

BORROWING TO REPAY

ON THE GOVERNMENTAL STRATEGIES OF THE TROIKA

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O

RESUME

Foreliggende speciale tager sit udgangspunkt i en undren over gældens rolle i de styringsteknikker den såkaldte Trojka, bestående af Europa Kommissionen, den Europæiske Central Bank og den Internationale Valutafond, benytter sig af. Centralt står følgende paradoks; gæld optræder på en og samme tid som problemet og problemets løsning. Dette paradoks sættes der spørgsmålstejn ved, men ikke på hvilken som helst måde. Hvor den såkaldte krise i Grækenland allerede er blevet analyseret med økonomiske begreber eller med juraens værktøjer positionerer indeværende afhandling sig anderledes; med en magtforståelse der tillader sig simultant at trække på økonomisk relationel magt samt magtens suveræne facetter, undersøgeres hvordan gæld konstrueres som et anliggende, der suverænt hidrører den enkelte nationalstat, i dette tilfælde Grækenland. Dette perspektiv har kastet en

analyse af sig, der har fået øje på mere end konflikten mellem låner og skyldner. Det søges fremvist, at konflikten også aktiverer temaer såsom nationalstatens muligheder for udøvelse af suveræn magt, demokratiets begrænsninger i lyset af overnational institutioners interventioner samt spørgsmålet om, hvem der har mulighed for at skabe kredit og gæld. Disse temaer har hurtigt vist sig at handle om mere end den blotte kontrol med kroner og ører. I stedet demonstrerer analysen, at magten, blandt andet, interesserer sig for lånerens moralske beregnelighed, tiltroen til både banksektoren og den græske økonomi samt etableringen af en europæisk økonomisk orden. Især sidste punkt har vist sig at være et fremhersekende middel, der på én og samme tid forbinder idéen om det frie menneske med en direkte styring af de europæiske økonomier.

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1

QUESTIONING DEBT

IN THIS CHAPTER THE SCENE IS SET FOR THE STUDY OF DEBT. WHY IS IT INTERESTING AND HOW WILL IT BE QUESTIONED?

During more than half a decade, people following the news will have heard of how Greece is burdened with crushing levels of debt and more specifically, how it struggles with its creditors. The struggle dates back to April 2010 when the so-called Troika was founded. Consisting of the European Commission (EC), the International Monetary Foundation (IMF) and the European Central Bank (ECB), it was created in order to combat the growing debt in Greece¹. The formation of the Troika followed a request from Greece for financial assistance, which resulted in financial aids from IMF, EC and the European member states in May 2010, followed by the first *Economic Adjustment Programme for Greece*². Since then two new adjustment programmes were introduced in 2012 and 2015 respectively.

Of course, the reactions to the struggle has been many and different, but with an initial

and preliminary observation, it appears that the so-called debt crisis have created two opposing camps. The first holds the position that the Greece and its people have been too lazy, spending too much and should in general be held accountable for the accumulated levels of debt. Usually, this position is associated with Germany or, more specifically, Chancellor Angela Merkel. Generally speaking, the other camp holds the position that Greece is being treated unfairly, that the austerity policies are counter-productive to the aim of growth and that the Germans act hypocritical, forgetting their own history of debt relief³. This position has, been supported by internationally renowned economist Thomas Piketty, who emphasized that Germany never repaid their debts and strongly criticized the forecast, which predicated that future generations of the Greek people will have to pay for contemporary political

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recklessness⁴. Another, and perhaps just as famous, economist Paul Krugman joined this camp, declaring that *“the troika’s program for Greece represents one of history’s epic policy failures”*⁵.

Even though, we can observe both camps, in the public debate, it seems evident that the first prevails, by far. At least, this is the observation made by Yanis Varoufakis, who served as Finance Minister in Greece for Syriza, throughout most of 2015. In his recollections of the struggle with the Troika, and especially the German Ministry of Finance, he notes how the idea of the Greeks as lazy grasshoppers and the northern Europeans as productive ants, had permeated from the media to his political opposition⁶. In his experience, the moralizing fable became a political narrative, which he had to face during his tenure.

