"GIVE ME YOUR WATCH AND I WILL TELL YOU THE TIME": CRISIS AND AUSTERITY IN THE EU AND GREECE FROM A BOURDIEUSIAN PERSPECTIVE

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Abstract: The article investigates austerity policies and the deterioration of socio-economic conditions, particularly in the context of the European Union (EU) and the Greek crisis, by appealing to the work of the French sociologist Pierre Bourdieu (1930-2002). Bourdieu offers an alternative understanding of economic behavior that highlights the interaction among individuals, institutions and social structures. Though he has immense influence in the social sciences, he has largely been ignored by economists. The article begins with a brief description of Bourdieu's framework, summarized in the triptych habitus-field-capital. Bourdieu argues that economic behavior depends on certain conceptions of social value imposed by the dominant classes over the dominated. He explains that power relations and social inequalities are reproduced because they go unrecognised and unquestioned by means of a process he terms 'symbolic violence' or 'misrecognition'. Then this framework is applied to re-assess austerity and socio-economic conditions in Greece and the EU. In the 1990s, Bourdieu often castigated the shift in EU policy priorities toward financial domination, flexible labor markets and restraints on public spending, leading to social segregation. Yet he argues that social groups and classes with various worldviews will struggle for symbolic power – the power to remake the 'visions and divisions' of the social world. The article concludes with ways to combat these problems. It appeals to Bourdieu's conception of the 'collective intellectual': the social scientist that collaborates with other scholars and social groups and creates European and global partnerships to question the social world, uncover the truth and reclaim social welfare.

JEL Codes: A1, H5, Z1

1. Introduction

After the current financial and economic crises broke out in the US and the Eurozone, we witnessed a perpetuation of austerity measures and neoliberal policies, despite the failures of the financial and banking system, and the worsening of socio-economic conditions across countries. Rather these costs were 'socialised' in the form of reduced wages and pensions,

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increased taxation, restrictions on public expenditure in education and health and public investment funds to rescue banks and financial institutions. This led to deeper recession, higher unemployment and poverty, and the rise of extremist groups. Conditions would be particularly harsh for countries like Greece which were tied to the classic 'conditionalities' of the IMF loans – the triple imperative of market deregulation, privatisation and reduction of the public sector – in exchange for obtaining the resources they needed to deal with the crisis.

The article investigates these developments from a Bourdieusian perspective in order to give an alternative way of addressing economic crises, austerity policies and their impact on socio-economic conditions, particularly in the context of the European Union (EU) and the Greek crisis. Pierre Bourdieu (1930-2002) is one of the major sociologists of our times. He introduces the novel notions of field and habitus to describe the interaction between objective and subjective social structures, and combines them with a re-conceptualisation of capital as a source of power that derives from a variety of economic and non-economic resources (cultural, social and symbolic). These notions constitute the basis for an analytical framework of human action that diverges from the methodological individualism of mainstream economics by adopting a holist approach in which individuals shape and are shaped by society (cf. Bourdieu, 1977; 1984; 1998; 2005).

Back in the 1990s, in light of EU monetary integration, Bourdieu often castigated the shift in policy priorities from a vision of a united Europe that promoted social welfare and cohesion toward one that centred on investor confidence, flexible labour markets and restraints on public spending, leading to social segregation. He explains this shift by talking about the symbolic foundations of economic life, whereby economic behaviour depends on certain definitions of *social value* imposed by dominant classes in various economic and non-economic fields and sub-fields. This is achieved via a process that Bourdieu terms 'symbolic violence' or 'misrecognition', which makes underlying power relations and social inequalities go unrecognised and unquestioned, and thus reproduces existing social structures. Put differently, the dominant classes of financiers with the support of influential groups in the state, media and academia are able to impose their interests and strategies by a power that derives not only from their economic capital, but also from their *symbolic capital*, which gives primacy to financial stability and austerity measures, making them look *natural*, *sensible*, *legitimate* and *inevitable*, even to the many who are bound to bear the losses, like the workers who take on the social cost of adjustment. The dominant classes appeal to infallible market laws and the ineluctability of globalisation forces to redefine: financial profit as social welfare; public spending as 'spendthrift' governance; surveillance and monitoring of national fiscal policies by international organisations and supra-national institutions as coordination and dialogue between member-states and social partners; below-subsistence wages as increased competitiveness; unemployment and poverty as lack of individual skill and competence; and thus austerity as necessity. However, according to Bourdieu, the multiplicity and plurality of worldviews among different groups and classes regarding the role of financial actors and supra-national organisations in protecting – or not – social interest will lead to a struggle for symbolic power, that is, for the power to re-assess and re-make the 'visions and divisions' of the social world.

The article begins by presenting the socio-economic conditions that prevail in Greece and Europe, and combine deep recession with reductions in social expenditure. Then it briefly describes Bourdieu's analytical framework (Section 3) in order to engage in an overview of more recent studies that are versed in the Bourdieusian tradition (Section 4). These studies explain current crises and socio-economic conditions in relation to the domination of the financial field, the implementation of restrictive policies at the national and EU levels, and Welfare State retrenchment. The driving forces of these developments are sought in the distribution of the diverse forms of capital, the relative position of major actors and countries in the global financial field, and the struggles between actors and groups for symbolic power. It is within this context that the article tries to assess the system of EU economic governance and the rhetoric imposed on member-states to justify austerity in the midst of recession (Section 5). In the final section it concludes with some thoughts on how to confront crisis and austerity by presenting Bourdieu's conception of the 'collective intellectual', whereby social scientists have to uncover the social costs of neoliberal policies, and collaborate with each other and with various social groups to reclaim social welfare. This implies a more active participation of scholars and groups to promote alternative views and welfare objectives in the discussions of 'European Semesters' if a true 'EU-partnership' is to be achieved.

2. Greece in numbers: socio-economic conditions under recession and austerity

Greece has been at the centre of the whirlwind of the Eurozone crisis in the past several years. The positive economic prospects of the previous decade collapsed and gave way to a rising public debt that in 2014 reached a high of 178.6% as a share of GDP[2]. By consulting a series of auxiliary socio-economic indicators that accompany the MIP scoreboard, we observe that unemployment and poverty in Greece have escalated alarmingly since the beginning of the crisis in 2010, impeding economic recovery and threatening social cohesion. Table 1a and Table 1b in the Appendix depict these socio-economic indicators for the years 2012 and 2014, respectively.

Evidently, growth rates in the EU have, on average, become positive in 2014, just above 1%, compared to the negative average growth rate of -0.6% in 2012. This seems to be mainly a result of the strong recovery of East European countries. In 2012, Greece was the country with the largest reduction in the annual growth rate, at -6.4%, which was double the growth rate of Portugal, the country with the second largest reduction in growth. This is accompanied by a stark rise in the unemployment rate in 2014 to nearly a third of the total labour force

[2] In 2010, when Greece started receiving financial support the public debt was 148.3% as a share of GDP. Government debt is defined in the Maastricht Treaty (thus referred to also as 'Maastricht debt') as consolidated general government gross debt of the whole general government sector (central government, state government, local government, and social security funds) at nominal value, outstanding at the end of the year (Regulation 479/2009, amended Council Regulation 679/2010). This indicator is part of the Macroeconomic Imbalances Procedure Scoreboard (MIP) (http://epp.eurostat.ec.europa.eu). The MIP scoreboard includes a set of external and internal macroeconomic indicators that are used to assess the economic situation of member-states, and, in case of serious deviations, to initiate the macroeconomic imbalances procedure. Briefly, it reports data on competitiveness and exports, public and private debt, financial sector liabilities, and housing market bubbles (European Commission, 2014b, p. 5). The MIP is discussed further in Section 5.

which translates into a long-term unemployment rate of nearly 20% and a youth employment rate of 52.4%. Spain has similarly high unemployment, but Greece maintains the lead in long-term unemployment. In combination with the fall in household disposable income (over 20% in the period 2009-2011), poverty and deprivation rates have also increased severely in the past 3 years. In Greece, despite modest recovery in 2014, with an annual growth rate of 0.1%, people's at-risk poverty and social exclusion rate[3] was 36% of the total population, while the severe material deprivation rate was 21.5% of the total population, and the intensity of persons living in households with very low work was 17.2%. These figures reflect an increase of 5-6 percentage points in the last 3 years, which is among the largest observed across EU countries.

It is worth noting that the at-risk poverty rate *after social transfers* shows a relatively modest change, which possibly reveals some protection that the welfare state manages to achieve despite severe fiscal consolidation. Social protection expenditure is used to improve people's living standards and mitigate the impact of the crisis. In Greece, the share of social expenditure in GDP was 28.9% in 2011, which was higher than the EU average (23.9%). But one must take into account the fall in the level of GDP on the one hand, as well as the reduction in social expenditure, on the other, both in sum and per inhabitant (over -9%)[4]. As discussed below, this is a result of the restrictions posed on public expenditure due to Greece's commitment to reduce the public debt and deficit and restore stability in financial markets and the Eurozone. Arguably, it is difficult to detect the full set of factors that contributed to the deterioration of socio-economic conditions in Greece and in Europe and, even more so, to separate the negative shocks of the crisis from the adverse effects of insufficient policy at the national and European levels. Nonetheless, some studies contend that austerity policies failed to improve socio-economic conditions and open the road to recovery.

In a working paper produced for the European Commission, Bontout and Lokajickova (2013) use data to assess social protection expenditure developments in the EU during the crisis. The authors argue that the economic crisis in conjunction with the austerity measures that were applied to counter the subsequent government budget deficits, are inevitably affecting income, inequality and poverty (p. 30).

Generally, Bontout and Lokajickova observe significant changes in household income as a result of the recession of 2008-2009 provoked by the US crisis, the subsequent recovery of 2010-2011 and the episode of further recession in 2012 in the Eurozone. These changes reflect three major factors: changes in market incomes; the effects of automatic stabilisation in

[3] According to EUROSTAT, this indicator corresponds to the sum of persons who are: at risk of poverty or severely materially deprived or living in households with very low work intensity. Persons are only counted once even if they are present in several sub-indicators. At risk-of-poverty are persons with an equivalised disposable income below the risk-of-poverty threshold, which is set at 60 % of the national median equivalised disposable income (after social transfers). Material deprivation covers indicators relating to economic strain and durables. Severely materially deprived persons have living conditions severely constrained by a lack of resources, they experience at least 4 out of 9 following deprivations items: cannot afford i) to pay rent or utility bills, ii) keep home adequately warm, iii) face unexpected expenses, iv) eat meat, fish or a protein equivalent every second day, v) a week holiday away from home, vi) a car, vii) a washing machine, viii) a colour TV, or ix) a telephone. People living in households with very low work intensity are those aged 0-59 living in households where the adults (aged 18-59) work 20% or less of their total work potential during the past year.

[4] Change from 2009 to 2011, in Euros, at constant prices 2005 (EUROSTAT).

response to rising unemployment and deteriorating market conditions; and the discretionary changes in taxes and benefits from austerity packages (p. 25). In the early phase of the crisis (until 2009), social spending played a prominent role in compensating households' income losses and helped stabilise the economy. Nonetheless, this impact has been weakening since 2010: social expenditure levelled off in 2010 and declined in 2011 and 2012, sometimes in countries where unemployment kept rising (pp. 13-18, 36). These trends are illustrated in Graph 1 in the Appendix. The second part of the graph shows that after 2010 household income falls by more than 20% in Greece, which is the highest among all EU member-states. The contribution of social transfers tended to erode in the second phase, so much that in some member-states, including Greece, they compounded the decline in real market incomes. Furthermore, by comparing with trends in past recessions in the 1990s and 2000s, Bontout and Lokajickova observe that the reduction of social spending after 2010 was much stronger than in past periods of below-par performance, partly reflecting the exceptional need for fiscal consolidation in the context of the Euro crisis. They argue that these policies ultimately neutralised the economic stabilisation function of social protection systems in many member-states (pp. 19-22, 36).

