00:04

It was a cold, sunny March day. I was walking along the street in Riga. I remember the winter was slowly coming to an end. There was still some snow around here and there, but the pavement was already clear and dry. If you've lived in Riga, you will know that feeling of relief that the first signs of spring bring, and you no longer have to trudge through that slushy mix of snow and mud on the streets. So there I am, enjoying my stroll, as I suddenly notice a stencil on the pavement in front of me, a graffiti: white letters painted on these dark grey bricks. It says, "Where is your responsibility?"

00:56

The question stopped me in my tracks. As I'm standing there considering its meaning, I notice I'm standing outside the Riga Municipality Social Welfare Department. So it appears that the author of this graffiti, whoever it is, is asking this question to people coming to apply for social assistance.

01:19

That winter, I had been doing research on the aftermath of the financial crisis in Latvia. When the Global Financial Crisis erupted in 2008, Latvia got hit hard as a small, open economy. To balance the books, the Latvian government chose a strategy of internal devaluation. Now, in essence, that meant drastically reducing public budget spending, so, slashing public sector workers' wages, shrinking civil service, cutting unemployment benefits and other social assistance, raising taxes.

01:53

My mother had been working as a history teacher her whole life. The austerity for her meant seeing her salary cut by 30 percent all of a sudden. And there were many in a situation like hers or worse. The costs of the crisis were put on the shoulders of ordinary Latvians.

02:13

As a result of the crisis and the austerity, the Latvian economy shrank by 25 percent in a two-year period. Only Greece suffered an economic contraction of a comparable scale. Yet, while Greeks were out in the streets for months staging continuous, often violent protests in Athens, all was quiet in Riga. Prominent economists were fighting in the columns of "The New York Times" about this curious extreme Latvian experiment of this austerity regime, and they were watching on in disbelief how the Latvian society was putting up with it.

02:54

I was studying in London at the time, and I remember the Occupy movement there and how it was spreading from city to city, from Madrid to New York to London, the 99 percent against the one percent. You know the story. Yet when I arrived in Riga, there were no echoes of the Occupy here. Latvians were just putting up with it. They "swallowed the toad," as the local saying goes.

03:21

For my doctoral research, I wanted to study how the state-citizen relationship was changing in Latvia in the post-Soviet era, and I had chosen the unemployment office as my research site. And as I arrived there in that autumn of 2011, I realized, "I am actually witnessing firsthand how the effects of crises are playing out, and how those worst affected by it, people who have lost their jobs, are reacting to it."

03:51

So I started interviewing people I met at the unemployment office. They were all registered as job seekers and hoping for some help from the state. Yet, as I was soon discovering, this help was of a particular kind. There was some cash benefit, but mostly state assistance came in the form of various social programs, and one of the biggest of these programs was called "Competitiveness-Raising Activities." It was, in essence, a series of seminars that all of the unemployed were encouraged to attend. So I started attending these seminars with them. And a number of paradoxes struck me.

04:30

So, imagine: the crisis is still ongoing, the Latvian economy is contracting, hardly anyone is hiring, and there we are, in this small, brightly lit classroom, a group of 15 people, working on lists of our personal strengths and weaknesses, our inner demons, that we are told are preventing us from being more successful in the labor market.

04:57

As the largest local bank is being bailed out and the costs of this bailout are shifted onto the shoulders of the population, we are sitting in a circle and learning how to breathe deeply when feeling stressed.

05:12

(Breathes deeply)

05:16

As home mortgages are being foreclosed and thousands of people are emigrating, we are told to dream big and to follow our dreams.

05:27

As a sociologist, I know that social policies are an important form of communication between the state and the citizen. The message of this program was, to put it in the words of one of the trainers, "Just do it." She was, of course, citing Nike. So symbolically, the state was sending a message to people out of work that you need to be more active, you need to work harder, you need to work on yourself, you need to overcome your inner demons, you need to be more confident -- that somehow, being out of work was their own personal failure. The suffering of the crisis was treated as this individual experience of stress to be managed in one's own body through deep and mindful breathing.

06:13

These types of social programs that emphasize individual responsibility have become increasingly common across the world. They are part of the rise of what sociologist Loïc Wacquant calls the "neoliberal Centaur state." Now, the centaur, as you might recall, is this mythical creature in ancient Greek culture, half human, half beast. It has this upper part of a human and the lower part of a horse. So the Centaur state is a state that turns its human face to those at the top of the social ladder while those at the bottom are being trampled over, stampeded. So top income earners and large businesses can enjoy tax cuts and other supportive policies, while the unemployed, the poor are made to prove themselves worthy for the state's help, are morally disciplined, are stigmatized as irresponsible or passive or lazy or often criminalized.

