gets defined and why it is defined that way is crucial for justifying its governmentality (Foucault 2015; Foucault and Senellart 2008).

4.36 Truth

The strategies, techniques and practices of normalisation, responsibilisation and relays are deployed by neo-liberalism in the form of ‘the truth’ to influence debtors in various ways. For Foucault and Senellart (2008) and Foucauldian researchers (Carr 2015; Boland and Griffin 2015b; Burchell et al. 1991), the question is not, strictly speaking what is objectively true. Rather the question is: who gets to define truth? What justifications do they offer for these definitions? What counts as a ‘truth’ under neo-liberalism? As we have seen already, neo-liberalism is keen to discourage behaviour which will result in dependency on the state. This is part of the ‘truth’ of neo-liberalism, and it governs accordingly. When these discourses circulate to the extent that they become hegemonic, at a certain point they crystallize into a regime of truth (Carr 2015; Foucault 1995; Foucault and Rabinow 1984). These are a set of truths which are so popularly accepted that they have become ‘common sense’ and the process of disentangling the influences which make them up can be problematic (Rose 1991; 1999).

The process of defining the truth and truth-telling is inseparably linked to power and knowledge. The types of discourse which become hegemonic and undergo a transformation into a regime of truth are those who have the power and to spread their discourses broadly,
and the knowledge to understand which discourses will be persuasive. The media, educational institutions, experts, and the treatment of certain discourses as possessing an unchallengeable scientific character are all factors identified by Foucault (1995; 1997; 2000) for when we can see the crystallisation of power-knowledge into a regime of truth.

There are a number of ‘truths’ circulating around indebtedness the first of which is that you are only suffering with problem debt if you cannot manage your finances correctly (a responsibilisation discourse). This is in keeping with the definition of economics that neoliberalism promotes, the individual is in debt distress due to a misallocation of their scarce resources (Foucault and Senellart 2008; Stamp 2012a; Insolvency Service of Ireland 2016a). If they budget more effectively and are prepared to be responsible with their money, then they will eventually become solvent again. There are pervasive discourses of responsibility, shame, and honour around indebtedness, the idea that a person would have debt and not desire to pay it back is unthinkable (Walker 2011; Graeber 2011). By and large, indebted individuals accept this truth, and correct their behaviour as much as they possibly can in order to reach normality (Bramall 2016b; 2016c). What constitutes a ‘normal’ debtor depends on the persons’ circumstances. If they are struggling with their debts and unable to pay them back on a regular basis, they are redefined using the label ‘insolvent’ and are thus marked for corrective behaviour (Insolvency Service of Ireland 2016a).

Creditors are rarely helpful in this process, and are only interested in acquiring the money owed to them (Walrdon and Redmond 2016a; 2016b; White 2010), and they tend to push debtors towards charities or semi-state organisations such as MABS (Stanley et al. 2016). MABS will teach them various skills, such as budgeting, how to cook a nutritious meal with limited resources and what kind of welfare they can qualify for. Stamp (2012a) has elaborated on this, pointing out that the debtor who visits MABS is assumed to be ill-educated (they do not know how to cook) and in poverty (they need to know what welfare services they can access). This forms part of the regime of truth surrounding indebtedness: those who have problem debt are facing problems of financial illiteracy and impulse spending. As a consequence, they must learn how to behave properly and conduct their finances in line with normalized expectations (Stamp 2012a). Creditors, being in possession of power-knowledge are capable of defining the moral landscape of debt and the assumed incompetence of debtors is such that the discourse of cognitive delinquency has become common sense (Walker 2011)
This governmentality of indebtedness has led thousands of Irish debtors to simply cope, but never actually improve their finances (Waldron 2016a). Many debtors using MABS end up reaching a point of stability where they can cope with the current situation, but where they have little or no hope of actually getting out of debt (Stamp 2012a; 2012b; 2013). This process of ‘proving’ your genuineness in paying your debt back is crucial however, hardship and sacrifice are expected. Those who eventually find that they cannot cope anymore, and simply must find a way to discharge their debts find themselves at the ISI’s doorstep, and will be turned down unless they can demonstrate that they have made personal sacrifices and decreased their standard of living to the level of poverty in order to pay their debt back (Insolvency Service of Ireland 2016b). Those who do not engage with this process find out quickly that they have erred, as their home, furniture, phones or other items will be repossessed as part of their sanction for refusing to modify their behaviour in the correct way. Those who repent part-way through this process can reverse it to a surprising degree and will often find they are just about able to cope with their current circumstances (Walker 2011).

4.37 Confession

Another way regimes of truth manifest is through the confession. The confession as a mode of truth-telling has a long history, with its origins being in the Catholic Church. The first ‘modern’ form of confession emerged in the 11th century with the advent of individual confession. Due to problems of travel and geography, the individual would be expected to see a priest once per year, and confess all of their sins, with a focus on mortal sins such as lust, gluttony, and sloth. The confession was therefore a way for a given religious institution (the Catholic Church) to have a way to influence behaviour by discouraging sinful actions and encouraging pious behaviour.

Rose outlines how the confession was a kind of testing ground for contemporary governmentalities:

“[...] ‘confessional churches’ played a key role in the emergence of this notion of governable populations, developing a particular understanding of their role as one of reshaping the conduct of their subjects in the name of spiritual purity, deploying a range of measures for their spiritual disciplining, and thus uniting those in particular geographical areas in ‘moral enclosures’ (Rose 1991, p.25).

Confession is therefore situated at the heart of the paradigm of Foucauldian power relations. It involves one party who has something (particularly something sinful or private) that must be told, there is a need for the truth to be spoken aloud. In the confessional process the power
lies with the one who listens and says nothing, who collects knowledge and information about the one who confesses. There is an implied understanding that the truth will set the confessor free, and due to this the confession has spread beyond its religious roots and into general society, particularly into the justice system where swearing to tell the truth has become ritualized (Foucault 2015, pp.58-59). Neo-liberal governmentality approaches its goal of self-improvement from the angle that public goals are personally desirable, thus creating new subjectifications of the disciplined, responsibilised and normalised subject who works on the self; confession by contrast can be conceptualized as a kind of ‘subject clearance’ or de-subjectification (Dean 2018). Sins are confessed, a kind of partial forgiveness is offered and the moral debris which is holding us back is swept away by this process, allowing for the ‘truer’ and more noble version of our selves to emerge. For Dean (2018) the crux of confession is its often unspoken promise that we will behave better in the future, that we will not fall prey to these sins again, and will instead be prudent, charitable etc. Inevitably however because of our original sin, we will fall prey to our vices again in the future, resulting in a never ending process of subject creation and clearance, pushing us ever deeper into our predetermined moral enclosures (Dean 2018; Rose 1991).

But the confessional process goes far beyond this:

“The confession has spread its effects far and wide. It plays a part in justice, medicine, education, family relationships, and love relations, in the most ordinary affairs of everyday life, and in the most solemn rites; one confesses one’s crimes, one’s sins, one’s thoughts and desires, one’s illnesses and troubles; one goes about telling, with the greatest precision, whatever is most difficult to tell. One confesses in public and in private, to one’s parents, one’s educators, one’s doctor […] (Foucault 2015, p.59).

I propose that debt be added to the list of things one confesses about. Debt is a moral subject, involving guilt, shame, failure, and fear. Debt problems imply failure and a lack of financial acumen. Thus when a debtor goes to see the ISI, they are expected to confess their debt sins. They sit before an informed expert (a PIP) who wishes for the debtor to tell the truth about their debt problems, they must confess everything, with a particular focus on where the debtor went wrong. The debtor is expected to admit that they have erred, and that they are in need of help. This mirrors the religious confessional process where a sinner must first confess, and then if the priest sees fit, absolution will be offered. By confessing, one will be unburdened, and may earn an opportunity for a second chance, by receiving debt relief. This is the most powerful and direct way that Irish discourses around the irresponsible debtor manifest. The PIP must be persuaded by the debtor that they are not a strategic defaulter or a
moral hazard, they must confess everything, and the PIP must believe that the truth has been
told. They may ask questions in an attempt to get at the truth, but contrition is expected. A
debtor must not merely confess their debt problems; they must show remorse and a
willingness to change.

To summarize the Foucauldian elements of my theoretical framework, there is, in Ireland a
decisively neo-liberal governmentality surrounding indebtedness. This governmentality
wishes to govern debtors at a distance, to push slightly rather than command or demand. It
does this through on the one hand, technologies of power (responsibilisation and
normalisation discourses) and on the other through a system of relays (such as the ISI).
Finally these governmentalities are made intelligible and actionable by a whole process of
truth-telling about indebtedness. The regime of truth on debt in Ireland is one of guilt, shame
and the irresponsible debtor who will attempt to discharge their debts at the expense of their
creditors and general society. The debt recovery process has been influenced by this, and
before a debtor can access debt relief they must engage in an intense process of truth-telling
whereby they confess their errors to an informed expert who will offer them the possibility of
debt relief if they believe the confession is genuine.

4.4 Cruel Optimism and Displacement
So far I have argued that indebtedness in contemporary Ireland is subject to a particular style
of neo-liberal governmentality, one which places the burden of proof on the debtor to
demonstrate that they are seeking help in a genuine manner, and not simply trying to take
advantage of debt services. The discourses around debt promote the idea that there is a
widespread possibility of 'strategic default' (Insolvency Service of Ireland 2014a; Walker
2011; Waldron and Redmond 2015; 2016), where debtors who can pay their debts will
choose not to. These strategic defaulters are waiting to take advantage of the generosity of
Ireland's debt services, which as a consequence has designed their debt assistance
programmes to prevent this person from receiving help. The service styles itself as a
rehabilitative disciplinary institution, which can get debtors to live on their technocratically
defined 'reasonable living expenses' (Insolvency Service of Ireland 2016a), which ensures
recovery from present debts and prevents future problematic debt. The governmentality of
indebtedness is therefore conceived as a misallocation of scarce resources by the debtor, and
if they budgeted and spent their money responsibly then they would recover quickly (Stamp
2012a; Walker 2011).
Debtors, for their part, seem to believe in this narrative, and they engage with the process of proving their sincerity to pay their debt back in good faith. There is an unanswered question however: why do debtors go through this process? I argue here that the reason debtors respect and cooperate with the governmentality is because they have come to inhabit a state of subjectification and being called 'cruel optimism' (Berlant 2011).

A situation of cruel optimism arises when "something you desire is actually an obstacle to your flourishing" (Berlant 2011, p.2). This can manifest in many different ways, for example a desire to eat unhealthy food because it tastes good, or to maintain contact with a friend whose presence we enjoy, but who is ultimately a bad influence on us. Berlant argues that optimism is about attachment to particular objects or scenes of desire, be it a love for a person, or an attachment to a particular view of how the world works. Our optimistic attachments to what we desire are therefore also deeply rooted in fantasy, and generally speaking our desire to possess or remain in the orbit of a given object is more motivated by our ideas about what that object is like (Berlant 2011), rather than the way it actually is (as much as its objective status can actually be determined). As our optimism becomes more cruel, and the cost of maintaining our attachments becomes higher, there is a tendency for subjects, rather than surrendering their attachment, to work even harder to remain in possession of it (Berlant 2006; 2011). As a result, our fantasy becomes even more fantastic in an effort to justify why we are working so hard to maintain these attachments.

According to Berlant (2011) the tendency to desire something which is an obstacle to our flourishing is becoming more common in the historical context of modern neo-liberal capitalism. Berlant's theory is situated in the history of the post-war consensus, which brought about the construction of the modern welfare state. In an environment of rising incomes, universal healthcare and other social safety nets, Berlant argues that a particular narrative of 'the good life' became so common and pervasive that it has fully entered our social subconscious. The good life, according to this narrative, follows a particular trajectory, which allows for some deviation, but there is a general outline which remains consistent. Berlant offers the example of the standard expected life trajectory for an adult (so commonly understood that it is the entire premise behind several popular television shows and other media, e.g. the sitcom Friends): first you go to college, at college you meet your life partner, then you get a full-time, secure, well-paid job, then you buy a house, then you have children. Once these milestones have been acquired one works until retirement, and then one’s children repeat the process (Berlant 2006).
As seen above, this mythos of what it means to live a 'good life' generally obliges individuals to acquire certain material resources (a home), or have access to particular socially important status symbols (marriage) at certain life stages. Berlant's argument is that in our fervour to preserve this fantasy of the good life that we have begun to behave in a way that is self-destructive:

"[...] some scenes of optimism are crueler [sic] than others: where cruel optimism operates, the very vitalizing or animating potency of an object / scene contributes to the attrition of the very thriving that is supposed to be made possible in the work of attachment in the first place" (Berlant 2006, p.21).

My core theoretical argument is that debtors have come to accept the scrutiny of governmentality because they inhabit the subject position of being cruelly optimistic. Their attachment is to their houses, which has come to represent a whole series of complex emotional, social and economic attachments. The home is related by my participants to stability, thriving, love, family, community, and happiness, yet the cost of maintaining their attachment to their homes (their mortgage) has paradoxically led them to sacrifice virtually all of these things. The home is a solid structure, having the quality of being relatively indestructible (Keohane and Kuhling 2014), offering the possibility of family and community, yet debtors enjoy few if any of these things. Having budgeted away much of what is considered frivolous, they cannot afford to maintain the social engagements that would enable them to be members of the community. Likewise, family life suffers, as parents finding themselves confronted by food poverty and social exclusion (Nagle 2015) must go to charitable organisations to attempt to acquire food (Combat Poverty Agency 2009). Many go without food or entertainment to provide for their children, but regardless, their children can tell that something is wrong, and that the vision of the good life has become distorted.

Cruel optimism channels related psychoanalytic theories such as displacement which occurs when the emotions about some object, person or event are displaced onto a different object, person or event – a typical example being an angry person punching a cushion to relieve their frustration (Freud and Gay 1995). In the case of debt, the cruel optimism of maintaining an attachment to the distorted vision of the good life leads to myriad problems: anxiety, depression and suicide are chief among them. The various promises of the good life come under strain, the job is not as fulfilling and secure as was promised, the love is not as enduring as first appearances suggested and the home may even be under threat of
repossession. The anger and hurt of this cruel optimism are often displaced onto a third party – other debtors. This general, fictitious ‘other’ is a common source of blame when cruel optimism comes under strain, the immigrant, the lazy, the incompetent, whoever or whatever they are they have one thing in common, if they would act differently our cruel optimism could be resolved. Media stories about lazy debtors are common, with a recent example being “Couple to lose home after mortgage not paid for five years” (Managh 2018, p.1), but there are many other examples (Weston 2018; Murray 2018a; Broadsheet 2017; Breaking News 2018; Mortgage Brokers 2013). When looking for a source of blame, it is these ‘other’ dishonest or workshy debtors that are blamed for the problem(s) at hand. Once again this tells us something about the moral foundations of debt, problematic relations of debt are not merely financial, they are caused by individuals who lack good moral character. If those ‘other’ debtors would pay their mortgages, then my bank would not pursue me so harshly, the displacement is almost always externalised (Freud and Gay 1995).

A vague sense of optimism about the future has manifested in an acceptance of a cruel and harsh present, where the future is evacuated and only exists in a state of ambiguous generalities that one day things will be better. For many subjects however, the debt free day will most likely never arrive. The governmentality of indebtedness is such that once one falls behind, then the possibility of recovery and access to the good life becomes increasingly challenging (Stamp 2012a; Walker 2011). Cruel optimism is cruel because the tempting possibility of recovery always seems to be just about to arrive, leading subjects to believe that they should endure for just a little bit longer, and then they will be able to enjoy genuine happiness. It is because of this that debtors accept and even enthusiastically follow the requirements of institutions such as the ISI and MABS.

4.5 Mimesis, Scapegoating, and Sacrifice
But how is it that ‘the good life’ identified by Berlant (2011) became so important to begin with? I propose that neo-liberalism’s idealized vision of the good life became saturated throughout society through a process of mimetic desire and imitation (Girard 1989; 2013). As the mimesis built, it steadily grew from individuals imitating each other’s desires to own a home to imitating each other’s antagonisms from being unable to have their ‘dream home’, transforming the relationship from imitative to rivalry. As the rivalry for the object of desire becomes hostile and threatens to become violent, the participants in the mimetic process turn to someone who can be blamed for the toxic struggle for the object – a scapegoat; in this case the strategic defaulter. This scapegoat is then sacrificed by a vulture fund, which relieves the
pressure, and the sacrifice becomes the feature of a curious kind of sacralisation, they were the cause of a potential violent outburst but also the reason such an outburst will not happen. I begin my discussion with a short critical reflection on Girard’s theory in a broader context.

According to Girard, mimesis in general and mimetic rivalry specifically intensifies in the modern era due to a flattening of hierarchical structures and a loss of religion, ritual and meaning. In other words our mimetic rivalry is a kind of compensation mechanism for the lack of consistency in the contemporary world, but this problematically implies that rivalry is less common in more hierarchical societies, and that our society is itself less hierarchical than it was previously. For Girard, the rivalry of our society has become problematic because we have a need to find or uncover models, limits or the ‘Truth’ (Girard 2013). Bauman (2000) is broadly in agreement with this conclusion, but his premise (that the world has become liquid and unstable due to the processes of capitalism) is different. Adams (2000) also points out that Girard’s discussions which fixate on violence, sacrifice and scapegoating undermine the possibility of positive mimesis, seen in Mauss’ (2002) arguments about gift-giving and reciprocal exchange. Adams (2000) further argues that this positive mimesis is a scapegoat within Girard’s own theory, as he reduces all desire to hostile rivalries. While I think that Girard’s theory is powerful and helpful for explaining certain aspects of the social, it is important to remember that all theories (particularly those that claim to explain everything) have limitations.

For Girard (1965; 2013) desire exists in a triangular relationship; our desire for a given object is provoked by the desire of another person (the model) for the same object. The relationship is: us (the subject); the other person (the model) and the object. Both people cannot possess the same object (at least not completely) and so they enter into a kind of contest with one another. Their desire for the object is therefore imitative; they imitate one another’s reasons for wanting the object. In Celtic Tiger Ireland the object of mimetic desire was (and remains) the house (Keohane and Kuhling 2014). Houses are sites of unique cultural importance, they are relatively indestructible, a place where families are raised, where communities are built, something which will remain after we are gone, a legacy of sorts (Keohane and Kuhling 2014). Fundamentally however Girard (1965; 1987) proposes that we desire these things because we know that others desire them. Houses became located within a whole matrix of complex interlayered mimetic relationships, the price of the house was nothing compared to its potential value. If one purchased a house in a suburban paradise, then one’s children could be educated at a high quality local school, one could live where one always dreamed, and one
could be proud of one’s achievement. This is the seductive nature of mimesis, the object as well as the model is not actually a real thing or person, the model is an ambitious imagining of a person who possesses that which we most desire (Keohane and Kuhling 2014, p.44). It is here that we see the links between cruel optimism: when what we desire is an obstacle to our flourishing; and mimesis: what we desire is based on an ideal type that may never have even existed.

At this stage, the mimesis goes beyond being merely imitative, and transforms into a kind of rivalry. At first two people desire an object, but then it is three, then four, and so on. But only one of these people can actually possess the object of their desire, everyone else must settle for their second (or worse) choice. There is a curious strain here between the quantitative and qualitative; ostensibly the house is desired for its qualitative properties: it is in a nice area; it is a ‘dream’ home; it is a place where family and community can be built, but this qualitative character can only be represented quantitatively by its price (Keohane and Kuhling 2014). And the rivalry created by mimetic desire caused a rapid increase in the price of the houses, as the laws of supply and demand dictate, when the supply is low and demand is high the price will increase. And demand was very high.

Eventually the subject and the model are no longer imitating one another’s desires, but rather one another’s antagonisms. The relationship which may originally have taken the character of a friendly rivalry now becomes toxic and threatens to boil over into violence. Both groups continue in their struggle to possess the same object, the hostility and resentment builds to a critical mass. Girard (2013) says at this point that if this struggle happens for long enough for an object that is mutually desired by everyone it could lead to the destruction of society itself. A solution must be found, and for Girard (1989; 2013) that solution is the scapegoat, a third party who can be blamed for the antagonisms caused by the mimetic rivalry of the subject and the model. Historically, a scapegoat was literally a goat that was ritually blamed for the sins of the Jewish people, and then sent into the desert to die as a means of atonement (Girard 1989). The death of the goat by dehydration is a kind of metaphysical apology for the sins of the people which have been transferred into the goat. Lazzarato (2012; 2014) proposes that in the meta-theoretical sense that the Greeks have been the scapegoat for the problems of Europe and the European Union since the financial crash. The lazy Greeks who refuse to pay their taxes took all the money loaned to them in good faith and squandered it, now the whole European ideal is in danger (Lazzarato 2012; 2014). Scapegoating therefore provides unity through a common enemy (Girard 2013).
Scapegoating is easily identified by examining who is blamed for a problem, a sin, a crisis, an emergency, and in Ireland it is taken to be the case that all Irish people are to blame for the financial crisis. Blame is thus democratized (O’Flynn et al. 2014) through rhetoric such as ‘we all partied’ (Murray 2010, p.1) or Coulter’s (2015) three tropes of an Ireland under austerity. The corrupt political elite or banking system are not blamed, instead it is the average Irish person who is said to have lived beyond their means and now must be contrite. Other scapegoats include the apparently overpaid and underworked public sector workers, who are compared with the heroic and downtrodden private sector workforce unfavourably (O’Flynn et al. 2014).

In the aftermath of the debt crisis however we have the scapegoat figure of the strategic defaulter, a debtor who ‘partied’ in the boom and now wishes to write down their debts at the expense of others. The burden of these debts would be shouldered by the bank of the defaulter, or more accurately by the tax payer as many Irish banks are part-owned by the Irish government. Media stories abound about the strategic defaulter, a person who has not paid their mortgage in 5, 6 or perhaps even 7 years (Waldron and Redmond 2016; Managh 2018). Such a person is represented and framed as contemptible, lazy and lacking in moral character. In other words they do not share our values, creating a demarcation between ‘us’ and ‘them’.

As in mimetic desire where the model is a fictive creation of our ideal desires, this scapegoat defaulter is similarly a creation of our antagonisms resulting from the mimetic rivalry. Where the model represents all the positive elements of desire we wish to possess, the scapegoat represents the negative perceptions of ourselves and general society that we wish to purge or remove.

Girard (2013) demonstrates that as antagonism builds and the ritual blaming of the scapegoat subjects reach a crescendo, there is then a sacrifice. Unlike in scapegoating, the sacrifice cannot be an abstracted generality, it cannot be anybody, it must be someone or something in particular. Additionally, how and by whom the scapegoat is sacrificed is just as important as why, and historically a sacrifice is carried out by a king, a priest or some other subject who is a valued and important member of society in a ritually ordained manner. In the contemporary Irish context, I hold that the sacrifice of the strategic defaulter is being carried out by the vulture fund. These international money funds are buying up large tranches of ‘non-performing’ mortgages: those who will not or cannot pay their debts (Broadsheet 2017; Fegan 2018; Finn 2018). The fund then evicts the non-paying debtor and sells the house for a profit. It is through these funds that the legacy debts of the Celtic Tiger are being dealt with,
and the scapegoats are being sacrificed. In an Ireland under austerity, it is possible (perhaps even likely) that the debtors being evicted in this process will end up homeless. The rent crisis across Ireland is now very serious with average rents in Dublin having crested over €2,000 per month from the start of 2018 (Reddan 2018). Mortgages are similarly overpriced, as was the case in the boom, there are too few houses and too many buyers (Reddan 2017) with analysis by Murray (2018b) finding that a first time buyer needs at least a €50,000 deposit, with average borrowings of €185,939 to buy a home, the average income of this group was €67,287 (top 10% of income in Ireland).

Those who are sacrificed will therefore find themselves in a difficult position, rising rents, a low availability of housing and huge mortgage costs mean that they will likely have to settle for poor quality housing or may even end up homeless. It is here that the curious sacralisation of the sacrificial subject can be seen. Girard (1989; 2013) tells us that the sacrifice becomes sacred, they were the reason that the mimetic rivalry almost transformed into widespread violence, but having been sacrificed they are also the reason such violence has been prevented. This contradictory dualism gives the sacrifice the halo of the sacred, and the sacrifice is never remembered as a celebrated event, only a necessary one (Girard 2013). While those who are evicted or whose houses are repossessed become the object of a kind of sacred pity, the vulture fund becomes feared and held in contempt. Even those who defend them only regard them as a necessary evil, using the argument that a vulture feeds on the carcasses of the dead, providing a vital role in the ecosystem it is a part of (Broadsheet 2017). For the Irish mortgage holder, the vulture fund becomes the source of ultimate fear; the funds come after the scapegoats, those who are suspected of strategic default, of lacking in good moral character, who did not make every effort to pay their debts. Becoming the sacrificial subject is to be avoided at all costs, and debtors will borrow money from friends and family, acquire a second job, work despite a serious injury, use charities and more in order to keep the funds at bay.

While debtors do not like vulture funds, they are also critical of the ‘bad’ debtor the vulture funds are attacking, and this ‘bad’ debtor is the source of much stereotyping. They are said to be lazy, financially illiterate, stupid and typically come from broken families or ‘bad areas’, the ‘bad’ debtor is thus the object of gendered and classed discourses of disgust and stigma.
4.6 Intersectionalities of Debt: Gender, Class (Disgust) and Stigma

Leading on from the previous section, the scapegoated subject who becomes sacrificed cannot be any random person, it must be someone specific (Girard 2013). In the case of Ireland, and Western nations generally, the subject who is blamed is a white working class woman who attempted to acquire the trappings of a middle class identity (home ownership, consumer lifestyle) which eventually led to a crash in the economy (Skeggs 1997; Tyler 2008; Goode 2012; Copeland 2015). While not every subject is stereotyped in this way, it is a generally observed phenomenon that these features of class, stigma and gender repeat themselves across space, time and culture (Gayman 2011; Crenshaw 1989; Collins 1990). Intersectionality is therefore important for understanding the scapegoat process specifically and the problematization of debt generally.

As this thesis is utilizing Foucault for its primary theoretical foundations, it is important to begin with a brief discussion on the relationship between Foucault (and Foucauldian researchers) and feminism. Foucault has been critiqued extensively by feminist researchers due to his work presenting distant ‘accounts’ of various institutions with no normative conception of power (Gayman 2011), for example, prisons in Discipline and Punish or asylums in Madness and Civilization. While feminist researchers generally agree that Foucault presents a compelling case for how power is operationalized within these institutions, he refrains from a substantive critique of these institutions (unlike Goffman, for example) (King 2004). Foucault offers an account of how these institutions function and in what ways power is operationalized within them, but does not have a normative theory of power (Dean 2018). For Foucault power is neither good nor bad, it can be one or the other (even both at the same time) but it is not inherently a force that trends in one moral direction. Power simply exists and is exercised, how and why it is exercised depends on the institution, the historical moment, the moral framework of the day and so on (Dean 2018; Foucault 2015). Within these institutions there are also processes of subjectification, i.e. a prison creates prisoners, an asylum creates patients, a barracks creates soldiers and Foucault once again does not condemn what is done to these subjects, but elaborates on how they are treated. Feminist research argues for the critique and dismantling of power, particularly power which is exercised through patriarchal processes (Gayman 2011). This research is positioned within the context of a historical moment where oppression of women in Western nations is increasingly “disguised and unacknowledged” (Gayman 2011, p.1), and that
Foucault’s unique analysis of power is useful for uncovering the assumptions and practices that underlie everyday behaviour.

Intersectionality emerged in the late 1980s and was first used by Crenshaw (1989) to elaborate on the links between gender, class, age, race, disability (and more). Crenshaw (1989) argued that the links between these stratifications could not be examined in isolation, as the harm and discrimination created by the one reinforced the others. This is called the ‘matrix of domination’ by Collins (1990) who expanded theorizations of intersectionality by applying it to specific problems such as the wage gap. Intersectionality helps us understand problems such as the ‘glass cliff’ where women are promoted during times of crisis, when failure is most expected, by making the links between gender, class, and blame more explicit (Cooper 2015). While studies of debt have often drawn a connection to class (Dwyer et al. 2011; Attewall et al. 2007), gender (Goode 2012; Atfield and Orton 2013; Jackson 2009), race (Ladson-Billings 2006), and age (Copeland 2015) these issues are often examined in isolation, without the theoretical integration that an analysis of intersectionality could provide.

Most often such analyses are drawn back to labelling (Hayes 2000) and stigma (White 2010) as a means of analysing the affective consequences of debt, such as feelings of guilt, shame, fear, blame or failure (White 2010). This research positions itself in the context of these latter studies, and utilizes intersectionality theory as a means of analyzing representations of debt, with a specific focus on the connections between gender, class (and class disgust) and stigma. I also emphasise Jibrin and Salem’s (2015) point that intersectionality is best used in a limited non-dogmatic fashion, as some researchers can become so invested in intersectionality as a means of analysis that the striving for a flawless intersectionally integrated piece of research can actually impede the research process by discounting research that lacks some element of intersectionality but is nonetheless interesting, rigorous and revealing.

At the level of gender, debt (Jackson 2009; Ghate and Hazel 2002), poverty and finance are issues which are frequently feminized, as women must typically borrow money in order to maintain the same lifestyle as men with a comparable income (Jackson 2009). This is due to structural disadvantages encountered by women, and which are dispersed throughout society, such as the gender pay gap (Atfield and Orton 2013) and the unpaid labour women do in the home (Attree 2005). These issues demonstrate the continued existence of a patriarchal model.
of social organization present within contemporary Western society. This theory holds that men hold a level of unearned social privilege and moral authority over women, and is so accepted and normalised that it is almost invisible (Lerner 1986). Within the broader context of debt research this is most easily seen in studies on labelling and stigma, which typically fuse gender and class together (though the term intersectionality is rarely, if ever used).

Labels are powerful, and being able to label someone’s behaviour as deviant or abnormal can be the first step in modifying that behaviour (Foucault and Senellart 2008; Hayes 2000). Debtors in the midst of a crisis are typically labelled as financially illiterate, impulsive, addicted to consumerism and wasteful spending. These labels have to do with a lack of willpower and self-control, but they are also applied to women much more frequently than they are to men (Hayes 2000). In part this is because women in financial difficulty are more likely to seek help from financial advisors or experts, but it is also due to patriarchal expectations about the spending habits and financial capabilities of women. Hayes (2000) says that:

“[…] the apparent ability of men to reject labels more easily is made possible by a patriarchal social structure that provides men with more power and resources […] while also promoting cultural stereotypes concerning the ability of each sex to manage money” (Hayes 2000, p.39).

These labels manifest in a direct manner through stigma, which is felt affectively as shame, a feeling which is encouraged as these women’s financially neglectful behaviour cannot change until they feel ashamed of their past actions (Hayes 2000; White 2010). While some women do resist being labelled as financially incompetent, their repeated application over time makes resistance harder over time, as resistance wanes shame increases (Hayes 2000).

