Bruised but not beaten: the persistence of austerity in Europe


This version is available from Sussex Research Online: http://sro.sussex.ac.uk/id/eprint/68267/

This document is made available in accordance with publisher policies and may differ from the published version or from the version of record. If you wish to cite this item you are advised to consult the publisher's version. Please see the URL above for details on accessing the published version.

Copyright and reuse:
Sussex Research Online is a digital repository of the research output of the University.

Copyright and all moral rights to the version of the paper presented here belong to the individual author(s) and/or other copyright owners. To the extent reasonable and practicable, the material made available in SRO has been checked for eligibility before being made available.

Copies of full text items generally can be reproduced, displayed or performed and given to third parties in any format or medium for personal research or study, educational, or not-for-profit purposes without prior permission or charge, provided that the authors, title and full bibliographic details are credited, a hyperlink and/or URL is given for the original metadata page and the content is not changed in any way.

http://sro.sussex.ac.uk
Bruised But Not Beaten: The Persistence of Austerity in Europe

Abstract:
State responses to the global financial and European sovereign debt crisis have been dominated by a paradigm of austerity. This paradigm has called for the reduction of public expenditure on the basis that recent economic crises were caused by excessive public spending and debt. In contrast to explanations of austerity’s persistence that focus on the role of powerful actors or institutions, this article will highlight the role of discourse and argumentation. To do so, the article presents a political claims analysis of public debates on austerity in the mass media in the United Kingdom and Republic of Ireland between 2010-2013. In doing so, the article contributes to broader discussions on the resilience of neoliberalism since the global financial and European sovereign debt crises by calling for a greater appreciation of the variegated nature of austerity's application in different national contexts.

Key words: discourse, financial crisis, sovereign debt crisis, austerity, mass media, neoliberalism

Author:
Ian Alexander Lovering

Affiliation:
Department of International Relations, School of Global Studies, University of Sussex

Address:
Sussex House, Falmer
Brighton, BN1 9RH
United Kingdom

Email:
i.lovering@sussex.ac.uk

Acknowledgements:
The material for this article is drawn from the author’s thesis within the Research Master European Studies at Maastricht University. Thanks to Prof. Tannelie Blom for the supervision of that thesis and comments on this article. Thank you also to Dr Andreas Antoniades for additional comments. This work was supported by the Economic and Social Research Council, grant number ES/J500173/1.
Introduction

State responses to the global financial and European sovereign debt crisis have been dominated by policies of deficit reduction, expansionary fiscal contraction and internal devaluation, popularly dubbed as constituting an austerity discourse. The logic within this paradigm has been that reductions in public expenditure (Giavazzi & Pagano, 1990) and lower public debt (Reinhart & Rogoff, 2010) incentivises private consumption and overall growth. This policy strategy has been visible both within the conditionality of European bailout packages and as a democratic choice, for example Germany favouring a policy of fiscal rectitude and the United Kingdom (UK) embarking since 2010 on comprehensive budget cuts. The passage of a ‘balanced budget’ rule within the 2012 European Fiscal Compact suggests austerity will be a semi-permanent policy strategy in Europe for years to come.

Austerity has been a distinctly neoliberal response to the crisis. Since the tenures of Reagan and Thatcher in the 1970s and 1980s, neoliberalism has had a profound effect on re-orienting public policy and economic processes away from a preceding Keynesian-welfare model. The neoliberal paradigm has broadly consisted of policies placing greater faith in market-based means of governance and allocation, the prioritisation of combating inflation over full employment, the privatisation of state assets, and welfare retrenchment. Economically, the development of neoliberalism has seen the increased mobility of international capital, the substantial growth of financial service industries, and the growing complexity of financial products and trading.

Given the centrality of the financial sector to neoliberalism, and the catastrophic failure of financial markets, many expected that the neoliberal paradigm would have collapsed. Instead, austerity can arguably be seen as representing the continuity of neoliberalism in the face of the crisis. An emergent literature on the resilience of neoliberalism has sought to explain this
development. Typically, explanations have emphasised the relative importance of either ideas (Blyth, 2013b), interests (Overbeek & van Apeldoorn, 2012), or institutions (Cahill, 2014). This article will, instead, focus on the interaction between these elements through a discursive institutional (DI) perspective (Schmidt, 2008). Specifically, it will focus on the public sphere in the UK and Republic of Ireland (hereafter Ireland) as a site in which austerity has been negotiated and institutionalised via a communicative process.