These trends are also discussed in a report issued by the European Commission on employment and social developments in Europe (European Commission, 2014a). The report stresses that after 2010 unemployment expenditure per unemployed person declined on average in the EU and more significantly in countries with increases in the number of unemployed persons (pp. 325, 327). It adds that in 2012 most member-states registered declines of in-kind expenditure, which are not reflected in changes in household disposable income, but are likely to have had a negative impact on citizens' access to and the provision of a number of services such as healthcare and childcare (p. 323). The report confirms that generally, compared to past recessions, in 2012 there is a downward deviation of social protection expenditure with the rise in the output gap, which implies that social protection expenditures are becoming pro-cyclical (p. 329). The persistent contraction of GDP and the context of reduced fiscal space partly reflect the exceptional scale of the fiscal adjustment needed to face the Euro crisis (p. 331).

To investigate the distributional effect of austerity packages adopted in various EU countries, Bontout and Lokajickova present evidence provided by Avram et al. (2013). Notably, Avram and her colleagues were motivated to investigate policy-driven changes in inequality "not only because [it] matters in its own right, but also because the way that the cost of the crisis is distributed has implications for the prospects for macroeconomic recovery and financial stability, as well as for the political acceptability of pathways in this direction" (2013, p. 4). In their study, they investigate the impact of fiscal consolidation measures, including tax increases and cuts in social benefits and public sector pay, by applying the EUROMOD micro-simulation model[5] in nine member-states: Greece, Latvia, Lithuania,

[5] EUROMOD is a tax-benefit micro-simulation model for the EU that enables researchers and policy analysts to calculate, in a comparable manner, the effects of taxes and benefits on household incomes and work incentives for the population of each country and for the EU as a whole (https://www.iser.essex.ac.uk/euromod). It should be stressed that the working paper by Avram et al. centres on fiscal consolidation measures, leaving aside the potentially larger effects on income inequality from labour market developments and cuts in spending on public services generally (2013, pp. 4, 10).

Romania, Spain, Portugal, Estonia, Italy and the UK. All of these countries but the UK experienced a particularly sharp decline in household income. Results show that the impact of austerity measures on household income was particularly strong in Greece, Latvia, Spain, Portugal, Romania and Estonia (see Graph 2 in the Appendix). From Graph 2 we observe that cuts in public pensions and public sector pay and increases in taxes represent a relatively large share of the consolidation effort in Greece (Bontout and Lokajickova, 2013, pp. 30-31; Avram et al., 2013, p. 10). Even though two thirds of the countries (Greece, Spain, Latvia, Italy, Romania and the UK) show progressive cuts in income on the whole (richer income groups contributing more in relative terms) (Avram et al., 2013, pp. 11, 16), regressive changes in VAT reduces any progressive effect (Bontout and Lokajickova, 2013, pp. 32-33; Avram et al., 2013, pp. 11-19, 26). Moreover, by repeating simulation procedures to factor in labour market conditions after the crisis, particularly the rise in short- and long-term unemployment, adjusted results reveal differences for the bottom decile group which experiences greater losses in countries like Greece and Spain. In Greece 10% of households with the lowest incomes lose on average 8% of their incomes from the policy changes and the figure is over 5% in Latvia and Portugal (Avram et al., 2013, pp. 20, 26). In other words, the burden of fiscal consolidation falls heavily on the poor (Bontout and Lokajickova, 2013, p. 32).

It is worth noting that the countries that have been hit hardest by the austerity measures according to these studies are member-states that received financial assistance from the EU through the various intergovernmental support mechanisms. These mechanisms are linked to macroeconomic conditionality and presuppose fiscal and economic measures to sustain stability in the financial sector and reduce public debt and deficits, including cuts in public expenditure and tax increases. In particular, in the past European Semesters Greece has been following an economic adjustment programme that is imposed on member states with extreme macroeconomic imbalances. Portugal, after exiting its three-year economic adjustment programme, is currently under post-programme surveillance (till 2030) to monitor and improve the country's financial and fiscal situation.[6] Of course, the composition of austerity measures varies considerably across countries. Since 2010, Greece has implemented a series of fiscal consolidation measures ranging from increased direct and indirect taxes (including taxes on income, property and the VAT rate) to cuts or freezing in pensions, social benefits and earnings for public sector workers (Avram et al., 2013, p. 8). This was brought forth as an immediate response to the debt crisis that broke out the same year and to the requirements of the supra-national tripartite committee led by the European Commission, the ECB and the IMF (the 'Troika') to prevent serious repercussions in the functioning and sustainability of the Eurozone and European financial markets.

Overall, these reports argue that austerity packages compounded the deterioration of labour market conditions that emerged with the crisis, leading to lower incomes and higher unemployment and poverty. Yet austerity continues. Why is this so? Some claim that Greece's public debt is still too high, making financial markets uneasy at the least bit indication of insolvency. This could become a more permanent threat to the Eurozone, if Greece does not proceed to more radical reforms along the lines of the IMF conditionalities,

[6] See also http://ec.europa.eu/economy_finance/assistance_eu_ms/index_en.htm.

which imply freer trade and smaller governments. Bourdieu offers an alternative explanation that actually traces the roots of the crisis and austerity to these neoliberal policies. Before delving into these alternative analyses of crises and policies, it is pertinent to briefly describe the Bourdieusian framework.

3. The triptych habitus-field-capital

Briefly, Bourdieu adopts a relational approach to uncover the mechanisms that determine the interplay between agency and structure, the reproduction of power relations, and the possibilities for social change. He introduces the novel notions of field and habitus to describe the interaction between objective and subjective social structures, and combines them with a re-conceptualisation of capital as a source of power that derives from a variety of economic and non-economic (cultural, social and symbolic) capital resources. These notions constitute the basis for an analytical framework of human action that diverges from the methodological individualism of mainstream economics, whereby structure, power and change boil down to properties and choices of individuals. At the same time, Bourdieu distinctly distances himself from a radical determinism that wipes out human agency: he chooses a holist approach that restores individuals and their ability to shape society, while being themselves a product of that society (cf. Bourdieu, 1977; 1984; 2005).

In Bourdieu's analysis, the sources of power are manifold and depend on the diverse types of capital that individuals have access to. Beyond its typical 'physical' or 'monetary' counterpart, capital takes on various forms: social connections and obligations are identified with social capital and educational qualifications are viewed as cultural capital. Symbolic capital is a collectively recognised credit which legitimises the ownership and distribution of the other forms of capital, making them go unrecognised as sources of differential power and social inequalities. It is the distribution of these types of capital, their volume and structure, which determines individuals' economic and social 'conditions and positions' within the various fields, like the field of economic production or cultural production (art, science, crafts). These objective social structures are internalised by individuals through the family and the education system by way of the intergenerational transmission of capital resources. In this way, they shape the so-called habitus, which consists of a system of durable, but transposable, dispositions that enable individuals to create and apply the interests and strategies that 'maximise' the monetary and symbolic gains from the various economic and non-economic forms of capital they possess. Also this is what makes practices appear *sensible*, *reasonable*, *legitimate*, *natural*, *inevitable* and *universal*. At the same time, the habitus is predisposed to function as a generative principal of meaningful practices and meaning-giving perceptions of the social world. It is the *indeterminacy*, *uncertainty* and *plurality* of fields and principles of social differentiation (monetary, cultural, ethnic, religious, gender, national) that leaves room for reflection and change in the habitus and thus in the field that shapes it.

To illustrate how human relations develop and evolve in the social space Bourdieu most often characterises objective structures of the field as the 'rules of the game' and the subjective, cognitive structures of the habitus as the 'sense of the game'. However, he does not reduce behaviour to the interactionist, strategic vision of action adopted by standard game theory. He distinguishes 'economy' from 'economism', that is to say, from the fallacy that all action is reduced to calculative, individualist rational choices as argued by mainstream economics. To stress that 'economic' practice is socially embedded he uses the term in its broader sense, which combines economic interests in their restricted sense, as monetary profit, with considerations shaped outside the economic field by non-economic forms of capital (social, cultural, and symbolic). In his holist approach, individuals are not understood as the sole source of all social phenomena, but are "restored to their full dignity as agents acting by virtue of their embodied social properties" (2005, p. 96).

Moreover, Bourdieu asserts that these embodied social properties are 'different and unequal'. Thus an understanding of practice should incorporate the reality of a social world defined by relations of distinction and domination, based on the differential distribution of the various forms of capital and dispositions. One important feature of Bourdieu's analysis is his emphasis on the symbolic foundations of economic life. According to this view, the ways in which agents behave and the economy works depend on certain definitions of social value, which are imposed by dominant classes over the dominated. This is achieved via a process that Bourdieu terms 'symbolic violence' or 'misrecognition' that makes underlying power relations, and the social inequalities they foster, go unrecognised and unquestioned, leading to the reproduction of subjective and objective social structures. Nonetheless, the multiplicity and plurality of worldviews among different groups and classes will lead to a struggle for 'symbolic power', that is, for the power to re-assess and re-make 'the visions and divisions' of the social world.

For example, in *The Social Structures of the Economy*, Bourdieu stresses how social and historical factors turn a 'house' into 'home', and affect the ways in which people perceive their 'home' and their chances of making one for their family, depending on the various material and immaterial resources they have access to (Bourdieu, 2005). More importantly, he points out that the very development of the market for single-family houses was supported by the ascendancy of neoliberal policies in France in the 1970s and the shift from housing policies that supported public financial assistance to the establishment of institutions and practices that relied on private credit. Housing was brought within the logic of the market under the pressure of the large construction companies and banks, who had been the main beneficiaries of the new forms of credit. This was achieved with the help of public officials, mainly the *financiers*, who were trained in the pro-market and formalistic tradition of the neoliberal ideology and were gaining leverage in the top echelons of decision-making due to rare properties that granted them the quality of an 'innovator' or 'bureaucratic revolutionary' against the 'administrator' that upheld the status quo, that is, the old building subsidy regimes. These struggles played out in the French bureaucracy where the welfare ministries fought against the financial ministries to defend the social housing policy. Civil servants took part not only to protect the interests of their ministries, but also to pursue their convictions. They were not only inflicting upon societies the will of the dominant classes, such as those of the 'finance people'; they were also reflecting the pressures of the social movement that worried about the breakdown of social cohesion and sought support among those who were responsible for social policies in the French bureaucracy (Bourdieu, 1998).

Eventually, those who took lead in this debate and opted for reform were represented by the financiers. They often remind the French people of the constraints imposed by 'globalisation' and how this process naturally and inevitably evolves with the expansion of global transactions, more capital movement and less government intervention. But the dominance of the field of finance is a worldwide phenomenon in the late 20th century that led to the retrenchment of the Welfare State and the downsizing of social expenditure, even after the global financial crisis broke out in the beginning of the 21st century. The article focuses on this issue in the next section.

4. The rise of financiers and the fall of the Welfare State

Boyer (2000, 2014) applies Bourdieu's framework to delineate the conditions under which competition-led growth has been replaced by financial-led considerations during the 1990s. He argues that a major contribution came from academia where mathematical and statistical methods were used to invent models for determining the prices of more modern financial products such as futures options. These new markets promised high risk and easy profit in view of the considerable information asymmetries between quants and buyers. Investment banks which manage portfolios were able to capture a growing market share in these new financial sectors and crowd out commercial banks that specialise in deposits and loans. In light of the absence of a public authority that would regulate these transactions, in order to ensure their transparency and monitor the risks they entail for citizens (both buyers and bystanders), Wall Street took the lead as rule-setter and financial lobbies convinced the state that only complete deregulation of these markets will help us reap to their fullest the benefits of these novel financial instruments. At the same time, Boyer adds, accounting methods used by non-financial firms have changed as historical cost principles (evaluation of assets based on past transactions and prices) have been replaced by 'fair value' and 'mark-to-market' techniques whereby the value of assets depends on estimates of their current market prices. This made evaluation susceptible to price fluctuations in the market, but also created opportunities for greater profit that were appropriated by Wall Street. Notably, changes in the methods used to determine the value of financial products and firms' assets affected investors' perceptions not only of how to count, but also of what is worth counting.