Shame is one of the core elements in another form of stratification, intimately connected to gender: social class, more specifically class disgust. Social class is one of the stratifications that can be more difficult to see when viewed through the lens of the middle class gaze. My understanding and analysis of social class is particularly influenced by phenomenological and qualitative accounts of class such as Skeggs (1997), Goffman (1951), Bourdieu (2010) and Tyler (2008) as well as broader analyses such as those by Lazzarato (2012) or Harvey (2017). I therefore conceptualize social class as a lived experience, and which is displayed and demonstrated in everyday experience through accent, clothing, demeanour and confidence, or as Bourdieu says: ‘taste’, but class is also a kind of debris which is manifested through social connections or economic capital (Bourdieu 2010; Goffman 1951; Skeggs 1997).
Debt and class share a well-known relation. To reiterate my argument from chapter 2 (section 2.21), there was a point beginning roughly in 1973 when income no longer rose in line with increases in productivity. Over time this has had the effect of a large transfer of wealth from the working to the upper classes, as productivity increases result in larger wealth shares for the owners of capital. Debt is increasingly seen by the working classes as a means of increasing mastery and improving future prospects, though this view wanes with age and older working class debtors are more cynical about debt (Dwyer et al. 2011). Social class has therefore gone through a process of hardening since the 1970s, where upward social mobility is more difficult than for previous generations, leading to feelings of shame, failure and disappointment. White (2010) has found that the fear of being stigmatized as a ‘bad’ debtor who is attempting to strategically default can cause debtors to behave in ways that may contradict our expectations. For example, though many mortgage holders in the US are underwater (they owe more than the house is worth) they do not ‘hand back the keys’ and allow the house to be repossessed, thereby cancelling their debt obligations (White 2010). This feeds further into other stratified theorizations of debt that debtors, particularly those from a working class background do not wish to become ‘disgusted’ subjects (Brubaker et al. 2013; Lawler 2005; Sousa 2017) by behaving in a manner inconsistent with stereotypes of working class identity.

These identities are typically constructed as the source of disgust, particularly evident through a study of media representations of working class areas. Working class communities and those who live in them are stereotyped as lazy, fat, loud, brash, obnoxious, promiscuous, and poor. They are the unemployed, the drug dealer, the teenage mother, a parasitic or corruptive agent hanging at the margins of society harassing decent people, or to roll them all into one: the chav (Tyler 2008). In addition to media stereotypes from newspapers to television, Skeggs (1997) as well as Jones (2011) have also found that there is a level of intra-group suspicion in working class communities. For example Skeggs’ intersectional analysis of ‘giving up’ whereby white working class women would police one another for signs of ‘giving up’, i.e. becoming overweight, drinking alcohol publicly or dressing in pyjamas during the daytime. When one individual gives up, it may give the entire community a bad name and lead to it being stereotyped. Such suspicion is also present among groups of debtors, who police one another similarly for signs of ‘giving up’ (Stanley et al. 2016; White 2010). As in Skeggs (1997) and Jones (2011) research, debtors stigmatize and suspect one
another of lacking in resolve to pay their debts, and of being at risk of becoming a disgusted subject.

There is therefore an intersectional connection between class, gender and debt; which manifests through stigma, labelling and disgust. For the debtor this is felt affectively as shame, guilt and fear (White 2010). It is significant that working class and female debtors are those who are most often labelled, stereotyped and stigmatized as being cognitively delinquent (Walker 2011), as this feeds into the scapegoating process previously discussed and ties all of the theories together through the moral foundations of debt.

4.7 Conclusion
Each of these theories contributes something different towards a holistic theoretical account of indebtedness, and of the reasons a debtor would not utilize debt relief processes. In working under this framework I also focus on the human elements of the debt crisis, which are often overlooked or understated.

Sociologically and philosophically my theoretical framework is most influenced by Foucault and Senellart 2008, but also researchers working within a Foucauldian ethos such as Rose (1999) Miller, Burchell and Dean. I am primarily using Foucault’s theory of governmentality to reveal the ways that debtors are problematized and governed within Irish debt policy, and how this is actualized and operationalized within different institutions, such as the ISI. Broadly, I argue that debtors are ‘governed at a distance’ through a neo-liberal regime of truth, which encourages debtors to be responsible for their own self-care by critically comparing themselves to a fictive ‘other’ debtor who is functioning well despite the economic crisis.

This governance is accepted by debtors due to their belief in ‘the good life’ outlined in the theory of cruel optimism, where what we desire is ultimately an obstacle to our flourishing. Many debtors have now fallen into arrears such that they will likely never be able to own their house. Regardless they keep trying and as they become more likely to lose the object of their attachment, their attachment to their houses becomes more and more rooted in fantasy and idealizations. Debtors nevertheless feel anger over this and displace the frustration they feel at their situation onto other debtors, who they feel are those who are truly responsible for their misfortunes.
This ‘other’ debtor serves as the scapegoat for the debt crisis, and Girard’s (2013) theory on mimesis provides an explanation for how and why this happened. Over time, the mutual desire of many people for the same object leads to antagonism, which builds to a point of critical strain. The antagonism is then expressed by the blaming of a particular scapegoat for various problems, be they social, cultural, or economic. The scapegoat is then ritually sacrificed, which I argue happens symbolically (rather than literally) in Ireland through vulture funds.

Finally, the scapegoat tends to be a stigmatized subject who is labelled and pathologized as abnormal or deficient in some way. I have argued that intersectionality theory helps us understand this by examining who is blamed (the working classes; women) and making the connections between them more explicit. In doing so the consequences of the stigma, labelling and class disgust discourses are revealed in the form of stress, anxiety, depression or even suicide.

These theories help to shed light on the interlocking problems faced by debtors when they seek debt relief, at the level of policy and process, which I will explore in more detail in chapter 7. In the next chapter I discuss my methodological principles, including my epistemological positioning, sampling, data analysis and ethical considerations, with an overall focus on how I collected data and developed my understanding of the ISI at an empirical level.
Chapter 5 Methodology

5.1 Introduction
This chapter addresses the methodological considerations of my research project. For organizational purposes this chapter has been written in a layered way that presents the research I conducted in an ordered, structured manner. However the actual undertaking of the research was more complex than this, and often I would move between the different sections, starting another before the previous section had been ‘completed’. For example, although it appears towards the end of this chapter, my ethical considerations were one of the first things that I confronted during my research. The process of qualitative research is not overly given to linear structure, and more often appears as an iterative circle (Hennink et al. 2011; Flick 2009), where one part of the research may be studied or written about in a given moment, before moving on to a related part of the research and repeating this process many times.

I would often be confronted by the practicalities of seeking out participants and attempting to recruit them for my project, but this would cause me to consider my ethical positioning, the goals of my research, the research question(s) I had posed and my own reflexive positioning. Having completed the interview, I then transcribed it, leading to early-stage analysis through the exploration of themes, narratives, and anecdotes emergent from the interview process. In turn I would then reflect on, and re-read literature relevant to my research project, finding that some would shed more light on my project and others would become less significant over time. This process of constant revisions, where theory is emergent from the data is called grounded theory (Corbin and Strauss 2008).

I begin in section 5.2 with my epistemological underpinnings and assumptions, the state of knowledge I had at the start of my research and what I believed could be learned by utilizing an interpretivist epistemology over a positivist one. A brief outline is then offered explaining why I chose a qualitative research paradigm. I then discuss how I developed my research question(s) and how my theoretical framework interfaces with a qualitative research project.

In section 5.3 I explain how I devised my sampling frame, and how I recruited those samples to participate in this project, along with the gatekeepers and difficulties I encountered.

Following this in section 5.4 I discuss my methods of data collection in a more structured and focused manner. I explain why semi-structured interviews were the best method for answering my research questions. I also elaborate on my interview guide, what I did to
establish rapport and how I probed my participants for additional details where this was relevant. Short biographies of my participants and their contexts are offered in appendix A.

Section 5.5 provides details on my data analysis. My analysis was based in a grounded theory approach, which emphasises the importance of allowing findings and theory to emerge organically from an intensive study of the data. This is opposed to the researcher choosing a theory or conceptual framework and applying it to the data, regardless of context. I discuss the process of how I went from open coding to axial coding, then selective coding and eventually found the “core phenomenon” of my research project, based around the process of applying for debt relief. Further details on findings and analysis are offered in chapter 7 (findings).

Section 5.6 contains my ethical considerations, including how I obtained ethical approval from my university, what I did to maintain the confidentiality and anonymity of my informants, what I did to ensure that my participants had informed consent. However, the first discussion section of this chapter begins with a review of my epistemological considerations.

In section 5.7 I go through my verification procedures, and detail how I gave my thesis the greatest possible amount of methodological rigour by using these procedures. These include triangulation; peer review; clarifying my biases; member checking; offering a rich thick description of my data; subjecting my thesis to external audit and explaining how my thesis is theoretically (though not empirically) generalisable.

Finally, I detail the limitations of my study and conclude my methodology.

5.2 Epistemology and Method

5.21 Epistemological Assumptions
I begin this discussion of my project’s methodology by first examining the epistemological assumptions which underpin my research, and which guided me throughout the research process. Epistemology refers to the study of knowledge (Oxford Dictionary of Sociology 2009, p.221), and involves questions such as: what can be known, how can knowledge be acquired, and “what is the relation between the knower and the known” (Denzin and Lincoln 2008, p.31)?

In the social sciences, there have been, broadly speaking two dominant traditions of how epistemology can be conceptualized, interpretivism and positivism (Hennink et al. 2011).
These traditions (or paradigms) are often placed as completely opposed, although this is not strictly the case (Corbin and Strauss 2008); regardless I begin with the latter and will contrast it with the former.

Positivism argues that the social world can be studied objectively, thus there is a single social reality that can be studied or measured (Hennink et al. 2011). As such, research under the positivist paradigm is seen as value-free and the researcher will not interfere with the research due to their beliefs or contexts (Flick 2009). Positivism is the paradigm of the natural sciences (Hennink et al. 2011), and its epistemology argues that in order for new knowledge to be gained the researcher formulates a hypothesis, often (though not always) based on statistical models, and then tests that hypothesis by collecting new data and analysing the accuracy of the hypothesis (Hennink et al. 2011, p.14). This paradigm has been critiqued extensively (Denzin and Lincoln 2008; Hennink et al. 2011) for assuming that the researcher can separate themselves from the subject of their research, and comment upon it in objective terms with no mediating influences due to their personal experiences, culture or upbringing.

Interpretivism by contrast “emerged largely in response to these drawbacks of positivism” (Hennink et al. 2011, p.14). Rather than adopting an epistemology which is objective, the interpretivist paradigm argues that reality is subjective; therefore each person’s accounting of it will be different. Interpretivism is thus interested in the insider or ‘emic’ perspective (Hennink et al. 2011), which can reveal the meanings, perspectives, feelings, and beliefs of the researched population in question. Interpretivism is thus sensitive to the social and cultural context within which experiences occur. The world is therefore often said to be ‘socially constructed’ (Hennink et al. 2011) in interpretivist research and meaning is seen to be deeply contextual, owing much to the given historical moment, as well as the positioning of particular individuals or social groups within their societies. Interpretivist research also argues that the researcher brings their own personal beliefs, experiences, and social context to the problems or topics that they study. The researcher must therefore be vigilant about their own contexts so that it does not affect the research process; this vigilance is generally called reflexivity (Denzin and Lincoln 2017) which I explore in the next chapter.

As mentioned earlier, these traditions are often seen as being completely opposed; however some methodological research strategies which are seen as interpretivist (such as grounded theory) have significant positivist influences (Hennink et al. 2011, p.15). As such it is more common to think of epistemology as a sliding scale where a researcher may fall nearer to
positivism or interpretivism, rarely becoming completely invested in one over the other (Corbin and Strauss 2008).

In this project I have adopted an epistemology closer to interpretivism than positivism (Corbin and Strauss 2008). In order to answer my central research question (why is a particular service failing to attract applicants) it was necessary to access the meanings, perceptions, and beliefs that my participants had about this particular service. Emergent throughout the research process was the finding that in many cases my participants had beliefs about the service which were outdated or lacking in context. However these beliefs still drove their decision not to use the service, and an interpretivist epistemology was more adept at accessing these beliefs, and understanding the meaning participants attached to them. In the next section I explore how this epistemology led me to a qualitative research framework, and ultimately the theoretical frameworks used to answer my research question(s).

5.22 Qualitative Research: Suitability
Having been drawn to an interpretivist epistemology it became necessary to choose a framework within which my epistemological assumptions could operate at a sociological level.

Qualitative research focuses on beliefs, meanings, and contexts. It seeks to acquire highly detailed, rich information from a smaller number of participants than quantitative research (Denzin and Lincoln 2008). For this reason qualitative research is often said to be ‘narrow but deep’, offering a ‘thick’ (Hennink et al. 2011, p.238) description of the data which includes the aforementioned contextual information. As previously mentioned qualitative research seeks to access the ‘emic’ (or insider) perspective. This is the perspective of the researched from their own point of view, and it is contrasted with the ‘etic’ or outsiders perspective. This critical engagement is often referred to as ‘Verstehen’, or understanding (Hennink et al. 2011, p.17). This process of developing understanding is sometimes erroneously presented in a binary manner, where one either fully understands the perspective of the researched, or one does not understand it at all (Corbin and Strauss 2008). In the context of qualitative research, Verstehen is better understood as a process where one goes from less understanding to more, and ‘complete’ Verstehen is not an attainable goal (Denzin and Lincoln 2017). Despite this, one can learn a great deal about the researched population and develop a sophisticated knowledge of their positioning, beliefs, customs and so on. To engage with this process of
understanding, the researcher must not place themselves in a position of moral, intellectual, or social supremacy and must instead allow their participants to describe their own lives from their own perspectives, in their own contexts and using their own themes or concepts (Hennink et al. 2011). Qualitative research will therefore be subjective, but it will also be rich in depth and meaning, which makes it ideal for studying complex interactions and processes (Denzin and Lincoln 2017).

This made qualitative research ideal for my project, as I wished to access the opinions, beliefs, anecdotes etc. of those people who qualified for debt relief, but chose not to use it. The quantitative fact that over 100,000 people qualify for aid was already known (Central Bank of Ireland 2012; 2018) (see chapter 1 for further explanation), what was lacking were the contextual reasons behind this number. Having decided upon qualitative research and determining that the general approach was suitable to my project, I started to more comprehensively work on my sampling frame and recruiting appropriate participants for my research.

5.3 Sampling, Recruitment and Access

5.31 Purposive and Snowball Sampling

In social sciences research a sample refers to a subset of a population being studied (Flick 2009). It is impractical for an individual researcher to acquire information from an entire population at once, except in unusual circumstances such as when a census is taken (Flick 2009). In quantitative research, sampling is random so the researcher deliberately removes themselves from the process of choosing who fills out their survey or participates in the research. Quantitative research is considered scientific when the sample chosen is random to prevent the researchers’ biases from affecting the results (Corbin and Strauss 2008), and is of a statistically significant size, which is usually at least 1,000 people though this may change depending on the population studied (Flora 2017). The term for this is representativeness (Flora 2017). This enables the researcher to make inferences about the whole population, though a smaller subsection of a larger group has been studied (Flora 2017).

In qualitative research the question of sampling is more complex because what is sought is meaning, rather than statistically significant results or outcomes. Because qualitative research is considerably more in-depth, the participants will have a relationship of sorts with the researcher and both parties will learn about one another. This should not be overstated however, as research is fundamentally about the researcher acquiring information from their
sample, and this places their participants in a vulnerable position (Flick 2009). Qualitative research is therefore said to use purposive samples (Corbin and Strauss 2008), rather than random samples. A purposive sample is one which has been chosen by the researcher with some kind of design or purpose in mind (Hennink et al. 2011).

Snowball sampling builds on this non-random sampling, and is a type of purposive sampling (Hennink et al. 2011). The term comes from the tendency for a snowball rolling down a hill to acquire more snow and grow larger the further it goes. A snowball sample often starts with just one or two participants, and having interviewed them the researcher then asks them if they have any acquaintances, friends, or family who may be in a similar position to them who would be interested in participating in the research. Having a personal introduction makes the process of recruiting participants much easier, as establishing rapport and initial contact can sometimes be the most challenging part of participant recruitment (Flick 2009).

Additionally there is the question of how many interviews are appropriate. For many qualitative researchers, the answer lies in the principle of ‘saturation’ which is reached once new themes, topics, narratives (etc.) have ceased to come up in the interview process (Corbin and Strauss 2008; Flick 2009; Hennink et al. 2011). In other words, new participants are repeating the same points as previous participants. This generally means that the threshold for interviews has been reached, and each interviewer gets there at different points.

In the next section I address how snowball sampling worked in practice for participant recruitment, including the strategies I used and the problems I faced during the process.

5.32 Access, Gatekeepers, and Recruitment
Qualitative studies often research populations in vulnerable situations, such as drug addicts, prisoners, or children (Flick 2009). As a consequence, gaining access to participants and being able to recruit them to participate in the research can be a significant challenge. As discussed in the previous section, I used a snowball sampling technique of participant recruitment. While this provided options once the first two or three participants had been recruited, this section will discuss how I gained initial access to my participants and the gatekeepers who were recognized authorities in my populations’ communities. Recruiting participants for this research proved to be highly problematic, on many occasions a participant had agreed to an interview, but cancelled shortly before the interview was to take place, or after the pre-interview phase had been completed.
The first step of participant recruitment is to define the research populations which are to be recruited (Hennink et al. 2011, p.85). This enables the researcher to draw boundaries around their research, as even in very specific research topics it is possible to fall victim to tangents or unrelated strands, which can cost valuable time and energy. The specific nature of my research question (see section 1.2) enabled me to define my chosen populations quite easily, and to develop a preliminary conceptual framework of what kind of data I wished to learn from them.

As my research had to do with the problems a particular service was suffering with, I decided to begin with those individuals who should have been using the service, but weren’t. Having conducted previous research in a similar area (Roche 2012), I already possessed a network of contacts in large amounts of debt and were likely to need access to a debt relief service. I contacted the nine participants who made up my previous sample, and four of them agreed to new interviews. Once these had been done I was able to begin assembling my snowball sample by requesting that my interviewees pass on information about my research to those people in debt they knew personally that they thought might be interested in an interview. Through snowball sampling, this yielded six additional interviews (a total of ten) which were completed shortly afterwards.

While this was ongoing I had used several other strategies of participant recruitment. The first of which was an advertisement I had developed for my research which offered details on my research and encouraged anyone interested in participating to contact me to receive further information. While I was contacted by dozens of debtors during the first year of my research, five were prepared to proceed to a full interview. Many had misunderstood the advertisement and thought it was a free counselling session for people in debt, or that there would be some kind of financial reward offered for participation. This took my total number of interviewees up to fifteen, and these interviews were all conducted in the summer of 2016.

The next strategy was to join several public groups on Facebook, for ethical reasons I do not discuss which specific groups I recruited my participants from. Two of these groups in particular had a large number of members who were indebted and upset about (as they stated) the mistreatment that they had experienced at the hands of the Irish government and/or their creditors. They also scorned the perception of general society that they felt stigmatized them as individuals who made poor financial decisions. In my case, the administrators of these groups were the gatekeepers I had to negotiate with for access. On Facebook an administrator
is a volunteer who gives up their time to manage a particular group, which is dedicated
towards certain topics of discussion. Administrators are responsible for removing content
which is not appropriate for the group in question, and for sanctioning members who break
the rules (e.g. by insulting other members or making posts which are off-topic).

While the groups were accessible publicly, it would not have been appropriate to contact
individual members or make group posts without the consent and knowledge of the
administrators. After several private message exchanges with the administrators of both
groups they had agreed to let me discuss my research with their members. However, only one
group allowed me to make a post advertising my research to its members. This post contained
a broad summary of my research along with what prospective participants would be expected
to do (i.e. sit down for a one hour interview, discuss their experiences and so on), with my
research information document uploaded to this post as an attachment. This was done with
the provision that my topic would be deleted after one week, as the administrators did not
wish to give the impression that they were affiliated with a university, or with a particular
researcher.

The second Facebook group was more difficult to gain access to. After several message
exchanges and deadlocks with the administrators it was eventually agreed that I could email
one of them my research advertisement, and they would share it among a small number of the
members who they knew to be dealing with debt issues. From both of these groups I was able
to gain access to another three interviews with debtors who were interested in participating,
which took me to a total of eighteen interviews, and concluded my data collection with my
first population, as I had reached saturation.

My second population of interest for this research was with those frontline operators of the
Insolvency Service of Ireland, called Personal Insolvency Practitioners (or a ‘PIP’). Initial
contact with these PIP’s via email were responded to with a mixture of hostile suspicion,
combined with a restrained desire to participate under specific conditions. The PIP’s did not
wish to have the service be perceived in an even more negative light than it already was, it
had already come under sustained attack by elements of the Irish media, politicians, and was
not well-liked by the general public. PIP’s feared that participation in my research would
only deepen this problematic perception of the service in the public sphere. Notwithstanding
these issues, I was eventually able to persuade four PIPs to agree to a semi-structured
interview.
The pre-interview phase with these PIP’s lasted for almost an hour in each case, much longer than I was used to. Three of the four asked me detailed questions about my research experience, what I intended to do with their data, and many questions about the nature of their anonymity. After repeated assurances that they would have control over the content and nature of the final transcript, these three PIPs agreed to a full interview. The fourth PIP proved to be much more open to the interview process and there was a very short pre-interview phase lasting approximately 15 minutes. Once the interview had actually begun however, they proved to have remarkable insight into the problematic nature of the service, but they also emphasised their limited power to effect change. They continued to express concerns after the interview that they not be portrayed as overly harsh, as they were only doing the jobs which they had applied for and been asked to do.

The third population I desired to conduct interviews with were politicians who serve Ireland at a national level Teachtaí Dála (TD’s), and therefore have a responsibility for, and influence over the creation of national debt policy. However early in the research project it turned out that few, if any TD’s had an interest in the service and its operations. Many TD’s I emailed or telephoned asked me if I would instead be willing to interview them about the new controversial service established to manage Ireland’s water supply. When I informed them that this would not be possible they usually ceased contact with me quite abruptly and would not respond to follow up contact. While this was disappointing, I found that I had already acquired a huge amount of data sufficient to carry out a thorough analysis of my central research question.

5.4 Methods of Data Collection

5.41 Semi-structured Interviews
Having decided upon qualitative research as explained in sections 5.21-5.22, and recruited my participants as explained in the previous section it was necessary to choose a method by which I could access data about my chosen populations. Qualitative research has a rich and diverse selection of methods by which new data can be collected. In this section I will explore some of these options and explain why I came to use semi-structured interviews as a method of accessing my participants’ experiences.

Flick (2009) argues that no researcher comes to their research as a blank slate. Each is a person with their own experiences, beliefs, culture, and prior training, and it is therefore likely that they will have some interest in one method of data collection over another.
Because of this Flick (2009) argues that researchers often do not consciously choose a research method, rather the research question, the researchers’ personal characteristics and previous training often narrow the field of choice to two or three likely candidates. This is not to say that the other methods are not even under consideration, but researchers inevitably can only utilize the tools and skills available to them.

Initially I had considered observation as a method (Hennink et al. 2011), but there was no ‘natural’ external environment within which I could observe the behaviours and activities of debtors. I had wished to observe the interactions between the debtors and the PIP’s, but inquiries told me that this would be impossible and that the meetings were strictly private. I had already undertaken similar previous research as an undergraduate (Roche 2012) with debtors on the verge of bankruptcy, and knew that focus groups were unlikely to work. My participants had felt a great deal of guilt and shame about their inability to repay their debts, and generally have difficulty seeking help, even if their problems are severe and becoming more severe with time (Walker 2011; Stamp 2016). This means that they generally dislike the exposure of a focus group environment, even with those going through similar experiences (White 2010).

I decided that interviews would be the most appropriate research method. An in-depth interview would enable me to engage with the person in a setting they were comfortable in, in a manner where they had control over the flow and outcome of the interview. Further, other research has identified the mental health challenges which are faced by debtors (White 2010), and found that a private interview can give the debtor a space within which they can vent or discuss their problems in a non-judgemental environment (Mind 2008). After reviewing the different types of in-depth interviews, I decided to pursue semi-structured interviews as a method for data collection. Unstructured interviews (Flick 2009) were unsuitable because my research is focused on the performance of a particular organization and the experiences of my participants as they interact with this organization. An unstructured interview ran the risk of the interview spilling over into unrelated topics or anecdotes (Flick 2009). By the same token a structured interview was too inflexible to be appropriate (Hennink et al. 2011). I did not go into the research process by assuming that I knew what the outcomes would be, and acquiring unique experiences from my participants was important for the validity of the research. Otherwise I ran the risk of simply presenting my participants with a list of questions which had arisen in the literature or theoretical elements of the research project, which can produce an ‘echo chamber’ effect (Flick 2009).
By contrast a semi-structured interview allowed for a good blend of flexibility and focus, keeping the participant focused on the question at hand, but remaining open enough to discuss new possibilities as they arose in the interview. As previously mentioned (see section 5.1) the process of interviewing is an iterative cycle, having completed one in-depth interview, new data, themes, concepts would arise as informal analysis was taking place, and this would inform and change the questions I asked and the manner I adopted in the following interviews. I discuss the full implications of this in the next section, which explores the interview process, my interview guide (the questions I asked and why), and how I went about establishing rapport with my participants and the careful manner in which I probed them for further information.

<table>
<thead>
<tr>
<th>Name</th>
<th>Occupation</th>
<th>Debt Details</th>
<th>Background</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paul</td>
<td>A retired languages teacher. Approx €250,000 in debt (€200,000 secured / €50,000 unsecured), Paul fell into debt distress after helping his children through a difficult time in their lives. A short time later he was made redundant, leading to more debt problems.</td>
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<tr>
<td>Sarah</td>
<td>A retail worker approximately €100,000 in debt. She came to be in debt after deciding to return to college as a mature student, but found she did not qualify for any financial aid schemes. She is currently having difficulty making regular repayments due to insecure part-time work.</td>
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<tr>
<td>Roger</td>
<td>A chef approximately €150,000 in mortgage debt. His difficulties started when his partner was disabled following an accident and was unable to work. Roger had to get a second job as a consequence and now works very long hours.</td>
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<tr>
<td>Michael</td>
<td>Self-employed and approximately €180,000 in debt (€100,000 mortgage / €80,000 business). He expanded his business under advice from his bank just before the economy crashed in 2008, and is at risk of having his house repossessed.</td>
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<tr>
<td>Amy</td>
<td>A writer approximately €100,000 in mortgage debt. She applied for a mortgage when work was plentiful, but she lost her job and now writes as a freelancer which considerably reduced her income.</td>
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<tr>
<td>Jane</td>
<td>A nurse approximately €340,000 in debt (€300,000 mortgage / €40,000 unsecured). She encountered problems when her mortgage was purchased by a ‘vulture fund’ which increased her fees and interest significantly. She is now at risk of repossession.</td>
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<tr>
<td>Barry</td>
<td>A self-employed jeweller approximately €280,000 in debt (€250,000 mortgage / €30,000 unsecured). His mortgage went into arrears following his disability in an accident, rendering him unable to work as often or efficiently as previously.</td>
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<tr>
<td>Michelle</td>
<td>Works in customer service, she is approximately €33,000 in unsecured debt. Michelle grew up in an underprivileged environment and needed a payday loan to pay her rent and avoid eviction. She has been unable to pay the loan back ever since due to rates of interest over 40%.</td>
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<tr>
<td>Name</td>
<td>Debt Details</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Rachel</td>
<td>A manager approximately €95,000 in debt (€80,000 mortgage / €15,000 unsecured). Her mortgage fell into arrears when she left her job following repeated sexual harassment that her employer did nothing to stop. She was blacklisted in her industry and has been unable to get another job.</td>
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<tr>
<td>Aileen</td>
<td>A medical services worker, currently working part-time industry, she is over €100,000 in debt (€76,000 mortgage, 24,000 unsecured). Aileen has loans from her time as a medical student in addition to her mortgage debt.</td>
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<tr>
<td>Mona</td>
<td>A part-time lecturer approximately €105,000 in debt (€100,000 mortgage / €5,000 unsecured). Due to the insecure nature of her work, her income is highly variable, combined with her banks’ aggressive repayments policy she has fallen into arrears.</td>
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<tr>
<td>Simon</td>
<td>Works in technical support, he is approximately €120,000 in mortgage debt. He purchased a mortgage during the height of the economic boom and now has difficulty making repayments after a congenital health issue was discovered.</td>
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<td>Ciara</td>
<td>Works as an administrator, she is approximately €116,000 in debt (€95,000 mortgage / €21,000 unsecured). She refinanced her mortgage in 2007 and was able to make the repayments until her partner passed away.</td>
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<tr>
<td>Tara</td>
<td>Tara is the only non-white participant in this research project. She is approximately €50,000 in unsecured debt. She has encountered a great deal of racism in Ireland and found she could only acquire loans at a very high rate of interest.</td>
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<tr>
<td>Laura</td>
<td>Works as a customer care advisor, she currently has no debt as her house has been repossessed following several years of legal battles. She was formerly in €195,000 of debt, which she was unable to pay after her partner left her.</td>
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</tr>
<tr>
<td>Sean</td>
<td>A PhD student approximately €120,000 in debt. He has irregular insecure work at his university which renders him unable to make regular repayments on his mortgage.</td>
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<tr>
<td>Max</td>
<td>Currently working as a technical support advisor, he is approximately €105,000 in debt. He was forced to assume responsibility for his parents’ mortgage when they were hospitalized. He found the situation much worse than it initially appeared and has been struggling to get back to solvency ever since.</td>
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<tr>
<td>Rick⁶</td>
<td>For ethical reasons I do not discuss this participant in the same manner that I do the other participants. See chapter 6 on reflexivity for more details.</td>
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</tr>
</tbody>
</table>

**Figure 5.1: Participant Profiles**

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⁶ Throughout this remainder of my thesis I will sometimes make reference to 17 participants in debt rather than 18. My final participant (Rick) is not discussed in detail or quoted with my other participants for reasons explained in chapter 6 (reflexivity).
5.42 The Interview Process

My research concerned two samples, recruited through strategies I have mentioned previously (see sections 5.31-5.33). The first sample were those individuals who self-described as being in debt distress, and who believed they qualified for aid under one of the ISI’s schemes. Many of these participants had been in debt distress for years, and once recruited into the interview process; spoke about their experiences very enthusiastically. This sample was interviewed in two phases. In the first phase I interviewed 15 participants.

These participants were recruited from six different counties in Ireland, the majority from Waterford (4), and Dublin (4), but also Galway (3), Cork (2), Clare (1), and Carlow (1) between May – August of 2016 (inclusive). These interviews lasted approximately one hour (mean time 57 minutes) and were semi-structured. A pilot interview was conducted in early May 2016, which led to some revisions in the interview guide before the full interviews commenced. While these interviews produced a great deal of data, I did not think that saturation had been reached with this sample, as new themes, narratives and discourses were continuing to emerge from further interviews. Because of this I sought interviews with three more participants during August 2017, which took place in Dublin (1), Cork (1), and Galway (1).

The second sample were those individuals working as the frontline operators of the ISI, PIPs. To be recruited for this sample a participant had to hold an Insolvency Practitioner (IP) license, easily checked on the ISI’s site which maintains a register of all those individuals with licences, along with an email address and phone number by which they can be contacted. For ethical reasons I will not discuss where my participants are located, as the number of PIPs in Ireland has never been greater than 161, and is currently (August 2018) reduced to 109 license holders (Insolvency Service of Ireland 2018). This means that sharing their location offers a reasonable chance that an informed reader would be able to discover who my participants were.