It has been widely discussed how neoliberalization manifest differently across various national contexts (Soederberg, Menz, & Cerny, 2005). Building on this, the article will unpack austerity’s variegated nature by exploring empirically the country specific dynamics of austerity in the UK and Ireland. The investigation is based on a political claims analysis of public debates in the UK and Ireland between 2010 and 2013, in addition to interviews with societal actors in the two countries. The article will analyse the arguments used in support and opposition to austerity, the actors using them, and how different arguments were politically institutionalised, to explore how austerity manifest in different national contexts. The next section will give an overview of the literature concerning the resilience of neoliberalism. The article will consider the relationship between ideas, interests, and institutions in this literature, arguing for a DI approach to synthesise these elements. An analytical section will introduce the frames articulating and contesting austerity, their relative mobilisation, and how this differs between the UK and Ireland. A concluding section will reflect on austerity beyond framing, calling for a greater openness in analyses of austerity to consider the variegated way it has been applied across Europe.

**Neoliberal Resilience: Ideas, Interests, and Institutions**

When accounting for the persistence of neoliberalism in Europe, there is a tendency to reduce explanations to one factor or another between ideas, interests, or institutions. Regarding
interests, austerity has been explained in terms of the role of powerful actors. These include the rise of Germany as a regional power, dictating the terms of European economic governance (Paterson, 2011); the empowerment of European and international institutions in managing the sovereign debt crisis through technocratic means (Crum, 2013); or the structural power of global financial capital over the discretion of national governments (Overbeek & van Apeldoorn, 2012).

On institutions, austerity has been said to have endured through the crisis because of the historic embedding of neoliberal rules and practices within institutional structures, limiting the scope for alternatives in the face of the crisis (Cahill, 2014). This has been particularly evident in the Eurozone, where the Maastricht convergence criteria and Stability and Growth Pact meant policies of austerity have been necessary since the 1990s. Finally, concerning ideas, austerity has been labelled as ‘ideology’, slavishly followed by those who fall under its cognitive trap, despite its manifest failures (Blyth, 2013a, 2013b).

Such hard-nosed explanations are useful in spotlighting one element or another in the rise of austerity. However, given the complexity of socio-political change, such reductionist explanations risk missing the interactions between these elements. By bracketing off ideas, institutions, and interests as competing explanations, analyses of austerity miss the fact that each element relies on the other to become causally significant. The institutional environments actors inhabit, for example, indeed poses real constraints on the range of conceivable actions (Thelen, Longstreth, & Steinmo, 1992). But an awareness of such institutional constraints does little to explain processes of institutional change without ideational innovation (Bélard, 2009). Similarly, a belief that an actor’s behaviour reflects their materially derived interests rests on an unrealistic assumption that actors have access to sufficient information about their context to make such a judgement (Blyth, 2003). As such, without understanding an actor’s perceptions, their behaviour...
cannot be explained (Hay, 2011). This does not, however, mean ideas rule as detached and independently responsible causal factors. Without attaching to certain actors and being mobilised within institutions, particular ideas would have no causal significance (Bieler & Morton, 2008).

Relying too heavily on one factor or another leads to deterministic explanations of austerity’s rise by assuming binding structural conditions – be they rules (institutions), powerful actors (interests), or dominant ideologies (ideas). Instead, to understand how austerity has become a dominant paradigm in Europe means to not assume either factor as a priori given, but to instead analyse their formation through their interaction. A discursive or constructivist institutional approach (hereafter DI) offers such a dynamic view (Schmidt, 2008). Such an approach explores the interaction between ‘background ideational abilities’, as the perceived institutional constraints and pressures within which actors operate, and the ‘foreground discursive abilities’ as actors’ capacities to critically re-think and challenge these structures (Schmidt, 2011, p. 48). Institutions should therefore be seen less as already-given and deterministically constraining, but rather as selectively emphasised, downplayed, or ignored via processes of bricolage (Carstensen, 2011). On this basis, a key question in examining the resilience of austerity is how actors used their institutional environments to achieve particular policy goals. Similarly, rather than reading off an actors’ interests from their material environments, a DI approach asks how interests and strategies are formed in the process of interacting with others. Concerning the persistence of austerity, this means to ask how actors formed positions on austerity in the course of debating it. Ideas are, then, given a privileged position in a DI approach. They are not, however, treated as detached from structurally assumed interests or institutions. Rather, ideas or, more specifically, discursive interaction, is the process through which interests, strategies, and institutions are constructed.
Moments of crisis have been crucial for a DI analysis of political change (Blyth, 2002). Rather than exogenous shocks spontaneously driving institutional transformation, crisis from a DI perspective is considered an endogenous process. When contradictions accumulate within a regime, the narrative that is ascribed to these contradictions in constituting them as a moment of crisis (or not) has a significant influence over the types of policy responses imaginable (Hay, 1999). Framing is a central element of crisis narratives that describes the ‘process of selecting, emphasizing and organizing aspects of complex issues according to an overriding evaluative or analytical criterion’ (Daviter, 2007, p. 654). Drawing on the social movement literature, the article will explore processes of framing in the discursive contestation of austerity in the UK and Ireland. Benford and Snow identified three core processes frames perform: diagnostic, prognostic, and motivational (Benford & Snow, 2000). Diagnoses define problems and attribute blame and responsibility for them. Problems do not exist ‘out there’, but are constructed through framing such that ‘what political issues are “about” constitutes consequential choices in their own right’ (Daviter, 2007, p. 656). Prognoses suggest solutions to these problems. Motivations rationalise a call for action based on demands like urgency, necessity, or obligation. A further distinction within frames is the cognitive and normative functions they can serve. Frames can serve a cognitive function ‘by speaking to their interest-based logic and necessity,’ and a normative function through appeals to values or appropriateness (Schmidt, 2008).