The conflict seems complex and difficult to understand for a layman, especially if one does not possess the merits to judge the economic sanity of the policies or the juridical knowledge to qualify an opinion on the legislative proposals to Greece. How are we to make sense of a debt crisis, where the cure is more loans, where some of the world’s leading economists criticize it for being counter-productive and where one of the central actors of the Troika, the IMF, repeatedly has insisted on the necessity for debt relief?⁷

Perhaps, the fact that the narrative of the grasshopper and the ant prevails indicates an important point. Seemingly, the unfolding of the struggle between the Troika and Greece revolves around more than economic science and European law. Moralization, it appears, accompanies economic discourse, in the present struggle. If we listen to the former chairman of the Economic Council in Denmark, Christen Sørensen, this should not surprise. Morality and political convictions, he argues, weigh in heavier than the numbers, when it comes to economic debates⁸. Similarly, Ute Tellman points out that the concept of debt bridges economic and moral discourse and constructs the debtor as a failure in both⁹. Going one step further, economist Tomas Sedlacek, argues that it is not only debt, but all economic matters that are inherently normative and moral in nature¹⁰.

With these insights, present thesis wants to distinguish itself from the analytics of the fields of economics and law and instead focus on the role of power in the so-called debt crisis. One can, easily, find multiple economic analyses of the causes behind and the possible solutions to the crisis. To distinguish present thesis from these does not imply that they are inferior in any way. The point is rather to investigate how the story of debt changes, when it is not written with numbers, but explored with different concepts of power. What the thesis strives to do, then, is to come closer

to an understanding of the way in which debt and indebtedness are constructed and used as governmental techniques in the ongoing struggle between the Troika and Greece.

This curiosity has led me to pose the following problem formulation and research questions.

1.1

PROBLEM FORMULATION AND RESEARCH QUESTIONS

- How do the strategies of the Troika construct and act in relation to debt?

By asking a 'how' question the thesis seeks to focus closely on both the *practice* and *planning* of government. This means that the question will be addressed at the level of thought, meaning that the documents, which were published by the institutions of the Troika, will be investigated. The problem formulation will be sought addressed by unfolding it in three stages, each corresponding to a research question.

- How has the Troika been resisted in Greece?

By employing the idea that relations of power become visible in the resistance against them, the forms and faces of resistance will be investigated first. The insights gathered here, tells us where to

look and sharpen our focus for the following chapters.

- What is the institutional framework of the debt crisis?

As the previous chapter activates questions of struggles concerning national sovereignty and the supranational government of international institutions, the thesis investigates how the institutional framework influences the field of possibilities in the debt crisis.

- How is Greece being governed in relation to debt?

Having positioned the current struggle within a locus of very different relations of power, the thesis will zoom in on how the Troika seeks to govern in Greece. In doing so, the various techniques, expertise and images will be investigated, in relation to attempts to facilitate certain types of behavior and subjectivities.

1.2

THESIS DESIGN

The thesis will be divided up into nine chapters, structured in the following way:

QUESTIONING DEBT introduces the problematic in question and how it will be questioned.

STUDYING DEBT seeks to explain the overall analytical strategy of the thesis. In doing so, it presents how we can think of both ontology and epistemology, while employing the concept of the 2nd order observation.

BETWEEN GOVERNMENT AND REIGN explains the specific concepts employed throughout the analysis. Where the previous chapter explained how and with what consequences we can utilize 2nd order observations, this chapter present the concepts necessary to do so.

RESISTANCE takes the first analytical steps and traces the various oppositions to the initiatives from the Troika. This means that the resistance, both politically and through protests, will be analyzed in order to prepare the exact focus in two following chapters.

MONETARY ORDERS follows the themes uncovered in the previous chapter and seeks to investigate the way in which supranational governance and sovereign institutions frames the possibilities of both the Troika and Greece in the present struggle, through the construction of orders.

GOVERNING IN PRACTICE zooms in on the exact governmental activities and rationalities of the three institutions of the Troika. At this point, both the themes of resistance and the specific roles of the involved institutions have been analyzed, which sets the scene for a closer look at the governmental activities.

CONCLUSION addresses the problem formulation briefly and to the point.

AFTERTHOUGHTS is the last *real* chapter of the thesis and includes the reflections, which are important to both the academic ambitions of the report and to the topic in question, while not being a strict answer to the problem of the thesis.

