Educating Poor People to “Real Economy”

First Draft

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Since the end of the 1990s, a new political issue has arisen in developed countries and spread throughout the world: the financial literacy of citizens. OECD highlighted the need to raise the level of financial literacy among populations in developed countries through educational initiatives since the beginning of the 2000s, through publications, conferences and efforts to increase awareness among governments (OECD 2005). These efforts have met with success, with the G20 endorsing principles for financial education established by the OECD, in December 2011. In addition, major international organizations like the IMF and the World Bank have become increasingly interested in this issue and regularly publish reports and studies.[1]

The initial focus was on pension schemes. The OECD committee in charge of financial markets, insurance and pensions became concerned in the early 2000s about insufficient savings in pension plans leading to inadequate replacement rates to ensure the benefits of older citizens. This situation is in large measure the result of the change from defined benefits to defined contributions systems.[2] This constitutes part of the “Great Risk Shift” (Hacker, 2008), which has progressively eroded collective protections and replaced them with individualized insurance and savings plans. This is yet another aspect of the reversal of power between capital and labor, as demonstrated by their respective shares of total value-added (Piketty, 2013), here applied to the security of savings. The financial industry is less and less constrained to establish protections for people’s money, and puts individual savings, which mostly come from wages, at risk. In OECD reports it is assumed that states will no longer provide financial safety nets and that individuals must create their own stability mechanisms, via individualized insurance. In this respect, the role of government protection lies primarily in the governing of people’s behavior: the population must

[1] See for example (Carpena, Cole, Chapiro, and Zia, 2015; World Bank, 2014).

[2] On this subject see Langley and Leaver (2012), who describe the construction of the “retirement investor” linked to the “DC world and its attendant financial literacy initiatives.” (p. 476)

be guided in the right direction and nudged toward sound choices (Thaler and Sustein, 2008).

Education in money management, especially for the poor is not a new practice (Zelizer, 1994). Marron (2014) emphasizes the long history of "authoritative concerns about household budgeting." If the supervision of the budgets of poor households has far from disappeared (Perrin-Heredia, 2010), the financial literacy framework refuses this kind of financial paternalism. It primarily targets middle-class wage earners, addressing their inadequate anticipation of financial risks and attempting to transform their credit and savings behavior.

The notion of "financial literacy" is a relatively recent arrival in the academic and policy field. It appeared in the late 1990s and only took off from 2005, primarily promoted by representatives of behavioral economics assuming the role of whistleblower.[3] The cognitive framework for contemporary financial education is thus shaped in large part by the language of behavioral economics and psychology, i.e. by the idea that it is through targeting individuals that solutions will be found to the problems of the day. Then, regulation become a cognition issue: the objective is to convey information about products, but even more so to encourage bank clients to reflect on their own choices so that they might better manage what behavioral economics calls their cognitive, cultural and emotional "biases."

Numerous evidences showed that financial education is not sufficient to help households to cope with the transfer of risk resulting from the withdrawal of collective protections as well as the new risks created by the financialization of household savings (Willis, 2009). This does not of course mean that these programs have had no impact. We would argue that their main effect has been to transform the conditions of intervention surrounding people in financial difficulty. These programs are part of the contemporary tendency toward state withdrawal from a range of provisions for fragile populations, combined with notions of the "empowerment" of the poor and the idea that social issues must be dealt with at the level of individual behavior rather than through structural policies.

The insistence on the need for financial literacy, or financial capabilities in the British terminology (Author, 2016), has been interpreted in the Anglo-American

[3] For further analysis of the circulation of the notion of financial literacy between the academic and political worlds, see Author (2016).

world as an example of the application of neoliberalism to individuals (Marron, 2014, Langley and Leaver, 2012) and of forms of targeted self-control that are part and parcel of the contemporary constitution of individuals as "financial subjects" (Langley, 2008). Clarke (2015) goes further, describing the recent introduction of the concept of "resilience"—the acceptance of subjects' difficult living conditions—in financial literacy education programs as a means of concealing the "empty promise" of these programs, which leads individuals to "learn to fail."

This paper is based on a field study over several years looking at the OECD and French actors engaged in financial education (banks, social services, associations). It also builds on participant observation, in particular two impact studies undertaken by the present author for the leading French non-profit in the field of financial education, Finances et Pédagogie (F&P): one dedicated to measuring the satisfaction of the bodies requesting F&P workshops and the second focusing on workshop attendees.