In exploring how austerity has persisted, five factors of neoliberalism’s resilience have been highlighted that can be applied here: its strength as a discourse compared to possible alternatives, its flexibility in the face of opposition, the divergence of rhetoric and practice, its support from powerful actors, and its embedding within institutions (Schmidt & Thatcher, 2013). First, despite being widely criticised, the narrative of austerity has been remarkably successful in defining the
crisis as one of public debt (Blyth, 2013b). A narrative of ‘balancing the books’ has been highly resonant with a public more familiar with the accountancy of households than governments. Furthermore, alternatives to austerity faced an uphill battle in overturning a longstanding neoliberal paradigm entrenched in common sense. Second, neoliberalism’s capacity to incorporate new issues, co-opt critiques, and overlook cognitive dissonance has allowed austerity to weather any substantive challenge (Mirowski, 2013). Third, the disconnect between austerity as rhetoric and as practice has meant that while as a discourse austerity has emphasised the necessity of public debt and expenditure reductions, both have remained relatively static across Europe. This reflects a general trend that neoliberal ideas have generally been more important in altering the terms of political contestation, rather than being fully implemented (Schmidt & Thatcher, 2013, p. 410). Fourth, the constellation of actors supporting austerity makes it a materially influential force, entrenching it as an orienting paradigm. Fifth, established rules and procedures favour the pursuit of austerity measures over alternatives. For example, the ECB has only a limited mandate that constrained its possible responses to the crisis, while established deficit rules in the Stability and Growth Pact favoured austerity as a response to the crisis.

Focusing on processes of framing in public debates on austerity will allow us to analyse the interaction between ideas, interests, and institutions in constructing austerity as an orienting paradigm. Rather than taking austerity as given, a framing approach considers the interaction between the arguments used by different actors for and against austerity in their institutional contexts. In doing so, the intention is not to locate the causal significance of either ideas, interests, or institutions for austerity’s rise. Instead, we will unpack how austerity became entrenched as an orienting paradigm through a process of communicative interaction. By
adopting such an open-ended perspective on austerity, it will be possible to show its variegated nature across the different national contexts of the UK and Ireland.

**Method**

Political claims analysis is an advantageous method for studying public debates because it captures the breadth of actors mobilising within the public sphere as a quantitative measurement, along with a qualitative insight into actors’ framing of issues (Koopmans & Statham, 1999). The method involves systematically coding political claims made by actors within public debates, as reported within the mass print media. A political claim is ‘the expression of a political opinion by physical or verbal action (statement, institutional decision, court ruling, protest, etc.) by different types of actors (media, governments, civil society actors etc.)’ (Della Porta & Caiani, 2009, p. 29). Two important delineations of a claim are that they are ‘the result of purposive strategic action by the claimant’ and that they are political, meaning they refer to collective social problems (Koopmans, 2002, p. 3). Claims were qualitatively coded from sampled newspaper articles by completing Table 1, adapted from Koopmans (2002). Each row of the table refers to an individual claim. Not all cells in each row need to be completed to constitute a claim. The minimum requirement is the presence of a subject actor, a verb indicating strategic action and either an issue or frame related to austerity to substantiate this action. Actors fell into seven categories: state, political, business, civil, expert, macro (electorates, whole countries, etc.) and media. Frames were categorised iteratively by ordering the justifications actors used when making a claim into distinguishable frames according to diagnostic, prognostic, and motivational processes. Whether an actor articulated or contested austerity was determined by positions that either explicitly supported/opposed austerity, referred to it positively/negatively or implemented/resisted an austerity policy. The coding process was performed by a single
researcher according to a code book, safeguarding against possible issues of inter-coder reliability. The use of a single researcher comes, however, with the risk that coding decisions reflect a personal bias. Transparency of the coding process (by making the code book available) therefore compensates for this risk.¹