Four interviews were conducted with this sample, the interviews were once again semi-structured, but had a mean length of 1 hour and 16 minutes, longer than the previous average. While I had problems with recruiting this sample, those PIPs who did agree to an interview spoke at considerable length with the problems they felt were preventing the service from operating at maximum efficacy. These interviews took place in the spring / summer of 2016, between April – August. Each of these interviews were quite similar, with repeating themes...
and common narratives which enabled me to reach saturation quite quickly. Each of the PIPs had the same problems with the operation of the service, but were also highly critical of the applicants (i.e. the first sample).

In the cases of both samples, transcripts were written up no more than two weeks after the interview had taken place, anonymised, and emailed to the participant so that they would have a record of the transcript. Additionally they would also have a chance to object to anything they thought would compromise their anonymity within the project. I was able to maintain this timetable and while no participants from the first sample (debtors) objected to the transcript, the second sample (PIPs) was more critical. Each of them requested several changes be made to the transcript to protect their anonymity, including redacting any name (including a pseudonym) or description from various people they had mentioned in their interviews, and various descriptions which they had offered of the fundamental operations of the service, which they believed would render them identifiable to another PIP. These changes were made, and the participants consented to the inclusion of the second draft of each of their interviews in my research.

I will now move on to an explanation of my interview guide, and the kind of questions I asked in the interviews and why.

5.43 Interview Guide Design and Revisions
A significant part of conducting interviews of any kind in qualitative research is for the interviewer to bring a guide with them. Essentially this is a list of questions and probes that the interviewer has written down in advance (Flick 2009). This helps to remind them what questions to ask and to ensure that the researcher does not lose track of their research questions or topics in the midst of the interview. This is important as interviews can sometimes go on tangents or address corner topics which may be interesting in their own right, but which do not discuss the research questions (Flick 2009).

The interview guide is generally broken up into four broad sections, an introduction, the opening questions, the key questions and the closing questions (Flick 2009; Hennink et al. 2011). The introduction is offered by the researcher before the interview starts, and is generally a piece of prewritten text which reminds both the interviewer and the participant of the purpose of the interview, and the general trajectory of the research around which the discussion will take place. After this the researcher will ask the participant their name, gender, age and other details which may be important to the research. In the case of this
After the introduction has finished, the participant was offered a consent form, and their signature on it confirms their willingness to participate in the interview of their own free will. Once this has been done the interview can begin, which starts with the opening questions. These are short, but open questions which begin the process of rapport building by encouraging the participant to talk about experiences they have extensive knowledge of (Flick 2009). In this research I began each interview by asking the participant to tell me about themselves, who they are, where they come from and so on. Most participants were comfortable talking about this, and gave brief outlines of their childhoods, and then progressively more detail as we came up to the current day (teenage years, young adult etc.). Follow-up opening questions are related in a tangential way to the overall research project. As my project was related to indebtedness, one of my opening questions was how much training or experience did the person have with managing money. At the beginning of the project it was also apparent that many of my participants were suffering with social exclusion. They lack the funds to fully participate in society, to go to parties, or on holidays, or even to take a moderately expensive trip to visit nearby friends or family. As such one of my original opening questions was “Do you still get out as much as you used to?” I removed this question after the first few interviews however as my participants found it confusing or unclear.

After the opening questions have been covered, and the interviewer has established some rapport with the participant, the researcher begins to ask their key questions (Corbin and Strauss 2008; Flick 2009; Hennink et al. 2011). These are the most important questions for the interviewer, as they relate directly to the research question(s). In this phase of the interview the researcher will generally use a lot of probes (Hennink et al. 2011), or questions of clarification to ensure that they have not misunderstood the participant when they offer details about their experiences. Probes are also used to gain clarification from the participant to ensure that something important has not been misunderstood. The key questions in my
research revolved around how the person has been coping with indebtedness, and what their interactions with the ISI have been like. I was highly interested in personal stories, contexts and anecdotes of their experiences with PIP’s, but also with their friends who are in debt and recommended or warned against the ISI.

Once the key questions have finished it is important to wind the interview down (Hennink et al. 2011), and this is where the closing questions come in. In many cases qualitative research addresses research questions which are personal for the participant, and place them in the vulnerable position of discussing themselves, while the researcher is in the privileged position of asking the questions without needing to reveal any personal details (Flick 2009). It is important therefore to have a closing phase to the interview, which allows the participant the chance to ‘cool down’ (Hennink et al. 2011) and disengage themselves from the interview process. Closing questions are often generic and apply to the participant only tangentially. For example in my interview guide, a closing question was “Do you think your experiences are common in Ireland today?” This allows the participant to disentangle themselves from the interview by talking about people other than themselves. The final question I asked in each interview was usually “Is there anything you would like to talk about that we have not discussed?” This allows for the participant to bring up any subjects or topics that they would like to speak about, facilitated by the openness of the interview environment.

The design of my interview guides went through several phases. Before I conducted my pilot interview, all of my questions were deductive (Hennink et al. 2011). This meant that the questions were those that emerged from extant research, from theoretical paradigms in my research area, to literature I had reviewed. Following the pilot interview, issues I had not anticipated became significantly important, particularly the stories and anecdotes about how they came to be in debt to begin with. These are inductive questions, as they emerged from the data and the research process (Corbin and Strauss 2008; Hennink et al. 2011). As I continued and completed more interviews, the number of deductive questions were steadily reduced and replaced by inductive questions. This process took place over at least two years of my PhD work, and does not even begin to describe the difficulties encountered around rapport building and probing, which will appear in the next section.

5.44 Probing and Rapport

Rapport is one of the most important components of the interview process. If the interviewer and their participant do not share a harmonious common ground and mutual respect, then
communication will suffer and the interview will be an awkward and difficult environment for both parties. Some of the strategies I used were mentioned in passing in the previous section on developing an interview guide.

However, rapport building happens long before the interview takes place, and is in fact occurring from the first contact between the participant and the researcher. During these initial meetings both parties will be evaluating one another, and will be deciding if participation in the research project is a sound idea. From the participants’ point of view, the research may appear obstructive or pointless, as they will be giving up an hour of their time and will not gain from participating in any material way (Corbin and Strauss 2008). However, they may be interested in participating to relate their experiences to a non-judgemental third party, or simply to voice their opinions and views aloud, which they may not have been able to do before. From the researcher’s perspective, it is important that the participant be the ‘type’ of person who is being sought for the project, i.e. that they fit the research sample, and are from an ethical perspective capable of participating in the interview.

During this pre-interview phase I calmly and patiently answered the questions of my prospective participants, and tried my best to show that my interest in their experiences was genuine. I offer more details on this in section 5.62 on informed consent.

It is also important to build and maintain rapport throughout the interview, and the level of rapport will generally increase and decrease depending on the stage of the interview. In the ‘introduction’ stage (see previous section) the relationship between the participant and interviewer may be strained or awkward. However by giving the participant the opportunity to settle into the interview environment during the ‘opening’ questions, they will feel more comfortable with talking about themselves and their experiences. This leads into the part of the interview with the key questions (generally regarded as the most important part of the interview), which is where the researcher asks the participants about their most important research questions (Flick 2009). After this the existing rapport will enable both parties to wind down the interview and approach the closing questions in a quick and easy manner.

Following the interview process, the data must be analyzed, and while some analysis takes place informally during and shortly after the interviews, the next section will explain the strategies I used for full analysis.
5.5 Data Analysis

Qualitative research allows for many different types of data analysis, and in this research, the general principles of grounded theory were essential for data collection and analysis. Broadly speaking, I was utilizing Corbin and Strauss’ (2008) grounded theory, but with additional insights from Creswell (2012), Hennink et al. (2011), Flick (2009) and Clarke (2005). Grounded theory holds that data are analysed in a circular fashion (Corbin and Strauss 2008). Rather than a single allotted time period where all of the data were analysed together, data analysis begins as soon as the first interview has been conducted. There is no perfectly reproducible step-by-step process, however there are a set of guidelines which were followed. In the case of this research, it was additionally important to keep the data analysis focused on the goal of the project: understanding why the ISI is underused.

Grounded theory suggests that even while the very first interview is ongoing, that analysis is beginning to take place (Corbin and Strauss 2008). At this early stage the researcher is attentive to important details, themes, or narrative experiences that the participant is attempting to relate which are significant for them, and therefore for the research. This data can be arrived at in many ways, but it is useful to break them down into two broad categories, deductive and inductive (Hennink et al. 2011).

Data are collected deductively from the information, assumptions and findings that the researcher brings to the project. This can come from the literature or theory the researcher has read prior to the interview, and the expectations that the researcher may have about what the participant is likely to think or believe (Hennink et al. 2011). It is important that data collected deductively not crowd out or prevent the participant from sharing their point of view. Data are also collected inductively, which are the insights and revelations that participants bring to the research by sharing their unique experiences (Hennink et al. 2011). Hennink et al. 2011 argue that without inductive insights, qualitative research does not offer anything unique in the research process. This research involved both.

Data analysis was aided by NVivo 11, a computer program specifically designed for qualitative researchers to analyse their data. Interviews were transcribed verbatim from audio recordings taken by the researcher, with the informed consent of the participant and imported into NVivo 11. As noted previously, there is no hard and fast step-by-step process; however the following methods of analysis were used, approximately in this order.
Once the interview(s) had been transcribed and anonymised, they were each read completely from start to finish, with areas of importance highlighted and annotated for future analysis. This initial reading following transcription was important to identify issues which may not be apparent at a later date, for example the tone of a participant's voice when they identified a particular issue may not be remembered if the first reading takes place too long after transcription (Flick 2009). Creswell (2012) considers this phase to be one where ‘open coding’ takes place, i.e. that the first significant codes are only beginning to be identified. After this initial reading has been finished, and the most apparent issues have been highlighted and annotated, harder data analysis and the search for explanatory codes begins (Creswell 2012). As mentioned previously, codes can be deductive (from the researcher, literature etc.) or inductive (from the participants), most tend to be from the latter (Hennink et al. 2011). In my data, the first codes discovered were deductive codes found through the process of writing a literature review and becoming invested in the literature and theory of the area. A simple deductive code found through the literature, which was reinforced inductively within the interviews was the notion of debt stigma (White 2010), and the myriad ways my participants dealt with the stigma they faced in everyday encounters. At this early stage, these codes were noted in annotations within the interview transcription file and saved for the next steps of analysis.

While this analysis had been ongoing throughout the interview process, it was only once the interviews had finished that more comprehensive analysis could be conducted. Following from the early-stage readings, fourteen interviews were selected to be deep coded. These were ten of my participants in debt, and all four of the PIP’s I interviewed. While every interview I conducted was transcribed, read, annotated and coded, Hennink et al. (2011) stress that the sheer volume of data inherent in qualitative research makes it necessary to select a smaller portion of the total number of interviews to go through a process of deeper coding, which Creswell (2012) refers to as axial coding; it is both more sophisticated and more detailed than open coding. This involved, once again, reading these interviews from start to finish, this time however the interviews were read multiple times and with even more attention than previously. I followed the selection process identified by Hennink et al. (2011) to choose which interviews to axially code, prioritizing a variety of experiences, backgrounds, genders and ages as much as possible. As such I chose five male and five female participants, from different parts of Ireland, who had each engaged with a different PIP, but who all had mortgage debt.
During axial coding the researcher is searching for the ‘central phenomenon’ of their research, a core topic of key importance that will binds all the findings together (Creswell 2012; Flick 2009). A process of comparing and contrasting the interviews, to one another and to the literature of my field was inevitable at this stage of the research. Through these deep readings, I was specifically paying attention for repetitions in the data (Flick 2009), which signal topics of importance to the participant as they were willing to bring them up multiple times. Aside from this however, there were several other factors I was searching for in my readings of the data, such as topic changes (Corbin and Strauss 2008), which can indicate a possible deflection by the participant from something which makes them uncomfortable, or the directing by the participant from unimportant topics to important ones.

To document this process in as rigorous a fashion as possible, I created a codebook in NVivo 11 to help keep track of all my codes, which interview(s) they were present in and also document the process by which they changed over time. Once a code had been identified, it was labelled and connected to the relevant statement within the transcription. Each future instance of the code occurring in another interview was then 'connected' to this repository of codes in NVivo 11 and explanatory notes were added.

The cyclical nature of qualitative research arises here, as interviews were repeatedly read, re-read, some topics or information was coded but was later de-coded as not as significant as initial impressions suggested (Creswell 2012). Once this process of coding had been gone through multiple times, refined and re-examined for any signs of misplacement or unsuitability, the next step was to begin theorising my findings (Corbin and Strauss 2008; Creswell 2012).

Grounded theory holds that theory is developed as an explanation for the facts or data of the research, going beyond simple description (Corbin and Strauss 2008). For research conducted along the principles of grounded theory, this means that any theory used to explain why the data are related should emerge inductively from the data (Corbin and Strauss 2008; Hennink et al. 2011). This does not mean that the researcher must invent a theory from scratch, but it does mean that the researcher must allow the data to guide them to the theory they use (Creswell 2012). This does not necessarily exclude previously extant theories, but it does mean that the data has suggested that they are appropriate for use in the research.

Emergent within my data were a whole set of problems my participants had with the operationalization of the ISI. They found the service confusing, and felt that it placed barriers
within the applications process where none needed to exist, for reasons they could not quite understand. I used Foucauldian theory, specifically governmentality theory to understand these processes, primarily because governmentality theory does not pass prior judgement on the legitimacy or moral authenticity of organisations, institutions or forms of power. Governmentality theory instead assumes that institutions are governed by practices, and that these practices have their own reasons, rationalities and logics for doing what they do, and my objective was to examine these practices both specifically and holistically to understand how they fit within the matrix of the ISI’s operationalizations. For example the strategy of normalization inherent in how the service governs its subjects (debtors), whereby the service’s documentation presents an idealized version of a ‘normal’ debtor who budgets and demonstrates the principles of restrained spending (Insolvency Service of Ireland 2018).

I later expanded my theoretical paradigm to incorporate several other paradigms. Foucault’s (2015) discussion on the confession was used to examine the interview between the debtor and the PIP, which I had long felt was a crucial part of the process. Berlant’s (2011) theory of cruel optimism helped me explain why my participants would put themselves through the process of debt relief, rather than simply giving up. This was because my participants repeatedly grounded their homes in their perceptions of themselves in the future, no matter what happened to them, the house would remain, and was in-fact part of a whole set of beliefs and dreams about living what Berlant (2006; 2011) terms ‘the good life’. Additional insights over time led me to further expand my theoretical framework; once when I noted that my participants had widely experienced sexism and class disgust, leading to the inclusion of a whole set of discussions on intersectionality, and again when my participants repeatedly blamed and scapegoated others as the true cause of their suffering, leading to a discussion on Girard’s (2013) theory of the scapegoat.

The process of obtaining a working theoretical explanation was one of the most challenging parts of the project, and I was reminded at several points by my supervisors not to force a theory if it did not fit what my participants were saying. As with all qualitative analysis, theoretical development was ongoing from the very beginning of the research, and was constantly revisited in line with the cyclical nature of qualitative research and analysis (Creswell 2012; Flick 2009). Broadly speaking, once my codes had been developed, I began the process of grouping these codes together into discrete categories. Many codes around the general topic of economic difficulties (job loss, health related expenses, emergency expenses, pay stagnation, increasing interest rates) were folded into a single categorical code around
'financial difficulties'. Once this process of categorizing was well underway, I began theorizing in earnest, attempting to find explanations that linked these various categories together in a single overarching explanation. While there is never truly a single totalizing explanation that accounts for all participant experiences, my goal was to obtain an explanation that covers the widest breadth of experience while also being rigorous. Creswell (2012) calls this the ‘core phenomenon’. One early stage core phenomenon that was explored was the notion of 'coping', and this was something that many participants spoke to me about in the post-interview phase of the research. This generally means that participants felt that they were "not living, only surviving" and that simply making it to the next day as an indebted person was a challenge in and of itself. Over time it emerged that the core phenomenon did not lie in any single element of the services’ operation, but rather was dispersed throughout the process of applying for debt relief. Further discussion of this can be found in chapter 4 (theoretical framework) or 7 (findings).

5.6 Ethics

5.6.1 Ethical Approval, Benefice and Justice
In this section I discuss two core factors which are necessary if a piece of research is to be done ethically. Firstly I discuss how and when I obtained ethical approval from my university to carry out my research; secondly I discuss how I have ensured the anonymity of my participants.

At the University of Limerick, all researchers interested in conducting research that involves human subjects must first acquire ethical approval, which I obtained in December of 2015 (reference number 2015-12-05-AHSS) from UL’s Faculty of Arts, Humanities and Social Sciences Ethics Committee (FAHSS). The application required me to discuss my research in great detail, including my research questions, sample questions of what I expected to ask my participants, my sampling frame and so on. Once submitted my application was read by an experienced academic committee including lecturers and peers, who voted on whether or not my research met the FAHSS’ ethical standards. I was approved to carry out my research on the 5th of December 2015. As part of this application I also agreed to several terms, i.e. to store my participants’ data safely, to ensure that I was not too aggressive in asking questions during the interview process, and to ensure that my participants’ anonymity and confidentiality is not compromised. First however I discuss the issues of benefice and justice (Hennink et al. 2011), which I faced from an early stage.
Benefice involves a careful consideration of who will benefit from the research (Hennink et al. 2011). Hennink et al. 2011 encourage prospective researchers to think about who the research is being conducted for. Is it primarily for the benefit of the researcher, the participants themselves or some other third party (e.g. a government organization). Researchers often persuade themselves that the research is being done to benefit the participants (Flick 2009), to improve their communities or quality of life. However it would be unethical for a researcher to promise more than they can offer in this regard, as that would involve misleading the participants of the research. In this piece of research, my ambition was to generate a detailed understanding of the problems with the ISI, which would enable me to make sophisticated commentaries about its problems, and in time, possibly change it. However I was careful in my information letter to take account of benefice, and not suggest that I would be able to definitively change the law, as this can be a long and difficult process with many different competing interests.

Justice builds on benefice as a concept (Hennink et al. 2011) by having the researcher reflect on whether or not they are simply exploiting the research population in some way for their own gain. For example if the researcher used deception to collect their data by lying to their participants, that would be a breach of justice (Hennink et al. 2011). One of the problems I had with securing participants for full interviews was that they were in debt and I was not. Several potential participants decided not to proceed with a full interview because they believed that due to our differing life experiences, and the fact that I was not in debt, that I would not be able to understand their experiences (I discuss this more in the next chapter on reflexivity).

Throughout the research process I remained aware of the importance of benefice and justice, as well as the agreements I had made with my university’s ethics council. The next section examines how I negotiated the ethical elements of my research as it was ongoing and after my data had been collected.

5.62 Informed Consent, Confidentiality and Anonymity

The previous section explained how I gained ethical approval from my university for this project, and situates my ethical considerations before I had conducted any interviews. This section examines how I took account of ethics as my data collection was ongoing and after it had finished.
Each participant in this piece of research was given the information necessary to have informed consent (Flick 2009). I take informed consent to mean that the participant has been informed in advance of the interview what participating in the research will entail (Hennink et al. 2011). This advance notice enables the participant to consider their options and allows for the chance for them to withdraw.

Informed consent is an important part of conducting ethical research, as otherwise participants may join the project and be surprised or made uncomfortable with some of the questions they are asked (Creswell 2012). I assured that my participants were able to give their informed consent by using three key strategies (Hennink et al. 2011).

First, when participants were contacted they were sent the information letter via email or offered a copy in person, this letter contained significant details about my project. Additionally, the letter contains details of what is expected of the participant by joining the research project, and offered some sample questions that approximated the questions from my interview guide.

Second, having received this letter the participant was given at least one day to read the letter and reflect on what I had said with respect to participating in the project. This enabled a prospective participant to consider what participating in the project would involve, and the participant was not put under pressure in the moment to join the research project.

Third, assuming that the participant wanted to, they were invited to a pre-interview meeting, where they were free to ask in an unstructured manner, any concerns or questions they had about the project. Nearly all of my participants availed of this option, at the beginning of the research many prospective participants decided they did not wish to participate for various reasons. However, as the research went on and I became better known within the community of debtors, it became easier for me to answer the questions of potential participants and ease their concerns about joining the project.

Having conducted an interview, the first major ethical consideration encountered by a researcher involves maintaining the confidentiality of the participants they contact. This applies to both those who agree to be part of the project, but also those third parties who are identified by participants (either accidentally or on purpose) during the course of the interview. In effect, it should not be possible to identify a participant through this piece of research, either in the transcript or through quotes which are used. Such identification can
happen in several ways, e.g. speech habits, landmarks, or regionally specific terms. In some cases participants will name or describe individuals who they have personal contact with, and it becomes necessary for a researcher to anonymise this information to protect these people.

In all cases the anonymity of participants is maintained in a few key ways. Firstly the transcripts are carefully read and examined to see those instances where the participant uses names, these are changed, renamed to something nonspecific or removed altogether. In my transcripts it was common for a participant to name their school or college. In order to ensure they could not be identified the name was changed to [college in Ireland]. Anonymity is also maintained by sending the anonymised transcript to the participant so that it can be read over and checked by them. Anything they wished to have changed was changed without hesitation.

Finally confidentiality is maintained by following the terms I agreed to with the ethics committee at my university. For example I agreed not to share any specific details about my participants with anyone except for my academic supervisors. As part of this agreement I do not store the data of my participants online, and only keep offline copies in a locked cabinet at my work desk. This helps to ensure that my participants’ data is never accessed by someone unintentionally, and helps to keep my participants identities anonymous. Additionally the consent forms that my participants signed are kept in the same place.

In order for a researcher to be able to truly conduct a piece of ethical research, they must be aware of their own internal mental processes, contexts and biases. The next chapter on reflexivity will discuss these factors and how they came to influence the research project at three stages, before it began, while it was ongoing, and after it had finished.

5.63 Ethical Dilemmas and Considerations
In this section I detail the various ethical dilemmas I ran into in the course of my research. While there were not a great many ethical issues throughout this project, each dilemma must be taken seriously and addressed as such. The first issues which cropped up were with my indebted participants, and centred around whether or not they actually did qualify for debt relief. In many cases my participants assumed that being interviewed by me meant that they had, in fact, qualified for debt relief under one of the ISI’s insolvency programmes, but that they had been cheated out of this in some way, and that by relating their experiences to me, that I would be able to locate the problem.
This was not always the case however, as the problem with the ISI’s debt relief process are many, and dispersed throughout the process rather than simply being located in a single part of it. Further, as a researcher, I was not certain that I understood the applications process well enough (particularly at the earlier stage of my research when these interviews were conducted) to advise someone on whether or not they qualified. Approximately a year and a half into my research (June 2016) I had reached a compromise with my participants that while I could not advise them on their individual applications, that I could notify them whenever the ISI or the debt relief process in general was reformed or changed.

I have had four occasions to contact my participants in this way. The first was when the agreement was first reached around June 2016. I sent individual emails to each of my indebted participants advising them that the bankruptcy system had been reformed, ensuring automatic discharge from bankruptcy after one year (so long as the bankrupt followed the terms of their bankruptcy). Alongside this I provided a simple explanation for how one would go about declaring bankruptcy, and that this would certainly (except in very unusual cases) involve the loss of their house, and possibly their car as well. My participants were generally disappointed by this information. They had sacrificed a great deal to stay in their houses, and did not wish to take any action that carried even a slight risk of them losing their houses to repossession.

The second occasion was a few months later in November 2016 regarding the Abhaile voucher scheme. As detailed in chapter 2 (section 2.45), the Abhaile scheme was launched in late 2016. This scheme allows a debtor who is insolvent and at risk of losing their house to apply for free advice from a range of legal or financial experts, including a PIP who will tell them if they qualify for debt relief. I informed my participants of the scheme and I received several emails from my participants thanking me for keeping them updated, and I know that several of my participants used the voucher system, though its effects were limited.

The third such occasion was a month later in December 2016 when I took the time to more closely examine the Abhaile scheme in its totality. The scheme had in fact made provisions for a court review to be made in case a PIA had been rejected by a creditor’s veto. This court review could overrule the creditors and force the PIA into action despite their opposition. I knew that most of my participants had applied for PIA’s, and that those who didn’t wished to use this arrangement. I advised my participants of the court review process, however it came with the stipulation that the PIP had to believe that the arrangement was worthy of a court
review, and that the PIP thought the court review had a chance of being successful. In addition to this, the review had to be sought no more than fourteen days after the PIA had been vetoed. This presented a significant barrier to my participants, many of whom had applied or made their first inquiries in 2013-2014, far beyond the 14 day deadline, and launching a full application would draw the attention of their creditors, at a moment when vulture funds are being widely discussed in Ireland.

Vulture funds have been active in Ireland at least since 2017, but did not gain large traction (by purchasing a large number of mortgages) until 2018. In February of 2018 three of my participants contacted me, spurred on by articles in various newspapers, and were very afraid that their mortgages which they felt met the definition of “non-performing” would be sold to vulture funds in the near future. While this was not strictly speaking a change to insolvency or bankruptcy, it did mark a shift in the government’s strategy for dealing with these “non-performing” loans, and I felt ethically obliged to my participants to help them as much as I could. I sent an email out to each of my participants advising them on their options if their mortgages were sold to one of these funds, but I stressed that their options were limited. I encouraged them to remain in contact with the fund, as if the fund took the debtor in question to court, they could not then allege that the debtor had refused to discuss the terms of the loan. I advised my participants that the short history of vulture funds in Ireland indicated that there would be a gentle introduction, followed by increasingly harsh forms of contact as the fund sought repossession and full ownership of the house. I also advised my participants to contact their local TD’s and newspapers, and to possibly write anonymous opinion pieces in various national newspapers to make the Irish public aware of what was happening. None of these things offer a great deal of defence against these funds, as they are operating within a grey area of Irish law, and are both wealthy and powerful.

Since this last contact, I know of no significant changes to insolvency or bankruptcy policy in Ireland. Approximately once every 2-4 months (becoming less frequent with passing time) my participants contact me to ask if the situation for debtors in Ireland has changed, and I must regretfully inform them that it is the same.

Another ethical problem I had to negotiate in my research related to individuals in debt contacting me for ‘secret’ advice on applying for debt relief. The ethical issue was that I grew to know these individuals well, and they were asking me which PIP’s (if any) were ‘good’ or that I anticipated would ‘go easy on them’. Due to my ethical responsibility to my
participants, I did not feel that I could share such information with these individuals, as I knew that it would seriously compromise the anonymity of the PIP’s who had agreed to participate in my research. Additionally, I thought that even if I had received the impression that one PIP was ‘kinder’ than another, that if my impression had not been correct, then I could reasonably be blamed for misleading these debtors. In the end I compromised with these individuals by sharing some early-stage findings about my research, and informing them of how the process worked to give them the best chance at success. I did not at any point reveal any information about my participants, or suggest, indicate or designate any PIP in particular as this would have violated their anonymity and confidentiality.

5.7 Verification Procedures, Transferability and Trustworthiness
Silvermann (1993) argues that issues of validity and reliability apply to qualitative studies in the same way as they do to quantitative studies (see also Power 2008). Creswell (1998) offers eight verification procedures and recommends that qualitative researchers use at least two of them to enhance the trustworthiness and transferability of their research. These techniques were identified as prolonged engagement and persistent observation; triangulation; peer review and debriefing; negative case analysis; clarification of researcher bias; member checks, rich thick description; and external audit (Creswell 1998, pp.201-203). To ensure the credibility of my research, I employed a number of steps as recommended by Creswell and in order that you, the reader, may be confident as to the transferability and trustworthiness of this research I now detail each of the verification procedures that I utilised in this study.

5.7.1 Triangulation
Triangulation is the process whereby a combination of different methods, sources, areas of expertise, and theories provides corroborating evidence and depth in the methodological proceedings (Creswell 1998, p.202). I utilised multiple sources (twenty two participants), multiple types of sources (PIP’s, and debtors including debtors who had secured and unsecured debts, coming from different class, gendered and educational backgrounds, who got through various stages of the ISI applications process, and were from diverse geographic locations throughout the country), underpinned by multiple investigators (myself and to a certain extent the participants themselves), and by multiple theoretical perspectives (governmentality theory, Foucault’s use of the confession, cruel optimism, scapegoating and sacrifice, and intersectionality theory) and consequently therefore endeavoured to enhance the trustworthiness and transferability of my findings.
5.72 Peer Review
This process can be said to provide an external check of the quality of the research (Power 2008). Lincoln and Guba (1985, Cited in Creswell 1988, p.202) argue that a peer reviewer acts as the person who keeps the research sincere. They do this by asking questions about methods, meanings and understandings. My research supervisors served as my primary peer de-briefers. They reflected with me on the process, on specific incidents that arose and data that emerged. Their questioning forced me to reflect on aspects of my work, which I might not have considered, prompting me to ask new questions of myself, the participants and the data. In the early stage of design and prior to beginning data collection, another PhD student also acted as a peer de-briefer. He and I spoke about how the research was progressing on a fairly regular basis, and we engaged in a process of reading each other’s work. During my PhD I also engaged with the Gender, Culture and Society PhD forum at the University of Limerick. This is a peer-led forum where students can submit working papers, ideas and presentations to their peers, and I submitted two presentations to this forum to receive feedback on my ideas, particularly the gendered elements of my research. Additionally, I submitted my work to two annual panel review meetings in the Department of Sociology at the University of Limerick. These reviews entailed my supervisors and another academic from the Department reading two pieces of my work and a report documenting my progress. The meetings proved to be enormously beneficial and the discussions and recommendations emanating from these meetings focused my research.

5.73 Clarification of Researcher Bias
I acknowledge that my research involved substantive discussion on issues of social class, and as someone who has been stigmatized and stereotyped on the basis of their class (see chapter 6), that I brought prior attitudes and beliefs about this aspect of my research, which most likely influenced the research process at some level, even if this influence was only subconscious. Harvey and MacDonald (1993) point out that even the most experienced in-depth interviewer will just have pieces of a much larger puzzle. While traditional mainstream research regards coldness, emotional detachment and role demarcation as being necessary to the research process, it is my belief that no-one can ever truly be objective, as we have our own feelings, views, interpretations and previous experiences which will impact on the research even if it is only at a subconscious level.

Consequently, a qualitative researcher, by being open about any prior assumptions, biases etc. and by being reflexive about the experience of carrying out the research, can allow the reader
to make an informed analysis of what the researcher has concluded and whether any of the researchers’ biases have impacted on those conclusions (McGrath 2000, p.7; Flick 2009). In essence, reflection helps us to minimize the impact of our biases on our interpretations. Accordingly, I have detailed this process of reflexivity in chapter 6.

5.74 Member Checking
Miles and Huberman (1994) argue that it is important that the researcher attempt to solicit the participants’ views on the findings and interpretations of the research, while Lincoln and Guba (1985, p.314 cited in Creswell 1998, p.203) consider this technique to be the most critical for establishing credibility. Debtors who participated in this study also acted to a certain extent as co-researchers, interacting with the data on several levels over the duration of the study. This was in keeping with Stakes’ (1995, p.115) assumption that the participants should be asked to examine drafts of the researchers work in order to provide their own observations and interpretations of the reality that was being constructed. Consequently, I ensured that I shared my interview transcripts, coding, drafts, and conference papers on numerous occasions individually with the debtors who participated in my research to ensure I was representing them and their experiences as accurately as I could.