France represents an interesting example: The context is rather different than that of the US and UK and it has never fully committed to the financial literacy framework (OECD-Russia's G20 Presidency, 2013). Despite the fact that the French Ministry of the Economy launched a national strategy in 2014, there is still no integrated national policy. However, a multifaceted discourse about the "need to educate consumers of financial products" has been emerging in France. Politicians, government officials, and representatives of the banking sector and social work support it. In the French discourse, the need for financial education is essentially seen as an issue for poor people or people experiencing financial difficulties such as over-indebtedness, while the OECD financial literacy framework is designed primarily for the salaried middle-class.

Three factors explain this difference. The first is institutional: The French welfare state, despite recent retrenchment, remains one of the most robust in the world and the pay-as-you-go pension system avoids the need for individualized pension savings. Second, financial risk per se does not appear to be a central problem in the eyes of French public authorities: difficulties faced by individuals in relation to financial institutions have been conceived in France primarily in terms of over-indebtedness (Salomon 1995, Plot 2011), subject to specific laws and proceedings. Finally, the recent promotion of financial education has been concomitant with the introduction of personal microcredit, which has created paradoxical connections between the banking world and the world of social work (Author, 2013). From very different perspectives,

these different actors believe that financial education can provide a solution to specific problems: poor relations between bank customers and bank advisers, the sale of unnecessary products, problems of household budgets, excessive debt, etc.

Drawing on Pierre Bourdieu's notion of "social space", this paper will argue that the insistence on the need for financial education serves to redraw the symbolic boundaries and spheres of activity between banks, charitable organizations and the state, and more generally to redefine what is entailed in interventions for the poorest segment of the population.

This article proceeds as follows. First, it will outline the social space of financial education in France, showing how different actors appear to agree on the need for financial education, but from the perspective of very different framings of the issue. Second, it will examine the tools used by financial educators and the impact of the training programs, exploring the usefulness of the Foucauldian concept of "governmentality" to describe these activities. Finally, it concludes by underlining the differences between impact of financial education in practice and the broader discourses of financial literacy.

1. The social space of financial education in France

The French government has launched a "financial literacy strategy" based on OECD guidelines. For the time being, this strategy essentially consists of a working group which met in 2014 and issued a report in January 2015 (CCSF, 2015). The report adopted the OECD definition of "financial literacy" wholesale. It requested a survey whose questions are taken directly from the one conducted by the international organization in other countries and makes ample use in its argumentation of the "poor" results obtained by French youth on the "financial literacy" section added to the PISA survey of 2012.[4] So far, then, the strategy has been confined to warn and make recommendations on the issue, and has not yet been translated into concrete public policy measures. Yet, it has not developed in a completely empty landscape. For even if there is no centralized public policy on the matter, there is a whole "world" of French financial education, provided by non-governmental bodies (linked

[4] All these elements are contained in the report issued by the Comité Consultatif du Secteur Financier (CCSF, 2015), the public body in charge of implementing the French financial literacy strategy.

to banks or to NGOs). Actors in this domain meet in these various contexts, work together and progressively come to know each other.

The issue of financial education itself has been understood in France through three distinct framings. The first, emerging out of the French Banking Federation (FBF), considers that tensions between bankers and clients derive essentially from customer ignorance. Clients bear the entire responsibility and the only solution is to improve their financial literacy. The opposite framing is mostly held by academics and is based on the issue of financial exclusion. Financial literacy programs are here understood as attempts to diminish bank responsibility and advance a neo-liberal agenda, participating in the making of the "financial subject" (Langley, 2008) and the financial risk shift (Hacker, 2008). The third framing could be characterized as essentially pragmatic: the baseline assumption is that individual and household money management practices suffer from a lack of basic know-how. If people were to learn sound practices, they might avoid many of the current problems. What is important, in this view, is to focus on the quality and impact of the programs. However, there is considerable diversity within this perspective. On the one hand, international public policy experts consider financial literacy to be a public policy goal in itself. On the other hand, many people working on the ground, such as association representatives, believe financial literacy is useful only if implemented in close coordination with other kinds of social programs, and should not be seen as a substitute for regulation.

These various understandings converge and are enacted by practitioners of financial education in a social space, which is, according to Pierre Bourdieu (1989), "a system of relations," determined by the types of resources stakeholders can mobilize: economic resources, legitimacy, access to government, etc.

Banks hold economic capital. Financial education programs form part of their corporate responsibility commitments. However, they claim a peculiar competence on those matters, considering themselves entirely legitimate to provide financial education because they have expert knowledge of financial products and panoramic views of their clients' budgets. Yet despite this technical legitimacy, they lack social legitimacy. To put it differently, if financial education were framed exclusively in terms of consumer ignorance and pragmatic concerns, banks could be at the center of financial education policies. However, for now, this is not the case.