REFERENCES compile the collected literature, used in the thesis.

¹ Sørensen 2015: 9

² European Commission 2010

³ Politiken 2015a

⁴ Politiken 2015b

⁵ The New York Times 2015

⁶ Varoufakis 2016: 5

⁷ Information 2015

⁸ Sørensen 2015: 74

⁹ Tellmann 2015: 27

¹⁰ Sedlcek 2011: 6

2

STUDYING DEBT

HERE, THE RELATIONSHIP BETWEEN THE OBSERVATIONS, CONCEPTS AND THE CONDUCT OF ANALYSIS WILL BE EXPLORED

If we regard the introductory and methodological chapters of a thesis as a set of question in need of an answer, then the questions of what to study and why it is relevant today as a governmental topic has already been answered. But before actually investigating the relation between government and debt and between Greece and the Troika, the question of how it is going to be studied and observed is still in need of an answer. This is the aim of both the present and the next chapter. This chapter introduces some very general thoughts upon analytical strategy and observations, while also investigating the relation between concepts and analysis. The next chapter will then take a closer look at the specific concepts.

2.1

OBSERVING WITH CONCEPTS AND MULTIPLE ONTOLOGIES

The concept of *analytical strategy* will serve as an overall framework for the reflections upon the conduct of analysis, although it will be used with several considerations and reservations. It is primarily Niels Åkerstrøm Andersen's interpretation of the term that will be employed, as he strives to create a general analytical approach that draws upon but also transcends, various discourse theories. Generally, working with analytical strategies can be defined negatively as a break with, at least to some extent, traditional questions of methodology. Instead of having a coherent philosophy of social science, that formally addresses the relation between reality and knowledge, it proposes that we focus solely on the level of communication and

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knowledge, i.e. on epistemology and the way in which we observe¹.

A simple way of comprehending this is with a distinction between ontological based research and an epistemological way of questioning. The former is essentialist in that it investigates, whether or not a certain production of knowledge is true or false and whether it corresponds to or adequately represents a given reality. In other words, the inquiries concern the essence of things and their scientific representation. In the case of epistemological science, the perspective is anti-essentialist as it observes the way in which meaning and knowledge appears e.g. under what circumstances, with what aims and with reference to what knowledge etc. Thus, the observer is displaced from observing reality itself to observing how other actors observe and constructs reality. In the language of Luhmann, this practice of *observing observations* as *observations* is called *2nd order observations*².

This displacement or shift in attention is grounded in a diagnosis of the contemporary, where it can be witnessed that government bodies, NGOs, councils, think tanks etc. are all generating knowledge, producing discourses and in various ways constructing meaning. This attests to a situation where the researcher no longer, if it ever was the case, has a monopoly on the construction and

production of knowledge and meaning, and thus should become increasingly attentive to how other actors engage in this very process.

Drawing upon Luhmanns work, Andersen then recommends that the researcher employ the notion of an *empty ontology*, meaning that the researcher does not presuppose the existence of the object of study³. This should not, however, be understood as a relativist - *everything goes* - attack on academia or the stringency of research, but rather as a reformulation of what it means to engage in scientific conduct. It is proposed that the researcher should acknowledge that analyzing and observing is always strategic in nature; hence the resulting conclusions are always shaped by the way in which the object of study is being constructed, observed and conditioned. The research remains scientific, not by presence of correspondence or representation of reality, but by transparency, precision and stringency of the program for analysis⁴. In this sense, the approach is by and large constructivist, in the epistemological sense of the word, maintaining that knowledge is to be regarded as a construct, which comes into being through observations and conceptualizations.

This, of course, has practical implications for the conduct of research. Here we can make two overall points. First, it changes the way in which we question. Instead of

asking 'what'-questions it asks 'how'-questions, meaning that it focuses on how a given phenomena, in this case debt, appears⁵. This means, that the questioning is neither ontological nor normative, as it does not ask what something really is or in what way something should be done. Secondly, this way of questioning displaces the role of critique, as it abandons any type of universal standards. Rather, the critical ethics of the research concerns an ongoing aim to dissolve both the self-evidence of truth and the belief in a universal platform for critique⁶. If we are to put it in the language of Foucault, which very much inspires the critical ethos of current report, we can regard the diagnosis itself as a meaningful activity⁷.

