NEWSLETTER

LIVEWHAT—Living with Hard Times: How Citizens React to Economic Crises and Their Social and Political Consequences



WELCOME

The LIVEWHAT team is pleased to present you the first project newsletter. It features an overview of our project and a presentation of our research team as well as an interview with Jonas Pontusson, Professor of Political Science at the University of Geneva.

About LIVEWHAT

The project studies both the individual and collective responses by citizens, the private and the public dimensions of such responses, and political and non-political responses. Its comparative perspective allows for consideration of intermediate contextual factors at the national level for the nine European countries studied: France, Germany, Greece, Italy, Poland, Spain, Sweden, Switzerland, and the United Kingdom. A large cross-national comparison of this kind helps to consider relevant variations in terms of both the scope of the economic crisis and the national characteristics of the institutional system.

Understanding how citizens develop resilience in difficult times – rather than opting for fatalism or rejecting any involvement in public life – is crucial for scientists, policy makers, stakeholders, and society at large. It is in this context that LIVEWHAT was born.

The project aims to provide evidence-based knowledge about citizens' resilience in times of economic crises. It conceives resilience as the capacity of European citizens to stand against economic hardship through an active process of contestation and empowerment.

Researchers will examine the ways in which European citizens have reacted to the crisis, that at different degrees of intensity in different countries, has struck Europe since 2008. Additionally, they will examine how citizens deal with economic crises and their consequences more generally. They not only focus on citizens' responses but want also to shed light on policy responses so as to have a baseline for assessing citizens' resilience in times of crisis.



The project brings together research partners from nine European countries and includes the following University universities: of Geneva (Project Coordinator), European University Institute, Uppsala University, University of Sheffield, National Foundation of Political Science, University of Siegen, Autonomous University of Barcelona, University of Crete, and University of Warsaw. The team's multidisciplinary nature, with its researchers coming political science, sociology, economics. communication studies, and gender studies, ensures that crucial competencies from different disciplines have been mobilized to study the multifaceted problem of citizens' resilience in a time of crisis.

Here are the links to each partner's website:

- Institute of Citizenship Studies (InCite), University of Geneva https://www.unige.ch/sciences-societe-incite/institut-d'etudes-de-la-citoyennete
- Center on Social Movement Studies (Cosmos), European University Institute http://cosmos.eui.eu/Projects/cosmos/Home.aspx
- **Department of Government, University of Uppsala** http://www.statsvet.uu.se
- Department of Politics, University of Sheffield http://www.sheffield.ac.uk/politics
- Centre for Political Research (CEVIPOF), SCIENCES PO http://www.cevipof.com
- **Department of Social Sciences, University of Siegen** http://www.uni-siegen.de/phil/sozialwissenschaften
- Research Group on Democracy, Elections and Citizenship, Autonomous University of Barcelona http://democracia.uab.cat
- Department of Sociology, University of Crete http://www.soc.uoc.gr/sociology_en
- Institute of Social Policy, University of Warsaw http://www.ips.uw.edu.pl/the-institute-of-social-policy-of-the-university-of-warsaw/wszystkie-strony.html

The project, with a 36-month duration, started in December 2013 and is built around six research activities: defining, identifying, and measuring crises; comparing national policy responses to crises; examining collective responses to crises in the public domain; assessing individual citizens' perceptions and responses to crises; assessing causal effects of crises on citizens' attitudes and behaviors; and detecting alternative forms of resilience in times of crises.

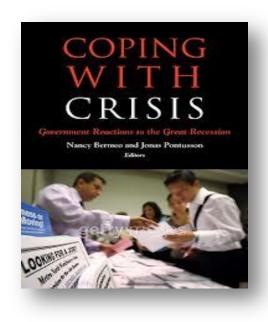
We are currently carrying out the first two activities. Concerning the definition, identification and measure of crises, we address questions such as: What do we mean by crisis? How can we define economic crises? What are their potential negative consequences on the citizenry? Research activities follow two directions. Firstly, this involves conceptual and theoretical work in order to reach an operational definition of crises through the formulation of an exhaustive list of indicators and the creation of a comparative dataset containing macro-level economic, social, and political indicators. Secondly, the conceptual and theoretical work will be summarized in a working paper on the ways in which citizens' react to economic crises.

Concerning national policy responses, we address questions such as: How do policy-makers respond to a situation of economic crisis? What solutions do they envisage and why? In which policy areas do they intervene? Which kinds of citizens' rights are more at

risk of depletion? Which groups of people are most affected by the crisis? The research activities are aimed at providing a comparative assessment of national policy responses to crises through interviews with policy-makers and secondary sources.



Interview with Jonas Pontusson



Jonas Pontusson is Professor of Political Science at the University of Geneva and has recently published "Coping with Crisis: Government Reactions to the Great Recession" (Russell Sage Foundation, 2012), co-edited with Nancy Bermeo.

Q: You have recently co-edited a book on the crisis with Nancy Bermeo. How did you come to be interested in crises and their effects?

A: When I started political economy in graduate school in the early 1980s, this field was just being born. It was all about the crisis, about how different governments were responding to the oil crisis and about the structural changes that were happening in the 1970s. For me, studying responses to the recent crisis was a return to where I began. When the crisis of 2007 started, it was an opportunity to try to return to some of our roots. Then, when we started our research project, we were trying to make people focus on the crisis and its implications for politics and policy responses. I'm slightly disappointed and surprised how little political science has

changed and pursued the analytical issues pertaining to the crisis. Part of that has to do with the fact that we often think the crisis is over.