5.75 Rich Thick Description
One means of achieving transferability is through the process where the reader identifies the particulars of the research process and its results and compares them to a case they are familiar with. If there are enough similarities between the two situations, they may surmise that the results of the research would be similar in the other case also. However, in order to engage in such transferability, the reader needs to know as much as possible about the original research in order to determine how similar it is to their case (Bryman 2004, p. 275). Creswell (1998, p.203) describes the rich, thick description as allowing the reader to draw conclusions concerning transferability because we present the reader with enough detail of the experiences of those we have researched, to allow the reader to relocate that information to other settings, and thus conclude whether the findings can be reassigned as a result of mutual features (see also Bryman 2004; Guba and Lincoln 1994; Geertz 1973). I am firmly of the opinion that in order to maximise the potential of national policies such as the ISI, the voices, opinions and experiences of those who participate in it must be central to decision-making, which affects and is affected by the policy. Thus, I included elements of the raw data in the form of quotations in this thesis in order to provide a rich thick description of my participants’ experiences. In addition, my findings (chapter 7) is organised in the form of a
kind of lived ethnography which I term Cicerone, which takes the reader through the ISI applications process as though they were going through it themselves. This further enhances the detail and richness of the research by making the experiences of my participants as open and apparent as they can be to the reader without breaching their anonymity.

5.76 External Audit
Finally, I utilised the procedure of external audit as a verification check. Creswell (1998, p.203) states that an external consultant who has no connection with the study should “examine both the process and the product of the account, assessing their accuracy… In assessing the product, the auditor examines whether or not the findings, interpretations and conclusions are supported by the data”. I began by comparing my findings with the existing literature as the final step in seeking verification of my research. This process involves seeing similarities and contradictions that exist between the existing literature and the developing theory. We should not ignore contradictory findings. Instead conflicting literature represents the prospect of greater understanding and literature that has resemblance to our findings can strengthen the confidence of the reader in our research (Eisenhardt 1989). I then shared my findings orally on a number of occasions at formal presentations / conferences and in meetings with my supervisors. I am confident that as a result of these procedures the reader will have belief in the validity of my research.

5.77 Theoretical Generalisation
Generalisation is a contentious issue in qualitative research. Difficulties arise from problems associated with applying quantitative criteria for empirical generalisability to qualitative research. Some researchers working within the qualitative paradigm have responded by eschewing concerns regarding generalisability in their entirety, with Creswell for example arguing that the intent of research conducted within this paradigm is not to make inferences from one one’s sample to a wider population but to illuminate the particular case one is examining (Creswell 2007, p.127). Other qualitative researchers argue that if we do not try to generalise at all then the research will not be as critical as it otherwise could be (see Mason 1996, p.6 cited in Silverman 2005, p.128).

This latter group have focused on sourcing criteria for achieving generalizability which are more appropriate to the qualitative paradigm. Many qualitative researchers have focused on the potential for “theoretical generalization” (Hillebrand et al. 2001, p.653). Bryman (1988, p.90 cited in Silverman 2005, p.130) argues that qualitative research, particularly given that it
tends to generate rather than test theory, should seek to achieve generalizability through inference to theory rather than to specific populations. Furthermore, Morse (1994 cited in Holloway 1997, p.78) argues that theory adds significantly to the existing body of knowledge when it is recontextualised, i.e. where theoretical concepts found in one situation are reapplied to different settings.

Theoretical generalization is achieved by generating and developing a framework to analyse comparable cases or through devising logical arguments in support of causal relationships, which may also hold explanatory power for similar cases (Hillebrand et al. 2001, pp.651-654). Thus, theoretical generalization is essentially concerned with presenting explanations that are conceptually framed (Hillebrand et al. 2001, p.653). These relationships are based on “empirical facts, logical argumentation, and formerly accepted theories”, with the empirical facts being the building blocks upon which the theoretical arguments are advanced (Hillebrand et al. 2001, p.654). The generalisability of the research therefore does not derive from the representativeness of the sample, but from framing the research findings in terms of theoretical concepts and relationships (which may or may not be derived from existing theory) which, through their abstract form provide for application to other settings (Greene Rodriguez 1999; see also Hillebrand et al. 2001, p.654). The findings of this study are based on my application of existing concepts (such as governmentality theory) and the development of new concepts (see for example section 7.2 on process) as a result of the research undertaken (Silverman 2005, p.128).

I now document the specific strategies that I used to enhance my theoretical generalisability, which included theoretical sampling and “the comparative approach” (Hammersley 1992, cited in Silverman 2005, p.128). However, I wish to make it clear that these strategies were not as central to accomplishing that goal as the creation of theory itself (which I have just discussed). In theoretical sampling participants are selected on the basis of their theoretical relevance (Schwandt 2007, pp.126-127). In this research, my sampling allowed me to choose individuals (see section 5.5) who could illustrate dimensions of key concepts (for example on the basis of their class, gender, quantity of debt, and experience of the ISI) and thus allowed me to assess the development of my theoretical explanations (Silverman 2005, pp.129-131). Additionally, my theoretical sample included a deviant case and this offered a crucial test to my theory development (Silverman 2005, p.133). Selecting the participants in this manner
makes my contribution to theory more robust and trustworthy and extends the generalizability of this research (Hillebrand et al. 2001, p.654).

The “comparative approach” (Hammersley 1992, cited in Silverman 2005, p.128) saw me compare my data and emergent concepts to other studies, which share my theoretical direction. Additionally, I endeavoured to attain information concerning pertinent aspects of similar cases and compare my case to them (Silverman 2005, pp.128-132). For instance, I compare my findings on representations of debtors as a moral hazard to Walker’s (2011) discussion on ‘cognitive delinquency’ and White’s (2010) construction of the debtor as a guilty subject. The comparative approach consequently allows me to make stronger claims about my analysis and “directly tackles the question of generalizability by demonstrating the similarities and differences across a number of settings” (Perekyla 2004, p.296 cited in Silverman 2005, p.129). In this sense my literature review (see chapters 2 and 3) is also central to the generalizability of this research (Silverman 2005, p.129). Accordingly, I believe that I have taken sufficient steps and provided sufficient detail for the reader to apply and / or compare my theoretical concepts to their own particular case. In essence, I argue that this thesis offers theoretical generalization.

5.8 Limitations and Conclusion
This project used a qualitative research methodology in order to study the reasons behind the institutional problems being suffered by the ISI. I chose a qualitative research methodology because much of what can be learned quantitatively is already known, for example how many mortgages are in arrears (71,833), for more than 90 days (48,538), how many people have opted for the Central Banks restructuring solutions (117,334) and so on (Central Bank of Ireland 2018). My project was distinct because it spoke directly to those who qualified for aid under one of the ISI’s schemes, yet chose not to avail of it, something which has continued to baffle policy makers in Ireland (Oireachtas 2017).

Getting in contact with these individuals was relatively easy, but getting them to agree to a one hour interview was much more challenging. Many of them were active members of various online fora, and were suspicious of potentially judgemental outsiders who would make them feel vulnerable. It was my intent from the beginning of the project to conduct my research in a strictly non-judgemental and ethical way, and offer the interview space as a place where the participant could express their thoughts openly without fear of reproach. As I began to successfully obtain more and more interviews, I found it easier to build a larger
sample, as participants I had already interviewed gave me the contact details of friends or acquaintances who they believed would wish to participate. This technique of snowball sampling enabled me to interview a large number of participants in a relatively short period of time.

My research was not without its methodological limitations however. It was my intention to interview TD’s about their views and opinions on the ISI as an organisation, but for various reasons this never happened. There are also wide swathes of the data which will not be used in this research, due to constraints of time, space, word count and the research question. In brief: only data which aided in answering the central research question was included in this document, which leaves out many different discussions (e.g. on debt stigma).

It is important to repeat what was mentioned in the introduction of this chapter, that qualitative research is an iterative circle, rather than a linear process, particularly with respect to my findings. Though chapter 7 is dedicated to discussing my findings, analysis was being conducted in an unstructured way before the first interview had even been finished. At that point analysis was restricted to an examination of the literature and theories in my project’s area, however even at this early stage I was speculating about what I would find, and analysing similar cases to help me discover what the problems with the institution might be. Chapter 7 begins at the end point of this process, and is exclusively concerned with what I discovered in the course of doing this research project. Before that discussion takes place however I will first discuss my reflexivity.
Chapter 6 Reflexivity

In this chapter I discuss three elements of my reflexivity, starting with my life experiences and choices which preceded my starting this project, including my undergraduate and postgraduate work. I discuss this in terms of ‘personal reflexivity’ where the researcher’s personal experience and biases can have a potential effect on their work (Hennink et al. 2011). I then move on to my reflections on the project itself, and the challenges I had to navigate in seeking ethical approval, collecting data and so on, which I discuss in the context of ‘interpersonal reflexivity’ (Hennink et al. 2011), or the manner in which the researcher can positively or negatively influence the research environment between them and their participants. I finish with my thoughts on the project now that it has concluded. I will open with a brief discussion of what reflexivity is, and why I have dedicated a chapter of this thesis to talking about it, and though this chapter structurally appears after my methodological considerations and ethics it is intimately tied to them as reflexivity often comes back to reflections on the data collection process.

6.0 Reflexivity

6.1 Personal Reflexivity

Reflexivity is more common in qualitative research than it is in quantitative research (Flick 2009), as it involves the researcher reflecting on their subjective experiences, biases, contexts, and choices and how these may influence the research project. Some qualitative research is conducted by researchers who are intimately connected to the subject they are studying. For example LGBTQ communities can be difficult to access as an outsider, but someone who is already within that community may find it easier to be accepted as a researcher (Flick 2009; Hennink et al. 2011). The process of reflexivity exists to ensure that researchers subject themselves to the same level of critical scrutiny that is delivered on the participants who gave their time to make the study possible.

The first thing I reflect on here are my previous experiences and life choices which impacted my decision to pursue a qualitative research project at PhD level. I am from a small working class community just outside of Waterford city. Growing up I saw a great deal of unemployment, homelessness and alcoholism that made me feel determined that I should not end up the same way. At a younger age I did not really understand why these things happened, but felt that it would be to my benefit to attend college and was accepted to a Bachelor of Arts program at the Waterford Institute of Technology which I started in 2009,
majoring in sociology. This was also the last year before the student grant payments and means testing process were revised, something which heavily impacted the community I came from, because while I was able to get my fees paid, friends of mine who were a year younger than me were rejected the next year, despite living next door to me in very similar conditions. They were instead forced to seek insecure, low paid work in poor working conditions. As time went by, and especially in my second and third years of study I felt highly alienated from people I had known since I had been five years old. In my final year (2012), I became interested in why my community (like so many others) had deteriorated instead of improved over time. During my studies I was inherently suspicious of explanations that all social problems were caused by a single domineering force (capitalism, neoliberalism, toxic masculinities etc.) as my own experience had given me the impression that a single structural issue could not be responsible for all the problems I had witnessed. As such I became attracted to Foucault’s discourses on power, truth, silences, history and governmentality as a way of understanding what was happening.

Having spoken to people in my local community over the course of my degree everyone had been blaming the economic downturn, in particular the structure of the economy prior to its fall, which encouraged even those with limited incomes to borrow large amounts of money. Following the economic crash, even those scarce opportunities which had made life sustainable began to dry up and the government began to pursue those who utilized nixers (undeclared work upon which you pay no tax) much more harshly. Those people who were most open with me about discussing their problems were those who had borrowed for a mortgage and as they said themselves, were having ‘buyer’s remorse’ (Roche 2012). They felt as though they had been receiving a single message from those agencies or individuals who were supposed to guide and advise them. That message was that they should get a mortgage as quickly as possible; otherwise they risked being left behind. At this point I was in the final semester of my studies and was under pressure to choose a topic for my undergraduate dissertation. I decided to pursue research in the area I had grown up in (and surrounding areas which were similar) by addressing the question of the mortgage crisis which at that time (2012) was very serious, though the full consequences of it had yet to bloom. Due to the stories and anecdotes which had already been shared with me, I felt inclined towards a qualitative research approach, which I felt would help me capture the devastating impact the mortgage crisis at a human level. I was interested in discovering the stories, anecdotes, meaning and contexts behind the crisis in my community.
In the course of this research I was repeatedly told a similar story: that my participants had first been encouraged to go to college to get a degree. While at college you were supposed to meet your life partner. Having graduated, you should get a full-time job, settle down and with great alacrity purchase a mortgage. This story held true for each of my participants who felt that they had been tricked by those in power into doing something that was to the advantage of the Irish economy in a general sense, but disastrous to them on an individual level. I analysed this using Foucault’s regime of truth, which helped me see what the dominant discourses were at the level of the state and society. What my participants were telling me made sense, economists, the media, the government and even my participants’ themselves, as well as their friends and family had gotten sucked into this singular belief about the importance of the property market.

Personally I was hit hardest by the desolation I witnessed in my local community. While I did not come from a wealthy background, there was (with very few exceptions) enough food to eat, our house was well-heated and we were never at risk of being evicted. When I began to conduct my interviews I saw hardship that took me off guard. In one of my first interviews I recall being in the kitchen of a female participant whose son I had known for many years. She offered me a cup of tea, which I accepted; she then had to withdraw the offer under great embarrassment after remembering that she could not afford tea or coffee anymore. After several months of work I was able to complete my undergraduate dissertation, and graduated with first class honours. I was never able to forget the people I had interviewed, and those experiences humbled me to a great degree and made me grateful for what I had.

In the aftermath of my undergraduate degree I was considering my options with regard to employment and further education. Work was scarce and many of my fellow students complained that they would never get a job in their degree areas. Having finished my undergraduate dissertation, I became quite disoriented and uncertain about the capacity of research to change the world, particularly my research, which I felt had no impact aside from my own belief that it was important. At this point I entertained the idea of studying psychology at the master’s degree level, this time in a capacity as a counsellor or similar role. I was also exhausted from over two decades of continuous education, from primary school to undergraduate level and felt that I needed a short break to recharge myself.

Before I could do either of these things I was invited to participate in a summer research project, the Waterford Unemployment Experiences Research Collaborative (WUERC),
dedicated to studying unemployment in the relatively impoverished south-east of Ireland. I found myself conducting qualitative research once again, I discovered that I enjoyed doing research in this way and that I was also quite good at it. I agreed to join in as a research assistant and saw what collaborative research could look like, as the research was done with fifteen other research assistants and four lecturers from the Waterford Institute of Technology. The research lasted from early June until late August (2012) and involved interviews with unemployed people, ethnographies of unemployment offices, geographical analyses of privileged versus underprivileged areas and more. It was a helpful experience that energized me somewhat to continue with sociology, and after a gruelling and unsuccessful job search I decided that I would return to study in September 2013.

I was determined however that the year would not be wasted and I applied to volunteer in a few different charitable organizations, but the only one I ended up working for was The Samaritans. They are a helpline / email service dedicated to helping those in emotional distress, with a specific focus on people experiencing thoughts of suicide. I was surprised to learn as part of the training for this service that many of those who called were experiencing debt distress, and the service even had a special training day explicitly to focus on helping those in debt distress. I recognized many of the strategies I had used as a qualitative researcher were being utilized in The Samaritans, such as active listening. I worked in the Samaritans for a year, but I had a particularly bad week in July 2013, shortly before starting my MA where I had several suicidal callers in a row, including one who repeatedly stated that she wanted to suicide on the call. I felt that at this point that the service was having serious negative effects on my mental health, and as I was just about to start my MA studies, I decided to stop working as a volunteer.

I applied for various MA degrees at many universities, and was accepted to WIT, NUIG, UCC, UCD, TCD and UL. In the end I chose UL for various reasons. While I did enjoy studying at WIT I felt that I needed a change of environment if I was going to thrive, at this point I had lived in the same house in Waterford city for almost 20 years. The other options were all attractive, but ultimately I was not in a secure financial position to live in Dublin or Cork, and was uncertain about what I could expect at NUIG. However, I had supportive friends and family in Limerick, and I knew I could rely upon them. I had also heard from my supervisor, Dr. Boland in WIT that the teaching staff at UL were particularly good, and that he had personal relationships with a few of them. I moved away from home in August 2013 and started my studies on the MA in Applied Social Research at UL in September 2013. It
was invigorating to live in a completely different environment and I found that I was more energetic about sociological research than I had been in the preceding two years. When it came time to choose a topic to study for my MA dissertation, I found it a little easier this time around (though still difficult and intimidating).

When it once again came time for me to produce an original piece of research via my MA dissertation, I chose to study identity within the sphere of online representation. My research was a qualitative project, using semi-structured interviews to gain insight into why some representations of the self were more common on people’s Facebook profiles than others. This represented a break for me from economic sociology, which had been my focus all throughout my third-level education. I found that while I did appreciate a topic change, that I didn’t engage with the research in the same manner that I would have had I been doing a piece of debt research.

6.2 Interpersonal Reflexivity
Following the conclusion of my MA I made the decision to pursue a PhD in sociology, and the remainder of this discussion is given over to my reflections on my project both while it was ongoing and now that it has finished. In accessing reflexivity while the research process was ongoing I am drawn to Hennink et al.’s. (2011) concept of ‘interpersonal reflexivity’ whereby the researcher:

“[…] recognizes that the interview setting and the interpersonal dynamic between the researcher and participant can influence knowledge creation” (Hennink et al. 2011, p.20).

If interpersonal reflexivity is not taken into account then it is possible that the participant may feel uncomfortable in the research process, if for example an inappropriate interview location is chosen, or if good rapport cannot be established.

In my context, I am a younger researcher and was 24 years old when I started my three year PhD. As my research proceeded, it became more obvious over time that those who had run into debt distress were, for the most part, those people who had taken out mortgages during the Irish economic boom and who had now fallen on harder times. As such they were generally aged 35+ and subjected me to extensive critical scrutiny, as not only am I a younger researcher but I also look younger than I am. This created a great number of problems that I initially found quite frustrating, as I found that I could get many people to agree to a pre-
interview. However when many of my prospective participants actually met me, they were highly dubious that I would be able to relate to them and understand their experiences. I assured them that the interview was a space for them to talk about the issues from their own perspectives and that I would do my best to discuss the problems they were having in a way that would make them feel more open about the process. Despite this, for each participant who agreed to a full semi-structured interview I estimate that three participants met me and turned me down. Though I did find this experience frustrating at the time, I knew that I had to respect my participants’ privacy and their right to refuse the interview.

Over time I became better at effectively assuring my participants that I was capable of empathizing with them. I would inform them that I had already interviewed several people in similar circumstances. I also became better aware of my frustration and annoyance in the pre-interview stage of the research and realized that I may have unconsciously been allowing my anger to influence how I behaved in that environment, which would not have been appropriate or productive. As I conducted more interviews I found that by the time I had done my tenth interview that by simply remaining patient and calm during this period that many more participants were agreeing to interviews than had done previously. I also became more conscious and aware that while the interviewees’ house is usually a space that they are likely to feel comfortable conducting an interview, this was less the case in my research. For many of my participants, their houses had come to represent their failed attempts at prosperity and inability to manage their financial problems. Because of this their houses did not provide security and comfort, but rather made them feel self-conscious and uncomfortable, as they could not shed the idea that I was judging them in a space they felt vulnerable about. In my later interviews I took this into account and offered to have the interview take place in a different setting, such as a room at a local university, or the private space at a public library. Five of my participants took me up on this offer and were much more at ease in these spaces than previous participants had been in their houses.

In addition to this I knew I had to take account of the differing contexts between myself and my participants. It is highly likely during the course of the research that the researcher will encounter people whose life experiences differ significantly from their own. For my own part I encountered participants from different racial backgrounds, social classes, genders and with various levels of debt. One of the things which concerned my participants greatly was whether or not I had debt problems of my own (now or previously). When asked this question I responded truthfully to them that I had not been in debt before. While this led to some
suspicion, my participants were grateful that I had been honest with them, and it also gave them the opportunity to talk about their problems in a non-judgemental environment. Despite some suspicion, my participants appreciated that I had been truthful with them, and once we were sitting down to do the interview, it was generally forgotten within 10 or 15 minutes of the interview having started.

Of my eighteen indebted participants, there was only one who had engaged with the ISI successfully. For ethical reasons I will not discuss this participant in detail, but I will mention a few details here, as it is important to discuss outliers. This participant came from a higher class background than most of my participants, with a prestigious and more highly regarded job than was typical of my sample. From the context of the interview it also seemed that this participant (who I gave the pseudonym Rick) was receiving special treatment from a PIP that he either knew on a personal basis, or was on friendly terms with. As such Rick’s experience does not reflect the average engagement experience that a debtor has with the ISI, and it would be unfair to characterize it in these terms. However I also have a duty of confidentiality and anonymity to all of my participants, and it is therefore important not to mention any further details about Rick’s case.

A unique challenge for me was interviewing the PIP’s, who each required a slightly different contact approach. For ethical reasons I will not discuss how I contacted the PIP’s in any detail, but even once I was able to meet them face-to-face there were problems. This was the case for all but the first PIP I met, who was extremely polite and helpful in explaining how the ISI worked, and the problems they had with it. Each of the other PIP’s were quite rude and condescending to me. I will share two brief anecdotes.

In the pre-interview phase of one interview, the PIP and I were in the opening stages of our discussion and the PIP wished to know some details about my life. I told them the area where I had grown up, not expecting that the PIP had heard of it. On the contrary, the PIP had heard of it and asked me “isn’t that where all the scumbags live?” This was the first time someone had said something like this to me in many years, and it was a deeply hurtful remark, though I tried to conceal how much it had bothered me. It exemplified discourses of class disgust held for working class communities by middle class professionals, and struck me as deliberately mean. The area I lived in had developed a certain reputation for petty crime and alcoholism that I had always felt was unfairly portrayed in the media. While these things did happen there wasn’t an epidemic of drug abuse or unemployment, and what issues did exist were
often due to the neglect of the state. I responded to the PIP in these general terms who laughed it off and expressed their sentiment that the ‘scumbag’ remark had just “been a joke”.

In my second anecdote I recall being invited to the PIP’s office to conduct the interview. It was raining that day and I had no jacket as good weather had been forecast. I went to the PIP’s house, knocked on the door and when they answered I explained who I was. The PIP stood in the doorway, preventing me from entering, and looking down upon me said “give me three good reasons why I should let you come in?” I was baffled. After 30 seconds or so of tense, uncomfortable silence I eventually said “because you said you would?” It was the only thing I could think to say. The PIP seemed satisfied with this and allowed me to come in and do the interview, though I had to dry myself off first.

I found three of the PIP’s distant and difficult to talk to. When I asked them to speak to me about the problems the service had been having (the agreed upon subject of the interview) they would deflect and talk about their experiences in the legal or finance system. In my interpersonal reflexivity with PIP’s I used three distinct strategies to help ensure that I was getting the most accurate information possible from them:

1. Repetition. By repeating my question in different ways at various points in the interview I was able, over time, to get the PIP’s to share their more personal thoughts and reflections with me.

2. Externalizing. It was obvious from the outset that PIP’s feared that I would wholly blame them for the poor performance of the ISI, and they initially evaded any direct questions about the ISI. Only when I displaced them from personal responsibility would they answer questions, e.g. “If you were to reform the ISI, what would you do?” This question would often get the participant to talk retrospectively about the problems the service has, by addressing how they would fix them.

3. Feigning ignorance. While I was not as knowledgeable about the service as the PIP’s, I was also not completely ignorant, having spent a year interviewing debtors and studying the policy documents of the service before interviewing the PIP’s. I found an effective way to get the PIP’s to speak about the service was to state something untrue or incorrect, and allow them to correct me.

With these precautions and additional effort put into the interview process, I feel that I was able to gain genuine and accurate information from the PIP’s I interviewed. In general, they remained quite hostile to me, but my goal was to learn as much as I could from them to have
a holistic understanding of the ISI’s problems. I did not, as several of the PIP’s assumed, go into the interviews looking for information to deliberately undermine the service, or seek to blame PIP’s as the sole architects for the services’ issues. I began my research uncertain as to what I would find out, and it was only in the final 6 months of my PhD that I felt I had found my ‘core phenomenon’ in the process of applying for debt relief. I remained conscious throughout the process however that I may be biased, even unconsciously towards certain explanations and I did my best to remain aware of my own ideological positioning and beliefs. Thus, by taking account of my own experiences, including those I lacked (such as the insiders view of being indebted) I sincerely believe that I was better able to interact with my participants.

6.3 Post-Project Reflexivity
So far I have addressed my personal reflexivity which describes my experiences before I came to my project, and my interpersonal reflexivity explaining how I took account of my own biases during my research, I will now talk about my reflections on my project now that it has concluded. I take this opportunity to discuss some of the limitations of my research, things I would do differently, chances missed and so on.

In reflecting on my research, there were dozens (if not hundreds) of topics, themes, concepts, areas, and angles that I did not have the opportunity to explore in the course of my research. I will focus on four specific examples that, on reflection I would like to have explored in more detail if I was to conduct this research again. These topics may also be explored in future research. In summary: I would have liked to have had a broader sample of debtors (at least one from each county); that in the future I would concentrate more on debt stigma and coping as explanations for the behaviour of debtors in general (though for this specific research the findings chapter has addressed the central research question); I also would have liked to have discussed the PIP’s more thoroughly, as they are a very complex group of people; finally I would have preferred to have engaged with the ISI more directly while the research was ongoing.

As explained in section 5.22, qualitative research’s strength is not based on the number of participants, but rather the nature of their beliefs, experiences, anecdotes, stories, the meaning and texture of their lives. Nevertheless, I believe that my research would have been improved by having a sample drawn from a more evenly distributed area of Ireland. My research was heavily slanted towards the South and Eastern parts of Ireland, with most interviewees
coming from Dublin and Waterford. This is in line with ISI data, with most insolvency arrangements being completed in these two counties. When debt issues are discussed in the media in the contemporary moment (September 2018 as of this writing), they focus on two distinct areas: the growth of vulture funds; and the suicide of debtors, particularly of farmers. It is this latter issue which makes me wish that I had been able to secure interviews with farmers dealing with debt issues. I believe that this would give a very different picture to my other interviewees who were predominately individuals who bought mortgages in suburban areas during the economic boom. Having interview data from farmers and from debtors who live in areas such as Donegal, Cavan or Sligo for example would bring a different perspective, as these are predominately underdeveloped rural areas where the debt issues are quite different.

Debt stigma was a recurring theme in many of my interviews, but I do not discuss it extensively in my findings because my participants only framed it as an issue when they had already rejected (or been rejected by) the ISI. This meant it was one of the many issues aspects of the interview data I could not discuss very much because it was only partially relevant for answering the central research question, and my supervisors were adamant (and correct) that anything which did not contribute towards the central research question could not go in the final draft. Regardless, my participants shared with me stories about how embarrassed and humiliated they felt as people who had done well in school, had good jobs (etc.) now had to use charities, particularly food charities. For my participants this represented failure and was a site of profound embarrassment and mental health difficulty for them. In the post-interview phase I attempted to assure my participants that they were not facing this issue alone, and that many people were now dealing with similar problems. This was not of much help, as it did not solve the issue or make them feel less stigmatized, though some participants felt better knowing that it was not only them facing these problems.

The PIP’s were complex, and I spent an enormous amount of time analyzing all facets of my interviews with them, from my personal handwritten notes taken during the interviews, to the recordings, the transcripts, the post-interview ‘cool down’ period. As is the case with debt stigma, I would have liked to have discussed the PIP’s in a more nuanced and thorough manner. While I reached saturation for the specific research question I wished to answer quite quickly (four interviews) I felt that there was a great deal more to be discussed. Each of the PIP’s had a long history working variously in areas such as bankruptcy, finance, conveyancing, mediating between tenants and landlords and so on. As an example of where
future research could be done I think that a discussion on the recruitment process of PIP’s could be very interesting. I found it unusual that in my interviews when I spoke to them about the recruitment process they each said the same thing (word-for-word) that a PIP was someone “of a standing”. Meaning someone who was reputable, reliable, someone who had not themselves been in debt issues before, could be trusted to be responsible without much supervision and so on. Theoretically this represents a withdrawal from Weberian rational-bureaucratic authority (which the authority draws its right to govern from procedures and rules) to a kind of traditional authority (where the authority draws its right to govern from its reputation and attachment to hegemonic customs) (Parkin 2002). The PIP’s in other words are fully fledged independent experts who do not need supervision because they embody the hegemonic discourses about debt already (with a strong belief in personal responsibility and so on).

Leading on from this, if I was to do the project again from scratch, I would certainly make an effort to contact the ISI in a more direct manner. As a researcher, I felt it was my role to remain objective and form my own conclusions from the data I collected; while the conclusions of the ISI’s research are a matter of public record. They state that the lack of engagement with insolvency arrangements is due to a lack of awareness of the services’ operation. My research indicates that this is untrue; as any debtor I interacted with knew that the service existed and generally had at least passing knowledge of how it worked. Thus I felt that I should abstain from contacting the ISI and draw my own conclusions. In retrospect I wish that I had made more of an effort to remain in touch with the ISI, as this could have opened up additional avenues of research, and possibly yielded interesting interviews with the frontline operators of the ISI: PIP’s, who operationalize ISI policy at the ground level.
Chapter 7 Findings: Process; Morality; Governmentality

7.1 Introduction
This chapter details the findings of my research and establishes my core arguments around the failure of the (ISI) to get most debtors to engage with its programmes and arrangements.

Consequently, this chapter has been structured in a way that allows interrogation of the data and arguments organically. The chapter is thus presented to you, the reader, as though you were applying for one of the ISI’s arrangements. The operationalization of the service and the problems encountered by those debtors interacting with it are therefore dealt with in a step-by-step manner. This is as an alternative to frontloading several pages that wholly detail the workings of the service at a mechanical and legal level. This is intended for both ease of reading and presentation, and also places the reader in the qualitative position of experiencing the service in the same manner as an applicant, as their understanding grows so shall ours.

The process begins with eighteen debtors, all of whom are in varying levels of debt distress and wish to acquire debt relief through using the ISI’s insolvency arrangements.

I begin in section 7.2 with a debtor who has just heard of the ISI, which generally happens through word of mouth, or having seen something about the service in the media. I show the beginnings of the debt relief process from this generic debtor’s perspective, as well as the first problems which begin to crop up. These include a difficulty in finding accurate information online and the ambiguous first interactions with the Personal Insolvency Practitioners (PIP’s) – on the phone or via email. I argue that this treatment of debtors is caused by representations created by discourses at various levels of governance and society which produce a description of the debtor as a highly moral subject. At this point thirteen of my eighteen participants have elected to proceed to a full interview with the PIP, the other five dropped out after having heard distressing stories of how the ISI process works.