2.1.1 THE PROBLEMATICS OF OBSERVATIONS

As already mentioned, present thesis is written with several reservations in regard to the proposed employment of the concept of analytical strategy. Overall, the aim is to make the concept a little less Luhmannian and a bit more Foucaultian, and in doing so, forcing Bruno Latour to join ranks with the latter. Generally, it will be argued that the two following points should be addressed before the notion of analytical strategy is employed

- First the concept of the empty ontology. This concept appears problematic in that it declines the

existence of reality or at least its scientific importance. As a consequence of this, the status of the empirical archive becomes unclear and it could be argued that an approach that seeks to diminish the importance of ontology, does the opposite.

- Furthermore, the notion of the 2nd order observation, which problematic due to its radical distinction between observer and observed, which presupposes the vacuum of the observer.

These points, of course, are in need of elaboration. Starting with the empty ontology first problem arises. As Borchs reading of Luhmann displays, the notion of an empty ontology runs into trouble when we are simultaneously, as is the case in Luhmanns *systems theory*, working with 2nd order observations. The ambition of keeping the ontology completely empty falls short in that the 2nd order observation presupposes, among other things, the existence of other observations⁸. Whether or not this is the case is, naturally, dependent on the reading but even if the notion of 2nd order observations did not imply any presuppositions, it could still be argued, as it already has in the *weak thought* of Gianni Vattimo, that the certain refusal of reality, quite paradoxically, becomes an ontological statement as it regards what does or does not exist⁹. If we put this paradox into the present language of analytical strategies we can ask if not the idea of an empty ontology is just another

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observation and if not this observation disqualifies the necessity for empirical material and blurs its relation to the employment of concepts.

A deontological path may or may not be a possible substitute for an empty ontology, but for the present thesis is arguably not the most suitable. As William Rasch argues, the underlying ontology of Luhmann's work is the idea of a reality that is not just unknown but also unknowable¹⁰. The consequence of this is a clear distinction between, on the one hand, knowledge, which is regarded as constructed and, on the other, the real reality, which is doomed to stay external to our scientific endeavors. In this sense, the ontology that we are to disregard takes character of some sort of realism and the radical constructivism does not seem to permeate from the epistemological level to the ontological. Present thesis aims at being as empirically sensitive throughout the analysis as possible. Surprises should be a possibility. If we are to remain open and respectful to the empirical reality, under study, it can be argued that the working conception of a completely empty ontology is not ideal, as it is based on an a priori refusal of observations of ontological character. Without this possibility we may struggle to grasp the theoretical disputes between various thinkers of the social sciences, which continuously argue to find common ground in their theorizations. Even the shift from structuralism to post-structuralism,

with which this thesis is loosely inspired, may be considered as grounded in ontological and metaphysical shifts¹¹. Furthermore, as the analysis concerns, in part, the relation between power and knowledge, it might seem headless to, at the very least, not entertain the possibility of an ontological dimension of this knowledge.

This point leads us to the notion of the 2nd order observation. The first problem of this theory of observation regards the difference between the 1st and the 2nd order. Boiled down, it is proposed that the researcher, observing at the 2nd order can see that he cannot see what he cannot see, whereas the observed observations believes the observations to be all there is to see. Thus, a higher level of reflexivity is ascribed to the 2nd order observer¹². In general, this point appears problematic within the context of the empty ontology, as we are again facing some concrete presuppositions within a framework that claims not too. Even more so, the point appears particularly problematic, when we recognize that we, as a part of the study of power, have to study research done by various institutions and experts. If our analytical strategy is not capable of coping with such instances, it would perhaps be fair to characterize it as fairly one-eyed, despite its self-ascribed reflexivity.