In an environment in which various financial and capital assets moved freely within and across borders, Boyer stresses that the need to stabilise the return to capital translated into flexibility in labour markets. Further pressure for deregulation in labour markets was imposed on the state, leading to the abrogation of processes of collective bargaining and trade unionism, the establishment of tradable pension funds in place of pay-as-you-go systems, and the reduction of social protection in general, such as minimum wages or unemployment benefits. The consequences in other spheres of the economy, polity and society are described in a table in Boyer (2014). This is depicted in Figure A in the Appendix. What is noteworthy is that the new finance-led growth regime, and its subsequent crisis, produced a concentration of capital, and thus of economic and political power, in the hands of the few who profited, while weakening citizens' ability to confront the dominant classes, to voice their needs at the policy-making level and reinstate objectives and policies for social welfare. However, it should be clear that, as mentioned above, the dominant classes are able to impose their interests and strategies by a power that derives from economic capital, on the one hand, and symbolic capital, on the other, which gives primacy and status to 'financial' products, actors and profits, making them look natural and inevitable even among the dominated who are bound to share the losses. This strong symbolic domination might be one of the reasons why neoliberal policies seem to persist, even though they contributed to the global and European crises, and failed to overcome the adverse effects in the economy, polity and society.

After the crisis, the ECB and the FED have more or less reduced interest rates and shown a greater commitment to the stricter regulation of financial markets and the banking system, while governments mobilised their financial resources in order to minimise the cracks in the system. However, despite the appearance of a more pro-active and interventionist stance and rhetoric, the ECB has maintained a relatively more orthodox discourse in the area of monetary and fiscal policy. In the countries that were hit by the Eurozone crisis, solutions to the deep recession and high unemployment and poverty rates include austerity measures with reductions in wages, pensions, welfare benefits and public expenditure in health and education. This was especially the case for countries like Greece which were tied to the classic 'conditionalities' of the IMF loans – the triple imperative of market deregulation, privatisation and reduction of the public sector – in exchange for obtaining the resources they needed to deal with the crisis. These measures not only provoke deeper recession and higher unemployment, but stand in stark contrast to the kind of fiscal stimulation that was promoted in past economic crises like the Crash in 1929: this time, in no case would financial institutions allow for a new 'New Deal'.

In the 1990s, the establishment of the EMU and the commencement of the Eurozone were described by most as functional developments in the process of European integration. Back in those days Bourdieu often castigated the shift in policy priorities from a vision of a united Europe that promoted social welfare and cohesion toward one that centred on lasting growth and investor confidence that required flexible labour markets and restraints on public spending. The neoliberal rhetoric was supported by major financial actors and institutions, mainly that of the Bundesbank and the FED, whose 'free' movement postulates or/and anti-inflationary objectives were reflected in the structure and monetary policy of the EMU. It was also reinforced by policy-makers, politicians, journalists and scholars, who hailed a 'technocratic' orientation to economic policy and integration as one that would apparently absolve agents from resolving debates on normative – social and political – grounds by making way for the objective and indisputable, and thus the efficient and infallible 'laws' that govern markets. For Bourdieu, the social cost for adjustment to the new competitive realm is transferred to workers, who are called upon to sacrifice now for the benefits of tomorrow. He sums up austerity in a few words: 'Lend me your watch and I'll tell you the time' (Bourdieu, 1998, p. 48). Ultimately, the paradox emerges whereby social welfare objectives are pursued by replacing social priorities for the reduction of unemployment and poverty with individual interests for material growth and financial stability that evidently benefit the few.

Lebaron (2010) observes that actions and discourses of central banks, and shifts in policy priorities and measures, are usually explained in relation to: pure economic mechanisms (like the 'Taylor rule'); central banks' different legal frameworks; the monetary 'doctrines' that determine them (i.e., monetarism, neoliberalism); the institutional and intellectual aspects of central banks (in the case of the ECB, this would include the Maastricht criteria, as well as the influence of the Bundesbank's ordoliberalism); or to the personalities of their governors. However, for Lebaron none of these explanations fully capture the behaviour of central banks or bankers. By adopting the Bourdieusian perspective and method, he argues that central banks' behaviour should also be studied through the lens of the features of their committee members, namely the various economic and non-economic forms of capital that they have accumulated through their life-course from their family, education system, and professional environment. These features depend on the distribution of capital in the field, or in the objective social structures within which individuals (inter)act. In turn, they determine the habitus, or the subjective mental structures that shape individuals' cultural and cognitive dispositions and guide their behaviour. For example, committee members' training in mainstream US-style monetary economics, after attending top American academic institutions, and having a career in US-dominated international organisations or financial institutions, can explain their commitment to a pro-market or monetary policy stance (Lebaron, 2010, pp. 297-298). Therefore, these characteristics are not personalised or restricted to the intersubjective relations of committee members within and without central banks. They extend to the capital resources possessed and the relations developed between all individuals in the field, either the field identifies with a specific central bank (that is to say, the hierarchies institutionalised within it and the national social and political context within which it operates and has authority), or with the global social space of central banks that would be dominated by the major players worldwide, including, among others, the FED, the ECB, the Bank of Japan and the People's Bank of China.

Lebaron tries to unravel the potential social differences between central banks by tracing the social trajectories of governors and council members of the dominant central banks in the world via geometric data analysis techniques. Two important oppositions that emerge from this analysis are singled out: one is between 'traditional bureaucrats' – those who have evolved in the public sector and relied on the knowledge and practice of politics and law – and the 'managers' – those who have evolved in the private sector and relied on managerial skills; the other is between 'politicians' and 'financiers' which appears to have significant strength among central bankers. Both reveal a change in the context of policy-making where traditional political and legal considerations, which reflected – and safeguarded – the debate over social priorities and welfare objectives between various interests and groups, values and institutions, are giving way to the financial world and its commitment to the management of scarce resources for the maximisation of monetary profit, and its faith in the sheer calculation of private costs and benefits in determining public policy.

In this regard, there is a degree of diversity between major central banks and bankers in the global social space: even though the FED and ECB seem to be more or less similar, compared to the central banks of Japan and China, the FED tends to be closer to the managerial and financial poles and the ECB to the bureaucratic and political poles. Actually, this study shows that in Europe it is distinctly the governors of the national central banks that accumulate political capital and give *political* legitimacy to the ECB, while the members of the ECB's governing council ensure *academic* legitimacy by acquiring more educational capital (derived from the world of economics as the scientifically dominant field in the sector) and adding to their symbolic capital renowned careers within the central bank.

Generally, differences across central banks exist and they result from variations between economic, political and bureaucratic elite groups in their national contexts. From this analysis it is deduced that the Eurozone is an institutional construct that not only represents the Anglo-Saxon norm of monetary economics and central banking ('independence' of central banks, for instance, and their anti-inflationary stance), which it shares with the US FED. It also reflects the historical struggles between classes and groups within the EU, especially in regard to the structure of EU institutions and the process of unification: the balance of powers of national interests, inclusive of those expressed by the new Balkan member-states and by strong, candidate countries like Turkey; the forceful ethnic groups, minorities and immigrants across various EU countries; the variant cultural norms and legal institutions in different regions regarding gender relations or the protection of workers; the rise of right-wing extremist political parties across Europe.

The ECB has to deal with this clash of interests between dominant and dominated classes and groups, as well as the Euro-scepticism that started to set in since the rejection of the 'European Constitution' in the turn of the century. Thus, for the Eurozone to work, the ECB has to inspire financial credibility. What are at stake are the viability of the Eurozone and the EMU, and thus the whole process of European integration that is attached to it. This evidently demands strong regulatory commitment and restrictive behaviour from the part of the Governing Council, which constitutes the core of the monetary elite residing at the heart of the ECB. Moreover, the Council must enjoy political recognition from the part of the member-states and their central banks to give further symbolic power to the ECB and its policies, even though they might prove ineffective.[7] In this light, stricter budgetary discipline and austerity measures are bound to persist post-crisis, leading to deeper recession and weakening the potential for recovery. By worrying about their integrity in financial markets rather than in *society*, decision-making bodies relegate social welfare and policy considerations at both the EU and national level.

The gist of it, as Grenfell points out, is that "'economic' practice for Bourdieu needs to be understood in terms of the symbolic and strategic as well as the monetary and the conscious calculation of profit. In considering capital, we must be aware of the other forms of capital – social and cultural – which act with and against the economic in mediating the social space" (2014, p. 149). Grenfell takes this position to the financial field and conducts a field analysis of financial markets in light of the 2007/2008 crisis. But rather than concentrating on the structural morphology of the field as Lebaron does above, he turns to the *capital conversions* within it: he discusses the forms of economic capital, how its very nature has changed in contemporary systems, and particularly how traditional structural relations with respect to *time*, *honour* and *exchange values* have been reconfigured in late-capitalist economies.

[7] For example, so long as asymmetric shocks prevail – shocks that provoke recession in only parts of the Union, usually the less developed ones – there is no monetary policy that can reduce interest rates for the recession-hit regions, without creating inflationary pressures in others.

A central aspect of Bourdieu's analysis is that the volume and structure of capital holdings are in constant flux in response to changes in the economic and financial fields. To be exact, it is not so much that the logic of practice – making profit – has changed; it is the ways of making profit that have been radically altered (2014, p. 152). According to Grenfell, in worlds of early industrialisation, the financial sector of a country traditionally centres on the exchange of stocks and shares, which are used by companies to raise finance and increase production, and whose prices depend on the profitability of the company. Even though money replaces the exchange value of pre-capitalist local networks and their system of honour and virtue, investing in these titles also carries an aspect of honour in terms of both the buyer and the seller as individuals and groups get returns from the dividends issued. Money is the lubrication of the system and there is actual production, production of material goods.

In the latter decades of the 20th century, the era of post-industrialisation, or, to use Grenfell's terminology, in post-modern economies, there are changes in the economic and financial fields. During this period, there was a massive growth of financial markets and more and more money was needed to fuel this growth. Till 2008 large amounts of finance, mostly from Asia, the Middle East and transition economies of Eastern Europe, had entered the markets at the City of London, Tokyo and New York, which were the most important financial sectors in the world. At the same time, other markets were establishing themselves and their amount of business increased substantially, as was the case for the emerging and promising stock markets of the 'Asian Tigers'.

Neoliberal economics contributed considerably to this growth by supporting the liberalisation of markets. This not only allowed for the global expansion of trade. It also helped to disconnect finance from its traditional links with production, so stocks and bonds became ends in themselves and dominant players in financial markets gained sufficient power and autonomy to become rule-setters. For Grenfell, one aspect of this is the expansion of mergers and acquisitions. The sole aim of these practices was not the restructuring of banks and industrial companies in a way that would render them competitive in the global market by increasing their size and power. They provided a strategy to make profit by merely buying underperforming companies and selling them at a positive margin within a short period of time. This was also a practice that extended to public companies and offered the means to 'privatise' part of the public sector and at the same time redeem governments from the social and political consequences of difficult decisions of 'restructuring'.

Another aspect of this is the accumulation of debt that was exchanged across the globe and turned 'toxic', leading to the financial and economic crises. As Grenfell stresses, money was lent to purchase other financial products. In the house market, for example, remortgaging of sub-prime loans and reselling them in the form of new financial products became the norm: European banks avoided control of lending by buying bonds linked to sub-prime loans and putting them into so-called *Conduits* as investment vehicles that issue securities based on a pool of mortgages. In this case, the meaning of time and honour in contracts has changed: debt repayment is continually deferred because it is transferred to various financial products and because these products are bought and sold at such high speed that "the future need never happen" (2014, p. 156).

As Grenfell points out, this led to an economic environment where finance became the end of profit-making itself (2014, p. 154). More importantly, it seems that confidence is all. Occasionally, such confidence might be absent, because of 'cracks' in the system spotted by some specialists in the field: the large discrepancies between 'fundamentals' and stock market indices; bubbles in the financial and housing markets; the circulation of more money than that justified by the level of actual production; the lack of controls and safeguards in cases of default; or the structuring of regional and global financial systems such as the EMU on the basis of dominant economic and political interests. At times like these, there is need to feign or posture confidence. In Bourdieusian analysis, language constitutes a major factor in empowering the financial field in spite of the structural weaknesses inherent in the system. According to Grenfell, even though financial markets are more virtual than real, their logic of practice is based on a temporary belief in the reality underpinning financial operations. Thus, debt literally gets 're-presented' as profit (or, we could say, 'mis-represented' as profit), the future collapses to the present, speed gives the impression of a stasis, and heterogeneous products are homogenised into one single source of debt/profit (2014, p. 159). Indicative of this is the festive atmosphere that was shared by statesmen, scholars and journalists worldwide, when it was announced that Greece received permission to sell bonds in the open market after 4 years of international financial isolation, and that government bonds were 'snapped up by investors in sign of confidence' (Wearden and Smith, 2014). But this essentially meant that a highly-indebted country was signing up for more debt!

