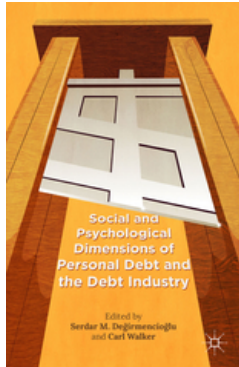


Book Review



Social and Psychological Dimensions of Personal Debt and the Debt Industry

Serdar Değirmencioglu and Carl Walker (Eds.)

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This is a book that enables the contributing authors to share experiences of personal and family debt from around the world. They hail from New Zealand, the USA, Croatia, Spain, Greece, the UK, Italy, Norway, Puerto Rico and El Salvador. Particular circumstances have pertained in the different countries and these provide valuable context for understanding the experience of being in debt. For example, the hardship of debt coming on top of austerity measures and high unemployment in Greece, specific examples of the fraudulent selling of loans such as those sold to Croatians linked to the variable Swiss franc exchange rate, racist debt practices in New Zealand, or the background of continued colonialism in Puerto Rico. A variety of research methods are in evidence, including interviews with family members in debt, with debt counsellors and workers in the financial sector, analysis of how the Italian media portrayed debt, and how it was dealt with in the course of a popular Norwegian TV programme which featured indebted individuals, plus surveys about people's experience of debt and the circumstances that led to it. There is ample evidence here of the insecurity, fear and harmful effects on mental health, including depression and heightened risk of suicide, induced by debt and its consequences. Coupled with the ample referencing which accompanies every chapter, this volume provides a rich introduction to the subject.

But linking all the contributions to this valuable book is one overriding theme, namely the existence of a hegemonic, establishment discourse about 'personal debt' which not only sees it as personal but also places responsibility for it fairly and squarely on the shoulders of the individuals who owe money to others. As one author after another points out, this grossly oversimplifies a complex matter and in the process excuses those many other individuals, organisations and institutions which have contributed to the existence of debt or are benefiting

from it. They include loan companies which mis-sell their products or charge exorbitant interest rates, government schemes which their users find unsympathetic and blaming, and peer-to-peer loans schemes which do nothing to change underlying social conditions. Sadly, it also includes much of psychology which has colluded with the dominant, official understanding that people in debt difficulties are lacking in ability to manage their financial affairs and can be educated to become more 'financially capable'. Hanging menacingly over them all is a combination of the increasing financialisation of the global economy which has encouraged debt and opportunities for some to benefit from the debt of others, and the spectre of the self-regulating, autonomous individual, responsible for his or her own actions and to be held personally accountable if things go wrong. Debt, often entered into as a way of coping with shortages or in response to unanticipated events or expenses, is a trap which can restrict people's future life choices. Seen within its full social context, debt can be construed as a form of 'indentured servitude' and the system which encourages it as a form of 'asset extraction' which requires obedience and control, preferably self-control.

This is excellent community psychology, the essence of which is understanding personal experience within its social context at all levels, micro to macro. The attribution of blame to the powerless who bear the harm of social arrangements, whilst the powerful escape the blame and the shame that often goes with it whilst benefiting in the process, is ubiquitous. Debt, it seems, is a perfect example. This book stands, therefore, not just as an important book on the subject of debt, of huge importance in its own right, but also as a case study of how psychology can, after all, play 'a significant role in uncovering and challenging the systems and actors that successfully focus the blame on individuals' and that ignore the wider picture. It can contribute to countering the established discourse.

Although they are not the main focus of this book, several chapters refer to movements and organisations – in New Zealand, Spain, Greece and Puerto Rico for example – which are resisting the personal-blame debt discourse and seeking collective ways of supporting households faced with debt or home repossession and eviction. I found the present volume to be highly instructive. I now look forward to another which might have such movements as its focus.