07:10

In Latvia, we've had such a Centaur state model firmly in place since the '90s. Take, for example, the flat income tax that we had in place up until this year that has been benefiting the highest earners, while one quarter of the population keeps living in poverty. And the crisis and the austerity has made these kinds of social inequalities worse. So while the capital of the banks and

the wealthy has been protected, those who lost the most were taught lessons in individual responsibility.

07:43

Now, as I was talking to people who I met at these seminars, I was expecting them to be angry. I was expecting them to be resisting these lessons in individual responsibility. After all, the crisis was not their fault, yet they were bearing the brunt of it. But as people were sharing their stories with me, I was struck again and again by the power of the idea of responsibility.

08:11

One of the people I met was Žanete. She had been working for 23 years teaching sewing and other crafts at the vocational school in Riga. And now the crisis hits, and the school is closed as part of the austerity measures. The educational system restructuring was part of a way of saving public money. And 10,000 teachers across the country lose their jobs, and Žanete is one of them. And I know from what she's been telling me that losing her job has put her in a desperate situation; she's divorced, she has two teenage children that she's the sole provider for. And yet, as we are talking, she says to me that the crisis is really an opportunity. She says, "I turn 50 this year. I guess life has really given me this chance to look around, to stop, because all these years I've been working nonstop, had no time to pause. And now I have stopped, and I've been given an opportunity to look at everything and to decide what it is that I want and what it is that I don't want. All this time, sewing, sewing, some kind of exhaustion."

09:23

So Žanete is made redundant after 23 years. But she's not thinking about protesting. She's not talking about the 99 percent against the one percent. She is analyzing herself. And she was thinking pragmatically of starting a small business out of her bedroom making these little souvenir dolls to sell to tourists.

09:43

I also met Aivars at the unemployment office. Aivars was in his late 40s, he had lost a job at the government agency overseeing road construction. To one of our meetings, Aivars brings a book he's been reading. It's called "Vaccination against Stress, or Psycho-energetic Aikido." Now, some of you might know that aikido is a form of martial art, so, psycho-energetic aikido. And Aivars tells me that after several months of reading and thinking and reflecting while being out of work, he has understood that his current difficulties are really his own doing. He says to me, "I created it myself. I was in a psychological state that was not good for me. If a person is afraid to

lose their money, to lose their job, they start getting more stressed, more unsettled, more fearful. That's what they get."

10:40

As I ask him to explain, he compares his thoughts poetically to wild horses running in all directions, and he says, "You need to be a shepherd of your thoughts. To get things in order in the material world, you need to be a shepherd of your thoughts, because it's through your thoughts that everything else gets orderly." "Lately," he says, "I have clearly understood that the world around me, what happens to me, people that enter in my life ... it all depends directly on myself." So as Latvia is going through this extreme economic experiment, Aivars says it's his way of thinking that has to change. He's blaming himself for what he's going through at the moment.

11:20

So taking responsibility is, of course, a good thing, right? It is especially meaningful and morally charged in a post-Soviet society, where reliance on the state is seen as this unfortunate heritage of the Soviet past. But when I listen to Žanete and Aivars and to others, I also thought how cruel this question is -- "Where is your responsibility?" -- how punishing. Because, it was working as a way of blaming and pacifying people who were hit worst by the crisis. So while Greeks were out in the streets, Latvians swallowed the toad, and many tens of thousands emigrated, which is another way of taking responsibility.

12:03

So the language, the language of individual responsibility, has become a form of collective denial. As long as we have social policies that treat unemployment as individual failure but we don't have enough funding for programs that give people real skills or create workplaces, we are blind of the policymakers' responsibility. As long as we stigmatize the poor as somehow passive or lazy but don't give people real means to get out of poverty other than emigrating, we are in denial of the true causes of poverty. And in the meantime, we all suffer, because social scientists have shown with detailed statistical data that there are more people with both mental and physical health problems in societies with higher levels of economic inequality. So social inequality is apparently bad for not only those with least resources but for all of us, because living in a society with high inequality means living in a society with low social trust and high anxiety.

13:06

So there we are. We're all reading self-help books, we try to hack our habits, we try to rewire our brains, we meditate. And it helps, of course, in a way. Self-help books help us feel more upbeat. Meditation can help us feel more connected to others spiritually. What I think we need is as much awareness of what connects us to one another socially, because social inequality hurts us all. So we need more compassionate social policies that are aimed less at moral education and more at promotion of social justice and equality.

13:47

Thank you.

13:48

(Applause)