For Bourdieu, the structure of the field and the social space are reproduced via the mutual complicity between the dominant and dominated. And words have a 'strong say' in this process. Financial autonomy and dominance are taken for granted and present themselves as self-evident as a result of a whole labour of 'symbolic inculcation' in which journalists and ordinary citizens participate passively and, above all, in which a number of intellectuals participate actively. A series of publications in the press and scientific journals make free trade and the free movement of capital, in conjunction with the neoliberal policies that support them, look like an inevitability. And often journalists and scholars contribute to this process of symbolic inculcation in an unconscious manner, because these claims are repeated by them in good faith (Bourdieu, 1998, pp. 30-31). The success of this 'conservative revolution' relies on its appeal to 'progress, reason and science' (economics in this case) to justify 'restorations' that take the form of the deregulation of markets and the restriction of state intervention, writing off progressive thought and action as 'archaic' (p. 35). Then the policy of a particular state is determined by its position in the structure of the distribution of financial capital in the global social space, which defines the structure of the world economic field. In particular, national authorities become susceptible to the risk of speculative assaults by investors wielding massive funds, especially in the case of left-wing governments who arouse suspicion in financial markets because they are expected to support the regulation of markets and increases in public spending (even if they do not actively do so) (p. 39).

This could explain the tendency to replace the political and bureaucratic appeal of ministers and decision-makers responsible for national economic policy with individuals that have training and careers in finance or, in Bourdieu's terms, a habitus derived from the financial field (see the appointment of 'financiers' at high-government and ministerial posts in

Greece after the 2010 debt crisis). By issuing and underwriting legal statements and formal agreements these state officials are able to confirm their commitment – or 'word'– to the stability of financial markets and 'consecrate' neoliberal policies. We must not leave out the symbolic violence imposed by private corporations that provide credit ratings for countries and potentially fuel speculative assaults against governments, without anyone really questioning who or what gives these institutions their information, credibility and authority. Even in phases of recovery, the alleged 'necessity' of free markets can justify the perpetuation of austerity and the restriction of policies aiming at social welfare. Government authorities are portrayed as a source of threat, vulnerability and unreliability due to the inefficient ways they appear to handle public finances. At the same time, financial actors and markets are considered as being more effective, based on the rational ways they manage money, despite their failures that sunk the entire globe into the worst recession after the 1929 Crash. Confidence in the 'virtual' must be maintained by any means and at all costs.

5. Socialising EMU: member-states under surveillance or in dialogue?

Austerity policies are supported under the post-crisis EU economic governance system. Most of these structures have been implemented only for a couple of years so it is difficult to be conclusive about their impact on development and welfare. However, by examining the phrasing – or the 'wording' – of the relevant documentation (regulations, reports), we can obtain a view of how the EU perceives governance and what this implies for recovery.

After the crisis, EU member-states decided to establish new rules and systems to increase coordination of national policies, improve economic governance within the EU, and make the EMU more robust. There was special interest in building *collective strategies* for the EU economy in areas of budgetary and economic planning, which have not yet been subject, under the current treaties, to deeper integration in the form of the official (total or partial) transfer of competence to European institutions. According to the 2013 report on employment and social development in Europe, EMU is a unique structure in that it combines a single monetary policy with national fiscal policies. Thus coordination is needed in order to: 1) avoid imprudent fiscal policies in one member-state that will have negative spill-over effects on the rest of the monetary union; and 2) encourage the working of automatic stabilisers at the national level to smooth the effects of the cycle, given that the central EU budget is small (about 1% of EU GDP) and is not intended to supplement the working of national automatic stabilisers (European Commission, 2013, p. 281).

The crisis brought to the fore the structural weaknesses of the EMU. In its 2012 Blueprint for a deep and genuine monetary union the Commission locates the problem in the insufficient attention that policy-making bodies had paid to the European context within which Eurozone economies operate. Before the crisis, coordination of national economic policies beyond the budgetary area relied on 'soft' instruments – peer pressure and recommendations – and had a limited impact on the action of individual euro-area member-states. Instruments were therefore too weak to counter the progressive opening of divergences in competitiveness and growth between national economies within the EU. A more stringent process of economic policy coordination for euro-area members is needed to minimise potential destabilising spill-over effects within EMU (European Commission, 2012, pp. 2-3). The European Semester was introduced in 2010 to ensure that member-states *discuss* their budgetary and economic plans with their EU *partners* throughout the year and give timely and accurate policy guidance before decisions are made at the national level. The Commission monitors whether member-states exhibit macroeconomic imbalances based on a series of pre-determined economic indicators, and promote structural reforms on the basis of the objectives set out in the Stability and Growth Pact and Europe 2020 Strategy (for smart, inclusive and sustainable growth), as well as the processes depicted in EU regulation (Six-pack, Two-pack, Treaty on Stability, Coordination and Governance) (European Commission, 2014c, pp. 1-2).

On the basis of the current Treaties, the Blueprint suggests an integrated framework for the *surveillance*, *regulation* and *supervision* of economic policies consisting of: a systematic *ex-ante coordination* of major economic reforms; a *stronger dialogue* with the member-states to enhance national ownership; the introduction of *contractual arrangements* to be agreed by the Commission and euro-area member-states; and *financial support* attached to (and conditional upon) the implementation of these contractual arrangements (European Commission, 2012, p. 42). Within the scope of its responsibilities during the European Semester, the Commission *collaborates* with member-states to issue in-depth reviews, country-specific recommendations, or economic adjustment programmes (when countries present extreme imbalances) (European Commission, 2014c, pp. 1-2). In cases of excessive deficits, a procedure is initiated that involves closer monitoring, regular economic forecasts, compliance checks, financial penalties and even suspension of EU regional funding. The member-state that has entered this procedure must submit budgetary plans, in addition to the so-called "Economic *Partnership* Programme" with details on the fiscal-structural reforms (e.g., on pensions, taxation, public healthcare) it commits to in order to reduce deficits (pp. 4-5). This requires coordination and surveillance over a broad range of economic and social policies that affect national budgets, so member-states within the EMU governance must also promote convergence in areas like employment and welfare policy. Furthermore, there are structural reforms that member-states could promote to enhance adjustment capacity and growth in the euro area, especially in the labour markets where the aim would be to increase labour mobility and flexibility. Thus, member-states should harmonise their policies in this regard as well (European Commission, 2012, p. 27).[8] It is however stressed that there is need to revise the Treaties in order to incorporate and *legitimise* the procedures and obligations provided for by the expanded system of EU economic governance (p. 26).

In this integrated system, the Blueprint reserves a central role for the IMF by seeking an observer status in the IMF Executive Board for the euro-area. This is justified on the fact that in euro-area matters, the European Commission has become a natural interlocutor of the IMF, and, more recently, has worked closely together with the Fund in negotiating the financial

[8] Labour mobility is a policy that is strongly supported in the more recent communication for 'socialising' EMU (European Commission, 2013d), as well as the Joint Employment Report (European Commission, 2013a) accompanying the Annual Growth Survey (European Commission, 2013b), documents both issued at the advent of the 2014 European Semester. Geographical mobility is of special interest – see supplement in June's 2014 Quarterly Review of *EU Employment and Social Conditions*.

assistance packages for euro-area members and generally collaborating on surveillance. Therefore, it becomes "essential to increase the *synergies of the cooperation* between the IMF and the institutions that are at the core of the daily management of the euro area" (p. 48; emphasis added).

The 2012 Blueprint opts for a monetary union based on collaborative networks and partnerships between various institutions. But there is no mention of the crucial role that social partners and civil society actors can play in the system of EU economic governance by incorporating social means and ends of setting priorities and obtaining citizens' approval. Notably, the Blueprint recognises that, according to the Treaties, the ultimate aim of the EU is: 1) peace, its values and the well-being of its people; 2) the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment; 3) economic, social and territorial cohesion, and solidarity among member-states (European Commission, 2012, p. 1). It also stresses that EMU should be strengthened to ensure economic and social welfare for the future (p. 11). However, there are no provisions for the active participation of other social groups and organisations in the system of national policy coordination.

The European Commission makes an attempt to remedy this by issuing in 2013 its communication on the strengthening of the social dimension of the economic and monetary union (European Commission, 2013d). It reminds us that under the Treaties the EU is obliged to take into account requirements associated with: 1) the promotion of a high level of employment; 2) the guarantee of adequate social protection; 3) the fight against social exclusion; and 4) a high level of education, training and health. According to the Commission, these requirements are consistent with the Europe 2020 strategy and have taken the form of key policies and measures at the EU level such as the Employment Package, the Youth Employment Package and the Social Investment Package (2013d, p. 2). The challenge is to tackle the rising inequalities and risks of long-term exclusion provoked by the economic crisis while dealing with the severe constraints on public spending (p. 8). The 'social dimension of the EMU' "relates to the ability of economic governance mechanisms and policy instruments to identify, take into account and address problematic developments and challenges related to employment and social policies in the EMU. … Progress is needed along the following fronts: 1) enhancing capacity to monitor employment and social developments in EMU to better coordinate a timely and adequate policy response; 2) mobilising EU action and funding to tackle unemployment (including youth unemployment) and social distress in an effective and sustainable way; 3) combining the steps taken on responsibility and economic discipline with more solidarity and financial support; 4) reducing existing barriers to cross-border labour mobility in the EU; and 6) strengthening the role of *social dialogue* in developing euro-area-wide and national strategies, through appropriate *involvement of the social partners*" (2013d, p. 3).

How is the role of social partners understood within EMU governance? How do they participate in the social dialogue with national and supranational policy-making bodies? The dimensions of social partnership envisioned by the Commission are presented toward the end of its communication. First of all, new forms of dialogue are introduced, namely the macroeconomic dialogue and the tripartite social summit that take place at regular intervals during the European Semester (pp. 12-14). Both include EU institutions – the Commission, the ECB, the Parliament and Council – as well as social partner representations at the EU level, in order to *exchange views* on political and technical matters and provide feedback for the Social Dialogue Committee. This committee gives EU social partners the opportunity to *consult* with the Commission before it adopts the Annual Growth Survey and *communicate* their views to the Commission regarding upcoming priorities and the outcome of the previous European Semester. After the Survey is adopted a *debate* will be organised with EU social partners and their national affiliates in order to *give their opinion* on issues with relevance to economic and social developments and reforms.

It is worth noting that this debate will be based on the scoreboard of key employment and social developments that appear for the first time in the 2014 European Semester. This 'social' scoreboard is developed in the Joint Employment Report that accompanies the Annual Growth Survey and includes data on unemployment, especially of youth, poverty and inequality (European Commission, 2013b; European Commission, 2013d, pp. 6, 14). Some of these indicators are also included in the Alert Mechanism Report for the first time and constitute a set of auxiliary indicators to be used in the economic reading of the MIP scoreboard (European Commission, 2013c, p. 3; European Commission, 2014d, p. 5 – see also Table 1a and Table 1b in the Appendix used for the data analysis in Section 2). The purpose of expanding the MIP scoreboard to include indicators on employment and social issues was to better integrate the social implications of imbalances in the current framework of coordination and surveillance (European Commission, 2013d, p. 5). Furthermore the reading of these 'social' scoreboards is to be built on existing tools – the Employment Performance Monitor, the Social Protection Performance Monitor, and the Joint Assessment Framework (p. 6). Finally, the diversity of national practices and the autonomy of social partners *must be respected*, notwithstanding the need to monitor and coordinate employment and social policies within EMU governance (p. 13).

Overall, social partners seem to participate in the process by exchanging views, communicating opinions, and debating with other EU and social groups within various official and informal forums. Arguably, EU institutions become accountable to social priorities and welfare considerations as representatives of various classes and groups are encouraged to actively and officially apply a 'check' on policy processes and outcomes. Yet it is questionable how far this 'check' on EU authorities by social groups can go under the existing governance framework. The ways in which the system perceives the means and ends of 'social dialogue' raises concerns with regard to the actual capacity of social partners to influence procedures and policies.