Table 1. Political claims

<table>
<thead>
<tr>
<th>WHO – (subject actor/claimant)</th>
<th>AT WHOM – (addressee of claim)</th>
<th>WHAT – (substantive issue)</th>
<th>WHY – (justification)</th>
<th>For or against austerity</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK, Claim 114 – Thousands of protesters</td>
<td>Protest (verb) against Liberal Democrats at their party conference</td>
<td>Over their role in government cuts</td>
<td></td>
<td>Against</td>
</tr>
<tr>
<td>Ireland, Claim 50 – Fine Gael leader Enda Kenny</td>
<td>Announces (verb) opposition to water charges and property taxes</td>
<td></td>
<td></td>
<td>Against</td>
</tr>
<tr>
<td>Ireland, Claim 32 – European Socialist Party’s Poul Nyrup Rasmussen</td>
<td>Criticises (verb) European Commission</td>
<td>For proposed budgetary rules</td>
<td>Because they overly focus on budgetary cuts and not enough on stimulating growth</td>
<td>Against</td>
</tr>
</tbody>
</table>

The two cases studied here are the UK and Ireland. The cases offer points of similarity and difference for comparison. Economically, both countries share a history of following an ‘Anglo-liberal growth model’, typified by an internationally open economy, flexible labour-markets, easy access to credit, and high private debt (Hay & Smith, 2013). Consequently, both countries similarly experienced the global financial crisis through the collapse and public rescue of over-leveraged banks, and subsequent problems of public indebtedness, to which austerity responded. The institutional context within which austerity was adopted is, however, a central difference and a key point of comparison. In the UK, austerity was a democratic choice. In Ireland, austerity has

¹ The code book is available elaborating the political claims analysis from i.lovering@sussex.ac.uk
been heavily influenced by their Eurozone bailout, necessitating a degree of fiscal adjustment. Such a case selection means the analysis cannot (and is not trying to) test for the impact of discourse in isolation from other factors. Instead, in line with the theoretical approach outlined above, the analysis will ask *how* austerity was constructed differently in two institutional environments. A ‘hard-nosed’ explanation of institutional path-dependence or powerful actors could be made in explaining austerity in Ireland (because of the influence of European institutions through the bailout) and the UK (in terms of the power of finance and the 2010 election of a government committed to austerity). It will be seen, however, that processes of argumentation had a differential impact on the intensity and form of austerity in the two countries.

Two high quality newspapers providing a left/right balance were chosen for each case and sampled from the Lexis-Nexis database. Newspapers representing a left/right balance were selected to provide a representative picture of the debate in each country. Print media’s ‘intensity of usage, public attention and political influence,’ as well as its ease of access for research, means it is a worthwhile site for analysing public debates (Mautner, 2008). While some groups or frames may be underrepresented within mass print media, it is expected that those groups which are relevant to policy stability and change would be found within sites of dominant opinion formation, of which the mass print media is central. The Guardian (centre-left) and The Daily Telegraph (centre-right) were chosen for the UK. The Irish Times (centre-left) and Irish Independent (centre-right) were chosen for Ireland. The period sampled was January 2010 – December 2013. The period begins with the May 2010 UK general election (where a Conservative-Liberal Democrat coalition government was elected and began an austerity programme) and the December 2010 Irish bailout. It ends with Ireland formally leaving the
bailout programme in December 2013. Eight constructed weeks (where one of each day of the week, except Sundays, is selected within consecutive six month blocks) were sampled from the period. Eight weeks is in line with the recommended number of constructed weeks necessary for a representative sample across the period (Lacy, Riffe, Stoddard, Martin, & Chang, 2011). Articles within constructed weeks were selected through key word searches referencing austerity as a set of policy practices related to deficit reduction and spending cuts, and as a discourse related to fiscal responsibility. The search terms were selected iteratively, initially starting with limited searches of ‘austerity’ and adding in related key words until a saturation point was reached, where additional key words produced no new or relevant articles. The final search terms were:

“austerity” or “spending cuts” or “financ! responsib!” or “fisc! responsib!” or “fisc! consolida!” or “financ! consolida!” or “deficit reduc!” or “intern! deval!”

Within the articles sampled, only those that explicitly discussed austerity as a state strategy were analysed for claims. In total, 514 claims were coded for Ireland and 763 for the UK. The political claims analysis was supplemented with 12 interviews (conducted between March-May 2015) with societal actors (ranging from more institutionalised organisations, to informal social movements) to broaden the scope of analysis from mass print media to the wider public sphere.