Section 7.3 expands on the consequences of this system and details the interview, meeting or information session the debtor is requested to attend by the PIP. At this point the operations of the service become more solidified – though few applicants like what they discover. The interview between debtor and PIP has a distinctly confessional character where the PIP tries to persuade the debtor to reveal their personal failings. The interrogative nature of this interview was difficult for my participants and only four of my participants elected to go beyond the interview to the application stage. Even those who are not discouraged by this meeting find themselves facing a difficult decision when they discover how the service
Overall, the fundamental barrier facing debtors is the very process of applying for debt relief. Additionally, PIP’s tend to repeat the moral assumptions of the Irish debt system in their interactions with their clients, who in turn resist being treated as a case study for all Irish debtors.

Section 7.31 is given over to discussing the gendered and classed aspects of debt in contemporary Ireland, the assumptions and behavioural traits that are attached to notions of masculinity and femininity, with a specific focus on how this impacts debtors directly. This is examined both at the level of policy, and qualitatively by how these gendered and classed assumptions affect my participant’s beliefs, thoughts, and feelings about the ISI.

Four of my participants elected to proceed with an application, which I explore in section 7.4. While most potential applicants have already dropped out of the process by this stage, I assume that our fictional candidate has decided to go ahead with their application. It is at this point that the full operations of the service are revealed to the debtor. If they did not already know, they are now made aware of the creditor’s power to veto their arrangement, they are told repeatedly to expect rejection (but always hold out hope for a good outcome), that the arrangement will last a long time and they will be expected to adhere to strict budgeting standards, and that their bank accounts will be observed to ensure adherence to the budget. Throughout this section I offer additional context from my interviews with PIP’s, by offering an outline of their beliefs and attitudes, contrasted with comparative quotes by debtors. Creditors engage with this process distantly but make their power felt by sending letters suggesting that it would be ‘irresponsible’ to use the ISI, and warn of ‘unforeseen consequences’ if the debtor insists on pursuing debt relief.

Of my eighteen applicants, only two satisfied the criteria necessary to proceed with an application. One of those was later turned down on a legal technicality lodged by their creditors, and the other is currently involved in a successful PIA. One successful applicant means seventeen were either rejected or dropped out of the process voluntarily. These debtors were now essentially back where they started, dealing with a large quantity of problem debt they could not pay back. As a result they now had to consider how they were going to cope in a post-ISI world, and the strategies they develop are discussed in section 7.5. I discuss these coping strategies within the context of these debtors’ continued avoidance of the ISI, even after it has been reformed.
The problems of the ISI are therefore processual; the problem does not lie in any single element of the services’ functioning but is instead dispersed throughout the operationalization of the service as a process. This extends beyond the ISI and into the stigma, assumptions and norms associated with indebtedness and articulated through neo-liberal discourses. Throughout this chapter I therefore return to the problems of the ISI conceptualized as a process. The ISI’s public statements continue to maintain that the low engagement rate is due to a lack of awareness by debtors of the service and how it operates (Insolvency Service of Ireland 2017a; b; c; 2018). This does not explain why fewer than a third of inquiries make it to the start of the process (Insolvency Service of Ireland 2018), nor why debtors form their own private groups online to discuss the ISI and form coping strategies (e.g. working a second job; using charities) as an alternative.

We begin with a fictional ISI applicant as they proceed through the process of applying for debt relief. Throughout the chapter the experiences of my participants will be told through their attempts to navigate through the applications process and the various problems they encounter along the way, starting with their first impressions.

7.2 First Impressions; Eligibility; Access
This section offers a brief overview of what the ISI does; how it functions and how most of my participants came to interact with it, in one way or another. A more comprehensive explanation of the service is available in chapter 2 (sections 2.5 onwards). Throughout this chapter I juxtapose the setup, performance and operationalization of the service with the discourses around debt which have permeated its establishment. I argue throughout that the problems of the ISI seem, in many cases to have been deliberately chosen during the services’ setup to satisfy fears that it would provide universal debt relief (see chapter 2, section 2.2 for more details). We start with the assumption that there is an applicant, who is in need of the service and has just heard of it, but does not yet fully comprehend or understand it. Our knowledge of the service will grow as this fictional applicants’ knowledge does. This method of explaining my data is experimental and has been inspired by ethnographic and narrative methodologies (Hennink et al. 2011), whereby the lived experiences of participants is presented to the reader as they occurred for the participant. As shorthand, I refer to this method as Cicerone, whereby a guide provides a walking tour to those interested in learning about the local area.
Initial interactions and impressions of the service were broad, but twelve of my participants approached the service with a sense of cautious optimism:

“It [the ISI] seemed promising, but I didn’t want to get my hopes up” (Interview with Paul).

“I liked the idea, I needed something like this, but I went in with no expectations I’d been let down too many times before” (Interview with Jane).

“Optimistic... but reserved... just in case [it didn’t work out]” (Interview with Michelle).

The other six were more ambitious about what could be achieved:

“I thought: this is it. This is what I’ve been waiting for. I’ve been suffering and help has arrived” (Interview with Simon).

“It [the ISI] seemed good, I had no reasons to be suspicious” (Interview with Rachel).

Having heard about the service on the news or through a family member debtors were keen to identify if the service could help them and if so, in what way. While it was apparent that some work had gone into building the ISI website, it was unclear what precisely the service was supposed to do for an applicant. This led at an early stage to a misalignment of expectations from those who believed that the service would write off all their debt without making bankruptcy necessary, to those who went in with a conviction that the ISI was ‘useless’ or ‘not for me’ but still wanted to find out more. This begins with the foundations of the service in 2013, which is when all but one of my participants had their first impression of the service (the remaining participant discovered the service in 2015, and has had similar experiences).

All of my indebted participants were interviewed in the summer of 2016 (see section 5.32), but had their first experiences of the ISI before it even started taking cases in September 2013 (Croffey 2013). There were concerns variously from politicians (Oireachtas 2013), academics (Stamp 2012a; 2012b), and charitable organizations (Irish Mortgage Holders Organisation 2014a) about how the service would perform. In the media there were fears that the service represented a ‘moral hazard’ (Weston 2012; Paul 2017), which occurs when one party takes a risk while knowing another party will ultimately bear the cost associated with that risk. For example a debtor who seeks a loan they cannot pay back knowing they can have the debt written down at a later date. Several different media organizations and opinion pieces warned or suggested that the ISI represented the beginnings of a programme of systematic debt relief,
shifting the burden of debt from debtor to creditor (Horgan-Jones 2014; Mortgage Brokers 2013; Brennan and Bardon 2018; The Business Post 2018; Croffey 2013).

My participants by contrast held to a kind of reserved optimism. They were hopeful about the possibilities that might be represented by the service, but fearful that these hopes would be dashed. From the outset, none of them were quite sure *what* precisely the ISI was supposed to do:

“I still, I wouldn’t be confident even now to tell you what it does, or who it’s meant to help. Is it for me? That’s the real question I was concerned with, but of course that’s the real question everyone is concerned with. I thought that, you know yourself, it would just be a long waiting list and they’d give you a hard time and then you’d get you a hand [receive help]” (Interview with Michael).

“I thought it was like MABS but it’s not even close to the same, it seemed like you had to push [work] a bit to get help, but it’d pay off down the road” (Interview with Michelle).

Some, as in the above quotes, believed that the service would have its problems but ultimately be helpful. Others believed that it was a:

“Godsend, I really needed this [debt relief]” (Interview with Rachel).

The strongest criticisms came from participants who feared that it would be like welfare organizations such as the Department of Social protection, and that applications would take a very long time to be resolved and require many appeals.

“[I thought] Here we go, just like the social [Department of Employment Affairs and Social Protection] apply, apply, apply then appeal, appeal, appeal. I dunno how they [the government] have the energy for it (Interview with Ciara).

Immediate first impressions of the service were therefore generally positive, and all of my participants eagerly sought out additional information. All used the ISI’s website and attempted to grapple with the data presented there. Some gave up attempting to find which of the three new arrangements were appropriate for them and searched for someone they could telephone or email. They discovered that the ISI has no centralized contact details, and is instead operated by independent agents who have a license – called Personal Insolvency Practitioners. This caused irritation and confusion.

“I remember thinking, who were these guys [the PIP’s]? Is this the government or not and what do... what do they *do* [participant’s emphasis]?” (Interview with Sarah).
Who was the PIP? What exactly did they do? Were they a government employee or not? Is this a state body or a semi-state body or a detached NGO? The answers to these questions were unclear, and my participants were not sure how the ISI was to be differentiated from MABS. The ISI did not (and still does not) have centralized offices in various towns / cities where a debtor can go to acquire information or seek help. This mirrors Foucault’s view of power, which is to say that power is multiple, transitive and ultimately faceless (Foucault 1995). Power has no centralized point that it can be traced back to and is instead diffused throughout social relations (Mills 2003).

First contact with PIP’s varied, but fourteen of my participants reported a strained and difficult conversation:

“He was icy. I think he was [working in the finance industry] as well, when he picked up the phone, and I even think it might have been his personal phone number it got very awkward when he figured out what I wanted. He needed to know all sorts of questions, what age was I? When did I come in debt first? Have I really tried to pay it back?” (Interview with Michelle).

“It [the conversation] surprised me by how tense it was. A service is a service, you use it or you don’t, there’s no need to be testy with me” (Interview with Aileen).

Despite this, anyone who phoned or emailed was given a one-on-one meeting with a PIP. Even at this early stage, of my eighteen participants, only thirteen elected to go ahead and have a meeting with one of their local PIP’s. The other five had heard stories from friends or family that discouraged them from attending the meeting:

“I heard they [the PIP’s] are brutal, they bring you in and savage you [treat you badly] and there’s no light at the end of the tunnel either” (Interview with Jane).

“I couldn’t go through with it John [participant’s friend] told me the kind of questions they asked him. I couldn’t face that humiliation” (Interview with Paul).

These stories are well-founded and sections 7.3, 7.31 and 7.4 discuss the other problems my participants had with the service. At the point of first contact the PIPs informed the prospective applicants that they were working professionals who were running their own businesses, not government employees. This meant that in order for the meeting to go ahead that my participants had to pay the PIP a fee. The amount charged varies but between €50 and €100 are common, and five potential applicants were discouraged by this initial cost:

“€100 might not sound like much to you, but just getting to the next week was a lot for me” (Interview with Ciara).
“I just don’t have it [the fee money]” (Interview with Simon).

“I could have paid it, but just barely, and just the once. If he was charging me each time, what was I supposed to do?” (Interview with Mona).

In this telephone conversation much of the basic structure of the ISI was revealed to the prospective applicants for the first time. As previously stated, each PIP is effectively an independent contractor who administers their own small business. The ISI delegates responsibility for administrating the various insolvency instruments to the PIP’s, and gives them the authority to implement and manage these arrangements. Insolvency arrangements can be appealed by the debtor or their creditor(s) but only to contest a point of law, not because one party did not like the outcome of the PIP’s deliberations (Insolvency Service of Ireland 2014a; 2015a; 2015b; 2016c):

The essential goal of the service is to make an applicant who is insolvent solvent again. As discussed in chapter 2 (section 2.5 onwards):

“You are insolvent if you are unable to pay your debts in full as they fall due” (Insolvency Service of Ireland 2016a, p.7).

The key word here is ‘unable’ because it implies that an attempt has been made. This certainly is how the wording has been interpreted by the PIP’s who administrate and manage the operations of the service on a day-to-day basis. However, beyond this, PIP’s are given few guidelines on how to implement the arrangements, or how the qualifying criteria (beyond the strictly legal requirements) are to be interpreted. Each PIP therefore can determine what is allowed to count as ‘unable’, and their understandings differ but share some common themes:

“Unable means, to me at least that you have suffered. You should have sacrificed something, something you really like, that’s the point when I’ll take you seriously” (Interview with PIP#4).

“If you’re unable to pay your debts, that means you need to have tried and failed. Most of these… clients, debtors just haven’t. If you haven’t thought about a second job then don’t think about the service [ISI]” (Interview with PIP#2).

“Insolvent to me is someone who has made a good fist of it [tried their best], I wouldn’t be inclined to be overly harsh but you need to keep an eye on them” (Interview with PIP#3).

This is a key example of what Rose (1991; 1999) terms ‘relays’ within the framework of his conceptual device ‘governing at a distance’. Relays are a political technology which translate
the goals of a given governmentality into action, and typically relays take the form of experts such as doctors. If a governmentality wished to encourage weight loss in its populace (for example) then doctors would be mobilized to begin a public health campaign, using their expertise to warn of the dangers of obesity, and in so doing translate the goals of the governmentality into behavioural or moral changes (Rose 1991). In contemporary governmentality there is a desire to govern through freedom, in other words to create free subjects who will govern themselves, requiring little if any intervention from the state or other governmentalizing forces (Rose 1991). The state itself also governs thriftily, and outsources or downsizes its own organisational structure to minimize its impact on the market (Foucault and Senellart 2008), in this instance the credit market. In this case we have a specific relay of the governance through freedom – the PIP. The state leaves the most important term for an application open to interpretation, which gives PIP’s discretionary power over how insolvency legislation is implemented in practice. The relay is thus given a certain measure of freedom and independence in decision making, which at once frees the state from full responsibility for their actions and frees the PIP’s to be decisive. Yet, while PIP’s are not directly managed by the state, their independence is still limited as only individuals with a particular mindset and who will reproduce the desired neo-liberal discourses around debt will be enabled to become a PIP in the first place.

Neo-liberalism’s strategy is to govern frugally, with minimal resources and support; this is well in evidence in the ISI, which does not receive a considerable amount of funding from the state, only the skeleton of its structure is paid for by the government. PIP’s are license holding small-businesspeople who must operate the service on their own, with no clerical or legal help available from the service. PIP’s are therefore incentivized to get as many distressed debtors as possible onto debt programmes, as this will maximise their income. At the same time, they have been warned that people in debt are most likely not honest, and will be quick to deceive:

“It was… suggested to me that people in debt are like people on welfare they want something for nothing. Those suggestions were right” (Interview with PIP#2).

“They [debtors] don’t mean to be tricky. I’d lie to me if I was in that bad of a situation too” (Interview with PIP#3).

A further theme of the PIP’s is sacrifice, giving up something of importance in the struggle to become solvent. For each PIP this was represented by the surrendering or sacrifice of something of personal rather than financial significance such as a hobby or bad habit:
“Hobbies. That’s what I look at [when someone applies for an arrangement]. People come in here with these ridiculous hobbies, not all of them are expensive, but they’re time consuming, I’d be thinking to [myself] ‘what are you thinking playing soccer 4 times a week, going to matches and that? Do you not have enough to be getting on with?’” (Interview with PIP#2).

“If they’re not ready to stop going down the dog track or drinking pints or going God-knows-where then what good are they [as an applicant]?” (Interview with PIP#4).

Here we have two technologies of governmentality interwoven with one another: responsibilisation and normalisation. Responsibilisation has a long history in public policy (Rose 1991, p.74) but broadly refers to the creation of moral standards which it is the responsibility of individuals to adhere to. Individuals should be healthy, fit, hygienic, well educated, have good manners etc. which builds a good citizenry and aids in the development of a great society. In turn, individuals take responsibility for their own moral development, and are in turn held to account if they fail to meet those standards. As Rose says responsibilisation:

“[...] links public objectives for the good health and good order of the social body with the desire of individuals for personal health and well-being. A ‘private’ ethic of good health and morality can thus be articulated on to a ‘public’ ethic of social order and public hygiene” (Rose 1991, p.74).

In so doing responsibilisation entails constant self-improvement, self-critique, discipline and self-monitoring, which for debtors results in an emphasis on financial well-being and financial health as an individual responsibility (Rose 1999). Experts (such as PIP’s) are crucial in the development, justification, and maintenance of these moral standards as they must be based on rational or scientific logic, and not be arbitrary or erratic. Further, once these moral injunctions have been accepted for long enough, they become normalised, integrated into everyday behaviour in a way that becomes almost invisible; but in actuality the process of normalisation takes years, or even decades to produce widely accepted new standards in conduct (Rose 1991, p.75). There is, in the above quotes, a presumption that debtors are not morally fit individuals, at best they have hobbies which are ‘ridiculous’, but at worst they engage in morally questionable vices such as gambling or excessive alcohol consumption. Attention must be called to these vices, behaviour must be reformed, bad habits must be corrected as Rose elegantly sums up:

“[...] we might term this government through the calculated administration of shame” (Rose 1991, p.73) [emphasis in original text].
Additionally, the sacrifice mentioned by the PIP’s forms part of a wider set of discourses around scapegoating in Irish public policy. Be they unemployed (Boland and Griffin 2015b); a lone parent; or a dissenting protestor (Power et al. 2016), there is often a presumption that these groups are morally deficient in some way, which typically operates by stereotyping the whole group as possessing widely disliked characteristics, such as laziness, violence or dependency. The PIP’s assume that most (if not all) debtors not only lack frugality, but are gambling, drinking or abusing illegal drugs and that this behaviour must be stopped, either through shaming them, or denying them debt relief until they make the required changes in behaviour.

Even at this early stage (pre-meeting) PIPs exemplify aspects of neo-liberal governmentality beginning with the ISI’s definition of insolvency. Underlying such a definition is the fear that the service will be left open to abuse, a fear shared by all of the PIP’s:

> “Obviously people will abuse it [the service]; pulling strokes and trying to get off it [get their debt discharged early]. You need, it’s the checks and balances, the give and the take. We’re going to give you something, some money back is what it amounts to, and you’re going to give us something, but the biggest gift is honesty, and it’s controversial but most people in debt and dealing with debt issues are not honest” (Interview with PIP #4).

Neo-liberal governmentality seeks to govern in this way. By characterising social welfare, health care, debt relief etc. as entitlements that people must earn, rather than benefits which are universally accessible, neo-liberalism creates exclusion by using market logic to design social programmes (Boland and Griffin 2017; Foucault and Senellart 2008). Under a neo-liberal governmentality, the main duty of the state is to create the conditions necessary for the market to flourish. In the Irish context this means that rules and regulations pertaining to banking and lending should be limited, as people ought to have the freedom to decide if they want debt for themselves. Competition between lenders is to be encouraged and the most successful business will be the one that offers the best rates in the most accessible manner. This produces an outcome most desirable for consumers, who should have access to a wide variety of options in the free market, and be able to consume whatever there is a market for at a reasonable price.

In practice, neo-liberalism is less objective than this. The government rarely simply creates the conditions necessary for a market to flourish, and instead tends to favour (discreetly or openly) certain businesses or business models over others (Boland and Griffin 2015b;
Foucault and Senellart 2008; Foucault 2015). Neo-liberals argue extensively against the minimum wage, social welfare, universal health care and other social programmes which they view as ‘entitlements’. Under this perspective the market cannot compete with social welfare, if a person is receiving €300 per week in social welfare, we are told that they have no incentive to seek work for less than this amount, and even a slightly greater amount will not be sufficient because they will not want to work for a long period of time to gain only a small amount of extra money, money which they already receive for doing ‘nothing’ (Foucault and Senellart 2008).

Debt relief is characterised by neo-liberalism in the same manner. It is seen as a problematic form of governance, as private organisations rarely write off debts (though they can be persuaded if full debt relief is an option). Neo-liberal discourses around debt relief show concern that debt relief may become too common, the goal therefore is to make debt relief difficult to access. It must be locked behind certain barriers, it must be hard to acquire information about, it must be available only to those who truly “need” it, and it should be offered subject to terms and conditions (e.g. you may only use debt relief once in your lifetime). Throughout this chapter I illustrate where these discourses of neo-liberal debt relief emerge, and what effect they have had on debtors and Irish society generally. The next section explores the progression of an applicant from inquiries to an official meeting with a PIP.

7.3 The Confessional Interview
Having secured a meeting with a PIP, every participant I interviewed described themselves as extremely nervous. Only three of them had discussed their indebtedness openly with someone before; the others wondered what they would say, or how they would fill an awkward silence. Repeated thoughts of cancellation or delay were entertained and then dismissed; one participant assumed it would be like a school exam:

“I thought it would be like the leaving [leaving certificate], you’re very nervous but it won’t be as bad as you think” (Interview with Michelle).

My participants went into the meeting psychologically guarded, assuming that the service would have nothing to offer, and some of these were prepared to admit that this was a defence mechanism of sorts. If they hoped for a positive meeting and it did not work out, the disappointment would be:
“[…] crushing, so I didn’t hope, I just went in to see what was what [how the service worked]” (Interview with Ciara).

However if they instead assumed failure, then any success would be a welcome surprise. In either case they were protected from negative consequences.

This section details how the one-on-one meetings between a debtor and their PIP’s went, beginning with them knocking on the door. Having done so they generally received an unexpectedly poor reception from the PIP:

“It was... I shiver thinking about it. I knocked [on his door] and as soon as he realized why I was there I could feel this atmosphere, like he was standing on the top of the temple judging me. I was some worthless failure here to be saved by him. He asked me to explain myself... this was before I was even let into the house, I recall he said “oh you’re in debt [distress] for seven years [participants emphasis] what’s that about?” I could see straight away it was going to be a bumpy ride” (Interview with Michael).

“Someone let me in, I’m still not sure who she was, could have been his wife or a secretary or something. I walked into the room, the office and he was sitting at... like this [participant sits at an askew angle] and reading a sheet on a clipboard. I walked in and asked him if he was the practitioner. He didn’t look up at me, he pointed at the chair in front of his desk [participant does a ‘you sit there’ gesture] I was there to sit and be quiet until he was ready for me. I was terrified” (Interview with Michelle).

The anxiety of the encounter was amplified in many cases by the awkwardness of the environment. Every participant who went for such an interview did so in the house of the PIP in question. The ISI does not supply resources (or even payment) to its PIPs, and many PIPs therefore interview applicants at their homes where they maintain a small office. All thirteen of my participants who went for an interview encountered the PIPs family or other personal effects of the PIP on their way to their interview, such as family photographs, children’s toys, bills or letters and so on. Both the PIPs and debtors I interviewed said that such things served to make the applicant feel like an intruder in a foreign space, one which the PIP was protective over. PIP’s argued that maintaining such an imperious demeanour had advantages in the interview environment, to help distinguish the genuine from the unworthy:

“PIP: I’d think of it as if I was mining. When you go mining, you want, you’re looking for metals or that, you know? Gold, silver that kind of thing right?

Interviewer: Sure.

PIP: But the issue is all the stone and random stuff... the blockages that are in the way...
Interviewer: What are the blockages, in this example... in this case?

PIP: Emotions usually, everyone cries during the interview, that’s normal, they’re distressed, but you need to get through that. By making them feel a bit nervous you get the process started faster, then you can get to the things that matter, the gold of it” (Interview with PIP #4).

PIP’s stated that someone who was not in genuine need of the PIPs help would therefore not put themselves through an experience like this, and would instead make an honest attempt at paying their debts.

“I’m not trying to be cruel, but there’s a lot of tricky people out there” (Interview with PIP#3).

“The dishonest ones are scared off [by the environment] then they try harder [to pay their debts] it’s not free money (Interview with PIP#2).

Responsibilisation discourses emphasise that there is a large (but unknown) quantity of individuals who are attempting to take advantage of imperfect systems, particularly welfare services (Foucault and Senellart 2008; Boland and Griffin 2015b). As such those who run these services are frequently taught that they must be vigilant for those who would abuse their trust (Boland and Griffin 2015b), something which these PIP’s suspect. While all eighteen of the potential applicants were disappointed by the ISI from its early stages, the thirteen debtors who attended a meeting felt that they were suffering even more than they were from being in debt:

“It [the interview] was painfully hard. I would rather be paying my mortgage off for the rest of my life than face that down again... [the PIP] was so degrading” (Interview with Mona).

The other five participants were discouraged from applying when they heard what the process was like, humiliation being a more significant barrier to entry than any obstruction of eligibility or legality. They eventually cancelled their interview, generally within an hour of when it was supposed to happen:

“The fear was toxic, I felt sick to my guts, I couldn’t face it” (Interview with Sean).

“An hour away and I wasn’t able to hack it [go to the interview] I had to stop” (Interview with Amy).

However, assuming that a debtor made it to the meeting, they finally received their first definitive explanations for how the service operated. The ISI offers three different types of
debt arrangement: the DRN for those with unsecured debts (small loans, credit card debt, unpaid bills) of €35,000 or less; the DSA for those with unsecured debts in excess of €35,000; and the PIA for those with secured (debt secured by an asset, usually a house or car) and unsecured debts (a PIA is the arrangement used in cases of mortgage distress). All but one of my participants were focused on obtaining a PIA, as they held mortgage debt which was in distress, and for that reason most of this discussion is given over to critically evaluating the PIA.

As previously mentioned debtors are also informed of the eligibility criteria required to enter a PIA, beginning with how the ISI defines insolvency:

“You are insolvent if you are unable to pay your debts in full as they fall due” (Insolvency Service of Ireland 2016a, p.7).

The keyword here is unable as it requires an attempt to pay your debts. While this may seem like a reasonable requirement, it is in fact very poorly defined. As previously discussed, each PIP is given the authority to decide if a debtor is legitimately ‘unable’ to pay their debts, and this has led to situations where applicants were told they must try harder:

“[The PIP told me]… if I wasn’t going to be prepared to give up something that really mattered to me then how was he to know if I was taking it seriously [participants’ emphasis]. I asked him what was meant by ‘seriously’ and he suggested that if there were some family valuables that I had inherited that maybe they would be worth a few quid, I was disgusted with him” (Interview with Jane).

“[The PIP] thought, was thinking about my dad’s ring [to sell] and I said absolutely not. It’s all I have left of him” (Interview with Roger).

Giving up family heirlooms or some other kind of inherited property would provide the PIP with proof that the person has really tried to pay their debts. Such items have a high sentimental, rather than financial value and this gives the PIP the proof they need that a person ‘deserves’ to be considered for a debt arrangement, though they would never ask directly:

“Now I would never suggest that someone should [participant’s emphasis] give away something that important [a family heirloom]. But if they have done it, I take that as a very good sign that they are a client I want to have” (Interview with PIP#2).

“You can’t ask them to give anything like that away [a family heirloom], but if they did do it then what’s done is done, and you know they’re in it for the long haul. But I will emphasise, I would never ask them to do it, I’d only ask if they have done it already” (Interview with PIP#4).
As in the above quote with Mary, the statement of PIP’s are contradicted by the experiences of debtors, who maintain that they have been asked to give up family heirlooms, even if they are of no great financial value:

“[The PIP] told me that I had to show I was ready to sacrifice an article or piece of my life to show that I was moving past the ‘old me’ and that I was taking it seriously. They said that a lot: ‘taking it seriously’ as if I hadn’t been already…” (Interview with Laura).

My participants remarked that the very structure of the PIP’s room seems to show the PIP’s power and authority:

“Aileen: Strange it was. Very strange. He was… he sat in a fancy chair, might’ve been leather, I didn’t get a good look at it. But he was… I dunno, higher up than me?

Interviewer: His chair was elevated?

Aileen: Yes. So he was higher up than me, I got this feeling like he was looking down on me the whole time, it was very uncomfortable. And all the stuff on my side of the desk, where I was sitting, it was very sparse, he kept his printer and everything on his side, as if he was worried someone would come in and rob him. It made me feel like shit” (Interview with Aileen).

Such stories are quite common, though PIP’s for their part don’t seem to realise they are doing this. Of the four PIP’s I interviewed, three of the offices match the one described above, with the fourth PIP being interviewed instead in his kitchen. Architecture and room layouts have an important function in the disciplining of subjects (Foucault 1995), for example the classroom in the 19th century which possessed elevated platforms for the teacher to stand on, enabling them to see every pupil in the room at once and prevent undesirable behaviour (Foucault 1995, pp.172-173). Likewise the Foucauldian elements of the PIP’s office should not be understated, particularly with relation to the power-knowledge dyad (Foucault and Senellart 2008). Under this theoretical matrix, power is not so much a resource which is used or accessed, but exists within a whole schema of social relations. Foucault illustrated that those who have knowledge can acquire power more easily than most, because they have an understanding of how and why social forms work the way they do. Likewise, those who have power can gain knowledge, and an exercise of knowledge inevitably requires power and vice-versa. The PIP throws a “web of visibilities” (Rose 1991, p.73) over the space, and providing us with what Dean (2012) terms a ‘signature’ of power. In Dean’s
(2012; 2018) view, we know power by its exercise, which leaves a unique signature, and the easiest way to understand and analyse it is to search for cases of it being used.

For the PIP’s, being in a commanding position over the debtor shows us one possible signature of power (Dean 2012; 2018): disciplinary power. Not in the sense that the debtor will be incarcerated or imprisoned within a total institution (Goffman 1951), but rather that the PIP is attempting to teach the debtor to confess, revealing the truth and shaming them into change. The PIP possesses certain kinds of knowledge, they know how their service works, and they know that the debtor must work with them if the debtor is to be successful in their application. The debtor however is an untrustworthy subject, and must be made to confess.

For Foucault the confession was one of the first clear examples of power-knowledge operating together. A sinner had to enter a confession box and tell the ‘truth’ of their sins (knowledge), this is an expression of their wrongful pleasures, desires, actions, beliefs. Then, a figure of authority, the priest will forgive them for their sins (power). However even the action of hearing their confession grants the priest more power over them, as although confessions are anonymous in principle, the priest will often have a personal relationship with their confessor and will know who it is. In this way knowledge informs power, and power aids in the acquisition of knowledge. For Foucault (2015) we have become a society with a unique attachment to the confession as a means of truth production:

“The confession has spread its effects far and wide. It plays a part in justice, medicine, education, family relationships, and love relations, in the most ordinary affairs of everyday life, and in the most solemn rites; one confesses one’s crimes, one’s sins, one’s thoughts and desires, one’s illnesses and troubles; one goes about telling, with the greatest precision, whatever it is most difficult to tell” (Foucault 2015, p.59).

Examples of this can be seen in contemporary justice, where swearing to tell the truth (on a bible) has become ritualized, or in welfare applications where the applicant promises to genuinely attempt to find work and agrees to a system of punishments if they are found to be lying (Boland and Griffin 2015b). The confession therefore forms part of governmentality’s disciplinary matrix of power / knowledge (Foucault 2015). The PIP demands knowledge about that which it is most difficult for the debtor to tell, and is in the exalted position of the confessional priest. PIP’s require that the debtor brings a wide variety of their personal experiences and documents with them (knowledge). They must then tell the PIP the story of how they got in debt (knowledge, which grants the PIP power over them). Further the debtor is in an even more difficult situation, as the PIP may not even forgive them, or in the contemporary case allow them to proceed with their application. It is up to the debtor to
confess their sins in an attempt to persuade the PIP to forgive them (allow them to gain debt relief).

“You always want them [debtors] to tell it as a story, that’s how you get the truth. Nothing lies like a written statement, or tells the truth like a spoken one” (Interview with PIP#2).

“It’s only once they’ve told you everything that you can start to get somewhere [in the applications process]” (Interview with PIP#4).

As implied by these quotes, debtors are often reticent and will not generally volunteer information without being forced in some way. PIP’s therefore must force the confession, they remind the debtor about the severity of their position, about the wrongdoing they are guilty of, and that complete and total honesty is required if the PIP is to take their statements “seriously”. In this way the confession is linked to responsibilisation and normalisation discourses, and the PIP is keen to remind the debtor of their responsibilities, their errors and how far from the average ‘good’ debtor they are. Foucault was aware that since the Middle Ages that confession did not always come easily:

“One confesses – or is forced to confess. When it is not spontaneous or dictated by some internal imperative, the confession is wrung from a person by violence or threat; it is driven from its hiding place in the soul or extracted from the body” (Foucault 2015, p.59).