For instance, the Commission's communication on the social dimension of the EMU stresses that social partners are crucial in building stronger surveillance and coordination in governance mechanisms by: increasing the ownership of policies, ensuring meaningful implementation, and enhancing the effectiveness of policy coordination. This is particularly the case in areas of social and welfare policies that under the Treaties remain by and large a national responsibility.[9] There are growing concerns that individual choices of member-states will inevitably spill over and adversely affect conditions in other member-states (2013d, pp. 10, 11). Yet it becomes apparent that member-states' and social partners' actions and objectives should be aligned with the priorities defined by the MIP scoreboards, the other Monitors, Pacts and Treaties, the Blueprint and Alert Mechanisms. Thus, one begins to wonder how member-states are expected to increase national ownership of policies in a context in which they are really constrained in their policy choices.

In fact, the Commission's communication identifies as manifestations of *solidarity* and *responsibility* the concerted acts of EU institutions and social partners in the pursuit of two major priorities: 1) 'making social budgets more efficient and effective', or 'increasing the efficiency, effectiveness and adequacy of social protection systems'; and 2) 'improving the resilience of labour markets to enhance employment and competitiveness by increasing flexibility and mobility in factor markets' (pp. 8-9). Indeed, 'social' indicators of employment and poverty are separated from the macroeconomic indicators and are considered auxiliary or supplementary to the MIP scoreboard, giving primacy to considerations of competitiveness and exports, public and private debt, financial sector liabilities, and housing market bubbles (see European Commission, 2013c, pp. 29-30). Also there are no widely accepted indicators that can define and measure in a conclusive manner the degree of 'efficiency' and 'effectiveness' of social expenditure, as they are usually evaluated against average social expenditure across member-states, or against national and EU unemployment and poverty outcomes without clarifying the relationship between expenditure and outcomes (see European Commission, 2014a). Moreover, the EU has apparently forgotten past declarations of 'flexicurity' that combines mobility in the labour markets *with* security of workers in terms of incomes, insurance and training, and has submitted to the 'flexibility' element. This might give lesser attention to considerations of the social protection of workers, who ultimately carry the weight of budgetary discipline, as emphasised by Bourdieu. At the end of the day, the public sector is absolved of its obligation for redistribution and fairness.

Thus, if the means and ends to social welfare have already been laid out, what is the purpose of dialogue? Are social partners invited simply to reinforce the legitimacy of policy-makers' neoliberalist agenda? There is further indication that social partners, even member-states, have limited scope for manoeuvre in applying policies other than those dictated by the existing EU governance system. The discerning reader would have noticed the manipulation of words like surveillance, supervision, and regulation, along with words like collective strategy, partnership and dialogue, which are used in the same context, but can have opposing meanings. To illustrate, simply by consulting a dictionary (www.thefreedictionary.com), we note that the concept of 'surveillance', which tends to dominate in EU documentation, implies an asymmetrical or vertical relationship that involves 'the close observation or supervision maintained over a person, group etc., especially one in custody or under suspicion'. On the other hand, the concept of 'dialogue' is associated with a more or less symmetrical or

[9] Policies for social protection typically remain in the member-states' discretionary power, so harmonisation and convergence has so far been pursued on a 'softer' basis (e.g., open method coordination). According to the communication, employment and welfare systems are primarily the responsibility of member-states (2013d, pp. 2, 4).

reciprocal relationship that is linked to 'a frank exchange of ideas, spoken or written, for the purpose of meeting in harmony' or 'with a view to reaching an amicable agreement'. It could be argued that for groups to function, rules must be set. However, if rules are determined by one entity for the others to comply with, as implicated by the rather passive role reserved for social partners and member-states in the governance system, then this is pure surveillance. Following Bourdieu, surveillance works in this context not only by projecting coordination and collaboration toward certain objectives as an act of responsibility and solidarity on the part of nations and social groups; but also by stigmatising the 'deviators': member-states with macroeconomic imbalances are subject to control over internal matters, or even to the payment of fines and the risk of suspension from other policies, while social partners with defiant views are quickly categorised as the culprits of labour market rigidities or wasteful public spending that impair growth and stability. Compliance, via regulation and contractual relations that bind participants, is considered natural and inevitable, only because these member-states and social partners are seen as the sole source of the problem. This leaves unquestioned the possibility that deviations may have been a result of the structure of transnational relations within the EU or the global economy and the unequal distribution of power between member-states, EU institutions and powerful economic and political actors. Had these rules been subject to scrutiny by *all* actors, then there would have been scope for a genuine social dialogue in which we do not 'watch over others', but 'look out after one another', and in which we share responsibility, rather than pointing fingers.

Otherwise, governance may turn into a mechanism for 'polic-ing' rather than 'policy-ing'. As Bourdieu has often pointed out policies for market deregulation require extensive 'regulation' to suppress the social upheaval they could create from rising unemployment, poverty and inequality. But if the EU ignores society then it is only a matter of time that society will come to ignore the EU. Table 2 of the Appendix depicts the levels of confidence that citizens display toward the major EU institutions, namely the Commission, the Council and the EU Parliament. Figures give the proportion of individuals that claimed to have confidence in these institutions. Strikingly, in the vast majority of member-states, citizens seem to have lost confidence in *all* of these EU institutions since the crisis. And these member-states are not limited to those that are less developed and subject to adjustment (though they show the strongest decline, as figures for Greece reveal for example); they include citizens of the more developed member-states, like France, Germany and the UK, that appear to be dissatisfied with the ways that the EU has managed the crisis by imposing on their own well-being as well. It could be said that this brings out the reluctance of sovereign countries to participate in a transnational system of transfer payments and redistribution, as national interests override European-wide considerations: it is easier to perceive yourself as being taxed to support a compatriot than the unemployed or impoverished in another country, especially if you are convinced, not unfoundedly, that the money is not going where it is supposed to. Notwithstanding the political implications of this assertion and the ways that the transnational distribution of power plays out within national constituencies of member-states, it still shows that much needs to be done in terms of people's confidence toward the EU vision if further integration between economies, financial institutions and banks is to be achieved. Confidence in the political institutions that support the economy are equally, if not more so, important to confidence in financial instruments and markets.

Ultimately, economic objectives and social dimensions are important; but the foundations of the EMU and the accompanying governance system underestimate a crucial aspect of economic integration and policy coordination and that is citizens' trust. One might say that it is difficult for citizens to grasp what is at stake and they should extend their support to experts that 'know best'. Some economists, policy-makers and politicians argue that citizens resist these reforms because they want to avoid the personal, short-term losses from austerity and safeguard past claims over systems of labour market and social expenditure protection. Citizens are accused of missing the bigger picture whereby austerity will bring growth and employment in the longer run, and current sacrifice will eventually translate into future social welfare gains. Often member-states under supervision are portrayed as a 'patient', who is effectively being treated for his ailments when put under austerity. So any kind of resistance means refusal to take the medication and become well (Mussler, 2014).

However, patronising citizens might not be the best way to earn their trust and allegiance. Firstly, it treats as secondary or unimportant the harsh conditions that these policies impose on people in practice. In the current crisis and under austerity, citizens have experienced a significant worsening of their socio-economic conditions, which the data in Section 2 resoundingly confirms. And they have not been convinced that policy-making bodies can deliver, which the data in this section on the levels of confidence reveals. But it is not simply a matter of the ways in which national and EU institutions try to 'sell' austerity policies to their constituencies. They can appear less condescending and more inviting either by suggesting stricter surveillance of problematic countries to prevent spill-overs, or promoting tolerant dialogue with social partners to enhance policy coordination. What is more important, according to some economists, is that voters who reject austerity and voice their doubts about economic integration and governance might actually be right.

For instance, in a more recent revival of the austerity debate, Wyplosz (2012) argues that voters "cannot be blamed for concluding that the economic, social, and personal pain that they suffer – and that many of our colleagues in economics seem to ignore or belittle – is not delivering or is even backfiring" (p. 73). His statistical analysis across EU countries provides no evidence that austerity brings long-term growth.[10] In fact he shows that where growth was weak, as in the case of Greece, the debt ratios often increased much more. Furthermore, for these countries, it seems that the debt increased faster where the effort for budget consolidation was stronger. He concludes that tightening fiscal policy is a bad idea where growth is feeble or negative (pp. 72-73). Of course, he is frank in pointing out that not many alternatives are available: structural reforms take time to be put into effect and produce results; monetary policy is out of order because lowering the interest rate further or changing the exchange rate would have an insignificant effect; fiscal expansion would also have an arguable effect since it can be considerably applied only by countries with an ease to borrow like Germany which would then have to play a locomotive role in the Eurozone while dealing with its own subsequent inflationary pressures; EU institutions like the European Investment

[10] In the same volume, other contributors stress that the literature fails to offer sufficient evidence in support of the positive relationship between austerity and growth.

Bank or the Commission have a relatively restricted amount of funds to play any kind of redistributive role within the union; and deep defaults are unacceptable by financial markets resulting into a possible Eurozone breakup with serious repercussions for all member-states (pp. 73-76). Austerity might thus be considered the least-bad choice. But, as Wyplosz reminds us in this article, EU institutions and stronger member-states must take responsibility in finding solutions to ease austerity by re-considering the means and ends of fiscal consolidation; otherwise, we are bound to repeat what happened in Germany in the early 20th century, when voters who suffered and felt mistreated by past governments or foreign powers ended up voting for Hitler (p. 77). And in the EU the rise of right-wing extremists and political parties that participate in elections and eventually secure seats in parliament is not something to be dismissed, and is no less important than growth and competitiveness indicators.

Indeed, De Grauwe (2012) goes as far as to say that the prerequisite for the functioning of the Eurozone is a far-reaching political union (p. 261). This will give member-states the ability to build the collective mechanisms of mutual support and control that are necessary to resolve systemic weaknesses and sustain the monetary union in the long run (p. 265). Currently, given the inherent volatility of financial markets and the structure of the Eurozone, members become susceptible to liquidity crises that can turn into solvency crises: any increases in a government's budget deficit (due to a recession, for example) will trigger fear of default, distrust and higher interest rates in financial markets with self-fulfilling properties. The sovereign debt crisis can spill over and take the form of a domestic banking crisis even if the domestic banks were sound to start with. Moreover, in light of the inability of national authorities to issue money, governments are forced to institute austerity programmes in the midst of a recession to deal with the liquidity and solvency crises, which sinks the economy into deeper depression. This exacerbates further the macroeconomic imbalances in the domestic economy and increases divergences in competitiveness and employment between the Eurozone members, which, given the impossibility to use the devaluation of currency to restore these imbalances, lead to the use of internal devaluation mechanisms, that is, reductions in wages and prices (pp. 257-269).

For De Grauwe, if a monetary union implies the destruction of automatic budget stabilisers "it is unclear whether the social and political basis for such a union can be maintained" (p. 260). He thus suggests a different governance mechanism that is oriented toward the 'collective' practice of monetary and fiscal policy at the EU level by setting up proper institutions for the reallocation of economic, social and political costs and benefits among Eurozone members (e.g., ECB as lender of last resort, or a union budget for enhancing automatic stabilisation and redistribution at the EU level) (pp. 261-265). However, he believes there is no willingness in Europe for such a political union. This is evident in the new design of the economic governance of the Eurozone: the notion that dominates, influenced by moral hazard considerations, is that a country with budget deficits and increasing debts should be punished by high interest rates and tough austerity programmes (pp. 261, 265). In other words, punishment becomes the sole means to increase 'ownership' of policies that member-states have already disowned.

Whether bank unions or fiscal unions can provide the means to safeguard us from the consequences of the recent crises and austerity measures and correct for the deficiencies of EU economic governance structures, remains to be seen. However these discussions provide strong indications that policy-makers have to re-think what they are doing. Bourdieu gives great emphasis to the role of practical knowledge and processes of reflexivity within a dialectical exchange of ideas between participating agents. These could be crucial elements for the foundation of a truly effective partnership based on a sense of responsibility and solidarity. Some of these processes are discussed in the next section as ways to confront the negative consequences of the crisis and austerity.