For Instance, when one leading French bank, Société Générale, launched a website in November 2011 called abcBanque for 6 to 11-year-old children, it came

under heavy fire: newspaper articles and online comments accused Société Générale of marketing to children and encouraging them to open bank accounts. Conversely, the French Banking Federation (FBF), the banker's association, which undertakes significant financial education activities (a website that attracted 3 million visitors in 2014, as well as numerous educational publications and partnerships), often highlights its partnerships with non-profit organizations and social workers.

Associations and social service agencies have little economic capital but do have powerful legitimacy to intervene to help poor people, which operates as a kind of symbolic capital. Bourdieu (1977) explains that symbolic capital results from a process of the construction of selflessness, which colors practices and exchanges that are embedded in a gift economy based on reciprocity. This particular social space is structured by a peculiar symbolic capital that is perceived altruism of actors, that can be defined as a lack of commercial interest, but above all, as a genuine commitment. To gain this capital, actors and organizations have to emphasize their distance from business concerns. Volunteer work, non-profit activities and financial independence from companies are all good indications of selflessness. Finally, the goals pursued by these entities refer to a common good inscribed in the civic or household "polities" — unlike companies, who also pursue a common good within the commercial or industrial "polities" (Boltanski and Thévenot, 2006 [1991]).

Banks have difficulties to accumulate selflessness capital. They keep trying, by creating non-profit foundations, establishing charters of good practices, etc. Nevertheless, they remain commercial entities. Even non-profit bodies, when they are linked to banks, are continually at risk of being accused of disingenuous commitment, seeking *in fact* to make money from poor people. After all, are they not selling themselves to banks in exchange for financial support? Indeed, it is more important in this social space to precisely mark the boundary between "social" and "commercial" actors and activities. This is why social workers place a high value on their autonomy vis-à-vis their banking partners. Non-profit (public and private) bodies are dominant in the selflessness space, which allows them to "act on the world by acting on the representation of the world." (Bourdieu and Wacquant 1992: 123) They detain the labeling power to separate actors that have a genuine commitment from those that do not—the power to dispense, as it were, symbolic capital.

This distributional structure of symbolic capital helps us to understand why it is crucial for bankers to influence the framing of financial literacy. As long as the

issue is understood primarily in terms of financial exclusion, non-profit bodies will be dominant because they possess the symbolic capital. If the framing shifts toward the pragmatic, and even more so toward consumer ignorance, banks with their superior technical expertise may see their legitimacy increase, reducing their dependency on labeling by non-profits.

The importance of social micro-credit

In 2005, the French ministry of the economy created a 130-million-euro "Social Cohesion Fund," which among its several missions was tasked with promoting social micro-credit: 500 to 3000-euro loans to disadvantaged people for non-entrepreneurial purposes. The money is secured by the Fund but lent by private banks, with borrowers selected and supported by social workers or volunteers. This micro-credit initiative led the so-called "social world" to enter more deeply into the household budget management of poor people. To obtain a loan agreement, applicants had to show their bank statements, and during the reimbursement phase the financial situation of borrowers was regularly monitored. Frequently, social workers and volunteers had negative views of poor people's money management skills. According to some of them, applicants did not have appropriate hierarchies of spending and yielded too readily to consumer temptation. They were in need of education. At the same time, social services actors implemented workshops to train volunteers in how to talk about money and learn not to be judgmental. Often, the trainers were bankers.

This, then, marked the beginning of a not always smooth but long-lasting cooperation between banks and the world of social services around the provision of financial education. Banks were understood as providing technical expertise but in need of the social expertise of the non-profit actors. Many social actors welcomed the initiative as a means of accessing new populations: a portion of the micro-loans were not destined for the usual beneficiaries of social assistance but belonged to the category of the "fragile middle-class." This ill-defined social group refers to wage earners in stable employment who are unable to make ends meet and would seem to be a core population for financial education: a group perceived as deserving, that may well be flexibility in their money management decisions. On the contrary, when households subsist on minimum welfare benefits, social workers and volunteers often

admit that their financial difficulties are not the result of any financial misbehavior but from the fact of their insufficient resources.

That the collaborative work between institutions possessing large stores of selflessness capital and banks is not a zero-sum game, where banks pay to gain what non-profits lose. This description would reflect a "hostile world" model (Zelizer, 2005) that does not correctly describe the ongoing process here, which we argue effects a shift in the definition of the needs of people experiencing social difficulties. Viviana Zelizer (1978) has shown how the life-insurance industry developed a new definition of death to render life insurance acceptable. In our case, the conversion is less radical, but we can see a similar process of redefinition of what constitutes a "good" social program and the "good" skills that should be taught to recipients and providers alike. New borders between and new definitions of social interventions are established, generating new scales of value and a reevaluation of each actor's worth.