The second problematic regarding the 2nd order observation concerns the way in which it

appears in a vacuum. We observe an observation, period, which may not satisfy the need for context. As Dean has argued, economies of visibility are closely related to economies of power. Thus, the study of power must undertake observations of what becomes visible and what may not¹³. The point, here, is not to destabilize the framework of the analytical strategy. Rather, by engaging in dialogue with the concepts, we can stay loyal to the ethos of conceptual awareness and reinforce the strategy as a result. The proposed fortifications can be summarized in two main points:

- First, an idea of ontological multiplicity as a way of heightening the empirical sensitivity and radicalizing, rather than abandoning, the 2nd order observation.
- Secondly the introduction of a presence of uncertainty and contingency, the purpose of which is to minimize the role of a priori finalities.

2.1.2 ONTOLOGIES EVERYWHERE

Starting with the question of integrating the notion of multiple ontologies within a framework that prioritizes epistemological questions, it appears that we can bring the terms further together. Bruno Latour is an example of how the idea of constructivism can permeate both the level of epistemology as well as ontology¹⁴. He breaks with the distinction between *real*

and *constructed*, blowing up the barriers between ontology and epistemology¹⁵, a position labeled as *realistic constructivism*¹⁶. This idea is not without resemblance to the works of Foucault, who on the one side is associated with discursive and epistemological reasoning, but on the other argues that his object of study is still very real. As an example, he argues that to study problematizations means to study the reaction to something, which is real; a rendering of something very real as problematic¹⁷. Here we can reformulate the focus on surfaces and appearances; it is no longer the study of observations without reference to reality, but instead observations of manifestations of and parts of reality, constructed and real at the same time.

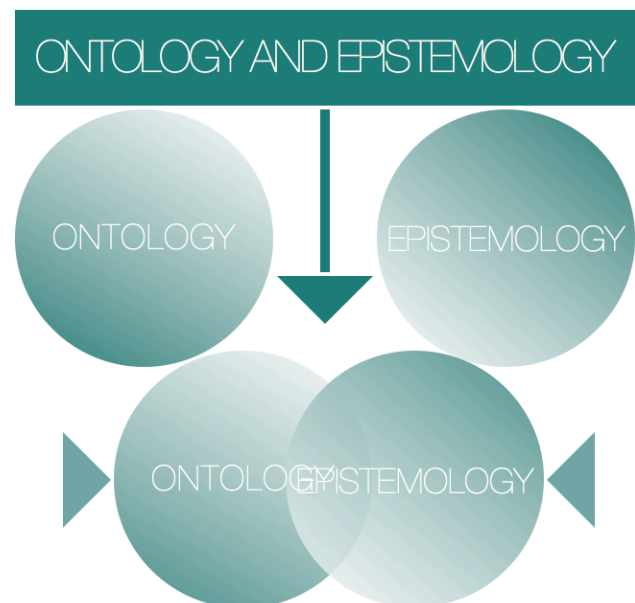


FIGURE 1, THE INTERLACING OF ONTOLOGY AND EPISTEMOLOGY

In this sense, the notion of ontology is re-introduced, in a non-essentialist form,

creating an overlap between ontology and epistemology.

Latour raises another point, concerning ontologies, that is of interest here. For him, the actors studied are not radically different from the researcher. They too can produce theories, context, observations, concepts and ontologies¹⁸. What this means is that we become unable to claim any radical and a priori difference between observer and observed. If we do, he argues, we may become indifferent to reality if we do not analyze the creative potential of the actor¹⁹. This idea broadens our observational perspective as we *become able to observe observations as observations but also as activities, facts, beliefs, ontologies or theories*.

What is proposed here is a radicalization of the argument of the 2nd order observation and not a break with it; namely to take seriously the observations of the involved actors, when they are not observing their observations as observations. As we take serious the content of the observation, whether it claims to be theoretical, ontological or something completely else, we broaden the scope of the observation in another way. When we remain attentive to the observation or communication as something real, and not just a coating of reality, we can become aware of how the content of a given statement or observed observation transcends itself or receives its own life. An example of this is how Malthus' description of an ontological scarcity, becomes fundamental for economic science and in this sense, receives its own life.²⁰. Sure, the observations are still observations, but simultaneously they become something more and receive their own life as they circulate as theories ontologies, knowledge or whatever we may call it. This is an important point for the present thesis, as it concerns itself with terms such as assemblages, regimes of practices, diagrams, videos and dispositifs, which are indeed observations but also objects, relations of power and discourses, which are shared, employed, viewed and circulated. The thesis could not hope to grasp and observe these, if it did not, from its point of departure, remain open and



FIGURE 2, RADICALIZATION OF THE 2nd ORDER OBSERVATION

aware of both the circulation and realness of observations.