6. In lieu of conclusions: struggles for new policies aiming at social welfare

Recently, amid hopes to much-needed debt relief, the Greek parliament approved a fresh round of austerity incorporating €1.8bn in tax increases, as well as the creation of a new privatisation fund, under the stewardship of EU officials, that would be in charge of real estate assets for the next 99 years. Interestingly, the government also agreed to adopt tighter austerity in the form of an automatic fiscal brake – referred to as "the cutter" in the Greek media – if fiscal targets are missed. After the vote, some of the MPs in the prime minister's leftist party who supported the measures rushed to explain that they 'were appalled by this state of wretchedness' and 'were in mourning'. These austerity measures are "widely regarded as the most punitive yet" (*The Guardian*, 22.5.2016). Thus, austerity persists, in spite of the worsening of socio-economic conditions and the apparent disdain of public officials and policy-makers in supporting such measures. Notably, not only are automatic stabilisers abolished within member-states, but they are replaced with concoctions that can only promise de-stabilisation. And we must not think for a minute that global developments associated with the deterioration of health and well-being, the rise of extremists in political positions, the persecution of dissenting voices, the social demonstrations, the fear of terrorism and refugee camps are unrelated to the conditions and policies that prevailed in the aftermath of the crisis.

In an environment in which the deregulation of labour markets and budgetary discipline were consistently pursued, before and after the crisis, social welfare and policy took a back seat. Failures borne out of financial systems had offered in the past, after the 1929 Crash, a strong case for the global mobilisation of social funds and the establishment of international financial controls. Now they incur costs that are transferred to the rest of society, to wage-earners and pensioners, and to younger generations whose future prospects are attached to job insecurity and economic uncertainty. At the end, as Bourdieu rightly observes, "economic policy is not necessarily economical" (1998, p. 40).

The Bourdieusian analyses outlined in the previous section pointed to the role played by financial dominance and the symbolic violence exerted by dominant classes in order to reproduce social structures that sustain their power globally despite the inherent weaknesses of financial systems and their economically and socially detrimental consequences. Thus, Bourdieu (1998, p. 39) asks: "Faced with these mechanisms, what can one do?" He poses this question toward the end of his 1996 address toward the Greek trade union confederation

(GSEE). His answer can be summarised in his plea toward all critical forces in society, including intellectuals and trade unions, "to insist on the inclusion of the social costs of economic decisions in economic calculations" (p. 39). These costs take the form of layoffs and insecurity that are soon to be matched by suicides, crime, delinquency, drug addiction, alcoholism, and everyday acts of violence. He argues that against a narrow, short-term economics that individualises everything – production, health and education – and accepts the primacy of financial profitability, we need to put forward an economics that takes note of all profits and costs, individual and collective, material and symbolic (p. 40).

By setting social welfare as the ultimate standard of economic activity and policy, Bourdieu wishes to overcome the false dichotomy between the economy and society, between economic and social policy. That way, social objectives of fairness and equality cease to be contradicted and overshadowed by supposedly 'natural' imperatives for market efficiency. Of course, he does not fail to overlook that dominant classes safeguard their privileges – and neoliberal policies – by seeking theoretical justification in knowledge and science. Furthermore he observes that the strength of neoliberalism is based on an ideology of competence: those who lack the intelligence, education and skill to compete in the market are those who naturally and deservingly are low-paid workers, unemployed or poor (pp. 41-42).

In this context, intellectuals are seen to have precedence in uncovering and challenging the neoliberal ideology. Professionals in the field of cultural production, such as academics and particularly sociologists and social theorists, provide a theoretical mastery or objectified representations of the social world (or, more precisely, of methods of objectification). Therefore, they can give power to the truth that resides in the practical knowledge of dominated classes and groups, but has been suppressed by the dominant (Bourdieu, 1985: 729-729, 735-736; 1989: 23-24; 1987: 15-16). This can be achieved if they work toward unravelling the 'symbolic violence' imposed on citizens and nations to justify – or as Bourdieu would say 'consecrate' – policies of austerity on the basis of a fallacious perception of objective, scientific reason, whereby the state and social partners are identified as the sole culprits of crises by intervening in the economy and distorting the efficient functioning of markets. Such an interpretation simply diverts our attention away from culprits residing *within* markets, particularly banks and financial institutions, whose 'misplaced' individual choices in their effort to make more money out of money, might have spilled over into the economy and found their way into citizens' savings and earnings. In this way, the collective intellectual, as the concerted acts of scholars, writers and artists, can produce and diffuse instruments of defence against symbolic domination, which these days tends to arm itself with the authority of science (Poupeau, 2014, p. 229, citing Bourdieu 2002).

Put simply, a collective intellectual is one who uses his knowledge to fulfil his public role in developing more effective and realistic forms of social mobilisation and emancipation of social classes and groups, instead of leaving them to their devices or studying them as an intellectual curiosity.[11] In fact, it is these groups of scholars, writers and artists that can build effective political action by appealing to the means and ends of variant discourses and

[11] Arguably, this passivity is no less present in the so-called 'left criticism' (e.g., Poupeau, 2014, in his exposition of the left in France).

alternative ways of thinking. This could then enable them to develop a 'discourse of freedom' that would protect their right to question the existing social order and preserve social welfare.

Bourdieu suggests a modest conception of the collective intellectual, which, on the one hand, *lays no claims to establishing a political line*, because its ambition is to unveil the mechanisms of domination that mire alternative propositions and ways of thinking expressed by existing social relations; on the other hand, it creates the *possibility of a convergence* between organisations and collectives that already reject forms of expert knowledge that serve powerful political and economic interests in the state, the economy and the media (Poupeau, 2014, p. 229). For Bourdieu this requires that the scholar, writer or artist overcome the false dichotomy between scientific or artistic autonomy (that promotes science for the sake of science, and art for the sake of art), and political engagement (that can compromise intellectuals' freedom to criticise prevailing powers). It also requires that they deal with the pressures emanating from the need to accumulate economic and social resources and sustain a personal standard of living and professional recognition: requirements to publish (in certain journals), to secure grants (from specific public and private institutions and enterprises), and to participate in conferences and the media (operated by powerful interests) can threaten free scientific and political expression (Bourdieu, 1995, pp. 339-341, 344-345; for an in-depth discussion see Bourdieu, 1973).

Finally, in the EU context under study, it is worth noting Bourdieu's suggestions on what intellectuals of different European countries can do to overcome the oppositions that divide them, so they could organise collectively and create a veritable "internationale of intellectuals". In his words: "we only have a chance of achieving real communication when we objectify and master the various kinds of historical unconscious separating us, meaning the specific histories of intellectual universes which have produced our categories of perceptions and thought" (Bourdieu, 1995, p. 344). To demonstrate, he describes that intellectuals must develop the capacity to recognise the effects of external and internal power structures on foreign colleagues' statements and argumentation, e.g., Stalinism, Nazism, or the events of 1968, and generally experiences of censorship exercised more or less in politics, economics and academia (Ibid.). That is, *we should get to know each other's history*. Nescience makes it easier to portray Greece as Aesop's lazy and imprudent grasshopper, who is condemned to a morbid fate as a result of his own choices (see Kitromilides, 2013), only to overlook that for many years this region has been replete with events of foreign intervention (civil conflicts and military dictatorships during the Cold War, occupations during the World Wars) and therefore was more than often compelled to a morbid fate. Even in years of recovery, sometimes economic and institutional reforms relied more on foreign lending (and its relation with the local elite) and less on people's needs. Thus any theory and policy applied to improve economic performance should be read and interpreted against this historical background; the MIP scoreboard and its 'social' auxiliaries or supplements certainly do not suffice. Intellectuals who hold this knowledge could use it to overcome oppositions and past mistakes, and increase people's participation and trust in collective, transnational visions and processes of unification.

Yet in his 1996 address in Greece Bourdieu asks: why are intellectuals 'uncommitted' to social struggles? Because, he replies, "when they revolt, it is still because … they think they are not receiving their due in relation to their competence, guaranteed by their qualifications" (Bourdieu, 1998, p. 43). In other words, considerations of individual gain override any aim for preserving social welfare. Even when 'intellectuals' decide to look beyond safeguarding their own status, it is often the case that their political activities are restricted to taking up another high post in the state apparatus or getting greater coverage in the media with interviews and tributes to their work, an image of the 'expert' often condemned by Bourdieu (see other chapters in Bourdieu, 1998). If intellectuals do not reject this image and refrain from actively participating in the debates of the European Semester, then it is unlikely that the underlying rationale and context of austerity policies and EMU governance will be discussed and challenged, possibly leading to a deterioration of socio-economic conditions and citizens' confidence in the EU. Perhaps the address that Bourdieu made nearly two decades ago at the heart of the Greek labour movement is something that all of us need to bear in mind.

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APPENDIX

Table 1a: Auxiliary indicators used in the economic reading of the MIP scoreboard, 2012

	Real GDP growth	*Employment rate*	*Activity rate (15-64 years)*		*Long-term unemployment rate (% of active population)*		*Youth unemployment rate (% of active population in the same age group)*		*Young people not in employment, education or training (NEETs) (% of total population)*		*People at-risk poverty or social exclusion (% total population)*		*At-risk poverty rate (% of total population)*		*Severe material deprivation rate (% of total population)*		*Persons living in households with very low work intensity (% of population aged 0-59)*	
	1 year % change	% y-o-y change	level	% point change (3 years)	level	% point change (3 years)	level	% point change (3 years)	level	% point change (3 years)	level	% point change (3 years)	level	% point change (3 years)	level	% point change (3 years)	level	% point change (3 years)
BE	-0.1	0.2	66.9	0.0	3.4	-0.1	19.8	-2.1	12.3	1.2	:	:	:	:	:	:	:	:
BG	0.8	-2.5	67.1	-0.1	6.8	3.8	28.1	13.0	21.5	2.0	49.3	3.1	21.2	-0.6	44.1	2.2	12.4	5.5
CZ	-1.0	0.4	71.6	1.5	3.0	1.0	19.5	2.9	8.9	0.4	15.4	1.4	9.6	1.0	6.6	0.5	6.8	0.8
DK	-0.4	-0.3	78.6	-1.6	2.1	1.5	14.0	2.2	6.6	1.2	19.0	1.4	13.1	0.0	2.8	0.5	10.9	2.4
DE	0.7	1.1	77.1	0.8	2.5	-1.0	8.1	-3.1	7.7	-1.1	19.6	-0.4	16.1	0.6	4.9	-0.5	9.8	-1.0
EE	3.9	2.2	74.9	0.9	5.5	1.7	20.9	-6.6	12.5	-2.4	23.4	0.0	17.5	-2.2	9.4	3.2	9.0	3.4
IE	0.2	-0.6	69.2	-1.4	9.1	5.6	30.4	6.4	18.7	0.3	:	:	:	:	:	:	:	:
EL	-6.4	-8.3	67.9	0.1	14.4	10.5	55.3	29.5	20.3	7.7	34.6	7.0	23.1	3.4	19.5	8.5	14.1	7.6
ES	-1.6	-4.2	74.1	1.1	11.1	6.8	53.2	15.4	18.8	0.5	28.2	3.7	22.2	2.1	5.8	1.3	14.2	6.6
FR	0.0	0.0	71.0	0.5	4.1	0.7	24.7	0.7	12.2	-0.2	19.1	0.6	14.1	1.2	5.3	-0.3	8.4	0.1
HR	-2.0	-3.9	60.5	-1.9	10.3	5.2	43.0	17.9	16.7	4.8	32.3	:	20.5	2.6	15.4	:	16.1	:
IT	-2.5	-0.3	63.7	1.3	5.7	2.2	35.3	9.9	21.1	3.4	30.4	5.7	19.8	1.4	14.5	7.5	10.3	1.5
CY	-2.4	-4.2	73.5	0.5	3.6	3.0	27.8	14.0	16.0	6.1	27.1	3.6	14.7	-1.1	15.0	5.5	6.4	2.4
LV	5.0	1.6	74.4	0.5	7.8	2.9	28.5	-4.8	14.9	-2.5	36.6	-0.8	19.4	-6.3	26.0	4.1	11.5	4.8
LT	3.7	1.8	71.8	2.0	6.6	3.4	26.7	-2.3	11.1	-1.3	32.5	3.0	18.6	-2.0	19.8	4.7	11.3	4.4
LU	-0.2	2.5	69.4	0.7	1.6	0.4	18.0	1.5	5.9	0.1	18.4	0.6	15.1	0.2	1.3	0.2	6.1	-0.2
HU	-1.7	0.1	64.3	2.7	4.9	0.7	28.1	1.6	14.7	1.3	32.4	2.8	14.0	1.6	25.7	5.4	12.7	1.4
MT	0.8	2.3	63.1	4.0	3.0	0.0	14.2	-0.2	11.1	1.3	22.2	2.0	15.0	-0.3	8.0	3.3	7.9	-0.5
NL	-1.2	-0.2	79.3	-0.4	1.8	0.9	9.5	1.8	4.3	0.2	15.0	-0.1	10.1	-1.0	2.3	0.9	8.7	0.4
AT	0.9	1.3	75.9	0.6	1.1	0.1	8.7	-1.3	6.5	-1.3	:	:	:	:	4.0	-0.8	7.6	0.4
PL	1.9	-3.4	66.5	1.8	4.1	1.6	26.5	5.9	11.8	1.7	26.7	-1.1	17.1	0.0	13.5	-1.5	6.8	-0.1
PT	-3.2	-4.2	73.9	0.2	7.7	3.0	37.7	12.9	14.1	2.9	25.3	0.4	17.9	0.0	8.6	-0.5	10.1	3.2
RO	0.7	1.5	64.2	1.1	3.2	1.0	22.7	1.9	16.8	2.9	41.7	-1.4	22.6	0.2	29.9	-2.3	7.4	-0.3
SI	-2.5	-0.8	70.4	-1.4	4.3	2.5	20.6	7.0	9.3	1.8	19.6	2.5	13.5	2.2	6.6	0.5	7.5	1.9
SK	1.8	0.1	69.4	1.0	9.4	2.9	34.0	6.4	13.8	1.3	20.5	0.9	13.2	2.2	10.5	-0.6	7.2	1.6
FI	-0.8	0.0	75.2	0.2	1.6	0.2	19.0	-2.5	8.6	-1.3	17.2	0.3	13.2	-0.6	2.9	0.1	9.1	0.9
SE	1.0	0.7	80.3	1.4	1.5	0.4	23.7	-1.3	7.8	-1.8	18.2	2.3	14.2	0.9	1.3	-0.3	9.9	3.7
UK	0.1	1.2	76.3	0.6	2.7	0.8	21.0	1.9	14.0	0.7	:	:	:	:	:	:	:	:
Av. EU-28	**-0.2**	**-0.6**	**71.1**	**0.6**	**5.1**	**2.2**	**25.7**	**4.6**	**12.8**	**1.1**	**26.0**	**1.6**	**16.5**	**0.2**	**12.1**	**1.7**	**9.7**	**2.1**