Considering the diverse justifications for the need for financial education makes clear that the OECD framework for "financial literacy" is but one among many. The operative movement here cannot be reduced to the classic account of the ideology of the dominant being imposed on the dominated (Bourdieu, Boltanski, 1976). It operates in other ways, both for the educators and for those who receive the education. One of the central elements of governmentality as described by Michel Foucault is apposite here: self-control, or self-governance—and indeed the fact that constraints do not appear as imposed but rather as emanating from individuals' own deliberate decisions.

In addition, the importance of the framework that we have called "pragmatic" demonstrates that the process underway does not only pertain to ideology: it is necessary to factor into the analysis the materiality of the financialization of household economies (the serious consequences of bank overdrafts, the need for maintaining savings safety nets, and more generally, the sense that financial inequalities have a serious impact on social positions— which is new in France (Lamont, 1992)).

It is for this reason that we now turn to the ways in which categories of perception and action are passed on to individuals through adjustment tools aimed at monetary behavior, drawing especially on the survey we conducted with the oldest and most active French financial education body to date, reviewing the tools it uses, in comparison with the budgetary tools made available to the wider public, especially

those that have been presented at OECD conferences and are thus typical with the way international policies conceive of sound money management.

2. Financial education in action

Financial literacy programs are usually designed for a collective audience (in contrast with social support which is individualized): workshops with a small number of people but also conferences with hundreds of participants (Husz, 2015); mass information campaigns (advertising displays, commercials, even TV shows). Many financial education websites have also been created throughout the world.

Financial educators (a term we use here to refer to both the people who develop public financial education policies and field educators) seek to encourage people to adopt monthly and annual budget planning[5] and to sort their spending in three categories: fixed expenses (rent, utilities, telephone), that should be paid first and are difficult to reduce; current expenses (food, hygiene, etc.), that are a bit more flexible; and occasional expenses, to respond to contingent circumstances, that should be anticipated through savings. These spending categories are not of recent vintage and can be found in methodological material from the beginning of the 20th century.

The program we will focus on are not aimed to transform choice architecture, following the "nudge" theory (Thaler and Sustein, 2008) but to change people's behavior only through conviction. The pedagogical tools of financial education can be organized into three different categories: the first aim to inform, the second to raise awareness, and the third to see possibilities for change by transmitting specific methods.

Inform

The first pillar of financial education is information, provided mainly through booklets and websites. Finances et Pédagogie (hereafter F&P) is a nonprofit

[5] Sound management always implies a relationship to time, and we find here one of the recurring patterns of the standardization of the monetary practices of "the poor": to teach them to plan rather than "live on a day-to-day basis." Yet, not only does actual observation of the monetary practices of underprivileged populations reveal that there is no basis for assuming that the poor do not plan ahead (Guérin, 2015), it also shows that spending patterns that may seem erratic in fact often constitute ways of coping with the unpredictable nature of resources (Hoggart, 1957; Perrin-Heredia, 2010; Laé and Murard, 1985).

organization sponsored by a major French bank. It is the oldest French financial education body, founded in 1957, initially with a quite conservative discourse directed toward working class women. Since the 1980s, the organization has changed considerably and has "modernized" its discourse, emphasizing autonomy and responsibility. Twenty advisers, mostly former bank employees, are at work throughout France. They organize roughly 3,000 workshops each year involving more than 40,000 participants: people on subsidized employment contracts, secondary school and university students, and company employees. The present author wrote two reports for them: one about its "clients", i.e. entities requesting for trainings; one about the impact of the trainings on the trainees. This second survey involved a qualitative dimension (workshop observations and 29 in-depth interviews) and a qualitative one (more than 600 questionnaire in a first wave, around 200 three months later).

In F&P workshops, advisers spend time providing technical information, mostly about the functioning of banks. Advisers explain how to open an account, fees, credit, consumer's rights and bank rules. However, most of the time attendees take no notes and trainers consider that what people take away is not precise information but rather an understanding that banks have rules that should be understood when interacting with them. For example, one of the advisers takes time to explain that most people write "read and approved" on contracts without having precisely understood (or even read) what they are committing to.

