

**„Unless you're
immortal, you
need life
insurance!“**
(Crowe and Associates,
2019)



„Many Bags in the Corner“: Intra-Household Imbalances in Times of Asset-Based Welfare



Motivation

“My policies are based not on some economics theory, but on things I and millions like me were brought up with: an honest day’s work for an honest day’s pay; live within your means; put by a nest egg for a rainy day; pay your bills on time”
(Thatcher, 1981)

- **UK context** – strong push for asset-based welfare policies by successive governments aiming to nurture a “free” ownership society
- **Financialization of daily life** where **the everyday person accumulates assets and** „adopt[s] new modes of self-governance and reflexivity to monitor their investments“ (Lai, 2016:3)
- Financialization and Responsibilization - Construction of the **‘Everyday Risk Manager’**
Financially responsible household accumulates assets, avoids debt except for asset accumulation and integrates self-governing measures to finance non-wage work



Motivation

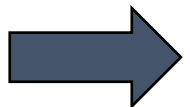
Asset Ownership

- Construction of households as entrepreneurs through exploration of institutional changes and discourses (Gurney, 1999; French and Kneale, 2009)
- Strong focus on homeownership in qualitative studies (Clark, 2012; Weiss, 2014)
- Recognition of ambiguities in adopting a financialized subject position (Langley, 2007; Lai, 2017)

Finance and Relationships

- Intra-household inequalities based on income differences (Pahl, 1989; Vogler and Pahl, 1994)
- Integration of perceptions of relationships (Ashby and Burgoyne, 2006) and impact of social norms (Dema-Moreno, 2009; Zelizer, 1997)
- Gender gap in wealth accumulation (Lundberg and Ward-Batts, 2000; Jefferson, 2017; Ruel and Hauser, 2013)

Relationships domesticate finance (Pellandini-Simanyi et al. 2015: 733)



Empirically explore the impact of asset norms on the everyday life with a particular focus on relationships



Research Methodology

Profile of Interview Participants

Distribution of income (Classification based on averages before retirement and on equivalised income for households)	High income (20 households)	Individuals £63,424 Households £119,527
	Medium income (35 households)	Individuals £26,143 Households £42,075
	Net wealth above £500,000	£1,379,887 (19 households)
	Net wealth between £100,000 and £500,000	£301,113 (25 households)
Average distribution of wealth	Net wealth below £100,000	£31,468 (11 households)
	Exemplary occupational categories of participants Acupuncturist, army officer, CEO, consultant, civil service employee, engineer, graphic designer, growth coordination manager, HR consultant, lawyer, lecturer, pharmacist, procurement officer, project manager, promotional or sales worker, researcher, secretary, security guard, solicitor, teacher and teacher support, treasurer, warehouse worker	



Construction of the Everyday Risk Manager

Responsibilization

Rising Job Insecurity

- Decreasing Wage Bargaining Power
- Deregulation of Labour Market

Rising Money Insecurity

- Discourse of Hard Work and Responsibility
- Introduction of Workfare
- Reduction of publicly funded welfare provisions

Financialization

Wider Access to Financial Products

- New financial products enabling asset ownership
- Asset-based welfare measures

Construction of Asset Norms

- Entrepreneurial Discourse
- Agency and Non-Agency Discourse
- *Personalization of Asset Norms*



Personalization Strategies employed as Discursive Strategies

“At my age, I should be thinking about getting a mortgage, a pension, a wife, a Volvo, two kids of my own and a Labrador” (Langan, 1997).

“[...] to stop this cycle of bad money management and general ignorance about money [...] since it’s never too early to start learning how to handle money responsibly – **children should know about ISAs as well as Ipods**” (Anstead, 2007).

Concept of ‘Unfeeling’

“It may seem unfeeling to **use business principles** when dealing with your own family but in the casual climate of today's relationships ought you to do otherwise?” (Cannon, 1985)

“Staying unmarried may be more expensive than tying the knot – Getting married can be an expensive business. **But not nearly as expensive as not being married.**” (Hughes, 2017)



Responsibilization

„**We all have to do it.** Not everybody will do it.[...] those people will never have anything.“

(IP36_M_41)

“I need to be able to provide for my future, so that I am, I don’t like the idea, you know, when you see these things on television of, you know, **some little old lady poverty stricken somewhere**, I’d hate the thought.”

(IP44_F_58)

Whereas in the “old times [...] you could just walk out one job, literally just walk out of one, into another” (IP34_HI_F_55), now even public sector jobs are not secure “and those are what I considered the more secure jobs.”

(IP17_F_43)

“[...] **that when I can’t work and I don’t have, you know, a regular income that I still have a regular income but from a different source**” (IP31_F_50).



Construction of the Everyday Risk Manager

Financialization

“people are out to make their own money” (IP13_M_76)

“I’d never play the stock market or anything like that. [...] I think of as **gambling** actually”

(IP59_F_32)

“I think with property it’s something that is undeniable, **it's controlled by me**”

(IP17_F_43)

“it [pension] probably won’t perform amazingly but it won’t lose money”

(IP04_F_59)

“I wouldn’t want more than £20,000 of just cash in the bank” (IP54_M_34)

 This results in a three-pronged asset accumulation strategy consisting of savings, homeownership and pensions (Hillig, 2019).



Dichotomy between 'Feeling' and 'Unfeeling'

Concept of ,unfeeling'

Households adopt the concept of 'unfeeling', i.e. a non-emotional, business approach in dealing with family affairs, since in financial decisions **'emotions' don't count, family don't count'** (IP37_F_29).