Source: European Commission (2013c), Table A3, p. 32.

Table 1b: Auxiliary indicators used in the economic reading of the MIP scoreboard, 2014

	Real GDP growth	*Employment rate*	*Activity rate (15-64 years)*	*Long-term unemployment rate (% of active population)*	*Youth unemployment rate (% of active population in the same age group)*	*Young people not in employment, education or training (NEETs) (% of total population)*		*People at-risk poverty or social exclusion (% total population)*		*At-risk poverty rate after social transfers (% of total population)*		*Severe material deprivation rate (% of total population)*		*Persons living in households with very low work intensity (% of population aged 0-59)*	
	1 year % change	% y-o-y change	% level	% level	% level	level	% point change (3 years)	level	% point change (3 years)	level	% point change (3 years)	level	% point change (3 years)	level	% point change (3 years)
BE	1.3	0.3	67.7	4.3	23.2	12.0	0.2	21.2	0.2	15.5	0.2	5.9	0.2	14.6	0.8
BG	1.5	0.4	69.0	6.9	23.8	20.2	-1.6	40.1	-9.0	21.8	-0.4	33.1	-10.5	12.1	1.1
CZ	2.0	0.6	73.5	2.7	15.9	8.1	-0.2	14.8	-0.5	9.7	-0.1	6.7	0.6	7.6	1.0
DK	1.1	0.8	78.1	1.7	12.6	5.8	-0.5	17.8	-1.1	11.9	-1.1	3.2	0.6	12.1	0.4
DE	1.6	0.9	77.7	2.2	7.7	6.4	-1.1	20.6	0.7	16.7	0.9	5.0	-0.3	10.0	-1.2
EE	2.9	0.8	75.2	3.3	15.0	11.7	0.1	:	:	:	:	6.2	-2.5	:	:
IE	5.2	1.7	69.8	6.7	23.9	15.2	-3.6	:	:	:	:	:	:	:	:
EL	0.7	0.1	67.4	19.5	52.4	19.1	1.7	36.0	5.0	22.1	0.7	21.5	6.3	17.2	5.2
ES	1.4	0.9	74.2	12.9	53.2	17.1	-1.1	29.2	2.5	22.2	1.6	7.1	2.6	17.1	3.7
FR	0.2	0.3	71.4	4.4	24.2	11.4	-0.9	18.6	-0.7	13.3	-0.7	4.8	-0.4	9.7	0.3
HR	-0.4	2.7	66.1	10.1	45.5	19.3	3.1	29.3	-3.3	19.4	-1.5	13.9	-1.3	14.7	-1.2
IT	-0.4	0.1	63.9	7.8	42.7	22.1	2.4	28.1	-0.1	19.6	0.0	11.5	0.3	12.0	1.6
CY	-2.5	-1.9	74.3	7.7	36.0	17.0	2.4	27.4	2.8	14.4	-0.4	15.3	3.6	9.7	4.8
LV	2.4	-1.3	74.6	4.7	19.6	12.0	-4.0	32.7	-7.4	21.2	2.2	19.2	-11.8	9.6	-3.0
LT	3.0	2.0	73.7	4.8	19.3	9.9	-1.9	27.3	-5.8	19.1	-0.1	13.6	-5.4	8.8	-3.9
LU	4.1	2.5	70.8	1.7	22.3	6.3	1.6	19.0	2.2	16.4	2.8	1.4	0.2	6.1	0.3
HU	3.7	4.6	67.0	3.7	20.4	13.6	0.4	31.1	0.1	14.6	0.8	23.9	0.8	12.2	0.0
MT	3.5	4.5	66.3	2.7	11.8	10.5	0.3	23.8	1.7	15.9	0.3	10.2	3.6	9.8	0.9
NL	1.0	-0.2	79.0	3.0	12.7	5.5	1.2	16.5	0.8	11.6	0.6	3.2	0.7	10.2	1.3
AT	0.4	0.9	75.4	1.5	10.3	7.7	0.4	19.2	0.0	14.1	-0.4	4.0	0.0	9.1	0.5
PL	3.3	1.7	67.9	3.8	23.9	12.0	0.5	24.7	-2.5	17.0	-0.7	10.4	-2.6	7.3	0.4
PT	0.9	1.4	73.2	8.4	34.7	12.3	-0.3	27.5	3.1	19.5	1.5	10.6	2.3	12.2	3.9
RO	2.8	1.1	65.7	2.8	24.0	17.0	-0.5	40.2	-0.1	25.4	3.2	26.3	-3.1	6.4	-0.3
SI	3.0	0.6	70.9	5.3	20.2	9.4	2.3	20.4	1.1	14.5	0.9	6.6	0.5	8.7	1.1
SK	2.5	1.4	70.3	9.3	29.7	12.8	-1.0	18.4	-2.2	12.6	-0.4	9.9	-0.7	7.1	-0.6
FI	-0.4	-0.8	75.4	1.9	20.5	10.2	1.8	17.3	-0.6	12.8	-0.9	2.8	-0.4	10.0	0.0
SE	2.3	1.4	81.5	1.5	22.9	7.2	-0.3	16.9	0.8	15.1	1.1	0.7	-0.5	6.4	-0.5
UK	2.9	2.3	76.7	2.2	16.9	11.9	-2.3	:	:	:	:	:	:	:	:
Av. EU-28	**1.8**	**1.1**	**72.0**	**5.3**	**24.5**	**12.3**	**0.0**	**24.7**	**-0.5**	**16.7**	**0.4**	**10.7**	**-0.7**	**10.4**	**0.7**

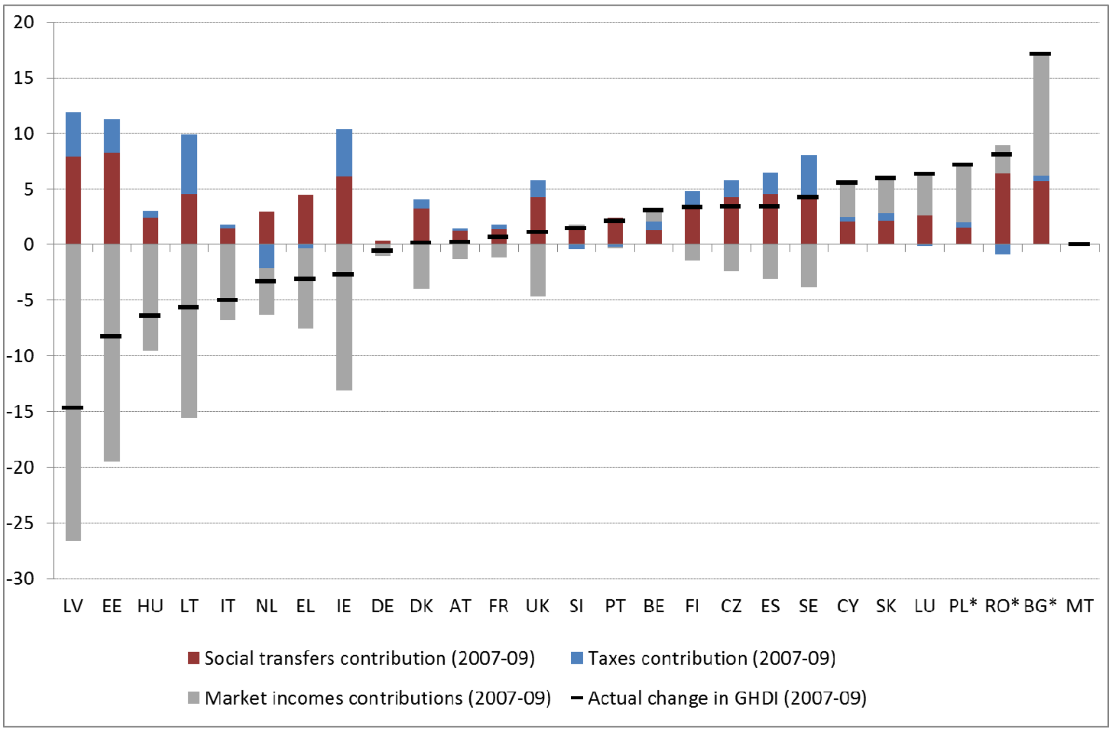
Source: European Commission (2015), Table 2.1, p. 42.