In interviews with attendees, when asked what they learned during the training session, most of them related precise information (differences between credit cards, words used to speak about money, functioning of insurance, etc.). Franck, 44, a worker in a subsidized employment company said: "I used to confuse debit and credit, the… how to say it, fees, and all that. I never knew what I paid; on bank statements there are annual, quarterly, and monthly payments, and insurance for everything… Sometimes I get a little lost in their language."

However, financial education does not necessarily consist only in transmitting information. If it did, it would be a top-down process, without any evidence that it helps "to improve" behavior. For this reason, in most of the observed workshops, advisers give a limited amount of information but emphasize the fact that everybody is a bank customer, and therefore have the right and duty to be informed about the products they buy. The goal is thus not to deliver a "moral lecture," but to reassign

responsibility: if you are unhappy with your banker, it is because you misunderstood your contract with him. The message is ultimately ambiguous. In part, it is an invitation to "empowerment"—the educators constantly remind their audiences that they should consider themselves as a customer and not a user of an institution who must obey without trying to understand. But it also serves to delegitimize the discontent of bank customers, who are depicted as simply lacking understanding. In both cases, it is clear that the issue is individualized: the idea of collective resistance to the bank, or state regulation, is never evoked.

Create awareness

Financial educators—both decision-makers and field operatives—all claim that they want to "trigger" changes in behavior. Frequently, F&P workshop attendees consider that they do not need any financial education. To convince them otherwise, counselors ask them precise questions intending to demonstrate their lack of knowledge. A more important pedagogical method, however, is to use planning tools designed to make people aware of what they currently do with their money and what they could change in the future.

The main pedagogical method used by financial educators is to "make visible," notably by staging common situations. This might take the form of a soap opera in South Africa, amusing TV spots in New Zealand (for example, in the spot "Call the Debt Detector," a little mouse goes around the house of a young man with a "debt detector," "sorting" between good debts—college loans, car loans—and "dumb debts" that need to be "shrunk," used for knickers or for a home gym with a big label "as seen on TV"[6]), or anecdotal presentations in workshops. Other tools encourage people to focus on their individual situation. For example, on the website of the Financial Consumer Agency of Canada, the headline slogan is "It pays to know." This site provides a budget calculator in which users are prompted to enter all their expenses, which then appear as a pie chart with colored slices: housing, child care, transport, leisure, etc., indicating how users spend their money.

Money matters can be very readily modeled using the metrological tools that participate in the widespread expansion of the quantification of the self. For example,

[6] It is interesting to note, here, that the website of the Commission for Financial Capacity in New Zealand is called "Sorted," with the logo "$orted."

the Quantified Self website,[7] which promotes self-tracking techniques designed to change one's own behavior patterns, includes aspects of financial behavior. It provides videos and links to websites that offer methods for tracking where the money spent goes and, beyond that, for better managing one's budget, for instance by realizing that if one spends 20 rather than 30 dollars a day on food, the cumulative yearly saving is very high.[8] The Australian app "TrackMySpend," establishes weekly spending limits based on the revenue reported by users. Users are supposed to note all their expenses, including on snacks and coffee, and categorize them as a "need" or a "want," in order to "identify opportunities to save." Other smartphone and computer calculators propose graphs or gauges that turn from green to red (through orange) as expenses exceed resources. Yet, if the promoters of financial education draw on such techniques, we should distinguish the forms of money management that are part of a larger movement of self-quantification, which represents a contemporary form of reflexive individualism (Pharabod, Nikolski and Granjon, 2013), from the initiatives to transform *others* of which financial education programs are a part.

F&P advisers use a low-tech "goose game": a board game (on a wall poster) with boxes arranged in a spiral that represent the months of the year. Players must stop at each box: at the beginning of each month they have 1200 euros, out of which they have to pay their rent and bills, buy food, etc. They encounter temptations: discounts, proposals to go out, clothes, dogs, etc. They have to decide whether or not to spend money on these things. When they land on a box with a question mark they may have to change their glasses, repair their washing machine or pay a fine. The game is designed to create a budget surplus in the initial months. But then, in September, the situation changes dramatically: people have to pay local taxes, car and health insurance premiums and several unexpected expenses. In May, players have a surplus of 750 euros; by fall most of them have an overdraft of more than 900 euros.