**Framing Austerity**

Before entering the debates on austerity, the frames used to articulate and contest it will be presented according to the three framing processes (diagnostic, prognostic and motivational).
Articulation

The austerity paradigm diagnosed the cause of the crisis as profligate state spending, which had led to a massive build-up of public debt, and a loss of competitiveness, causing prolonged recession. The paradigm proposed substantial cuts to public spending and structural reforms to lower labour costs. Austerity has been said to present a ‘paradoxical position of “virtuous necessity”’, claimed to be both necessary and an act of political virtue (Clarke & Newman, 2012, p. 303). The frames identified articulating austerity reflect this cognitive and normative division.

Cognitive: A cognitive frame diagnosed a cataclysmic fiscal situation that mandated austerity’s adoption. Colourful descriptions of the threats governments faced declared, for example, we are on ‘the brink of bankruptcy, on the edge of an economic abyss’ (Ireland, Claim 102). Building on this diagnosis, proposals for austerity measures were a logical necessity. Zealous proposals for deficit reduction framed austerity as an ‘economic rescue mission’ (UK, Claim 435). The frame was motivated by a vocabulary of compulsion. Claims emphasised that ‘everybody knows one simple fact: the government deficit must be reduced’ (Ireland, Claim 157). Efficacy was also important here, encouraging the pursuit of an austerity strategy based on the long term gains it promised to deliver through economic growth and competitiveness.

Normative: As a normative frame, austerity was rationalised as an act of political virtue. A diagnosis highlighted the importance of trust and credibility in the relationship between the state and international markets, or borrower and creditor. The adoption of austerity strategies, for example, were said to ‘help strengthen the credibility’ or ‘win back the trust of international investors’ (Ireland, Claim 86; Ireland, Claim 311). Proposals were based on the duty and righteousness of making expenditure reductions. This included being ‘committed to ensuring the
public sector finances are in order,’ as opposed to the chaos of before, and searching for ‘more sustainable funding,’ against the profligacy of the past (Ireland, Claim 50; UK, Claim 673). Motivations were expressed through the internal normative obligation of repaying one’s debts. Austerity was not only the best thing to do, but the right thing to do. Declarations that ‘[t]his profligacy cannot continue’ thus found a virtue in deficit reduction (UK, Claim 437).

**Contestation**

Those opposing austerity generally diagnosed the crisis as caused by wholesale financial market and regulatory failure. Large public debts were said to be the result of bank bailouts, rather than state profligacy. Such bailouts were in turn considered the result of reckless lending by financial institutions. Proposed solutions to this were stricter regulation of financial markets, to prevent risky investment practices, and Keynesian policies of economic stimulus, to combat the onset of recession. The frames contesting austerity emphasised different aspects of this broader possible alternative.

**Economic:** An economic diagnosis opposed austerity based on observations or expectations of negative growth and the attribution of this to fiscal contraction policies. The frame criticised austerity policies as not considering ‘how that would affect the wider economy, and how that would affect trade and overall growth’ (Interview 1). These diagnoses ranged from a total opposition to austerity on economic terms, to questioning only the intensity and pace of cuts. Prognoses sought to ‘temper the austerity agenda with new measures to stimulate growth,’ namely counter-cyclical Keynesian packages of stimulus (Ireland, Claim 226). These alternatives often shared with pro-austerity claims the objective of reducing public deficits. An interviewee, for example, observed that ‘the way to manage fiscal deficit is growth’ (Interview 4). The frame served a crucial cognitive function, mobilising knowledge such that ‘Keynes may be dead, but
surely we can adopt his teachings’ (UK, Claim 387). A vocabulary of compulsion motivated the frame, prioritising growth as the determinant for societal advancement. Claims stated ‘more needs to be done to stimulate the European economy’, or stimulus is ‘necessary to sustain economic recovery’ ([emphasis added] Ireland, Claim 411; Ireland, Claim 461).

**Material:** Here, austerity was problematized for its adverse material consequences on living standards and, in particular, its disproportionate impact on vulnerable groups. The frame argued that austerity policies had ‘devastated people’s lives’ through a ‘general process of impoverishment’ that is ‘leaving thousands of families short of food’ (Ireland, Claim 275; Ireland, Claim 445; UK, Claim 640). This frame often focused on the most vulnerable, highlighting austerity as an ‘attack on the poorest people in society’ (Ireland, Claim 332). Proposals ranged from calls to reverse cuts, to more restrained calls for progressive budgetary choices when reducing public expenditure. The frame was motivated by appealing to principles of fairness when deciding on the distribution of the burden of spending cuts.