A last point in this context regards the idea of empirical material. As already stated, the status of empirical material becomes blurry if we claim that reality cannot enter into knowledge. Why do we need it, if it has nothing to do with reality? With realistic constructivism, we can argue that the empirical archive is constructed. However, where the archive, as a whole, is of course gathered and in a sense constructed by the researcher, other actors construct the specific documents, articles and reports. Thus, we can argue that it is important to research and analyze these documents, because they tell us something about the specific conduct or the specific thought, involved in the governmental practices and furthermore that these documents react to other very real practices. Thus, the quality of the truth-production depends on our ability to reference, link, cite, analyze, observe and discuss other actors' production of reality. In this sense, the distance of the 2nd order is maintained, while it includes the material dimension of power and government²¹. With this understanding, there is no bulletproof distinction between the employed concepts of power and the empirical material. Rather, the distinction lies in their specific employment.

2.1.3 STAYING UNCERTAIN

As briefly mentioned above, Vattimo warns us that we may commit an own goal if we, with certainty, dismiss the existence of reality and metaphysics, as this very argument itself becomes metaphysical. His warning does not lead us back to any form of realism, empiricism or positivism but rather introduces the notion of *uncertainty* in academia. The role of uncertainty, can take different forms as pragmatics, ongoing conceptualizations, reflexivity, contingency and openness. These faces of uncertainty, plays well with the above idea of reality as something, which is constantly being produced by a multiplicity of actors. Thus, with Rorty's formulation of contingency as, existence devoid of necessity and intrinsic nature we can think of the multiple ontologies as malleable, ever changing, historical and contingent²².

In a way, the idea of uncertainty also pervades in Andersen's outline of the analytical strategic approach. The researcher must acknowledge that the conduct of analysis is essentially *strategic*, meaning that we must recognize that our truths are always a result of our perspectives²³. With this claim, truth becomes not only perspectivist but also almost personal or parrhesiastic, in the Foucaultian sense, as truth established as a personal relationship between the speaker and what he says. Truth is only and always his truth, which he has to make explicit throughout his discourse²⁴. This is an interesting coincidence as it, for both the

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parrhesiastes and for the practitioner of analytical strategies, becomes indispensable to say only what he knows and what he can see from his perspective.

If we take seriously the presence of uncertainty and contingency, it becomes problematic that the 2nd order observation is *theory* for observation and is thus build around some rather rigid presuppositions regarding the observer and the observed – as we have already seen. The problem with rigid programmes for observations is that we may never enter into the kind of dialogue with our concepts that the framework encourages. With Foucault, we can launch a critique of the utilization of theories, as they, at least according to him, theorizes the object of study prior to analysis, hence it cannot be the basis of an analytics. Instead, he argues, we must strive for an *ongoing conceptualization*, which we can understand as an analytical presence of uncertainty²⁵. Put simpler we can say that as a foundation for an analytics we need questions, not answers, where theories, offers too many of the latter. While we still maintain the epistemological distance between observer and observed, we have to abandon the uncompromising difference of reflexivity between them and substitute it with and a priori uncertainty of what and whom we are observing and the degree to which they are reflexive of the nature of their observations. In this sense we can stay uncertain, meaning open and

aware, until the actual analysis has been undertaken.

Another, point that has to be clarified here, regards the relation between concepts and analysis. Often, this relation is either described as deductive or inductive, meaning going from either theory confirmation or falsification or from observations to theory. Both approaches shares a certain and direct approach from observation to conclusion. With the idea of uncertainty, we can proceed in a third direction, loosely associated with abductive reasoning and pragmatism, as it aims for an ongoing pendulation between conceptualization and observations²⁶²⁷. In this sense the thesis hopes to echo an ethos found in both Foucault, as we have already seen, and later in Dean, where the purpose is not to stretch already existing theories upon new empirical domains, but rather borrow, fashion and refashion concepts²⁸. We can imagine this process in the following way, as an ongoing reflexive process of going back and forth.