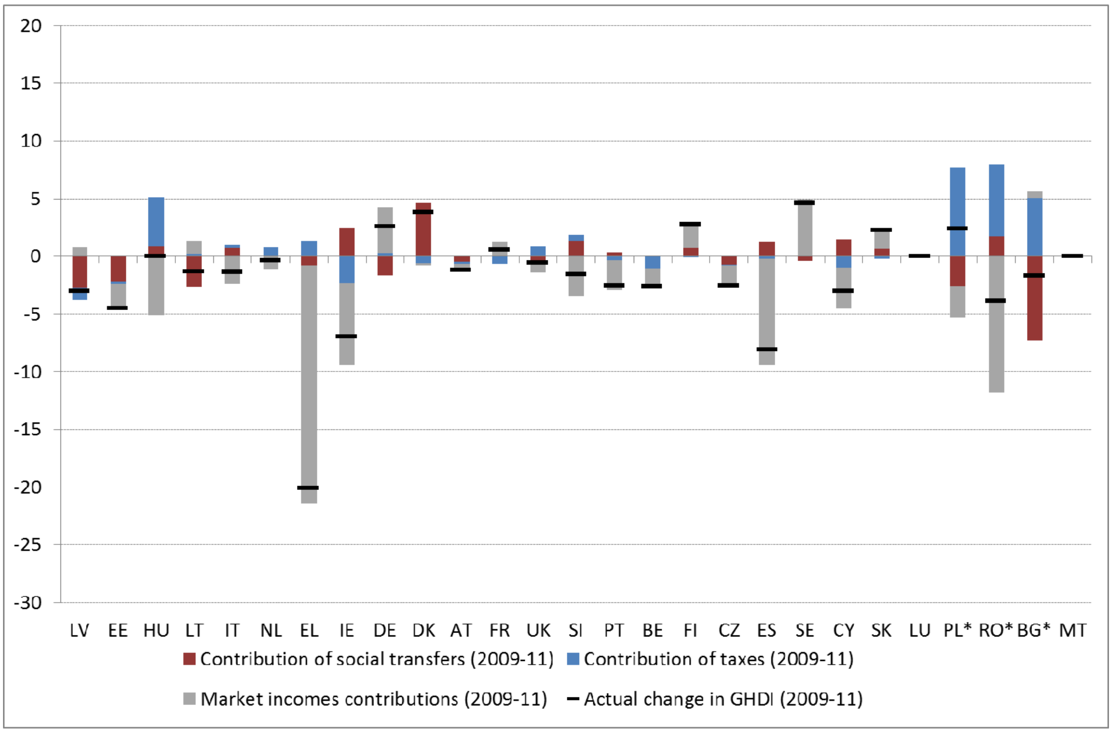
Table 2: Level of citizen's confidence in EU institutions

	EUROPEAN COMMISSION				COUNCIL OF THE EU				EU PARLIAMENT			
	Average 2004-2007	Average 2008-2012	% point change	Rank in % point change	Average 2004-2007	Average 2008-2012	% point change	Rank in % point change	Average 2004-2007	Average 2008-2012	% point change	Rank in % point change
EU-27	49.0	42.6	**-6.4**		42.8	38.2	**-4.6**		53.8	46.8	**-7.0**	
BE	66.0	59.0	**-7.0**	18	55.3	52.0	**-3.3**	14	66.8	61.6	**-5.2**	13
BG	48.8	51.0	2.3	2	43.3	49.6	6.4	1	56.3	60.4	4.2	1
CZ	55.0	49.2	**-5.8**	15	49.0	48.4	**-0.6**	8	59.8	53.2	**-6.6**	18
DK	55.0	57.2	2.2	3	48.8	44.6	**-4.2**	15	62.5	64.2	1.7	4
DE	43.8	39.2	**-4.6**	12	40.3	34.8	**-5.5**	18	53.0	44.8	**-8.2**	20
EE	55.5	56.8	1.3	6	50.0	54.4	4.4	2	57.8	59.6	1.9	3
IE	61.5	43.8	**-17.7**	27	49.5	40.4	**-9.1**	25	64.8	50.8	**-14.0**	25
EL	64.0	38.6	**-25.4**	28	62.5	37.2	**-25.3**	28	68.8	43.4	**-25.4**	28
ES	51.8	38.2	**-13.6**	25	47.8	34.8	**-13.0**	27	57.3	41.4	**-15.9**	26
FR	49.8	40.2	**-9.6**	22	42.0	36.2	**-5.8**	20	54.0	45.8	**-8.2**	20
HR	43.5	37.2	**-6.3**	16	44.0	38.8	**-5.2**	17	46.3	39.0	**-7.3**	19
IT	54.8	46.2	**-8.6**	21	49.0	42.4	**-6.6**	22	58.3	50.0	**-8.3**	22
CY	57.0	46.8	**-10.2**	23	56.0	47.4	**-8.6**	24	60.0	49.4	**-10.6**	23
LV	42.0	38.6	**-3.4**	9	37.5	35.8	**-1.7**	11	45.0	41.6	**-3.4**	9
LT	56.3	52.0	**-4.3**	11	50.3	47.4	**-2.9**	13	59.5	54.6	**-4.9**	12
LU	62.0	58.4	**-3.6**	10	55.5	50.8	**-4.7**	16	66.8	62.8	**-4.0**	11
HU	60.8	55.8	**-5.0**	14	55.5	50.0	**-5.5**	19	65.5	60.0	**-5.5**	15
MT	59.0	50.6	**-8.4**	20	55.0	48.6	**-6.4**	21	60.8	55.6	**-5.2**	13
NL	55.3	56.8	1.6	5	44.5	48.0	3.5	3	58.8	57.2	**-1.6**	7
AT	46.3	41.6	**-4.7**	13	39.8	38.2	**-1.6**	10	51.5	47.6	**-3.9**	10
PL	54.0	50.8	**-3.2**	8	46.8	46.2	**-0.5**	7	54.8	54.2	**-0.5**	6
PT	61.3	50.2	**-11.1**	24	55.3	47.0	**-8.3**	23	63.8	53.0	**-10.8**	24
RO	60.8	53.6	**-7.2**	19	51.3	50.6	**-0.6**	9	67.3	60.8	**-6.5**	17
SI	63.5	49.0	**-14.5**	26	58.5	46.6	**-11.9**	26	65.8	49.6	**-16.2**	27
SK	61.5	59.6	**-1.9**	7	56.5	58.4	1.9	4	69.0	65.8	**-3.2**	8
FI	53.3	55.4	2.2	4	48.5	48.6	0.1	6	56.0	57.4	1.4	5
SE	47.8	51.2	3.5	1	34.3	35.6	1.4	5	54.5	58.2	3.7	2
UK	28.0	21.4	**-6.6**	17	20.0	17.8	**-2.2**	12	29.0	23.4	**-5.6**	16

Source: EUROSTAT.

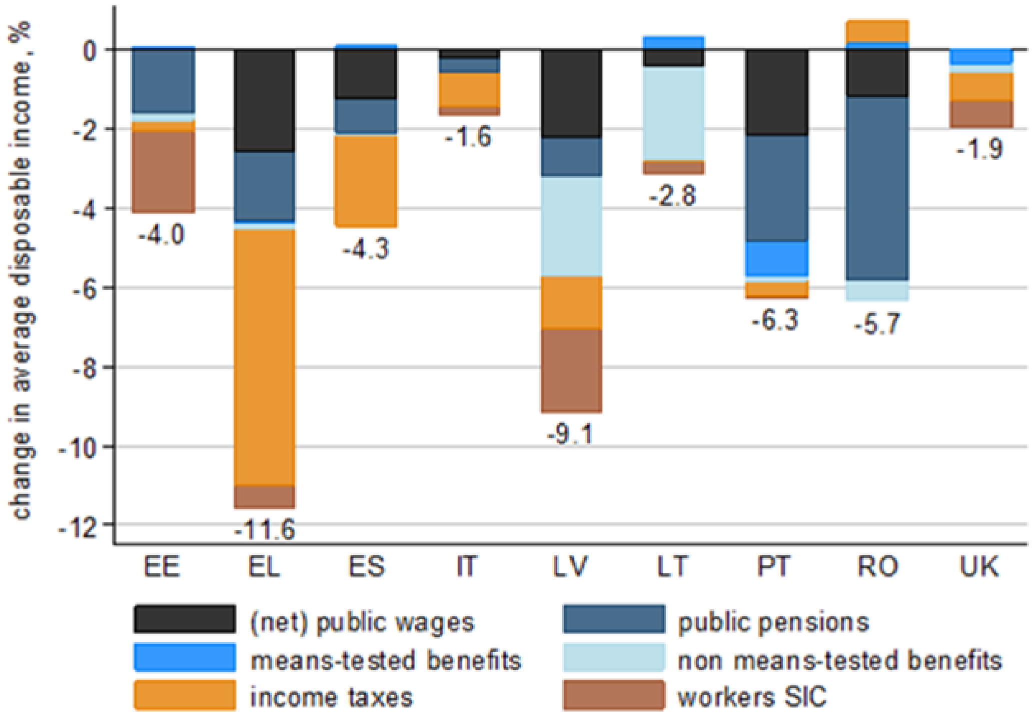
Graph 1: Contributions to gross household disposable income development in 2007-09 and in 2009-11





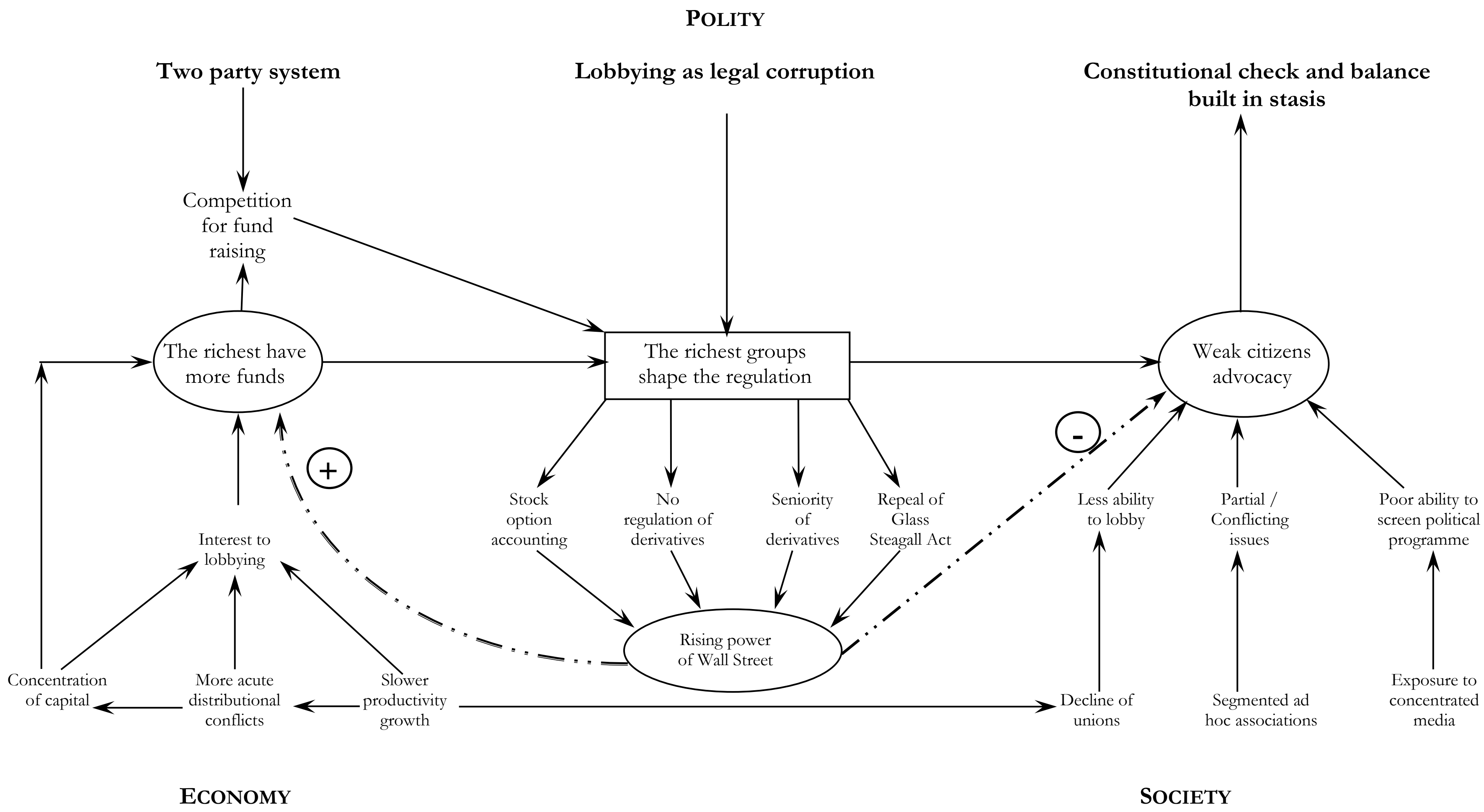
Source: Bontout and Lokajickova (2013), Chart 12, pp. 25-26.

Graph 2: Contribution of austerity packages to change in household incomes



Source: Bontout and Lokajickova (2013), Chart 15, p. 32 and Avram et al. (2013), Figure 1, p. 11.

Figure A: How the US financiers have captured State power and promoted a new growth regime and its crisis



Source: Boyer (2014) Figure 8.2, p. 136.