The confessional interview between the PIP and debtor has this character at the beginning of the interview process. Debtors go into this meeting believing that they will be receiving information on how the service works, which is true, but before this information can be given the PIP first requires that the debtor share their ‘debt story’. One way or another, the story of how the individual got into debt must be spoken aloud, as the full force of ‘the truth’ will not be conveyed by mere documents. And, as Foucault says, the confession is extracted under the implied threat that if the debtor fails to cooperate then their application will not go ahead.

The PIP reinforces their status and authority with a special type of garb. Though they work from home, each PIP dresses in a suit or other business-professional wear to indicate to an outsider that they are to be taken seriously, in the same way as the priest’s vestments.

“I wear a suit [when I work] it’s not a game” (Interview with PIP#4).

“I dress up when it’s time for an interview [with a debtor], if they show up in slacks [poorly dressed] well... we know how that goes” (Interview with PIP#3).
Their honours, degrees, certificates and qualifications (the symbolic representations of their power and authority) are displayed openly on the walls. The PIP sits in a ‘higher’ position (figuratively, and literally) than the debtor, who has come to petition them for help, which once again is a normalization discourse. Debtors should be good moral subjects who are an entrepreneur of their selves, showing up poorly dressed is demonstrative of someone who has undesirable moral characteristics. This model of the confessional interview is a logical follow-on from the Catholic-familial debt system discussed in chapter 3 (section 3.3), and it is no surprise that this was introduced into the Irish system specifically. Though the Irish insolvency system was modelled on systems of ‘best practice’, i.e. the Insolvency Services of England and Scotland, both of those systems operate via an applications process that is executed initially by paperwork. In those systems only once the applicant has proved they meet the terms and conditions will they meet the equivalent of a PIP, and only to formalize the arrangement, a confessional interview in the manner described above is not utilized. One PIP was particularly critical of the changes the Irish system had made:

“Where it [the ISI] started, there are various systems [that preceded it] that I can't for one understand, how a new system was created for the ISI and the insolvency area to operate within…

[a few minutes later in the same interview]

[…] If you want to be harsh about it, they’re [debtors] only units within this deal, maybe it's a good thing, maybe it would be better that you don't meet somebody that you don't get emotionally involved in it, because humans are humans...” (Interview with PIP#1).

The ISI adopted a model of face-to-face meetings, but this PIP in particular wished that the more traditional model where a panel or group of experts would examine a particular application and make a determination had been utilized. When face-to-face meetings take place, this introduces the possibility of human error, and allows for experts to be influenced by someone telling a story about how difficult things have been for them; sidestepping the rules-based structure of a bureaucracy.

Six of my participants (about half of those who met a PIP) described a sense of liberation and relief at having gone through their interview with the PIP. Despite the stress and humiliation, it was a moment of exultation and catharsis. None of my participants had discussed their debt (sins) openly with anyone before, and the experience of finally telling someone (confessing) was a feeling of a huge burden being lifted from their shoulders.
“It was humiliating, but what a relief I had never talked about it [debt] out loud” (Interview with Roger).

“I let out a breath afterwards [after the interview] it felt like I had been holding that breath in for 5 years. It was bad and good at the same time” (Interview with Barry).

“I’d describe it like being unburdened. I wouldn’t go through it again mind you, but it was like a weird abusive therapy session in some ways” (Interview with Jane).

I echo Rose’s (1999) argument that governmentality can conduct one’s conduct via what he terms ‘therapeutic technologies’ such as self-instruction manuals, professional advice, and training courses with the goal of making the individual capable of dealing with the problems they face on their own. In contemporary governmentalities this takes on a confessional character:

“Confession has moved beyond the consulting room and now forms part of the texture of everyday experience, where today it is more a matter of bearing witness to pain suffered than giving voice to an inner guilt” (Rose 1991, p.91).

For my participants it was not so much a confession of guilt, though there was guilt. It was more so a place for them to vent about their problems in a professional setting, where their problems and their resolution could then be discussed in an almost scientific manner. How will I budget? What kinds of luxuries will I cut out of my life? At what point would I qualify for a debt arrangement? By going through the process of confessing their past mistakes, my participants found that it had given them more confidence that they could survive without the humiliation of accepting that they needed debt relief:

“I never really wanted to do it [utilize an insolvency arrangement] and talking to the PIP gave me a boost, he persuaded me I could go it alone” (Interview with Aileen).

“Sometimes you need someone to smack some sense into you, bankruptcy... insolvency, that’s for quitters” (Interview with Ciara).

“It [insolvency] is a sign that you’ve failed, I didn’t want to fail” (Interview with Michael)

These participants redoubled their efforts to not be seen as ‘failures’ who required help from an external source in order to cope with everyday living.

Foucault also emphasises that in governmentality, particularly neo-liberal governmentality that experts and their areas of expertise become important. Experts are crucial in developing techniques for the management of populations, for example by labelling certain types of
behaviour as pathological and working to have it commonly understood that this behaviour is abnormal. While doctors, psychiatrists, statisticians and so on may use scientific language to describe their methods and findings, it is often the case that they are highly open to interpretation and change over time. Foucault illustrates this with the case of homosexuality, which the psychiatric community was certain could be classified as a mental illness (Foucault 2015). When this was no longer scientifically and politically tenable the matter was dropped as quietly as possible, though it did not escape all notice (Foucault 2015). Experts collect data, they summarize findings and cultivate a whole language for describing, categorizing and listing. They conduct censuses, perform surveys, hold focus groups and otherwise acquire or develop an assemblage of knowledge, too vast for any one individual to use (Foucault 1995; Foucault and Senellart 2008). This knowledge is used in a given governmentality to achieve its aims, and the aims it has for the population (e.g. increased productivity) will in turn inform the kinds of data which are collected and collated. Likewise, the abnormal behaviour (e.g. of the unproductive) must be stopped.

When the ISI was created it was the basis of such scientific knowledge. ‘Best practice’ from internationally reputable organizations which fulfil a similar function to the ISI indicated that it would be prudent to have it operated by a group of independently oriented experts (Stamp 2016). The ISI thus offered licenses to applicants with a background in finance and law. If those individuals happened to have expertise in other areas such as social policy, sociology or psychology, that was fine, but the key recruitment characteristics required the PIP to be an expert in law or finance (preferably both), which my participants thought contributed to the hostile environment:

“He [the PIP] was not a people person, it felt like I was being dissected” (Interview with Roger).

“[Concerning the PIP’s emotional range] Cold, bare… and hard. Not to be trifled with, very unfriendly but… in a standoffish way, never aggressive” (Interview with Sarah).

“A real ‘expert’ [participant’s emphasis], it was like talking to a calculator” (Interview with Ciara).

All the PIP’s I interviewed told me they had never met a person in debt distress under professional circumstances before they started their new job, which despite its sanitised scientific appearance still came with biases, rooted in the pathologizing of debt. For example, two PIP’s compared the debtor to those suffering with drug addiction issues:
“They’re addicted to the lifestyle being in debt has given them, but they’re beyond their means. They have to learn to live without it” (Interview with PIP#2).

“A lot of the people coming in here are broke. Completely broke, they have nothing. You’re starting from scratch and they need the discipline, otherwise they... it’s similar to addiction issues, drug addiction, if you don’t have a firm hand they’ll slide back. These people need to be taught to live within their means” (Interview with PIP #3).

This entire quote evokes deeply Foucauldian connotations, PIP#3 uses the term ‘discipline’ to describe the kind of corrective and rehabilitative behaviour that is required to make the service work. They must also be observed:

“He effectively told me I didn’t have to keep to the budget, but that they’d be ‘keeping an eye’ on my bank account to ensure that I wasn’t getting ‘carried away’. I feel like a criminal” (Interview with Paul).

“Well of course you have to watch them! Even if you don’t actually check the bank details, which by the way we don’t because it’s a one-man-show, but if you tell them you do they think you do and then there’s no problem. You stop them from spending their money on expensive crap they don’t need before it even starts” (Interview with PIP#2).

A debt arrangement is panoptical in character, the possibility of having one’s excessive spending habits being observed is enough to prompt a change in behaviour, as the gaze of the ISI becomes internalized by the debtor (Foucault 1995). As in Bentham’s original illustration of the panopticon, a single observer (the PIP) can, in principle lay bare the activities of all those they are supervising (the debtors) (Foucault 1995). Further, the PIP’s acknowledge that the debtors have no way of knowing that the PIP’s are under-resourced, and do not actually have the capacity to track the spending habits of each debtor on an arrangement. However even the mere possibility that this is the case brings about change. The power and knowledge of the PIP need only be assumed (Foucault 1995). Thus, the gaze of the ISI, and the Irish discourses of indebtedness become internalized by the debtor (Foucault 1995).

Debtors can only be rehabilitated by rigorous adherence to spending guidelines: their RLE’s. The language of recovery and addiction featured heavily in these discussions, and one PIP even showed me a chart with various levels of gradation, indicating how well their client was doing within the process. At the bottom level, the client is represented as an addict who gives in easily to their baser urges, but by the legal enforcement of a strict budget, the client is brought in line with ‘normal’ expectations and behaviour (normalisation). Punishments are used in case of disobedience, but the PIP was quick to state that these start out small, but are proportional to the level of the infraction.
Relatively minor offenses, such as going over budget by €50 on a particular month, or spending an excessive amount of money on luxuries instead of necessities would require the client to come to the PIPs office for a meeting where they would be gently, but firmly told to return to the path of recovery. Larger infractions would reduce the clients RLE budget or involve the client being sent to a financial management class (which they would have to pay for themselves). In line with neo-liberal market logic, a client is “free” to refuse these terms and conditions, so long as they accept that they will be ejected from their debt programme early, subjected to the fees that this entails and lose the legal protection they had gained from their creditors, making it not much of an option at all. As the client learns to adhere to these orthodox neo-liberal norms around finance and asceticism, the PIP ascends them along the gradated scale, until they internalize the behaviour such that it becomes natural and reflexive; in other words once their conduct has been conducted in a new way. This is the end goal of the confessional interview:

“Once they go along far enough [through the process] they see things differently. They [debtors] begin to understand why their negative behaviour had to be stopped. It’s tough love” (Interview with PIP#3).

“People are bad judges of how impactful... of how serious the consequences of their own actions are, you know what I mean? You can try talking to them but that almost never works. [...] They all thank you in the end” (Interview with PIP#4).

For nine of my participants the interview with the PIP represented a breaking point (joining the other five who did not go to the interview), and so only four of my eighteen participants decided to proceed with a full application. However I continue with this discussion to the end of the application process as some of my participants did go through this process, and even those who didn’t shared their impressions of what the process was like. Whether these impressions are correct or incorrect is often immaterial, as their objective truth is irrelevant when they are the reasons governing my participants’ decision not to use the ISI; perception is reality. In the next section I explore representations of gender as they appeared in this research, particularly with respect to sexist assumptions about the financial skills of women.

7.31 Intersectionalities of Blame
While the ISI is experienced universally for the most part, there remains an angle to be explored where experiences differ considerably: that of intersectionality. This operates with respect to the moral policing of women as a subject within discourses around debt and the class disgust which is embedded within the practices of the ISI.
My female participants reported sexist gendered assumptions about their supposed inability to manage money, which were also brought up in interviews with my male participants. From my male participants this was presented as a harmless truism, they stated that it was unfortunate that it was true, but that this is simply a fact of life. Female participants were deeply annoyed by this attitude, and pointed out the hypocrisy that men had the potential to be seen as rebellious or clownish for having made debt mistakes, where a woman would be seen as having let down her community and family.

Tara provides us with an illustrative quote, with a particular notion of bankruptcy.

“If they reject me, that wouldn’t be the worst thing. The worst thing would be having to go bankrupt after that. I don’t fear bankruptcy, I don’t... I wouldn’t worry about the consequences to my wallet, I already have nothing, what I fear is... I’d fear being socially bankrupted. Nobody would ever loan me a fiver ever again, I’d be a laughing stock” (Interview with Tara).

As Tara poignantly put it, this fear of being ‘socially’ bankrupted seemed to drive many participants to simply endure with their current circumstances rather than pursuing change. However, Tara as well as other participants tapped into important discourses around the gendered assumptions concerning debt in Irish society:

“If a lad [man] is going in there [to the ISI], you know he’s turned out his pockets and it’s all sad and bad. If a girl goes in there, well they nearly expect it ‘ah you poor dear, you should’ve left running the money to the man of the house, it’s no wonder this happened’ it’s absurd what people will believe about you just because of your body, because of your genitals” (Interview with Aileen).

“Men are supposed to be capable, managing the money, and I know by the way they [men] look at me they think I can’t put 2 and 2 together” (Interview with Michelle).

Contextually, indebtedness tends to be more common for women than men, with research identifying women's economic vulnerability to be a key issue (Goode 2012). This is compounded by a number of different interrelated problems, including: occupational sex segregation; the wage gap between men and women (Atfield and Orton 2013); and the gendered division of labour within the family, whereby women often do invisible and unpaid domestic labour in the home (Attree 2005). Due to these disadvantages, women tend to require some level of debt in order to maintain the same lifestyle as men who are otherwise similar (Goode 2012; Jackson 2009).

Female participants persistently raised the issue of sexist gendered assumptions around the capacity of women to manage money as well as their male counterparts. They found the
attitude of PIPs highly patronizing (even if the PIP in question was female) and demeaning. With several PIPs suggesting that the participant absolutely must start a programme as soon as possible because their natural inability to manage money would only render the problem more severe with time:

“IT’s not nice and people don’t like discussing it but more women than men come through that door and we all know why” (Interview with PIP#2).

“If you let them [women] off, then the whole thing is going to get worse and worse, it’ll get to the point where they’ll have nothing, it’ll all be gone on makeup” (Interview with PIP#4).

Participants also raised the tendency for male debtors to be seen as having made a handful of unfortunate errors that were their undoing. Female debtors by contrast are seen as inevitability, and were perceived to be unable to understand financial instruments such as savings accounts or compound interest. On top of this, the women who fell into debt distress were perceived to be social and cultural failures, having let down their families and children by attempting to do something ‘masculine’ that they should have known they would not be able to do. These gendered assumptions were reported by female participants, but were also noted in interviews with both PIPs and male debtors:

“I would say women are worse at hanging onto cash, yes. They don’t have the same brain for it that men do, they see... you know how it is, they’d see some shoes or something on sale and they’d go mad for it. That’s not a solid foundation to build repayments on, or understanding interest, you see?” (Interview with Paul).

“How is a girl supposed to understand compound interest?” (Interview with Barry).

“It makes me embarrassed to say but I would say women are worse than men at managing money and I say that as a feminist” (Interview with Mona).

My female participants were prepared to endure considerable hardship in order to disprove the stereotype that they had a fundamental inability to manage money. For most, this went beyond issues of food poverty, social exclusion and mental health difficulties which are prevalent in debt (Mind 2011; Stanley et al. 2016). One participant told me that in order to make ends meet on a particularly bad month that she had sold her bed frame, and was sleeping on a mattress in her bedroom, which was itself almost devoid of furniture. These measures were not seen as extreme by those undertaking them, as they were prepared to do anything in order to not be seen as fitting the presumed stereotype as someone who had spent all their money on wasteful consumer goods.
“I’d rather die than let them think the stereotypes were true” (Interview with Tara).

“The shame of it has made me go further than I thought I could, a lot of charities, a lot of overtime... a lot of pain” (Interview with Laura).

“They [men] think we spend all our money on makeup and shoes, it’s such a joke, I hate it” (Interview with Sarah).

This feminization of debt (Jackson 2009) and poverty (Ghate and Hazel 2002) has a tendency to create significant emotional and psychological strain for mothers in particular, as they struggle to create healthy lifestyles on a limited income; then struggle again via discrimination in debt relief organisations. In its original form, the ISI's policy specified that if a parent’s income was below a given percentage of childcare costs, then they could only avail of a debt write off by giving up their job to care for their children (Minihan 2013). While it was not explicitly gender specific, women are often the primary caregiver in the home, and the requirement to leave work to care for their children during an insolvency arrangement would therefore disproportionately fall on them (National Women’s Council of Ireland 2013). This clause was quickly removed due to negative public reaction, but other research (Gazso 2009) shows that gendered discrimination can be embedded ideologically within institutions, even if they are not articulated in policy. This is certainly the case here as evidenced by the preceding quotes and stances of the PIPs directly involved in administering the ISI’s policies at the ground level.

Similarly, fourteen of my participants identified as working class, though they did not usually specify what this meant and generally took it to mean that they grew up in a working class area, such as a council housing estate. For the most part this was used to distinguish themselves from people who had ‘snobbish’ behaviour, who were excessively judgemental or patronizing. These participants expressed that they felt stigmatized by the attitude of the PIP:

“The way he looked at me, I knew right away, he thought I was a lower form of life” (Interview with Sarah).

“When you’ve washed floors for a living there’s a way people look at you, that’s exactly how [the PIP] looked at me” (Interview with Aileen).

These quotes are a demonstration of class disgust (see section 5.5). Those participants in my sample who identified as working class persistently raised the issue of class disgust, and felt that they were being judged simply for being who they were. In some cases their class
background was not obvious from their appearance, and the judgemental attitude only came later after they had discussed their personal history with the PIP:

“As soon as I told him that I grew up in [a working class estate] then his perspective on me... it flipped completely, it was like he was a completely different person” (Interview with Simon).

“Once he knew that I was from… that I grew up in a [council] housing estate he… it felt colder in the room” (Interview with X).

Research by Tyler (2008) and Jones (2011) on representations of the working class in the UK, particularly that of chavs shows that this is not unusual, especially in how working class individuals interact with welfare services. By contrast to my indebted participants, a PIP is typically drawn from a person with a background in finance or law, and is usually a banker, accountant or a solicitor. Such a person is much more likely to be drawn from a middle-class background than a working class one. As such they will have certain lived experiences embedded within their classed experience of everyday life, which will affect how they see the world (Bourdieu 2010). This can be problematic when they engage with working class individuals, as their differing life experiences can lead to contradictory expectations, and additionally the expectations of the PIP will carry more ‘weight’ as they wield virtually all of the power in the relationship.

The extent to which people would be looked down upon was affected significantly by, as Tyler (2008) says disgust at the habits and behaviours of the working classes. Such disgusts are rooted more in assumptions and stereotypes about poverty (Golding and Middleton 1982) and welfare (Sayer 2005; Hills 2014) than they are on real interactions with those from these backgrounds. These attitudes from the PIP tend to centre on what they view as a trend toward excess or overconsumption, fuelled by debt and ignorance of financial realities:

“Look it, what I’ll say is that many people aren’t prepared to stop doing what they’re doing. These people have no class [sic]. They spend, spend, spend, spend on things they don’t need” (Interview with PIP#3).

“PIP: You would see it a lot.

Interviewer: See… what?
PIP: That these people with no income and bad jobs, that they’d… look I didn’t make them buy their house or their big car or their… whatever. The point is they buy luxury items and they haven’t earned a luxury lifestyle” (Interview with PIP#4).

Luxuries can only be enjoyed once they have been earned, in particular PIP’s would call attention to the size of the house that debtors were living in, buttressing their arguments with news media:

“You would see it almost all the time on the news, there’s some fella [man] who has not worked, who has never worked. A dole-head… and he’s in this big house, 4 or 5 bedrooms…” (Interview with PIP#2).

“It’s a fact that a big part of the… it’s not nice to say but the financial crisis, ya know it takes two to tango? The banks and the… the… the lenders they have their own share of blame, and they were nationalised, but nobody came down and put a gun to their heads and made them take this money, or their giant house for that matter. I see it the whole time in [several newspapers]” (Interview with PIP#4).

PIP’s would often discuss this at the same time as they discussed the Abhaile scheme, which at the time of interviewing them (the summer of 2016) was either still being finalized or brand new. A key criteria in receiving a voucher from such a scheme is that the debtor must be ‘reasonably accommodated’ (Insolvency Service of Ireland 2018). The house must be suitable to their needs and not be too large. As in the definition of insolvency, the exact nature of the requirements have been kept vague, allowing for a significant element of discretion in its administration. Debtors have a very different perception of this:

“’Are you sure your house is reasonable for your needs’ that’s what [the PIP] said to me. It had my blood boiling. I live in a 2 bed house with 2 bathrooms. It’s not the Taj Mahal in here or anything. If [the PIP] thinks it’s so luxurious [they] can come and live here themselves” (Interview with Paul).

“I paid a fortune for this tiny house. It was mad overvalued, I just wanted to live a normal life like everyone else… what’s wrong with that?” (Interview with Simon).

“Nobody made you do this [take the debt]… in one sense yes it’s true, but the government… the journalists… I feel like it was everywhere. It’s easy saying now that nobody made you after it’s already done” (Interview with Ciara).
Many participants raised the irony that despite the light-touch regulation with which loans were given, they often restrained themselves and elected not to take the full amount. They chose instead to mortgage a smaller house which was more suitable to their needs.

Another significant aspect of class disgust has to do with assumed habits and behaviours of the working classes, which are the subject of both disgust and ridicule (Tyler 2008; Dorling 2014). A recurring theme in this area are issues of consumption, particularly perceived obesity and drug or alcohol abuse (Skeggs 1997; Jones 2011; Taylor 1990). In my research I encountered these stereotypes, but not only from the PIPs:

“I see them in [my local area], why are they always so fat? Just… I don’t get it, you know? I don’t get it? How can these fat fuckers be a fortune in debt and be out in their pyjamas all day? How do they live with the stress?” (Interview with Mona).

“Oh you’d see them alright, Zach. Look out the window there [participant points], you’ll probably see [an indebted family] across the road, with their feral children, drinking cans then in the front garden letting the kids destroy the place” (Interview with Sean).

While most of my indebted participants disagreed with the stereotype of houses being unsuitable for their needs, they agreed that there were problems of addiction, laziness, obesity etc. which centre on a lack of self-care or regard for manners. PIP’s mirror these assumptions:

“I say again, it’s not nice and I don’t like saying it, but it is a fact that many of these people have more than one problem. The debt is the primary issue, but really they weren’t raised right. Weren’t raised in the right area. They have no manners” (Interview with PIP#2).

If these debtors had been ‘raised right’ they would have manners and sensibility, in other words they would have class. Those who have acquired such trappings are to be looked upon more favourably than those who have not:

“I see people coming in here, and it’s just that they’ve made a mistake. I will… be inclined to hear them out more seriously. But this… if you come in your tracksuit and you smell like cider, this did happen before by the way it’s not in my imagination, what am I supposed to do?” (Interview with PIP#4).
PIP’s were keen to emphasise that any class disgust present was justified on the basis of real personal experiences. By their own admission, the quantity of such experiences was extremely small, nevertheless even a single instance of such a debtor coming to seek debt relief was taken as proof that the issue must be pervasive. In a paradox, the small number of cases was presented as proof for the actually vast number of debtors who behaved like this. This works on the logic that the PIP has ‘scared away’ those who would seek to abuse their trust or services:

“You would bring the thunder down on one or two of them. Word spreads around, then, the… the others won’t come. I would get some phone calls and you can tell right away by the [accent] that it’s not going to work. Stay strong, say no, move on” (Interview with PIP#3).

“PIP: There’s loads of them out there, but if you give just a few a hard time… look it, they wouldn’t even go to the dole if they didn’t need the money so badly.

Interviewer: Are they on the dole?

PIP: Sometimes… well, but if you’re on the dole… maybe you need debt relief but not from me. You might want to look at bankruptcy” (Interview with PIP#4).

In studies of social class, accent and dependency on welfare services go hand-in-hand, with certain deprived areas such as sinkhole estates in the UK (Lister 2004) perceived to have distinctive accents. These accents in turn distinguish these deprived areas from more affluent ones and serve to reinforce existing class structures (Skeggs 1997; Jones 2011). The PIPs in my research tended to believe that most of those who come from such areas are not deserving of debt relief. As such it is rational to presume in advance that these individuals are not the ‘type’ or ‘sort’ of person who is in need of genuine help. In reality the stories of the PIPs treatment of some debtors has resulted in many of those who believe they do qualify for help to stay away from the ISI. The fear of being judged in the environment of the confessional interview (section 7.3) was too great.

In addition to this, there is a construction of the debtor who comes to see the PIP who would be looked upon favourably. Predictably, this is (for the most part) the opposite of the person that has already been described. The person who comes to the ISI who is likely to receive help is:
“A businessman… or a professional maybe? Someone who has shown through their personal abilities and characteristics that they have fallen on hard times despite good decision making” (Interview with PIP#4).

“[the debtor] should be well dressed, speak well, write legibly, they… should be, I don’t know how to say it, but I know the right kind [participant’s emphasis] of person when I shake hands with them” (Interview with PIP#2).

“[the debtor should] come from a good family, [they should have] good… manners? It’s hard to say, you just know it when you see it” (Interview with PIP#3).

Articulating the qualities and characteristics of the ‘right’ sort of person is difficult for the PIP’s. Generally this is because they have not spoken such thoughts aloud before, and were also trying to find the right way to say what they wished to say. Nevertheless there are repeating themes, the debtor worthy of help has good manners, they dress and speak well, they have good handwriting and come from a good family, and they possess good decision making skills despite having made a number of bad decisions recently. In other words, the right kind of debtor possesses and can utilize a high degree of cultural capital (Bourdieu 2010; Skeggs 1997). Good manners, dress, elocution and so on are indicative of good schooling, suggesting that the debtor may have gone to an elite private school, where such qualities are emphasised (Byrne 1999; Walby 2009; Hills 2014). These qualities in turn act as a signpost for individuals of a similar class background to cooperate together, which serves to ensure the continued hegemonic status of certain cultural capitals over others.

There is also a spatial element to these narratives of class disgust. In the event that the PIP was left with no alternative but grant an interview to a person they perceived to be working class and likely to abuse their trust, then precautions were taken in advance:

“You’d want to be far away from them, in case things go wrong and you have to say no [to offering debt relief]” (Interview with PIP#4).

“Space. My chair is close to my desk, but their chair is far from the desk. I have a golf club here as well, you never know do you?” (Interview with PIP#3).

This was noted by several of my indebted participants:

“I couldn’t work out why he was sitting so far away from me. It felt like I had to talk slightly too loud for him to be able to hear me” (Interview with Aileen).
“It was very awkward, his desk was too far from the chair… that I was in. I had to write some stuff down and had to try and write with the paper balanced on my knee. It was very awkward” (Interview with Sarah).

“[it] reminded me of being down the social [social welfare office] with the plastic shields they have to protect themselves. Didn’t expect that at all” (Interview with Roger).

As stated by Roger, there are parallels here between the treatment of those engaging with welfare services and how the PIPs prepared for working class debtors who came to see them in the ISI. As in research with social welfare offices (Boland and Griffin 2015b; Hills 2014) there is a tacit assumption about the violent tendencies of the working classes bound up in these constructions of space (Levitas 2005). The social welfare office tends to be a flat, unpleasant environment with aggressive signage warning claimants not to misbehave and to be orderly (Boland and Griffin 2015b).

The PIP’s office is relatively sparse, typically including only a desk, two chairs (of which the PIP's chair is of a much higher quality), the PIP’s legal certificates or degrees, computer equipment (PC, printer, chargers) and miscellaneous office equipment (pens, paper, stapler etc.). The assumptions of the welfare office are duplicated here, there is a need to exercise control over space and the content of the room. The PIP sits quite far away from the debtor, so if there is a possibility of a violent altercation, then the PIP will have a chance to react before the debtor gets too close. The PIP may also have an improvised weapon nearby, such as a golf club, which incidentally reinforces their class status (Hills 2014) while also acting as a deterrent for violence.

Intersectionally the figure who is most blamed is a cross between these two groups, a working-class woman who is heavily in debt. In my research, I typically saw women being stereotyped as lacking intelligence or having a facility to understand finance; whereas the working classes were stereotyped as lacking in grace and manners. Tyler (2008) considers the overlap to these two things in the context of the UK to be the “chav mum” (Tyler 2008, p.1). This is a promiscuous working-class woman who is undereducated, overweight and uses pregnancy as an alternative to getting a job (Tyler 2008; Skeggs 1997). Such women are typically thought of as roaming in gangs or groups, causing mayhem and committing crimes which impact bewildered middle-class individuals most heavily (Tyler 2008). In the US, Wray (2006) discusses this same phenomenon with respect to discourses around ‘white
trash’. Likewise in Ireland poverty is heavily stigmatized, and acts through narratives of terms such as ‘scumbags’ (Bowles et al. 2000), which act as signposts for deprived communities or people. In my research I saw this most clearly with regard to the classed policing of motherhood and feminine hygiene which were discussed in interviews, both by debtors and PIP’s:

“Women out there who... behave in a certain way, they don’t take care of their children, they don’t look after themselves [their bodies / appearance], they waste their money on booze and fags [cigarettes], that’s what services in Ireland think I’m like. You’re fighting that stereotype all the time” (Interview with Michelle).

“I argued with [the PIP] for 20 minutes over the RLE’s. He was making me state my case that tampons could be counted as a reasonable living expense. I couldn’t even believe my ears, who does he think he is?” (Interview with Amy).

“People can only do what they’ve seen their parents do, and if you’ve never seen your parents take care of you, you won’t take care of your own children. We need women to be doing that, men just aren’t going to, and frankly they’re not as naturally good at it” (Interview with PIP#4).

There is then a narrative of risk and class disgust which exists around the working class debtor in Ireland. Women’s bodies, hygiene and habits are the subject of scrutiny and examination in a way that does not have a parallel for men (Tyler 2008; Skeggs 1997). As mentioned previously, men in debt are generally seen as roguish or in need of a relatively small amount of help due to their natural affinity for understanding money and finance. By contrast, women have their appearance, sexuality, number of children, dietary habits, weight and addictions seen as having a bearing on their status as debtors. Because of this, it is more necessary for women to prove that they are deserving of help from the PIP; though PIP’s also state that they will tend to offer debt relief to female debtors regardless as without help their perceived innumeracy will cause even more serious problems in the future.

Four of my participants told me that the demeaning attitude of the PIP was a key reason that they chose not to engage with the ISI. Once again it is possible to see how the most significant obstacle to engagement with the ISI is not generally in the eligibility or application criteria, but rather how those criteria are administered through the PIP’s. These findings are mirrored by broader research on welfare policy (Boland and Griffin 2015b;
Levitas 2005; Bowles et al. 2000) and intersectionality (Tyler 2008; Jones 2011; Wray 2006; Taylor 1990; Crenshaw 1989; Collins 1990; Gazso 2009), which call attention to the classed and gendered manner in which policy is delivered in practice.

In the next section I discuss the practicalities of proceeding with an application, the difficulties associated with this and the resistance encountered by debtors from creditors.

7.4 Proceeding with an Application

Once the first meeting is done, it is necessary for a debtor to continue along the path if they are going to submit a full application. The exact sequence is outlined in chapter 2 (section 2.6). This section illustrates the sociological, rather than the bureaucratic elements of this process, and the key discussion area is the tripartite interaction between the debtor, their creditor(s) and the PIP.