The adviser then asks people to explain what happened. The players try to identify reasons: it was a mistake to go on vacation (500 euros), to buy clothes, or to dine out at a restaurant. One of the counselors, Antonella, tells the players: "You acted remarkably reasonably; you didn't waste money. But what happened to you happens to anyone, even the wisest, who doesn't have a budget plan." At this moment

[7] http://quantifiedself.com

[8] This is precisely what this video proposes, even while advertising its own company's services which offer budget measuring tools: http://quantifiedself.com/2015/04/catha-mullen-tracking-financial-health/ (consulted on October 22, 2015).

of the workshop, attendants are listening very carefully: they are astonished to have seen their deficit arrive so quickly. Antonella then stops the game (at the month of October), saying that the banker would have closed the account. She takes the opportunity to explain how banking overdraft functions: how much it costs, the difference between authorized and unauthorized overdrafts, and the risks associated with significantly going over budget. Workshop participants who were involved in budget decisions during the game then try to understand why they "failed" and did not at all anticipate the bad outcome. During the game, bills are not paid on a monthly basis—electricity bills come every two months, taxes and insurance premiums are paid all at once in the fall—thus requiring people to anticipate and save from January. The moral of the story is that you must plan for the whole year and manage your expenses through savings such that each month looks more or less like the others.

The recourse to games is essential here: the aim is to make the right behavior clear through a simulated experience. Once they have demonstrated that the participants' behavior led them into a dead end, the educators need only run through their set of "good practices," which by then appear perfectly natural. However, what is made clear is that the mistakes were not due to any lack of asceticism but rather to poor organization. The issue at stake is thus presented as technical not moral.

Advice: sorting for choice

F&P advisers seek to distinguish planning from self-control. The aim of planning is not to make people tighten their belts more than they already do. Rather, advisors insist on it as a path to peace of mind and protection against the negative consequences of poor money management, worsened by the lack of individual safety net. Still, the focus on the hierarchization of expenses is not devoid of a moral dimension. When the "TrackMySpend" application sorts expenses into "needs" and "wants" this appears very clearly. More broadly, distinguishing between fixed, current, and exceptional costs is also a way of ranking payments that must be honored above those on which one can economize.

The trainers encourage people to list their fixed costs. It is not a question of accounting but rather of storage. "It is like tidying one's room," according to one trainer. Making a budget equals putting everything in its proper place. One of the games employed in the trainings uses a dresser with drawers on which is written,

respectively, “fixed charges,” “current expenses” and “incidental expenses.” Expenses appear on the screen and participants are asked to put them away in the right drawers. While sorting, each item has to be put in the right place in order to see what happens. If it seems an enormous and sometimes overwhelming task to clean up a huge mess, the burden appears much lighter when a system is in place and things just have to be sorted one by one.

Calculation itself is paradoxically rare: it occurs in the first month, to measure every expense, or once a year to make an annual plan so as not be surprised by forgotten expenses. It represents a genuine earmarking of money (Zelizer, 1994). People have to learn to distinguish money that is pre-committed from money they can freely spend. Some advisers recommend opening two separate bank accounts: one for fixed charges, the other for current expenses: “I have two envelopes and I don’t have to be anxious anymore. I’m safe, I sleep well, I know everything will be paid.” Here again, sorting is useful for better money management, but it mainly provides a kind of psychological protection: i.e. it frees people from the anxiety of not having enough money to pay their bills.

Describing budgeting as storage also has the advantage of limiting the strong potential for sanctimony in budget training. Advice is always kept positive and advisers avoid stigmatizing any behaviors. Using empowerment categories, they claim to want to increase individual capacity for choice and freedom, especially once the resources available for “having fun” have been isolated. In a way, these workshops fight against the disruption of household accounting brought on by the use of the banking system. The obligation of placing household money in bank accounts makes its control more difficult and abstract, especially when bank marketing tends to blur the functioning of financial products (Author, 2012). By finding routines that allow them not to count every spent euro, trainers offer ways to protect people from the real dangers they face in their contact with banks, which may add fees that worsen already difficult situations.

This focus on the ranking of expenditures reveals what might be called a fungibility taboo: overly smooth, interchangeable, continuous money is dangerous money. For all budget educators, money must be earmarked. Mary Douglas (Douglas, 1966) has shown that the dirty and impure are not constitutive of things in themselves but a function of the fact that things are not where they belong. When applied to money, it appears that if money is “free” it is disorderly, and thus potentially

dangerous. If the traditional discourse admonishing workers who spend their earnings on drink or gambling is no longer the order of day, such insistence on ranking and organizing shows that preventing financial confusion and disorder, seen as a disorder of the will, is still considered necessary. From the perspective of individual empowerment, which is always declared to be the ultimate goal of these forms of education, this solution would appear paradoxical. By earmarking money, individuals are supposed to regain mastery over it. It would no longer slip through one's fingers, and individuals would cease to slip down the slippery slope of financial mismanagement. Yet earmarking money is also a way to make its holders conceive of the money they thought they owned as in fact "pre-spent" (Accardo et al., 2007). In *The Philosophy of Money*, Georg Simmel noted that money reaches its full power—i.e. its infinite potential—only in the hands of the rich. For the poor, money is geared towards meeting basic needs and thus not subject to choice and incarnation in a myriad of objects.