"So, I had to really nag him [the son] **to give me rent**. You know, he doesn't think he needs to. Why would he? When he can't use the shower, he thinks he's making sacrifices. *Well, you don't pay any rent or any bills. I said, No, and you think, you have rights. You don't have any. So I think he's realized and he started paying me rent last month.*" (IP27_F_59)

Asset norms become entangled with feelings (Pellandini-Simanyi et al., 2015)

"[...] we had a moment where we said psychologically are we ready to move and we said yes the market, the house market was in a good position"
(IP13_M_76).



Dichotomy between 'Feeling' and 'Unfeeling'

Concept of unfeeling changes perception of relationship

[...] you are taking a risk and it's a **risk** not only financially with the **house** but also **with our relationship** as well. We can't just walk away so easily [...] we've had to have the conversation what's gonna happen if it goes wrong [...] people don't stay together forever but I think it was the amount of times we had to go over it and deal with these various different things **and it almost felt like we're broken up already, like we almost saying: oh when we break up, this is how we're gonna split it up.** (IP45_F_27)

Non-emotional character of finance changes relationship

[...] entitled to my pensions and all the life insurances, my pensions and all of those kind of things [...] it's less about romance, it's more about **security** if I'm honest. **So as unromantic as** that sounds but that's the truth [...] We were having a conversation on **Valentine's day** [...] I just said: *Look there is nothing stopping us now, so why don't we actually get married?* Mainly because I was thinking if I died, if I got, you know, in a car crash or something like that, **I just didn't want it to be difficult for her to access the financial benefits.** (IP56_M_34)



Dichotomy between 'Feeling' and 'Unfeeling'

Asset norms are 'productive' in transforming relationships (Zelizer, 2011).

In becoming a financial unit ("to be one financial unit, that's why I'd want to get married" [IP51_F_36]), the pressure of asset accumulation is eased and the investment potential is widened.

Two-household earners are more likely to conduct investments (Langley and Leaver, 2012)

[To the question if they would like to invest further in property or private pensions] "I don't have a partner, so **if I was to have a partner by that time then maybe I would** but right now if it's just me then I probably wouldn't"
(IP37_F_29)

"I think again if I had more joint finances with a partner, so if my boyfriend and myself are married for example and then **it became joint money then I would probably invest**"
(IP42_F_24)



Intra-Household Imbalances - 'Balanced Relationships'

Sharing core values with regard to asset ownership is seen as key success factor

“I was trying to convince my wife, we should buy a second house as an investment [...] so we sort of compromised on moving to the larger house hoping that if things got 10% up, the bigger the house is an increase in value” (IP11_M_42)

Ensuring the partner catches up with pension provisions

“The properties we have are pretty much all in my name because I don't have as big of a pension as him” (IP09_F_50)

Less earning partner becomes asset manager

“He earns much more than I do. [...] In our family I am the one that knows about our finances, so you know, I produce our investment spreadsheet, [...] sometimes we buy bonds or something like that, just if I've got money that I think oh we're not doing or haven't got a project on” (IP01_F_52)





Intra-Household Imbalances - ‘Many Bags in the Corner’

Gender ‘typical roles’ are being drawn upon where **money management** (Zelizer, 1997), including budgeting and online accounts, **is left to females** (“I don’t know I left it to my wife” [IP52_M_41]) and **males adopt the responsibility over asset management**: “I do the day to day accounts, he does the forecasting” (IP34_F_55).

[Question is concerned with the assets of the household]

Male: cars, savings, ISAs

Female: You have savings

Male: Investments

Female: **You have investments, I don’t bring very much to the table.**

Male: Yeah, Amy does not [....]

Male: Yeah, the deal is Amy organizes life and then I make sure we save properly for it, that’s it and it works.

Female: Yeah, tight one, unless you buy anything, **yeah you’ve got probably more assets than I do.**



Intra-Household Imbalances - 'Many Bags in the Corner'

[Question: What is the threshold for investing in stocks and shares with the help of the aunt?]

Male: She gave me an idea, yeah, which is doable, so it's alright.

Female: I don't even know this information.

Male: yeah, yeah

Female: He doesn't tell me.

Male: No, I don't tell Amy everything about money, it's better, it's better she doesn't always know [sighing by partner and he is laughing] I tell her the savings and stuff, the day to day stuff you know about that, that's alright

Female: Many bags in the corner

Male: No, not at all, hopefully, I don't know just like I said, I don't want to work all my life. I don't think you have to work all you life either.

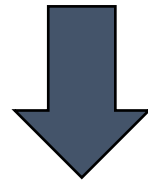




Intra-Household Imbalances - ‘Many Bags in the Corner’

Hiding Assets Explicitly or Implicitly

“I don’t need necessarily take on the extra expense of moving house, to a similarly sized house because I’m not in a position to upgrade, if you like, we would be just moving so it wasn’t in the same address. So I think she would be happy with that but [...] do you just need to do that to say standing still? [...] **we have conversations about it and I set her a list of I would move if you can show me that we can do this, this, and this because that’s really safe because she will utterly fail to do any of those. So that’s great.**” (IP40_M_43)



“It was a lock away ISA but I probably shouldn’t have locked away that much money at the time because obviously we were still in a flat at the time. We weren’t struggling in like we couldn’t feed ourselves but I just had to pick up a lot more hours” (IP41_MI_28)



Conclusion

Asset Norms ‘domesticate’ Relationships

Finance rationality in the form of a non-emotional, return-maximizing approach becomes entangled with relationships

Asset norms transform relational discourses and practices

Asset Management as a Source of Conflict

Rather than money management decisions (routine decisions) representing intra-household inequalities, asset management (non-routine decisions) appears to be the source of distress.

Asset norms intensify intra-household inequalities independently of partner’s income



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