During the application process, each of my four participants who got this far told me they were contacted by their creditors, at first discreetly but then more openly as time went by. This is in the time limbo when the PIP has applied for a PC, but before it has been awarded by the courts, so creditors are still permitted to contact the debtor. Their messages begin mildly (relatively speaking) but grow more threatening over time:

“Roger: Ya, I have them here. The letters I mean…

Interviewer: When did you first get them? Start to get them?

Roger: When I did the certificate [protective certificate], I got my first one the week after the application went in, it started out fairly nice… it was to the tune of “look it’s fine, you don’t have to go down there and get relief, we can do a deal and maybe write off something privately, but you have to stop your application first”

Interviewer: They actually said that?

Roger: Ah they were very careful. You would reach that conclusion by reading it, but they never told me explicitly to stop, only that it would be a good idea to maybe, possibly, in my considered judgement to think about it.

[both laugh]

(Interview with Roger).

While these debtors had previously been contacted (in their own words: harassed) by creditors with late-night phone calls or letters which indicated the imminent possibility of repossession proceedings, suddenly the conversations became much more polite:
“Barry: They used to call me at all hours [very late]. I think it was a way [technique] for them to get me to give in. The stress of it, I’m sick to my teeth of it.

Interviewer: What would they say?

Barry: ‘You need to get on top of this Barry, we’re after loaning you that money in good faith, we need to see money coming in now soon, you haven’t made a payment in… X number of days’ they’d always pause before saying the number of days, as if the bitch didn’t know off the top of her head.

Interviewer: What hours were they…?

Barry: The latest… or is it earliest I got a call from [my bank] was three in the morning. I nearly jumped out of me bed with a fright, I thought someone was after dying” (Interview with Barry).

These late-night calls and aggressive letters stopped at the same time that the PC application did. However as the application proceeded and the debtor made it clear that they were not going to stop their application, the messages trended again into threats. Creditors suggested that they would exercise their right to veto the process, and as they were the only lender this would result in a failed application. These threats turned out to be accurate as, of the four participants who applied; two had their applications turned down at the veto stage. Of the other two, one managed to proceed with a successful application (which is still progressing) and the other was rejected due to a legal technicality exploited by their creditors.

Creditors further explained that it would make no sense for debtors to apply for debt relief, as they would have to live under their RLE’s, something the creditors would have influence over. In other words, the debtor may have only a small amount of money left over after servicing debts and paying bills; but that this amount could be even smaller. The objection of creditors to debt relief appears to be universal in Ireland. Each of my four participants who made it to the application stage had been in debt distress for years, unable to make regular repayments despite their best efforts:

“You can’t get blood from a stone, believe me they’ve tried” (Interview with Sean)

“I gave up a lot, got a second job, missed birthdays, barely scraped through Christmas, I’ve done my best” (Interview with Amy)

“It’s a crisis for me, I don’t know what to do [my bank] keeps harassing me, but they won’t let me go on reduced payments or write down anything, or even negotiate. I’m at a loss” (Interview with Paul).
Creditors do not often make public statements concerning debt relief. In the few statements that do exist they object to it due to their belief that it would encourage other debtors to seek insolvency when they did not deserve it (Mortgage Brokers 2013). This demonstrates how creditors act as a relay in the governing of debtors at a distance (Rose 1991, p.49). Once again we see “government through the calculated administration of shame” (Rose 1991, p.73). Creditors desire to change the conduct of debtors, to make them moral, guilty subjects who wish to do nothing more than pay their debts back. Ironically, this is already the case for most debtors; Stamp’s (2012a; 2012b) findings on over-indebtedness have shown that the most common reasons for non-payment are illness, unemployment, and structural problems in the economy (e.g. rising interest rates). Creditors insist on the moral dimensions of debt however, and attempt, as Sean said, to get blood from a stone.

There is also an implication here that debtors are “cognitively delinquent” (Walker 2011, p.1); i.e. if debtors possessed better financial skills then they would find a way to pay their debt back. This viewpoint has a strong moral foundation which is rooted in the belief that there is an association between being moral and one’s credit rating, an association that White (2010) argues has been cultivated deliberately in neo-liberal governmentalities of debt since the 1970s. A person with a good credit rating is trustworthy, reliable and industrious, whereas a person with a bad credit rating is the opposite (White 2010). For creditors engaged with the ISI, this means that they often turn down insolvency applications, even if they have a good chance of being successful (Irish Mortgage Holders Organisation 2014b; 2018; Brennan 2015). There is here, as White (2010) says a fear that debt relief will become normalized if creditors allow many debtors to become insolvent. This is merely normalization of a different kind however, and the operationalization of a different technology of power, that of a responsibilisation discourse. Debtors must be responsible for their own indebtedness, even if it was acquired in the context of an economic boom where housing was overvalued due to a ‘regime of truth’ (Foucault and Senellart 2008) around the value of property speculation.

As an example of this discourse in action, in 2015 the ISI released a report (Insolvency Service of Ireland 2015d; Brennan 2015) which outlined that creditors were losing an average of €100,000 on each insolvency arrangement they rejected. How can this be the case? Simply put, most of those who apply for aid from the ISI are in serious distress and unlikely to ever repay their debts at the current rate (Brennan 2015). Eventual repossession is overwhelmingly likely for these debtors. By rejecting their arrangements, the creditor prevents the debtor from having the opportunity to reorganise their debts to a level that is manageable for them. The
debtor is likely therefore to lose the house eventually; at the time of the report (in 2015) this was not necessarily an advantage for the creditor, though this has changed dramatically in 2018.

The creditor would take possession of a property that is likely to be located in a ghost estate, or another area that is not attractive to buyers; they also then become responsible for the upkeep and management of the house, including all relevant taxes, fees and rates due to the state. While this may continue to be true in some parts of Ireland, a booming housing market, particularly in Dublin means that there are now strong incentives for creditors to pursue repossession, as the eviction of distressed debtors in a booming housing market will lead to large profits (Broadsheet 2017; Fegan 2018; Finn 2018). However the situation is politically difficult and there are now proposals for thousands of ‘toxic’ distressed mortgages to be sold to international finance and management funds (often referred to as ‘vulture funds’ in the Irish media) (Finn 2018). These funds are not banks and do not have to obey Irish banking or tax laws, and it has been speculated that millions of euros will be made from these distressed mortgages. On the other hand, if creditors would agree to renegotiate the debts of their distressed debtors, then they would find that most debtors would be capable of paying their debts, though at a reduced rate (Insolvency Service of Ireland 2015d).

As we have seen the process of proceeding with an application comes with its own problems, specifically due to the moral expectations of creditors, who cultivate a governmentality around changing the conduct of debtors by presenting debt as a moral case. In the next section I which focus on those debtors who do not proceed with their applications, either because they do not wish to or because they have been turned down by their creditors or the ISI. This includes a focus on how debtors are coping without the ISI, but they must continuously justify to themselves why they are not revisiting the service. These internal struggles become a source of strain for the debtor, who must find new reasons for why they do not attempt to engage with the ISI.

7.5 Not Proceeding with an Application: Coping and Surviving
As debtors find themselves in the difficult situation of being heavily in debt, but unable to utilize the ISI’s debt relief arrangements, they must now find a way to cope with being indebted; possibly for an indefinite period of time. Further, debtors construct new narratives and reasons for why they are not returning to the ISI after their initial efforts failed (for whatever reason). Themes common to all of my participants are that: the applications process
was so difficult they would rather remain in debt over trying again; the ISI is an organization that only helps the dishonest; and that debtors are capable of coping on their own. To theorize these various themes I utilize the framework of cruel optimism combined with Girard’s concepts of mimetic rivalry, scapegoating and sacrifice (see chapter 4.6-4.9 for a full discussion of these theories).

With only four of my participants electing to proceed with an application, that left fourteen participants who had either decided not to apply; or felt that they had been forced out of the applications process. It is important to mention that of these fourteen, twelve of them had made their inquiries with the ISI at the end of the summer in 2013 shortly after the service first opened. Their meetings generally occurred in September or October of 2013 and they had chosen (or were forced) not to apply by November or December of 2013. Despite that being over five years ago; these debtors continue to believe that they could never go through the process again:

“I dread it [the ISI] much more than being in debt. I’d rather plug along how I am now than try to bow and scrape for a few quid” (Interview with Rachel).

“Nobody goes back [to the ISI] [...] they make you feel bad for needing help (Interview with Mona).

“It would have to be completely rechanged for me to try again, I couldn’t put myself through that a second time” (Interview with Barry).

There is however a complex process underlying why these debtors made the decision not to return to the ISI, unless, as Barry stated it had been completely reformed. Of these fourteen debtors, twelve are either married or in long-term relationships where their partner shares part of the burden of paying the mortgage. Ten of them also have children, meaning that it is important for them to be able to provide a stable home environment. These factors mean that for these debtors, there was more at risk than their own bankruptcy:

“I couldn’t look into the eyes of [my child] and tell [them] ‘we have to move, too bad about your friends but I’m sure you’ll make new ones’ I had to find a way to deal with this [debt distress]” (Interview with Jane).

“[My wife] is counting on me to find a way out of this mess and I owe it to her and [my children] to find a way” (Interview with Simon).

However with such large quantities of debt (those with mortgages each owe at least €100,000+) and falling further behind on repayments over time, it became necessary for my
participants to formulate new discourses for why they would not utilize the ISI. As all of these non-applicants had attempted to utilize the service shortly after it had been opened, and the service has been reformed several times since its inception, there was a need for them to justify why they remained distant from the ISI. These justifications did not follow a strict step-by-step process, but there are some general themes common to my participants, which begin with the difficulty of the first application:

“While I don’t bear [the PIP] any ill will as [they’re] just doing the job, I have this feeling of fear when I think of doing it all again. For a start [my bank] really backed off [stopped contacting me] when I backed out of the application” (Interview with Rachel).

“I heard it [the ISI] had been shaken up [reformed] a few times, but I’ve never seen anything that would give me the confidence that the first stages would be any easier to get through” (Interview with Michael).

In remembering the process my participants used terms like “hard”; “unpleasant”; “long”; “interminable” and “pointless”. The difficulty of the first application becomes a key reason for the continued avoidance of the service in the future, not only because it was ‘hard’ but also because the difficulty was for nothing. The net result was that the participant ended up in the same place.

In addition to this there is a level of critique which evolves out of the reasons why the first application failed:

“Paul: If you really think about it, the service isn’t for the likes of me, it’s for quitters. Interviewer: How do you mean, with [regard to] quitters?

Paul: People who aren’t serious about paying their debts. If you’re serious you won’t get in the front door” (Interview with Paul).

“This country is crawling with parasites and lazy ingrates who wouldn’t work a day in their lives, that’s the sort of person who goes down there [to the ISI]” (Interview with Max).

There is a sense here that the service is inherently unfair, because it discriminates in favour of those who are not genuinely trying to pay their debts back. References to welfare fraud and ‘nixers’ (undeclared work upon which no tax is paid) were also common in these discussions. There is an assumption in these discourses that the ISI is an organization that has been designed to help certain people and not others. This reflects a tendency for debtors to scapegoat the hypothetical ‘other’ debtor as the source of their problems. This ‘other’ debtor
does not try to honestly pay their debts back and seeks to have their debt written down anyway. The ISI had to be made difficult to access in order to exclude this person.

“That’s why it’s hard for me, the honest man. Every fella from everywhere would abuse it if it was easy to get” (Interview with Rachel).

“I wish it was more open [accessible], but it can’t be. It would be used by all sorts if it was” (Interview with Barry).

Despite the catharsis of revealing their vulnerability to the PIP (as seen in section 7.3), most of my participants were already abandoning the ISI and were constructing new discourses about how they always knew that the service would be unusable:

“It was never gonna work out, you know? Like it couldn’t, I’d never catch a break, God really wants me to earn this house. The government would never let someone who actually gets up in the morning have something, gotta give it all to those wasters” (Interview with Aileen).

This strategy of scapegoating was very common. Despite the mistreatment they endured from the PIP, many of my participants did not have any lasting enmity towards them. Instead, they earnestly believed and argued that other debtors were at fault, and strongly condemned what they see as ‘immoral’ behaviour of others, and so the logic of the confession is socialized and externalized. To this end many debtors shared anecdotes with me about individuals from their local areas who they believed to be in debt and were not taking their obligation to repay their debts seriously:

“It's one of those weird things because I walk by that row of houses every day, there was one car outside the house, it was one of those people carrier things. It had an oil leak, I mean the guy must have been putting in €20 of oil into it every week, because there was literally a stream of oil coming out onto the road. Then one day I noticed the oil was gone and then I noticed there was a new car there, and that there was a skip outside. The house was being done [refurbished or renovated], and then there was another skip outside. They've decided to do something else, there's sheds being built and stuff. You went from: not being able to afford to fix your leak... your oil leak in your car, to multiple home renovations in the space of... and there's only one of ye working” (Interview with Max).

For my participants the reason behind the indebtedness of the other was fundamentally a desire to impress those around you, rooted in pride and a fear of being perceived as ‘poor’ or ‘working class’, with many comments demonstrating class disgust. This however was not the case for that participant. Each individual who related anecdotes like the one above immediately followed it up with a statement that they themselves are not like this. That they
do not borrow to impress other people, or to drive a car with a registration plate bearing the current year. Instead they borrow for the necessities of life, they went into debt in order to secure a family home, or they carefully examined many different used cars in order to make a responsible purchase. Despite their vigilance and care they are still in debt distress. However, the core of the problem is sociologically rooted in the ‘other’ debtor, who is scapegoated as the architect of all the problems of this particular individual. This echoes the psychological concept of displacement, whereby internal fears, and problems are transferred onto an external source and can often become pathological (Oxford Dictionary of Psychology 1995, p.217). Any errors made by the participant are excused as mistakes that any person in their situation would likely have made, and they are deeply embarrassed and apologetic for those errors. Other debtors however are suspect, likely to spend their money on luxury expenses or waste it (for example by gambling):

“It was just a mistake and if… if you’d been in my shoes you would have done the same thing, it’s all the best with hindsight you know yourself” (Interview with Laura).

[Approximately 10 minutes later in the same interview]

“She [participant’s neighbour who is also in debt] should have known better! It’s one thing to take out a small bit of debt but she should have realised the property market was heating up, and I’ll tell you another thing I’d bet you she has some kind of problem there’s an addiction to something there I don’t like the glassy look in her eyes now these days, and now that’s… that’s why I can’t get a debt relief thing. People like her stopped it for all of us, because they were irresponsible” (Interview with Laura).

Stories in newspapers occasionally appear with headlines indicating that a particular debtor has not paid their mortgage in a very long time or that most debtors were not responsible people and are likely to strategically default. These stories were seized upon by my participants as proof that there are debtors in Irish society who are maliciously not paying their debts, and who seek strategic default (defaulting on their mortgage despite being able to pay). This ‘other’ casts a poor light on debtors in general, and is the true reason for the interrogative nature of the meeting with the PIP. The PIP is not a ‘bad’ person; they are simply doing their jobs and trying to distinguish those who are really attempting to repay their debts from those who are not. In the same manner that the confessional priest was not a ‘bad’ person, he was simply trying to get to the root of your problems so you can be forgiven.

By the time I met my participants several years after their PIP meeting a reconstruction of the ISI has taken place in their minds. For most, there was a small sliver of hope that they were
holding to up until they had their confessional interview with the PIP. While many initially resent the PIP, they came in time to respect that they were doing a difficult job and probably did not enjoy asking debtors difficult questions. However the ISI is now altered from a potential aid to a misleading farce, the service is reconstructed as a service for the dishonest in the minds of my participants. My participants told me that those who are truly serious about paying their debts do not need a government service to help them, they deal with the problem on their own, using their own abilities, creativity and skills. This is a highly neo-liberal viewpoint predicated on a natural state of fairness present in the world. Debt relief is reimagined, it is no longer for those who are struggling and in need of temporary help, it is for the morally bankrupt ‘quitter’ who does not want to give it all to pay their debts.

As a consequence, any strategy that avoids going back to this broken service is justified, leading to participants accepting a degradation in their standard of living that they never thought would happen:

“I've had to start doing stuff I'm really ashamed of, I'm going around to bakeries in the [local area], and at night they usually throw away all the stuff they couldn't sell, so I go through the bins some nights and pick up the stale food, muffins, bread and other stuff they'd throw away” (Interview with Paul).

“I’m in a place I never figured I’d be, the first time I went to a food charity I was so embarrassed” (Interview with Michael).

“It’s, what do they say? ‘Existing not living’? That’s me. I’m just trying to focus on the next day, the next hour, the next minute, thinking long-term is awful” (Interview with Sean).

This is how the technologies of governmentality discussed previously (section 7.3) are translated (Rose 1991; 1999; 2000) from broad policy to operationalized changes in behaviour and conduct at the level of the subject. The debtor has become individualized, as all problems are atomically reduced to the level of the individual subject (Rose 1999); responsibilised into discourses of the risk-taking entrepreneur of the self which have now become normalized. This takes the character of governance at a distance (Rose 1999) the state (not creditors for that matter) does not send letters to each individual debtor telling them that they ought to mistrust other debtors. Instead, this is a dispersed process, involving many different interlocking agents of governance, from creditors, to debtors themselves, media organisations, experts such as PIP’s or financiers, charities and so on.
Behind this governmentality however is a focus on what Berlant (2011) calls ‘the good life’. In essence, the good life describes a type of fantasy specific to the contemporary Western liberal democracies. In effect there are life ‘milestones’ that Western subjects are encouraged to meet, such as going to college, meeting a life partner, getting married and owning a home. Home ownership is particularly important for this discussion, as homes and houses become invested with all manner of emotional and cultural debris (Keohane and Kuhling 2014). Attachment to these notions of the good life, while understandable, can also be damaging and Berlant elaborates on what she calls cruel optimism:

“A relation of cruel optimism exists when something you desire is actually an obstacle to your flourishing” (Berlant 2011, p.1).

I argue that my participants now exist in a state of cruel optimism with respect to their houses, which aids in explaining why they are so hostile to the debt relief offered by the ISI. The insolvency arrangements of the ISI represent a chance for the debtor to lose that which they have sacrificed for, as 10% of applicants end up losing their houses (Insolvency Service of Ireland 2018, p.4) and a further 21% move from a normal mortgage to a mortgage-to-rent scheme (Insolvency Service of Ireland 2018, p.5). My participants have a strong sense of attachment to their houses, and Berlant (2011, p.4-6) explains that the more our object of cruel optimism comes under threat, the more grasping our attachment to it becomes. As the possibility of losing that which we desire becomes crystallized, more extreme measures first become justified and are then normalized (Berlant 2006; 2011).

Concurrently, debtors become suspicious and judgemental of other debtors, in what I argue is a kind of mimetic rivalry (Girard 1987; 1989; 2013), which centres on the house as an object for which there is a struggle for possession. Debtors are confronted with the difficulties of debt distress, and they must (at some point) explain how and why they came to be in this place, which leads to accusations and critique of other debtors, who are the irresponsible subject par excellence. Each of these debtors are trying to own a home, yet there is a sense that they are each in competition with each other, because the irresponsible behaviour of one sabotages the debt relief chances of another. The policy will be amended to exclude the irresponsible subject, which has a knock-on effect or unintentionally damages the application changes of the responsible subject in the process. Thus, the competition for debt relief is a kind of mimetic rivalry, which as we have seen from previous quotes by my participants can be highly toxic. Neighbours become hidden enemies, communities break down as my
participants do not want to associate with “those” kinds of people, and former friends are suspicious as they examine the renovation works of those who are supposed to be struggling.

As Girard (1965; 2013) identifies, mimetic rivalry becomes more damaging over time, and will eventually lead to an outburst of violence unless a means of expression is found. Typically, these take the form of the scapegoat and the sacrifice (Girard 2013). For my participants, the discourses around the punishment and pathologizing of the irresponsible debtor is a type of scapegoating used to rationalize their continued avoidance of the ISI even if it would be financially sound to engage with the process (difficult and demeaning as it may be). The service is constructed in many different (often mutually contradictory) ways. It is both too difficult and too easy to engage with, the participant argues that they simply didn’t try hard enough to apply, which they could do if they really wanted to, but never will. The ISI is also too restrictive and too open, it is kept restrictive and exclusive to prevent it from being overused by the untruthful debtor, but at the same time my participants believe that there are hordes of these untruthful subjects using the ISI. The service is for ‘quitters’ (those who have given up) but in a bizarre sense is also for those who are taking their debts seriously as those people are the only one’s responsible enough to admit they have a problem. The PIP is shrewd and discerning, capable of finding the most carefully concealed lie, but at the same time easily tricked by the strategic defaulter who the PIP allows to use debt arrangements.

While these beliefs may seem irrational they serve a purpose. They anchor my participants to their houses, the objects of their cruel optimism, and they justify the continued existence of their non-use of the ISI and simultaneously diffuse the mimetic rivalry they feel with other debtors. The ‘other’ while dishonest, is more tolerable if my participants believe that justice is being done, and that the irresponsible ‘other’ is not able to acquire debt relief. My participants variously sought out extra work or overtime hours from their employer, got a second job, began using charities, gave up hobbies and socializing and began to budget much more carefully, both to cope with their indebtedness but also to ‘prove’ their honesty. The logic of neo-liberal subjectification has now been internalized by my participants.

However, if the scapegoating of the moral hazard and the strategic defaulter does not work, then there is the sacrifice, which in the contemporary moment of Irish debt neo-liberalism takes the form of the vulture fund. Or as they are otherwise known, international money management funds which purchase large tranches of ‘poorly performing’ mortgages, evict those living in the houses, and then sell the houses for large profits. The mere possibility of a
vulture fund purchasing their house made my participants fearful. While any repossession would be bad, a repossession by a vulture fund would be a sign that they had been judged and found wanting; that they were in the group of ‘non-performing’ loans which is representative of a lack of determination to cope with one’s debt problems. There is simultaneously here a hate and fear of vulture funds, nobody wishes themselves to be the sacrificial victim which restores the mortgage market to a healthy state. Those ‘other’ dishonest debtors however will get what they deserve, though my participants could never quite bring themselves to ‘support’ vulture funds in any meaningful way, a sacrifice, unlike scapegoating is permanent and is always difficult to look at (Girard 1965; 1989).

We have now come full circle through seeing the engagement and non-engagement with the applications process. My participants, having had negative initial experiences with the ISI reconstruct it as a service for the lazy or dishonest; and contrariwise the service was also designed to exclude these same people. However, my participants believe that the shrewd and dishonest debtor who wishes to strategically default is able to gain access to the service, while honest hard-working debtors are excluded. Consequently, there is little point in revisiting the service, as the result would be a lot of effort in attempting to persuade the PIP that they are honest applicants, but the PIP would not believe them. The debtor then feels a need to take control of their lives, if they cannot utilize debt relief, then they must find a way to deal with the situation on their own. This justifies extremes of budgeting and a (dis)engagement from general society due to a lack of money, and the stigma that exists around indebtedness.

7.6 Conclusion
This chapter has explored how my participants discovered the workings of the ISI through a qualitatively driven presentation of their first-hand experiences. This process was discussed as it was uncovered by my participants (through Cicerone) who navigated through the ISI’s applications process slowly and with uncertainty. The process was difficult for them, and in the end only four of my participants were able to proceed with an application, and only one made it onto an insolvency arrangement. I conclude here by drawing together the empirical, contextual and theoretical material to present an informed discussion on the ISI and explain why this was the case.

As discussed in my theoretical framework (section 4.1) and methodology (section 5.2) a wide variety of theoretical arguments and positions are adopted in this dissertation. To that end I
have utilized governmentality theory to study how debtors are having their conduct conducted (Burchell et al. 1991, p.2) by neo-liberal technologies of power which are prevalent in Ireland (broadly) and within debt (specifically). Debtors are ‘encouraged’ to see their debt as a personal failing; a result of their own incompetence. Therefore they must spend frugally, stick to a strict budget and engage in intensive self-examination of their behaviour and beliefs at an economic and moral level, in other words they must become an entrepreneur of their selves.

Debt is therefore governed “at a distance” (Rose 1991, p.49) firstly through various “relays” (Rose 1991, p.50) such as charities, semi-state bodies (MABS; the ISI), state organisations (the central bank), the media, and finance experts; and secondly through technologies of power. In its governmentalization, debt (and debtors) is individualized, normalised and responsibilised, particularly through discourses of the irresponsible ‘other’ debtor who borrows excessively and expects others to pay for his mistakes.

This governmentality is mobilized, translated and made intelligible (Rose 1991, pp.47-51) by a broad focus on ‘the good life’ (Berlant 2011), which featured home ownership as fundamentally important, both as a life milestone and for personal happiness. A house was (and is) more than just a physical structure or financial investment; it is a home, a place to raise a family, a site of social and cultural privilege, as well as financial asset (Berlant 2011; Keohane and Kuhling 2014). The house has therefore become an anchor for images of ‘the good life’ in the Irish cultural consciousness (Keohane 2009).

The house however is a financialised object, sold through private markets and is hotly contested (by location, price, quality of neighbours etc.) which causes the house to become an object of mimetic rivalry (Girard 2013) as there is a struggle for its possession. This struggle is both with others and with oneself and as Girard (2013) says this can lead to violence when the struggle becomes hostile and toxic. This mimetic hostility is diffused by turning to a scapegoat: an individual, population, group or even animal which can be blamed and ritually sacrificed to alleviate the mimetic pressure. Terms such as ‘moral hazard’ and ‘strategic default’ are used as shorthand for the scapegoat subject in Irish debt discourse. While my participants argue that they themselves are honest and hardworking, they have been cheated out of a fair chance at debt relief by the dishonest ‘other’ debtor who does not legitimately attempt to pay his debts, and upon whom the insecurities and difficulties of the debtor have been displaced (Oxford Dictionary of Psychology 1995, p.217). I echo Skeggs’ (1997)
argument that one of the core reasons my participants do not allow their houses to be repossessed is that they do not want to be seen to have ‘given up’ (Skeggs 1997). Fear of judgement and social stigma motivate my participants to continue making mortgage payments even when they are behind by several years. They do not want to be thought of as lacking respectability (Skeggs 1997), responsibility or integrity.

Scapegoating fits within the matrix of governmentality as it encourages debtors to be more responsible and to compare their behaviour with those who have erred. Debtors internalize the gaze of creditors and regulate their conduct accordingly through rigorous self-examination. For various reasons despite the large number of ‘non-performing’ loans, (i.e. mortgages in arrears) there have been comparatively few repossessions in Ireland. This looks set to change in the contemporary historical moment as the Irish government have allowed international money funds to operate within Ireland and have even accorded them special privileges and tax breaks. These are better known colloquially as vulture funds. Because they do not have to obey the rules and regulations that govern Irish banks, they are capable of operating in a more direct manner, and they generally seek to evict those mortgagors who have fallen into arrears, then sell the house for a large profit.

In the meta-theoretical context of this research, I argue that the vulture fund represents the means by which the ‘bad debtor’ (the strategic defaulter, the moral hazard) is being sacrificed (Girard 1965; 1989). Until the arrival of the vulture funds, the Irish mortgage crisis was in a perpetual stalemate. It was politically difficult to evict struggling families in the immediate aftermath of a financial crisis for which the government was partially responsible (Kay 2011); but many of those who took out mortgages in the economic boom are also unable to repay their debts (Central Bank of Ireland 2018). This sacrificial process pushes debtors away from the ISI, as my participants believe that attempting to acquire debt relief will make their mortgage more likely to be sold to a vulture fund.

Vulture funds make evictions politically possible by operating outside the boundaries ordinarily inhabited by creditors. There is a mounting body of evidence from the media (Broadsheet 2017; O’Halloran 2017; Fegan 2018; Hennessy 2018a), financial experts (McWilliams 2018) and NGOs (Irish Mortgage Holders Association 2018) that sales of ‘non-performing’ loans to vulture funds are increasingly catching ‘good’ debtors in the crossfire. These are debtors who have paid their loans on time (or may have missed a single payment) but are now being sold to vulture funds, who will aggressively pursue eviction in order to
obtain and then sell the house. For my participants this inspires fear, vulture funds are powerful, wealthy and well-connected. If a ‘good’ debtor can be evicted and my participants think of themselves as ‘good’ then the sacrificial process loses its foundational justification. This is particularly the case in the context of the current homelessness and rent crisis; with my participants believing that they are likely to become homeless if they are evicted, causing more internalizations of the responsibilisation discourse that surrounds debt.

With its notions of sacrifice, moral hazard, and confessions, Irish debt discourse evokes connotations of economic theology at a moment when secular society has declared the influence of religion to be weak, if not gone completely. The ISI was founded in the context of an Ireland under austerity (Coulter and Nagle 2015) which has been heavily influenced by economic theology; most clearly evident in the services’ opening applications process. While the ISI’s director argues that the service has been created on the basis of “international best practice” (Insolvency Service of Ireland 2013a, p.2), debtors and PIP’s have a different impression. The ISI’s applications process differs significantly from similar international modes of debt relief, such as the insolvency service of England or Scotland (Heuer 2014). In those services, an application begins with formal paperwork which outlines the means and situation of the debtor.

In the ISI, there is no such application. PIP’s are permitted to administer the insolvency legislation within very broad parameters, and may request these details, but there is no standardized template available to them. In lieu of paperwork, many PIP’s instead acquire this information with an interview with the debtor, which I have previously argued (section 7.3) takes the character of a confession. The debtor sits before the PIP, who occupies the role of the priest, and explains how they came to be in debt and where they have gone wrong. Both PIP’s and debtors dislike this confessional interview process. The PIP’s because it introduces the possibility of human error, allowing (for example) moral assumptions the PIP may have to influence their decision making. This was most clearly seen by the sexist assumptions that PIP’s (and also male debtors) make about their clients. Debtors, for their part, dislike the confessional interview because it makes them feel humiliated, embarrassed, and self-critical. While many of my participants were prepared to admit that there was a feeling of catharsis having gone through the interview process and realizing that they had to make significant changes to their life (a ‘light bulb’ moment), they also felt that they could not subject themselves to the process of confessing their debt sins again.
Similar research on welfare by Boland and Griffin (2018) has found that contemporary welfare policy is often justified on the basis of a purgatorial logic, whereby modern welfare services have the character of a kind of economic theology. For Boland and Griffin (2018) this means that welfare services can offer some help to their clients, but they must go through demeaning interviews, agree to be inspected, agree to search for a job with total expediency; in other words to eliminate the possibility of dependency by making it painful and difficult to be dependent upon welfare (Boland and Griffin 2018). Debt relief policy operates along this logic, you can be helped, but first you must confess, and admit your wrongdoing. However, if the confession does not satisfy the standards of the PIP, help may not be forthcoming. You must first perform work upon the self; give up your vices; adhere to a strict budget; be able to demonstrate positive change, the growth of your human capital (Foucault 1991b), and the internalization of a Weberian asceticism (Boland and Griffin 2018).

These austere modes of governance are generally presented as a difficult but necessary sacrifice that must be made due to the moral errors of Irish people as a whole. Two quotes will be illustrative here, the first an infamous quote by Brian Lenihan, the second a more theoretical point by Lazzarato:

"Let's be fair about it, we all partied” (Murray 2010, p.1)

“The dedication, subjective motivation, and the work on the self preached by management since the 1980s have become an injunction to take upon oneself the costs and risks of the economic and financial disaster [emphasis in original]” (Lazzarato 2012, p.8).