**Injustice:** Injustice frames have been cited within the social movement literature as integral to collective action (Benford, 1997). To ‘place the blame for grievances on… “them”… sparks members of the “we” to respond’ (Noakes & Johnston, 2005, p. 6). While all the frames contesting austerity contain such an injustice component, this is most advanced in the injustice frame. The frame diagnosed austerity as being deliberately imposed on citizens (a ‘we’), in response to a crisis that was said to be not of their making, but rather neoliberal or financial interests (a ‘them’). The frame thus rejected the premise of excessive public debt that the austerity paradigm was built on, arguing this debt was illegitimately shifted to citizens following the crisis and who must now ‘pay for a situation that is not of their making’ (UK, Claim 253). Proposals for alternatives typically cited redistribution, stronger financial regulation and efforts
to collect evaded/avoided taxes. Motivations appealed to principles of fairness that required financial elites to acknowledge their responsibility for the crisis, arguing their ‘moral debts are huge’ (Ireland, Claim 338).

*Democracy*: Diagnoses here argued austerity’s application had undermined the democratic process and breached national sovereignty. The frame claimed austerity’s adoption through technocratic procedures (particularly when EU institutions were involved) unduly constrained national governments’ discretion, decrying that the ‘hands of future governments will be tied’ (Ireland, Claim 240). This led to broader concerns with the state of the democratic process and ‘this effective suspension of democracy’ (UK, Claim 475). In terms of proposals, the diagnosis of constrained choices predisposed the frame to not be able to offer solutions. Where motivations were made, validating the diagnosis, they were rooted in appeals to democratic legitimacy.

**Charting the Austerity Debates**

*Figure 1*. Ireland: Debate on austerity

*Figure 2*. UK: Debate on Austerity
Figures 1 and 2 show the public debates on austerity in Ireland and the UK respectively. The y-axis shows the percentages of claims made, the x-axis shows the time period 2010-2013. In Ireland, support for austerity was initially more prevalent, but opposition increased in 2012 and 2013. State actors articulated austerity far more than other actors in Ireland, peaking in the second half of 2012 with 87% of claims supporting austerity and falling to a minimum of only 50% at the end of 2010. Actors who opposed austerity in the Irish debate were a mixture of state, political, and civil actors. In the UK, aside from the first and last constructed weeks, claims contesting austerity were dominant across the period. In the UK, state actors were similarly the most prevalent in articulating austerity, peaking at 74.3% at the end of 2012 and only falling to a minimum of 45% in 2013. State and political actors were similarly represented within the UK public debate in opposing austerity.

Figure 3. Ireland: Frames articulating austerity

---

Figure 3 shows the (relatively even) distribution of cognitive and normative frames used to articulate austerity in Ireland. Figure 4, in contrast, shows that the spread between the two in the UK was larger. Initially, as the crisis in Ireland became pronounced and a bailout increasingly likely, cognitive frames were marginally more significant, emphasising a perilous fiscal situation. In the UK, however, austerity was initially articulated on a normative basis. As the crisis intensified in 2011, a normative frame became more relevant in Ireland, while a cognitive one increased in the UK. As the immediate Eurozone crisis subsided in 2012, the gap between
the frames narrowed in Ireland. In the UK, however, the articulation of austerity shifted back to a normative framing. Into 2013, the gap between cognitive and normative framings narrowed in both countries.

**Figure 5.** Ireland: Frames contesting austerity

![Ireland Frames Contesting Austerity Graph](image)

**Figure 6.** UK: Frames contesting austerity

![UK Frames Contesting Austerity Graph](image)

Figures 5 and 6 show that an economic frame was the most prominent frame used to contest austerity in both the UK and Irish debates. In the UK, it was overwhelmingly dominant until
2013. The discursive landscape was, however, more diverse in Ireland. The economic frame was popular with business and state actors in both countries. The material frame was the second most prevalent in both cases, although more so in Ireland than the UK. It wasn’t until the final constructed week that a material frame became the most significant in the UK. Civil and expert actors used the material frame more widely in both the UK and Ireland, while state and business actors were marginal. An injustice frame was initially well represented in Ireland, but was subsequently marginal across the rest of the period. In the UK, on the other hand, the injustice frame was for the most part negligible, only reaching a peak of 23.5% as the economic frame lost ground at the end of the period. State, civil, and political actors were evenly split in using this frame in both the UK and Ireland. Notably, in Ireland, business actors also used the frame. In the UK business actors did not use the injustice frame at all. In both cases, the democracy frame was largely peripheral to the debate. In the UK, it was frequently used to describe austerity policies in continental Europe, whereas in Ireland it was more likely directed towards their own situation within the bailout programme.