Q: In your view, what are the most important aspects of the crises to study today and why?

A: First of all, I think it is important to study the financial bailouts: How did they happen? What are their long-term implications for financial systems? How was this massive injection of public money into the financial system, which benefits a lot of people in finance, justified and politically possible?

I think there is a really interesting contrast between the 1970s, where governments bailed out industrial companies and thought they needed a plan and some explanations to the citizens why public money could be spent in this fashion and how the problem would be solved. In the present case, as far as I can see, there was never a plan. Secondly, I think we need to think more about how the crisis affected the divide between insiders and outsiders, precarious employment and labor market dualization. At least in some countries, the divide between outsiders and insiders has become much less important as a political divide and a lot of insiders are obviously feeling precarious and insecure.

Looking across European countries, I think that one of the big features of cross-national variations is the extent to which insiders have or have not been affected by the crisis. Thirdly, an important point is also that the crisis in the 1970s was all about unemployment. But this crisis has also been about assets—pension assets. We need to think about citizens not just as having jobs and worrying about jobs, but also as having assets and worrying about the value of their assets and their ability to borrow using them. Fourthly, we know that the crisis has generated many more inequalities. We know that this crisis came as inequalities were rising. But an important topic is to look at how it has changed perceptions of inequality. Finally, an obvious aspect of the crisis has to do with the eurozone and interdependence between countries. Greek public finance has become a topic of domestic political debate in Germany, in Finland, and in Sweden. A discourse about immigrants became a discourse about the countries inside the European Union. In some sense, it is a new public domain.

Q: In your view, how does LIVEWHAT distinguish itself from previous research on this topic? What do you see as the ultimate contribution of LIVEWHAT to the research agenda economic crises?

A: I think that the contribution of LIVEWHAT is clearly the focus on citizens. In that sense, it is a bottom-up

perspective to talk about how people have experienced the crisis concretely in their everyday lives, to talk about family, social relations, and various forms of resilience. My own work and that of a lot of political scientists has been much more top-down.

In LIVEWHAT, the broader understanding of political claims-making and of collective action in a sort of extraordinary, non-parliamentary, non-electoral form of mobilization is special and really interesting.

The challenge and the long-term contribution for LIVEWHAT is to connect this new topic to the ones political scientists are working on, like public preferences, voting behavior, and the extent to which governments respond to what voters want. A link should be made between ordinary citizens, how they cope, and the more conventional concerns of political sciences.

Q: Besides scientific knowledge, what is the potential contribution for policy makers and also for society of studies looking at citizens' attitudes and behaviors during hard times and in particular of LIVEWHAT? Do they have important practical and policy implications in your view?

A: In fact, this is not a project about financial regulation, so it is difficult to talk about direct or simple policy implications. LIVEWHAT is trying more to understand what is happening. Moreover, I'm very pessimistic about the degree to which policy makers want to or have the capacity to learn policy lessons.

However, to my mind, the clearest policy implication of LIVEWHAT could be lessons, which would say that certain kinds of social programs and welfare states helped some citizens more than others and that people were more resilient in some of these countries than in others. The policy implication of this is that we should want to build such institutions in order to make sure that the next crisis will not have as much negative effect on citizens. Therefore, we will show support for politics of solidarity at the national and the EU levels. But will anybody listen and take on board these implications? I'm very skeptical because it would involve having to reform, expand, build, and spend money. As I see it, the policy agenda is cutting cost and avoiding blame. In that sense, drawing useful policy lessons implies that something will change in the policy-making environment.

Q: We are all talking about crisis but how can we define a crisis? When do we recognize a crisis when we meet it? What is the difference between crisis and periods of strong hardship or bad conjuncture?

A: If you think of this in terms of a certain traditional political economy with an economic growth model, we would say that a crisis is a downturn from which the recovery will require a new sector to emerge or new institutional arrangements. From that point of view, we don't maybe know what is a crisis versus a recession until after the fact. Recessions are part of the business cycle and crises are part of some kind of reinvention of growth model. Does that matter to the way citizens experience it? It implies that employment patterns will change and that there will be a kind of transition period.

If the recession of 2008-2009 is over, then that was a very deep recession. If we have a new recession in the next year or two, then it means that we are not out of it and we are probably in something which we will in retrospect say was a crisis. Another way of thinking about crisis is in terms of policy-making and uncertainty. Risk implies that we know what the parameters are. Crises are periods of uncertainty

where the parameters are unknown. In that sense, we cannot make proper calculations. Policy makers don't know whether to stimulate the economy or not. There was a six-month period in 2007 when we had the financial bailout, and policy makers were very scared and had no idea what was going to happen or what should be done. But it seems to me that since the recovery began in the second half of 2009, policy makers think they know what they are doing.



Future events

Members of LIVEWHAT will convene a section on citizens' resilience in times of crisis at the next **ECPR General Conference** in Glasgow in September 2014.

LIVEWHAT will organize a **summer school for Ph.D. students** to be held at the European University Institute in Florence, where members of the team will teach and present project findings along with other invited experts in the field.

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This project has received funding from the European Union's Seventh Framework Programme for research, technological development and demonstration under grant agreement n° 613237.