The aforementioned ‘party’ is generally taken to be the reckless over-borrowing of Irish people who were on low wages and took advantage of cheap credit to finance a lifestyle that was unsustainable. Journalists (O’Toole 2009) and sociologists (Coulter and Nagle 2015) have repudiated this presentation of events; with O’Toole (2009) particularly demonstrating that most Irish people earned under €40,000 / year (the average industrial wage) and borrowed only to become homeowners, a policy which was encouraged by the government of the day. Now however we are guilty debtors, we must learn how to live modestly again. Education, health-care, pensions, benefits; we are told not to expect that these things will be available to us (Coulter and Nagle 2015). Lazzarato neatly illustrates the economic theological connotations of our austere moment:

“The creditor-debtor relation concerns the entirety of the current population as well as the population to come. Economists tell us that every French child is born 22,000
euros in debt. We are no longer the inheritors of original sin but rather of the debt of preceding generations” (Lazzarato 2012, p.32).

This is how the governmentality of indebtedness is translated (Rose 1991; 1999) from government policy to actual changes in behaviour, and it is this logic that created the ISI in 2012/2013. We accept the harshness of austere institutions because we are responsible for them becoming this way. Even if we are not personally responsible, we must accept that our society is ill, and that we cannot return to the irresponsible behaviour of the past.

The reasons underlying the non-engagement of debtors with the ISI is therefore due to the whole of the process and does not lie in any single part of it. Discovering how exactly the service works is difficult and necessitates a face-to-face meeting with a PIP from the service. This in turn leads to a difficult interview, which leads to debtors questioning who, if not them are supposed to use the service. They conclude that the applications process was made intentionally difficult because of dishonest debtors, about whom they have many anecdotes. Those who do apply find themselves in an adversarial relationship with their creditors, who wish to stop the application if possible to prevent a normalisation of debt relief in Irish society. Those who do not or cannot apply or who are rejected instead learn to rely on their own resources, their friends and family, charities or seeking overtime at their jobs. This results in a great deal of hardship for debtors, who now feel that the ISI is fundamentally broken and in need of reform.
Chapter 8 Conclusions

8.1 Introduction
This research is positioned as a sociological response to the narratives of ‘recovery’ which now exist in the Irish media. The debt crisis began approximately a decade ago, and the media now promulgates the government perspective that the worst hardship has now been endured, and we must “keep the recovery going” (Fine Gael 2016, p.1). The financial crisis is thus discussed in the past tense and is assumed to have little if any continuing relevance for policy or people in Ireland today. As my findings demonstrate the fallout from the economic crisis continues to affect the lives of debtors in contemporary Ireland (as well as other groups).

As my project is sociological in nature, it makes use of various sociological theories, primarily those of Foucault (1979; 1991a; 1991b; 2000; Foucault and Senellart 2008), which were used to reveal the hidden motivations, strategies and tactics used to govern debtors. I particularly show how the discourses around responsibilisation and normalisation have come to influence the behaviour of debtors as these discourses have become regimes of truth in their own right (Rose 1991; 1998; 2000). Additionally, I incorporated a range of secondary theories such as cruel optimism (Berlant 2006; 2011), mimesis/scapegoating (Girard 1965; 1987; 1989; 2013) and intersectionality (Jibrin and Salem 2015; Crenshaw 1989; Collins 1990). Each of these theoretical perspectives was used to open-up new areas of understanding which were important, but which an exclusively Foucauldian framework did not aid in understanding.

I begin this chapter by outlining and summarizing my key findings, namely the problematic process of applying for insolvency; the relevance of class and gender; and how debtors are coping without the ISI. I then move on to discuss the contribution my research makes, theoretically, empirically and methodologically. After this I outline my policy recommendations, discuss the limitations of my research and offer my final thoughts.

8.2 Key Findings

8.21 Process
The purpose of this research was to discover how and why there could be so many qualifying candidates for the ISI’s insolvency arrangements, but so few applicants. Throughout the course of this research I searched for a code, theory or explanatory framework that would
allow me to conceptualize all of the issues I was seeing with the services’ operations. Such a framework was not forthcoming, until I realized that the problems of the service could not be reduced to a single concept. Debtors interacting with the service encountered ‘blockages’ at various points in the applications process. It is not that any one part of the applications process is completely at fault, though some parts are more obstructive than others; rather it is the whole of the process that debtors found problematic.

At the pre-application stage there were issues around acquiring accurate information. The service has been extensively discussed online and in news articles, leading to confusion and misinformation about what the service is supposed to do. My participants found this obfuscated the service and represented a minor blockage in the process, but they persevered to contact a PIP where they faced a difficult interview. They felt compelled to reveal details about their perceived wrongful behaviour, desires, and beliefs, even when these had nothing to do with debt. In other words: to confess. This interview stage with the PIP represents the first major blockage in the applications process, and most of my participants (14/18) chose not to apply at this point or were informed that they were ineligible.

Those who do apply must make an application to the courts, with the assistance of their PIP to gain a PC, which will prevent their creditors from contacting them or seizing their assets while they make a full application. While my participants who got this far were nervous about facing their creditors in a court, they felt that there was no other alternative. During the interim when they were waiting for their PC to be authorized, debtors were contacted by their creditors. At first this contact was relatively restrained but became more aggressive over time with creditors suggesting abstractly that if a debtor attempted to join an insolvency programme that there would be unspecified problems for the debtor. This was quite intimidating for the four of my participants who got this far, who felt very anxious about potentially getting into a legal battle with their creditor(s). This stage of application limbo was fraught with thoughts of cancellation and anxiety and represents yet another blockage encountered by applicants in the process.

Assuming a debtor could overcome this, and acquire their PC, they now had to make an official application to join an insolvency arrangement. Four of my participants got this far, two of them had their application vetoed by their creditors, one was ejected from the process on a technicality and the fourth was able to proceed to a full application. Of my eighteen participants, one was able to navigate through the ISI’s applications process and join an
insolvency arrangement, and I argue that it is therefore the process as a whole that is problematic.

8.22 The Continuing Importance of Class and Gender
The ongoing significance of intersectionality is an important finding of this research. My female participants described how they encountered discriminatory attitudes and beliefs, within and without the ISI. Chief among these were the assumption that women naturally required insolvency or help with their indebtedness, as they ought to have left money management to the man of the house. In addition to this, fourteen of my participants defined themselves as having come from a working-class background, though some felt the label no longer applied to them today. Regardless there were strong elements of class disgust evident in how my participants were treated during their applications process.

The women in my research felt that they could not apply for help from an insolvency service because it would reveal the stereotypes about their inability to manage money to be true. This represented a strong social and psychological barrier for them to overcome. When they tentatively reached out to the ISI to learn about applying for an insolvency arrangement, they felt that they were being judged by the PIP’s, who talked down to them. Men by contrast were seen as rebellious or cavalier, their debt issues was not a mark of stigma against them. On the contrary, if a man is attempting strategic default, it is only because he has tried all the available options, or at least considered them. Whereas if a woman is attempting strategic default, then she is a disappointment to her family and her community, but probably ought to be helped due to her poor understanding of finance and household economics. My female participants strongly disliked these perceptions and they wished to combat them by recovering from over-indebtedness without help from anyone.

The working-class participants in my research stated that they felt similar attitudes from PIP’s, other debtors, general Irish society and the Irish media. They repeatedly brought up how they were classed as “scumbags” or “lowlives”, and felt that media perceptions of them were unfair and inaccurate. According to my participants, much of the reporting around indebtedness was on the Irish governments’ bank bailout debt, but when personal debts were discussed the dominant discourses were those of blame and judgement. This typically happens through news articles which discuss a handful of debtors out of context, usually focussing on a debtor who has not paid their mortgage in 5/6/7 years. These debtors usually come from an underprivileged background, if they are unemployed this is raised; otherwise
their employment is not mentioned. While the tones of these articles are generally quite neutral, it is the framing and selectivities they use which indicate their class disgust (Devereux 2013).

In applying for insolvency, my participants often felt these same judgemental attitudes from PIP’s, who would ask them where they were from, ostensibly as a way of easing the tension and awkwardness of the conversation. When my participants told the PIP’s their background, the PIP’s attitude changed, and they wondered if it was wise for a person from such an underprivileged area to have sought a mortgage in the first place. The implication being that only a person from a middle-class or ‘higher’ background ought to own their own home. These judgemental attitudes are demonstrations of class disgust, and my participants felt ashamed or embarrassed at having the areas they grew up in (and often still lived in) highlighted.

My research therefore accentuates the necessity of discussing class and gender as issues which affect insolvency provision (specifically) and welfare provision (generally) in modern Ireland.

8.23 Coping: poverty and exclusions
My findings underline the importance of what happens when a debtor is unable to acquire debt relief. Following a failed application, my participants began to reconstruct how they imagined the ISI; it quickly went from a potential ally to a misleading enemy. Without insolvency, my participants’ only remaining legal option was bankruptcy. As my participants had made their house a home, and become emotionally, socially and culturally attached to it and the area it was located in, bankruptcy was not seriously considered as an option by any of my participants. Instead, they now had to find a way to cope with being over-indebted, which used a number of strategies:

- Using charities. This was a source of stigma and shame for my participants, in particular my working-class participants who felt that needing to use a charity was proof that the stereotypes about them were true. In most cases my participants only used a food or clothing charity when their debt situation was going to affect their children’s well-being
- Budgeting. By the time I had interviewed them my participants had long given up many of their pleasurable past times, and followed extremely strict budgets
• Borrowing money from friends or family. My participants excelled at creating a complex web of short-term micro-loans from friends and family

• Blaming themselves or others, particularly the government or their creditors. My participants felt that by blaming themselves that they were in some way ‘paying’ for their debts, because the negative feelings they were engendering were a sign that they were taking their debts seriously

• Dumpster diving, used by two of my participants who are having trouble finding enough money to eat on a regular basis

• (In)voluntary Social exclusion. In response to the financial difficulties they were facing, many of my participants ‘chose’ to withdraw from society, they stopped attending social functions, meeting their friends or inviting people over to their houses. Ostensibly this was to save money, but they also did not want their friends and family to see how serious their living situation had become

These coping mechanisms were developed as a response to the issues my participants faced when they attempted to join an insolvency programme through the ISI. They came to believe that the ISI was an organization that would only help ‘quitters’ or people who were not taking their debts seriously, which was not something that would ever describe them. Consequently, their coping strategies justified their continued non-engagement with the service, as they could convince themselves they did not need it, and even if they did it was not a service designed for them, it is for ‘quitters’.

8.3 Key Contributions
This project makes contributions to debt research and social policy existing within the matrix of welfare provision in four key areas, theoretically, methodologically, empirically and in the policy recommendations I make for the reform of the ISI.

8.31 Theoretical Contributions
In chapter 4 I outlined my theoretical framework and how it relates to the overall thrust of my research. My research uses a combined theoretical framework, involving an integration of several different theoretical viewpoints.

This research project integrates contemporary perspectives in governmentality which utilize Foucault’s original template of ‘technologies’ and power/knowledge to analyse how debtors are being governed at a distance by a range of governmentalizing organisations (Walker 2011; Rose 1991; 1999). As my findings demonstrate, the Irish state does not communicate
with individual debtors to tell them that they must behave in a responsible and normalized manner; the influence is more subtle, articulated through indicative discourses of strategic default or moral hazard. This is the power of a governmentality approach; its strength is its ability to reveal hidden or concealed motivations, frameworks and techniques for adjusting or modifying the behaviour of particular populations (Žitko 2018; Tanguay 2015). For debtors this takes the form of making them feel guilty, ashamed and responsible, they thus ‘conduct their conduct’ in line with expected governmentalizing norms.

Cruel optimism enabled me to develop an understanding of why a debtor would put themselves through so much personal difficulty for their mortgages. We are cruelly optimistic when what we desire is an obstacle to our flourishing. My participants’ desire to stay in their houses despite unpayable mortgage arrears and the difficulty and suffering that goes along with this can be considered such a relation, and indeed Berlant (2011) herself raises the attachment we have to our ideas of ‘the good life’ in her own studies.

Mimesis aided in my apprehension of the narratives of scapegoating and blame that have interpenetrated discourses of indebtedness (Girard 2013). My participants articulated a feeling that someone must be held accountable for the disaster of the economic crisis, and that it ought not to be them as they are not responsible. Additionally, this theory helped to shed light on the contemporary sale of mortgages by creditors to vulture funds, which I argue can be thought of as a mimetic sacrifice (Girard 1989; 2013).

Finally, intersectionality brought attention to the relation between class and gender within my research, particularly at the level of discriminations of class disgust and sexist assumptions (Crenshaw 1989; Jones 2011; Tyler 2008; Jibrin and Salem 2015) about women’s capacity to manage money. This theory shed light on the exclusions being faced by my participants, both social and financial.

**8.32 Methodological Contributions**

In chapter 5 I discussed my methodological approach, which is qualitative and underpinned by an interpretivist epistemology. As such my research was focussed on uncovering the beliefs, meanings, contexts and feelings that lay behind indebtedness. The originality of this approach comes from its qualitative roots, as most debt research is quantitative, policy analysis, or is historical in its orientation (Graeber 2011; Waldron 2016; Waldron and Redmond 2016; Stamp 2012a; 2012b).
As an original contribution to knowledge, I present my findings, based on 22 interviews, 18 conducted with debtors and 4 conducted with PIP’s. The ISI has previously interviewed and conducted focus groups with debtors, but only those debtors who have successfully gone through its programmes. My research’s originality comes from its focus on those debtors who have attempted to join an insolvency programme, but failed. As I discuss in chapter 2, this represents a significant majority (approximately 2/3\textsuperscript{rd}s) of those individuals who apply for an insolvency arrangement.

The qualitative approach I adopted was guided, shaped and influenced by the theoretical matrices I accessed in order to understand debt policy and my participants’ perspectives. This primarily took the form of a Foucauldian analysis, which emphasises that attention be paid to how problems are defined, why they are problematic to begin with, and how those problems are addressed. In my interviews this approach helped me to identify the discourses and regimes of truth used by the various institutions, organisations and people involved in governing and administrating over indebtedness.

8.33 Empirical Contributions
My research holistically incorporates the contemporary history of indebtedness, particularly as it relates to Ireland and comments on the mental health consequences of indebtedness from a sociological point of view. My research is empirically significant because it blends existing research into making new commentaries on the lived experience of debt in Ireland.

My research represents the first external study of the ISI applications process. It is also the first study which concentrates on those debtors who wished to join a debt arrangement but were unable to, the extant research conducted by the ISI itself has focused on those who have successfully gone through the process. My research therefore adds to the empirical body of research on insolvency and bankruptcy services from a qualitatively oriented perspective focusing on lived experiences, feelings, beliefs and meanings. This is within the context of a body of research that is primarily quantitative and which answers questions of ‘what’ or ‘how’ rather than ‘why’, e.g. how many mortgages are in arrears.

8.4 Policy Recommendations
Having finished my research and presented my findings, I make the following policy recommendations. These recommendations predominately focus on three areas: clarifying what the service does; how the service fits into existing debt policy; and the ‘reach’ that the service has.
8.41 Accessibility and clarity of information
In brief the ISI should be made much more accessible to the average debtor. It should be evident now 5 years after the service has opened that the predicted ‘flood’ of debtors is not going to happen, and the service requires considerable change to even be under consideration from those who have had a negative first experience with it. Against this backdrop:

- The definition of ‘insolvency’, which should be made clearer and less ambiguous, individuals should be able to tell if they qualify or not by reading the definition. If the definition is not changed, then PIP’s should be encouraged to be more open about who can be considered insolvent
- The first documentation the debtor sees should clearly explain the role of the PIP. This was a source of considerable confusion for my participants
- The service should emphasise that it has been reformed since its inception. Many individuals have had negative experiences with the service and the knock-on effect from word-of-mouth should not be underestimated
- In line with the next set of policy recommendations, I recommend that a recruitment drive be held for additional PIP’s, as the current number would not be adequate to handle any substantial increase in the number of applicants

While the Back on Track scheme and website is a positive first step, my participants stated that they found the plethora of information on the ISI disorienting and confusing. A single short document should be available on the ISI and Back on Track websites which explains the ISI process in a basic but clearly comprehensible way. Individuals interacting with the service still have difficulty understanding exactly who the PIP’s are or what they are supposed to do, this should be unambiguously clear in the ISI’s documentation.

8.42 More integration within existing debt policy
The ISI should be better incorporated with existing debt policy responses within Ireland, namely MABS and the Mortgage Arrears Resolution Process. Those who are engaging with their bank, attempting to pay back their debts and working toward a solution (the vast majority of mortgage holders) should be fast-tracked to an insolvency application. Engagement with MABS should also be taken as a sign of a debtor’s willingness to pay back their debts. While the PIP’s I interviewed suggested that MABS engagement was looked upon positively, I recommend that this be enshrined more concretely in policy.
8.43 A change to the applications process

PIP’s as well as debtors were highly critical of the operations of the service, and the initial stage applications process must be addressed. Currently the process begins with (at best) a semi-structured interview, which is embarrassing and demeaning for the debtor; and frustrating and difficult for the PIP. The PIP must acquire from the debtor the relevant details about their loans and debts, including any efforts to repay, how much engagement have they had with their bank (how often, what kind, was it an antagonistic relationship or not), has their mortgage been restructured, in an attempt to determine if they qualify for an ISI arrangement or not. A debtor who comes to the ISI has likely been in debt distress for years and ought to have come much sooner, and they are grappling with feelings of anxiety, depression and failure. The debtor may not have kept all of the relevant letters or evidence of contact with their bank; they may not be able to remember all of the important information and this makes it harder for the PIP to assess their situation.

In light of this, I propose that the applications process should be changed to a model which already exists in Ireland in the form of the RTB; and internationally in the form of other insolvency and bankruptcy approaches (Heuer 2014). This model differentiates itself from the ISI because instead of the initial process being dealt with by a face-to-face interview, the person seeking redress or help submits an application which includes all of the relevant information. This enables a group of independent experts (usually three) to examine the case and make a legally binding decision which can be appealed. It is in the event of an appeal that both parties (in this case the debtor and the bank) meet face-to-face, generally before a tribunal and state their problems with the previous outcome. The current ISI model where a single independent expert operating their own small business without resources or help is precarious and one of the likely reasons why there are almost 60 fewer PIP’s than when the service opened. I also recommend that PIP’s should not be permitted to manage the disbursement of funds used to pay their own fees, as well as the monies due to the bank. In effect a debtor pays a PIP both their fees and the monies owed to any creditors, and the PIP’s control the account that holds this money. This means that they are responsible for paying themselves from this account, introducing the possibility of corruption and error. At the very least this task should not be the sole responsibility of the PIP, and it would be better for an independent expert to disburse these funds instead. During my interviews with them, these were the most significant issues raised by PIP’s and they were particularly keen that change in the applications process was necessary if the service is to survive.
8.44 Removal of the creditor's veto
I recommend that the creditor’s veto be removed from all ISI arrangements. The intent of the veto was to prevent applications from those who had not attempted to engage with their bank or make a serious effort to pay their debts from joining an insolvency programme. These individuals, who are considerably fewer in number than the policy expected, are already discovered by the ISI during its interview process. If my recommended changes to the applications process were also made, then a panel of experts examining the debtors’ records would also be able to discover these same individuals.

It is noteworthy that the creditor’s veto continues to exist in the context of an Ireland where many of the largest banks are part-owned by the state (Coulter and Nagle 2015). This means that the Irish taxpayer (including mortgage holders) paid to bail out the banks, faced a reduced quality of life when government services were subjected to repeated cuts, and then when they require debt relief, may have their application vetoed by a bank which they (in effect) partly own. While media discourses emphasise the responsibility of debtors (Managh 2018; Halpin 2017; Murray 2018a), I feel compelled to point out that creditors have their own share of blame for causing the economic crisis, and Irish mortgage holders are effectively being held responsible for buying a mortgage that was overpriced because of government policy.

8.45 Reduced programme length
An issue which came up persistently in interviews with both debtors and PIP’s were the length of the ISI’s programmes. One PIP in particular felt strongly that six years for a PIA was too long, especially when one considers that these are typically individuals aged 30+. Even the potential of being insolvent for 6 years is likely to present an obstacle to debtors wishing to join a PIA programme. Bankruptcy has already been reformed, once when the ISI was founded, reducing the period of bankruptcy from 12 years to 3, and then again more recently from 3 years to 1 year. There is little, if anything to be gained from keeping a debtor insolvent for a period of up to 6 years, and on this basis the programme should be reduced to an absolute maximum of 3 years.

8.5 Limitations and Future Research Possibilities
My research was specifically focussed on answering my central research question, namely why are there so many debtors who qualify for aid under the ISI’s schemes, yet so few applicants. In answering this question I interviewed 18 debtors and 4 PIP’s under a qualitative research framework. While I was able to uncover some useful information about
how the applications process works, as my research is a qualitative project it necessarily only makes claims for those people that I interviewed. This is the largest limitation of my research and this could be rectified by a larger mixed methods research study of the ISI in the future.

Additionally, the importance of class disgust was an emergent finding in my research, but was not one that I expected to find. By taking these discriminations as a deductive code, and asking participants about social class and class disgust specifically in future research would likely reveal stronger connections between class disgust and debt.

Future research should also be conducted with PIP’s. I had recruitment problems with this sample as there are only 109 in the whole of Ireland, and many of those I contacted were unwilling to be interviewed. Future research on the service should certainly incorporate the perspectives of these practitioner more holistically.

Finally a media analysis of how debtors are perceived would be of interest. While I have not conducted substantive structured research on the area, I did read news articles regularly through the course of my research. It is my view that media perceptions of debtors have been hostile until quite recently with the sale of various mortgages to vulture funds. Recent media articles have been more sympathetic to the problems of debtors, but a structured and focussed media analysis would be necessary to draw any significant conclusions.

8.6 Final Reflections
As I write these words the vulture fund ‘start mortgages’ has purchased 10,000 mortgages from PTSB for very low prices (Hennessy 2018a). Previous data about vulture funds indicate that Start Mortgages are likely to pay a rate of tax under 1% with several prominent funds.

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7 Some of these discourses include the framing of debt in an apparently neutral manner, but involve a thinly veiled concealment of class disgust. For example (Managh 2018; Weston 2012; 2018) whereby a particular debtor is targeted as having not paid their debt in several years. While the tone of these articles tends to be relatively mild, they also selectively attend to debtors living in deprived areas. The (usually unmoderated) comments which result often exemplify class disgust, portraying debtors as ‘scumbags’, with the critic assuming the position of someone in ‘the squeezed middle’. In other words a hard-working middle class person who must pay their mortgage or rent, all the while there are debtors who are not paying their debts and are suffering no consequences for it. The frequency of these articles indicates that the Irish media is entering into a deliberate strategy of directing the resentment of the cost of living crisis towards debtors, in addition to other groups such as the unemployed (Boland and Griffin 2015b).

Other examples include the tendency to portray such deprived areas as dangerous or criminal, with vague suggestions that bailiffs are justified in using force or angle grinders to remove the debtor from the house (Power 2018). Or the more common contemporary example of the sale of mortgages to vulture funds, which are often critical of the government and slightly sympathetic to debtors, but also include information, such as the (allegedly high) quantity of debtors who do not engage with their creditors (Croffey 2013; Finn 2018; Paul 2018; Managh 2018). The implication being that these debtors are not taking their repayment obligation seriously, and leaving the possibility open that the loan sale may be justified.
paying a total yearly tax of €250 in 2017 (O’Halloran 2017). Experience also suggests that these funds will be able to engage in their previous strategies of aggressively seeking immediate payment, increasing interest rates, sending threatening letters and so on; with the intent being that when the mortgagor cannot pay that their house will be repossessed. David Hall, the CEO of the Irish Mortgage Holders Organisation has stated that 1,000 of these ‘non-performing’ mortgages were restructured through an agreement with PTSB, and that they were in-fact meeting their repayment obligations (Hennessy 2018a). In spite of this neither the government nor the relevant ministers (finance; justice) have stepped in to prevent the sale of family homes to a fund which will seek repossession as soon as possible.

Vulture funds are now addressing the problem that the ISI was supposed to solve. Were the service operating as it was intended to, it is likely that many of these ‘non-performing’ loans would be able to join an insolvency arrangement and restructure their mortgages such that they would be able to pay. Instead, the mortgage arrears crisis is being dealt with through steadily repossessing the houses of those facing repayment issues, including many family homes. Data now suggests that many of those whose houses are to be repossessed will not be able to qualify for government aid such as jobseekers benefit, medical cards or social housing. This is because their financial means place them just above the means-testing requirement for these benefits, but they are unable to pay their mortgages in full, generally due to medical problems, job loss or rising interest rates (Stamp 2012a; 2012b). I would consider it irresponsible to repossess family homes under most circumstances, but in the context of the current homelessness and rental crisis it is especially problematic. I predict that the repossessions will begin gradually, increasing steadily over 5-10 years until virtually all of those in long-term mortgage arrears have had their homes repossessed and sold for profit, in this way the legacy debts of the Celtic Tiger will finally be dealt with.

In closing I would like to consider the President of Ireland’s Ethics Initiative, particularly the Centre for the Study of the Moral Foundations of Economy and Society. "The Economy + Society summer school was launched in 2015 under the auspices of the President of Ireland’s Ethics Initiative, an attempt to address recent and on-going crises, to understand and criticise the thinking which put these processes in train. Run by the Centre for the Study of the Moral Foundations of Economy + Society at UCC and WIT, this school is dedicated to investigating how morals, values and ethics inform economic practices, social organisation and politics. Clearly, there are many problematic ‘moral orders’ within society, for instance, those which promote individualism in business, punitive attitudes to marginal groups or divisive and
exclusionary politics. Nonetheless, moral orders which promote care, tolerance, sustainability, integrity, equality and a meaningful life still circulate within society, and can be restored and revived" (Moral Foundations of Economy and Society Research Centre 2015).

Consequently, I strove throughout the research process to explore the issues my participants were facing in an ethical and sensitive way. As the research was ongoing I was reflexively considering my own personal ethical positioning in an effort not to simply transpose my values and beliefs onto the experiences of my participants. I hope I have done justice to their experiences.

I hold that debt is an ideal example of how the tissue of our social lives have been damaged, facilitated and accelerated by the economic collapse of 2008, and the regime of austerity which followed it. As we have seen debt is a moral relation as often as it is a financial one. Debt creates a bond between debtor and creditor which is complex and layered, going beyond a simple owing of money and into moral values of reliability, respectability and responsibility. Those in debt lack the resources to engage meaningfully with our society, and have been excluded and pushed to the margins. Additionally, the discourses surrounding debtors and mortgage repossession are charged with moral language of fault, error and wrongdoing, implying that they deserve whatever fate has in store with them. Strangely, debtors also broadly agree with these discourses, engaging in neo-liberal rhetoric of blame and moral crisis, seeking a worthy scapegoat for their problems. Yet, in line with President Higgins’ ethics initiative, it is essential in this moment to remember that we live in a society as well as an economy, and history will judge us for how we treat our most vulnerable citizens.
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Appendices

Appendix A

I offer short biographies of my participants below, all names have been changed to a pseudonym and all of my participants bar one were Caucasian / Irish. Eight of my participants were male and ten were female. In some cases I refer to ‘unsecured’ debt, this is debt not secured by a particular asset, such as house in a mortgage. Unsecured debt generally constitutes small loans, credit card debt, unpaid bills and so on.

Paul is a 64 year old retired teacher approximately €250,000 in mortgage debt. He fell into distress after remortgaging his home to help his children through a difficult time in their lives. Shortly afterwards he was made redundant under a new public pay scheme and found himself unable to make his payments.

Sarah is a 29 year old retail worker approximately €100,000 in secured / unsecured debt. She came to be in debt after deciding to return to college as a mature student, but found she did not qualify for any financial aid schemes. She is currently having difficulty making regular repayments due to insecure part-time work.

Roger is a 32 year old chef approximately €150,000 in mortgage debt. His difficulties started when his partner was disabled following an accident and was unable to work. Roger had to get a second job as a consequence and now works very long hours.

Michael is a 46 years old and self-employed, he is approximately €180,000 in debt (€100,000 mortgage / €80,000 business). He expanded his business under advice from his bank just before the economy crashed in 2008, and is at risk of having his house repossessed.

Amy is a 34 year old writer approximately €100,000 in mortgage debt. She applied for a mortgage when work was plentiful, but she lost her job and now writes as a freelancer which considerably reduced her income.

Jane is a 40 year old nurse approximately €340,000 in debt (€300,000 mortgage / €40,000 unsecured). She encountered problems when her mortgage was purchased by a ‘vulture fund’ which increased her fees and interest significantly. She is now at risk of repossession.

Barry is a 38 year old self-employed jeweller approximately €280,000 in debt (€250,000 mortgage / €30,000 unsecured). His mortgage went into arrears following his disability in an accident, rendering him unable to work as often or efficiently as previously.

Michelle is 46 years old and works in customer service, she is approximately €33,000 in unsecured debt. Michelle grew up in an underprivileged environment and needed a payday loan to pay her rent and avoid eviction. She has been unable to pay the loan back ever since due to rates of interest over 40%.
Rachel is a 41 year old manager approximately €95,000 in debt (€80,000 mortgage / €15,000 unsecured). Her mortgage fell into arrears when she left her job following repeated sexual harassment that her employer did nothing to stop. She was blacklisted in her industry and has been unable to get another job.

Aileen is a 33 year old medical services worker, currently working part time, she is €100,000 in debt (€76,000 mortgage, 24,000 unsecured). Aileen has loans from her time as a medical student in addition to her mortgage debt.

Mona is a 39 year old part-time lecturer approximately €105,000 in debt (€100,000 mortgage / €5,000 unsecured). Due to the insecure nature of her work, her income is highly variable, combined with her banks’ aggressive repayments policy she has fallen into arrears.

Simon is 42 years old and works in technical support, he is approximately €120,000 in mortgage debt. He purchased a mortgage during the height of the economic boom and now has difficulty making repayments after a congenital health issue was discovered.

Ciara is 51 years old and works as an administrator, she is approximately €116,000 in debt (€95,000 mortgage / €21,000 unsecured). She refinanced her mortgage in 2007 and was able to make the repayments until her partner passed away.

Tara is a 46 year old secretary, she is the only non-white participant in this research project. She is approximately €50,000 in unsecured debt. She has encountered a great deal of racism in Ireland and found she could only acquire loans at a very high rate of interest.

Laura is a 35 year old customer care advisor, she currently has no debt as her house has been repossessed following several years of legal battles. She was formerly in €195,000 of debt, which she was unable to pay after her partner left her.

Sean is a 42 year old PhD student approximately €120,000 in debt. He has irregular insecure work at his university which renders him unable to make regular repayments on his mortgage.

Max is a 44 year old technical support advisor, he is approximately €105,000 in debt. He was forced to assume responsibility for his parents mortgage when they were hospitalized. He found the situation much worse than it initially appeared and has been struggling to get back to normal ever since.

For ethical reasons I do not share a profile of my final participant – Rick. Please see chapter 6 (reflexivity) for further information.