What if?

The tools that we have described so far (online calculators, board games, budget tables, etc.) are intended to make people "see," "become aware of," classify and sort their past and future expenses. The last technique that financial educators use is what is called in OECD conferences "what ifs." They serve to highlight the potential consequences of financial choices and types of money management. On websites, these calculators are mainly directed toward credit and pension issues. F&P advisers use simulation techniques through the game of goose. What would happen, for example, if you saved 40 euros a month?

The action plan of financial education is as follows: see the present, understand the past, anticipate the future, and decide what changes have to be made. In all cases, the objective is to encourage people to find a means of exerting control over their money through a kind of temporal smoothing out in which the only variable that appears to be an issue is their own behavior. If all discourses on financial education evoke the significant risks borne by individuals—the instability of financial markets, the precariousness of employment and the disruptive effects of family breakdown—all also offer the same response: appropriate financial behavior.

The conduct of conduct?

Does financial education constitute the "conduct of conduct," to use Foucault's famous expression? The survey of entities that commission the training services of F&P (mostly social services organizations, community centers, and centers for the disabled) reveals that the main result sought is increased autonomy for training recipients. This term encompasses a wide variety of meanings and registers, ranging from benevolent empowerment to far more liberal-oriented ideological positions which pit autonomy against welfare assistance. In all cases, individuals, regardless of their level of social and financial vulnerability, are perceived as having some margin of choice over their money that they can exercise effectively if only they are taught to do so.

Websites claim hundreds of thousands of visits annually. The Australian app TrackMySpend has been downloaded 200,000 times. This obviously does not mean that objectives for self-transformation are being achieved. However, the awareness-raising goal of the OECD seems to be meeting with success, both in terms of the public authorities in many countries that spend significant amounts of money on large-scale initiatives, and with respect to populations since the tools offered by these sites appear to be widely adopted.

If the discourse of promoters of financial education unquestionably participates in the implementation of neo-liberal techniques of governance—insofar as individual behavior is at the core of the policies, and the norms are not imposed on individuals from the outside but through self-constraint, incentivization techniques, and a combination of "technologies of power" and "techniques of the self" (Jeanpierre, 2006)—to what extent can we say with any certainty that these techniques are indeed reaching their target populations? Our survey for Finances et Pédagogie, as well as similar impact studies, leads us to strongly question the conclusion that these workshops produce "self-entrepreneurs."

The effectiveness of these trainings has proven very difficult to measure.[9] During my survey for Finances et Pédagogie, I was not given access to individuals' accounts, and my measure of the workshops' impact was thus based on statements by participants, with just under a third of them responding to the second phase of the

[9] Numerous biases have been identified (Willis, 2009), and in general results are highly mixed (Duflo and Saez, 2003; Madrian and Shea, 2001), or even nonexistent (Mandell and Klein, 2009).

inquiry (180 out of 600—a figure that is quite high compared with other similar surveys, especially considering there were no financial incentives to encourage individuals to respond,[10] three months after the workshop). Thus, the possibility that the respondents over-represent those who were the most satisfied with the workshops cannot be ruled out. Indeed, they expressed a very high level of satisfaction, with 76% of them saying they thought back on their training three months later. In addition, 30% claimed that they manage their finances "much better" since the training. This figure may seem low, but for workshops of 2 to 3 sessions of 2 hours each, it is far from insignificant. Moreover, the qualitative interviews also revealed that in some cases the workshops had radically transformed practices (out of 29 qualitative interviews, 3 people claimed to have had entirely transformed their financial practices since the training, and had the feeling that their lives had been very much improved, their financial burdens feeling considerably lighter).

But these kinds of radical transformations are rare, and the quantitative survey reveals that those who most took advantage of these training sessions were in fact the ones who had the fewest banking and financial issues. More specifically, it appears from this inquiry—as in others (World Bank, 2014)—that training programs are effective only if participants are in a period of their lives that encourages them to change their financial practices (birth, separation, transition to retirement, etc). The relevance of the workshops decreases in the eyes of people who are experiencing major financial difficulties, as though their situation was too dire for the general advice dispensed to be of any use. We thus need to distinguish individualized coaching, designed to resolve the issues of individuals overwhelmed by difficulties, from training programs, mass campaigns, and spending measurement tools that promote "healthy" behavior but that, in order to work, must first be adopted by individuals who are then expected to apply these "good practices" autonomously, in their own intimate financial sphere.