**Analysing Austerity’s Persistence**

The conditions of Ireland’s bailout set the institutional environment within which austerity was applied. Investigating the discursive process through which the pressures of the bailout were mediated, however, reveals how decisions were broadly steered towards an austerity paradigm in terms of focusing on flexibilizing labour markets or reducing welfare, as opposed to progressive tax increases. Interviewees highlighted that, even within the bailout, the Irish government had flexibility in allocating the burden of adjustment (Interview 3, 4, 5). One interviewee argued ‘they [the Troika] never said cut the minimum wage, they never said cut social welfare payment, they said get your budget down to 3% and there is a million ways of
doing that’ (Interview 4). Reportedly undermining more progressive budgetary choices was the government playing down the possibility for alternatives beyond the fiscal decisions they made. Interviewees highlighted that the ‘government was hiding behind the Troika’ in implementing the bailout programme (Interview 3). By arguing that they had little influence over the placement of budget cuts, that were said to be demanded from European institutions, the government distanced themselves from possible alternatives. From this perspective, austerity in Ireland was not a direct consequence of their bailout programme. Rather, it was the discursive mediation of the institutional opportunities that the bailout brought which drove policy towards a paradigm of austerity. This can be seen further in the public debate where the use of the democracy frame, while contesting austerity, reinforced a narrative of its inevitability in the face of external pressure. By arguing austerity was a ‘gun to my head’ political actors absolved themselves of responsibility for its implementation, feeding into the narrative regarding the institutional constraints of the bailout (Ireland, Claim 344).

In the case of the UK, the institutional environment was more flexible in that there was no conditionality of a bailout requiring fiscal adjustment and the Fiscal Compact, which embedded rules on debt levels, was rejected. Instead, austerity was adopted as a democratic choice with the 2010 election of the Conservative–Liberal Democrat coalition government. Nevertheless, while external institutional pressures could not be exploited, internal opportunities were taken to institutionalise austerity within policy processes. The 2011 Budget Responsibility and National Audit Act set up an Office for Budget Responsibility. This new body was responsible for monitoring fiscal responsibility, creating an institutional pressure for committing to an austerity paradigm. This was carried further in 2014 with the government’s Charter for Budget Responsibility, codifying requirements for a budgetary surplus and capping allowed welfare
spending. In sum, in the UK and Irish cases institutional pressures and opportunities were used differently to embed austerity as a response to the crisis. In Ireland, this was through emphasising the external pressure for fiscal adjustment from international institutions. In the UK, this was through the internal institutionalisation of austerity policies through the creation of new organisations and rules.

Focusing more on the public debate, austerity’s resilience can be seen from its strength as a discourse and the corresponding weakness of the arguments mobilised against it. The key success of austerity as a discourse was setting the terms of the debate. The debate in the two countries, as it unfolded in the mass media, overwhelmingly focused on reducing public debt, based on a problematisation of the crisis as having been caused by state profligacy. This is in contrast to possible alternative narratives that focused on a crisis of growth (Hay & Smith, 2013). The most prevalent arguments mobilised in opposition to austerity failed to counter this crisis definition, and instead undertook the debate on the terms set by an austerity paradigm. This is despite opposition to austerity being largely predominant across the whole period in both countries, as seen in Figures 1 and 2. Looking into the different frames used to contest austerity, we can see this more clearly.

The economic frame was restrained in the breadth of its opposition to austerity. As it appeared in the mass media, the economic frame’s diagnosis either accepted or did not explicitly dispute the premise of the austerity paradigm that public debt was too large and had been caused by overspending. Consequently, the objectives of the economic frame were closely aligned with those of the austerity paradigm, namely reducing public debt. The difference lay in the means to achieve these ends. The frame’s proposed solutions only demanded a slower pace to deficit reduction and greater fiscal flexibility to boost growth, rather than broader economic
transformation. On this basis, the economic frame was only going to be effective at a time when the sustainability of economic growth in the UK or Ireland was under threat. When this threat subsided, so did the basis of opposition upon this frame. This dynamic was particularly evident in the UK. As growth returned in 2013, the frame subsided in use and thus became less relevant as a basis for contesting the austerity paradigm. Furthermore, the economic frame as mobilised in the mass media, was a lop-sided opposition to austerity. The frame did little to challenge the normative imperatives of deficit reduction. This normative component provided a reliable counterpart in the austerity narrative by compensating for any cognitive dissonance where expenditure reductions did not lead to expected growth. In sum, despite being the most prominent frame used to contest austerity in the UK and Ireland, the economic argument provided only a minimal opposition to austerity. It focused on the pace of deficit reduction rather than its broader logic, and failed to provide a normative justification for alternatives that could counter the resonant moral imperatives of repaying one’s debts.