FIGURE 3, THE PRAGMATICS OF ANALYSIS

Summing up, the thesis adopts the approach associated with the term analytical strategy, but with reservations, which changes bits and pieces in the

approach, but stays loyal to the critical ethos of conceptual engagement. It seeks to focus on the ways in which things emerges, processes of becoming. It does so by observing observations. However, instead of doing this with the idea of an empty ontology, the notion of multiple ontologies is employed. By bridging and overlapping the domains of epistemology and ontology, we are able to ascribe to the observed actors a higher degree of rationality, meaning that that observations are not only observed as observations but also as processes of ontologization, conceptualization and becoming. It seeks to adopt the general notion of analytical and conceptual awareness that aims at analytical sensitivity and openness, the role of uncertainty. The purpose of doing so is to limit and decrease the extent to which a priori arguments limit our analytical flexibilities. This means that the thesis will not buy into the theoretical distinction between observer and observed but rather keep this question open as an analytical matter. These are the radicalizations of the 2nd order observation, that overall leads to a stance that aims at pushing as many points as possible from the domain of theory to that of analysis.

⁷ Raffnsøe, Gudman-Høyer and Thaning 2009: 322

⁸ Borch 2011: 55

⁹ Vattimo 2005: 15

¹⁰ Rasch 2013: 39

¹¹ Esmark, A., Laustsen, C. B. and Andersen, N. Å. 2005: 13

¹² Andersen 1999: 14

¹³ Dean 2012b: 109

¹⁴ Delanty 2005: 143

¹⁵ Latour 2008: 114

¹⁶ Ratner 2013: 52

¹⁷ Foucault 2011: 172

¹⁸ Latour 2008: 176

¹⁹ Latour 2008: 141

²⁰ Dean 2015a: 5ff

²¹ Dean 2010: 41

²² Rorty 1989: 8f

²³ Andersen 1999: 14

²⁴ Foucault 2011: 12

²⁵ Foucault 1982: 209

²⁶ Bryman 2008: 10

²⁷ Delanty and Strydom (ed.) 2003: 5

²⁸ Dean 2010: 12

¹ Andersen 1999: 13ff

² Andersen 1999: 109

³ Andersen 1999: 19

⁴ Andersen 1999: 14f

⁵ Andersen 1999: 13

⁶ Andersen 1999: 20

3 ON GOVERNMENT AND REIGN

THIS CHAPTER INTRODUCES THE CONCEPTS THAT WILL BE REFLECTED WITH THROUGHOUT THE ANALYSIS

Having introduced the general approach to the conduct of analysis and the specific role of concepts herein, the frame has now been laid out for the presentation of the specific concepts. Generally, present thesis is situated in the wake of various meditations on power and government. More specifically, the influence stems primarily from Michel Foucault's various contributions to the analytics of power, in the 1970's and 80's, Giorgio Agamben's later remarks and revisions to said analytics and Mitchell Deans framework for the study of governmentality and especially his contributions to the understanding of the *signature* of power. Bruno Latour's proposed guidelines for the study of objects and so-called *black boxes*, could have been included as well. However, it has been judged that these should rather find their way to the analysis as loose reflections, and not as primary concepts, hence their subordination to the central concepts of power. Perhaps unsurprisingly,

but still in need of mentioning, the complete oeuvre of the mentioned authors will not be presented. The usage here is first and foremost instrumental; only the concepts relevant to this study will be included. For the sake of overview, this third chapter is divided into two parts; the first concerns the distinctions of power and how sovereignty has to be (re)introduced herein, where the second part seeks to make this distinction analytically operable.

3.1

THE OSCILLATIONS OF POWER

A good place to start is with the concept of power. What do we mean when we talk about power? Of course, the answers are as plural as there are thinkers, if not even more so; Foucault, for example, is (in)famous for changing his analytics of power, over and over again. There is more than one Foucault, the saying goes¹. The

same goes for Agamben, who pendulates between different conceptions power². If we are to remain analytically sensitive, we have to work with a conception of power, broad enough to fit in these various definitions. For this very reason, Deans framework for the conceptualization of power, will be adopted. Witnessing how power, within the social sciences, has been conceptualized in many different ways, Dean argues that power is marked by an excess, its *signature*, that makes it oscillate back and forth bewteen two poles³. Thus, there is no essence to power, a view that goes very well in hand with the anti-essentialist approach of the thesis. For this reason we should try to map out the relations and architecture between the many faces of power instead of continuning the futile task of trying to grasp its essence⁴. These two poles, at least in contemporary thought can generally be said to be those of sovereignty and government⁵.