This kind of self-governance remains more aspiration than reality. Most often, interviewees only took some of the marginal advice (compare prices, turn off appliances rather than leave them on standby mode, request that their bankers change contracts, etc.), and those who did adopt the household management models being

[10] By way of comparison, Mandell and Klein (2009) reported a study dealing with former secondary school pupils who had received training in financial education: 400 were contacted and promised 25 dollars if they answered the questionnaire. 79 responded.

proffered—all relatively intensive (cataloguing and organizing all expenses, accounting in advance, profoundly reforming consumption practices)—often only did so for a limited period of time, corresponding to periods of financial crisis or a need for readjustment.

The focus on France reveals a certain specificity by comparison with surveys carried out in other countries. In France, the target is the population experiencing social and financial difficulties, usually being monitored by social services agencies, whereas in the Anglo-American world it tends to be the salaried middle-classes. If the Finances et Pédagogie workshops are perceived by both educators and participants as more "modern" than the support provided by social workers, it is due to the exclusion of value judgments, the lack of any prior imposition of a hierarchy of expenses (such a hierarchy exists, but it is up to the participants to establish it for themselves), and prompting of participants to become consumers of banking products. Yet, rather than the making of "financial subjects," our observations suggest that the effect is the training of individuals for traditional forms of domestic bookkeeping: recording and ordering expenses is a key part of classic home economics practices.

It thus appears too flattering to see these policies as effecting the conduct of conduct. If at the level of policy-makers the discourse emphasizes the shifts in behavior that can be engendered by financial education, on-the-ground trainers have more modest ambitions. They hope financial education can provide people with an umbrella for rainy days, knowing full well that many different hazards can jeopardize the financial stability of families, even the best-managed ones.

Conclusion

Examining financial education programs as they have been conceived at the international level together with the tools through which they are implemented in France not only reveals the neoliberal agenda driving these programs, but also yields an understanding of the gap between their ambition and their effective realization. More specifically, the impact of these policies appears to be less in participant behavior than in their ideology. By raising the issue of the risks connected to the financialization of daily life, the theme of financial literacy could well have led to a rethinking of bank regulation. Yet quite the opposite has in fact occurred. Emphasis is placed on the responsibility of individuals, while the risky environment produced by

the proliferation of financial products is rendered neutral or natural. Individuals must adapt to *it*.

Current financial literacy programs should be placed in the context of the long history of control over poor people's money. The idea that the poor should be made aware of their expenses is far from new and indeed the knowledge used in the practical implementation of these programs is based on very traditional "recipes" of money management, inherited from techniques like the envelopes used by women in workers' households, and adapted to wage labor and monetization. The fungibility taboo remains the structuring element. Yet, what is new is the official ban on paternalism and moralization, replaced by "neutral" advice based on calculation and rationalization. These calculations are sometimes very sophisticated, like those of website simulators. However, we would insist that the main contemporary change does not lie in these technical tools, but rather in the role assigned to financial education. While there is no clear evidence that financial education policies can resolve the massive problems that serve to motivate their adoption (pension insolvency, over-indebtedness, low savings rates, etc.), experts and academics working in this field have devoted much energy to creating a "scientific" approach by stylizing behaviors and creating categories of good and bad practices. With these descriptive categories, they create a space for public policies to intervene, in order to help people to adopt better practices. Banks are very involved in the framing of these policies because it is a way for them to forestall stronger regulation, through the emphasis on customer responsibility.

The main contribution of this article, then, is to show that financial literacy issues reveal a crucial battleground for future policies of the welfare state. Focusing on the French case helps to highlight political issues raised by the emphasis on financial literacy, since in that country public financial education policies are mostly conceived for poor people and are closely connected to social work. They are not aimed at the creation of financial market investors but rather of compliant poor people who are prepared to take personal responsibility for their own financial difficulties. If learning how to sort money, a practice no more difficult than tidying a room, can provide sufficient protection from insolvency, what need is there for the welfare state? Moreover, if sound money management is so easily implemented, why spend time and money on public policies for the mass of the population? Following its own precepts, it is important here to sort between what financial education can and cannot

do: Can it replace the regulation of financial products for individuals? Can it replace risk pooling? Finally, can it compensate for the stagnation of labor incomes and declining purchasing power?

Focusing attention on individual behavior is motivated by a strong political interest but produces forms of financial education that, interviews have shown, can be quite useful to lower income people, especially in helping them to avoid costly mistakes with their banks. However, it cannot be seen as a public policy of comprehensive protection of household monetary resources.

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