The material frame was entirely defensive in its opposition to austerity. The frame sought to temper austerity’s excesses by focusing on the placement of cuts, rather than challenge the narrative it was built on. In the UK, the material frame was largely peripheral, overshadowed by economic arguments. It was only when the cognitive arguments of the economic frame proved redundant, as growth returned in 2013, that the material frame became more prominent. By this stage, however, the implementation of austerity was well under way and interpretations of the crisis that precipitated budget cuts were largely settled. Opposition therefore seemingly adopted a defensive stance by resisting specific cuts. In Ireland, the successful strategy of the government in establishing austerity as the only viable strategy given external pressures drew opposition towards the material frame to mitigate its consequences. One interviewee in Ireland argued ‘there
was a time when it didn’t matter what caused it [austerity], because the immediate debate was how do you manage it whilst not hurting society’ (Interview 4). This possibly explains the frame’s greater prevalence in Ireland compared to the UK, where there was greater scope for alternatives.

The injustice frame had the reverse problem of the preceding frames. While making a diagnostic that fundamentally opposed austerity, disputing citizens’ culpability for the build-up of public debt, it was unable to mobilise significantly and drive effective policy change. The frame challenged the normative basis of an austerity paradigm by reapportioning blame for the crisis onto a financial elite, rather than profligate states. Such a frame could have feasibly redefined the narrative informing crisis responses, potentially making austerity less dominant as an orienting paradigm. A possible explanation for the weakness of the injustice frame is the actors that mobilised it. Business and state actors were less likely to use the injustice frame, suggesting a lack of appetite among more well-resourced, or politically influential, actors for substantive alternatives to austerity.

Further factors in explaining the resilience of austerity include, in the UK, a divergence between austerity as a discourse and its practical application and, in Ireland, the ability to compromise on key issues. In the UK, it has been observed that, while as a discourse austerity remained at the centre of political debate, since 2011 actual spending cuts have been largely minimal (Krugman, 2015). As growth figures deteriorated in the UK in 2011 and 2012, opposition to austerity increased, as seen in Figure 2, and focused predominantly on an economic frame. In response, austerity was tempered and economic stimulus measures taken. As an orienting discourse, however, austerity proved resilient. This was mediated in 2012 through a spike in the use of normative arguments justifying austerity, which provided a counterbalance against the economic
frame used against it. The return of growth in 2013, as the contractionary pressures of austerity subsided, saw a return of cognitive arguments re-justifying the efficacy of austerity, despite the reality being its effective curtailment. The economic frame subsequently subsided in 2013, seemingly discredited.

In Ireland austerity’s resilience was helped by making compromises in response to opposition. For example, the significant mobilisation of the material frame took a tangible political form through the 2010 Poor Can’t Pay Campaign. This was met with commitments from the incoming Fine Gael and Labour Party government in 2011 on preserving minimum wage and welfare levels. Furthermore, the restructuring of Ireland’s debt through its 2013 promissory notes deal provided some relief against the arguments of the injustice frame, which was relatively significant in the Irish debate compared to the UK. In sum, by responding to opposition through compromise, austerity in Ireland was able to co-opt critiques seen in the public debate, while maintaining the broad trajectory of fiscal consolidation as a crisis response.

Conclusion

It has not been the specific aim of this article to offer a causal explanation for why austerity has arisen in the UK or Ireland. As it has been argued, explanations that have pointed to the causal weight of either ideas, interests, or institutions have tended to overstate the relative importance of one element or another, and treated it as a uniform and linear process. Instead, the article has unpacked how austerity has been differentially applied. Austerity as a discourse and political response to recent economic crises has been a Europe-wide phenomenon, affecting countries as diverse as Latvia, Greece, Portugal, and the UK. Despite this, even examining the relatively similar countries of the UK and Ireland has revealed austerity’s variegated nature. Of course, the analysis undertaken here has been restricted in its focus on only processes of framing in public
debates, thereby neglecting austerity’s manifestation within policy communities or political institutions. Nevertheless, beyond framing, the variegation identified in this article suggests the possibility of exploring ‘modes of austerity’ as the differential and context-specific application of austerity as a discursive and practical response to recent economic crises. The UK and Ireland arguably exhibited a neoliberal mode of austerity, given their embedding within an Anglo-liberal regime of neoliberalization. Within this, however, differences emerged through the presence of international institutions and national political dynamics. Additional modes could possibly include Europeanised austerity (via the influence of European institutions through bailouts), or creditor austerity (as Germany’s own pursuit of budgetary responsibility, despite limited problems of indebtedness). Exploring alternative modes through which austerity has been applied, and understanding their relationship to a largely austerity paradigm, will be a necessary and fruitful endeavour in order to broaden our understandings of it as a political phenomenon.

References