Roughly, these corresponds to the two political paradigms that has been identified by Agamben as structuring much of Western thought, political theology and economic theology. The first being the paradigm of transcendence, sovereignty and monarchic rule, derived from the single God and the second being the paradigm of *oikonomia*, a network-like immanent ordering, where economic power replaces and disperses the singularity of God⁷. Furthermore, these two paradigms or poles can again be further differentiated, as both government and sovereignty has a immanent and a transcendent dimension. This is the relation displayed in the figure below.

The fruitfulness of an analytical strategy that keeps in play the possibility of the co-existence of different conceptions of power is that it allows us to question the way in which different actors describe, construct or resist relations of power.

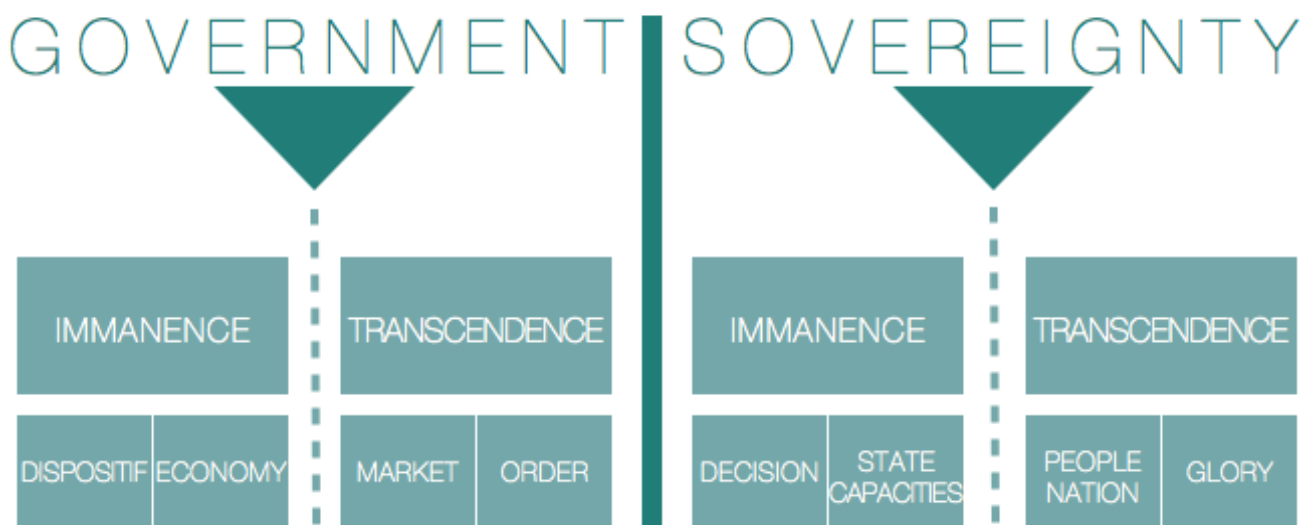


FIGURE 4 – THE DISTINCTIONS OF POWER⁶

As was the case for Foucaults acceptance of liberalism's self-description as critique of

both state and sovereignty, becoming inattentive to the duality or multiplicity of concepts of power, may blind us to its narratives and self-descriptions⁸.

To work with such a differentiated conceptualization of power allow us to come close to the empirical reality, that we are to analyse. Without an a priori disregard for either sovereignty, as has often been the case within recent developments of the thinking on power, or managerial power, we can become increasingly aware of its various faces. In this sense, the signature can work as a prism, rendering visible and intelligible the many different forms of power, that might else have appeared uniform or blurred together.

If we are to play the devils advocate, we could ask if this is not just a new theory of power, which soon will be replaced by yet another. However, such a critique would be misguided. The point here is not to mark an universality or finality in the study of power, but rather to remain aware of its ongoing conceptualizations and oscillations. Thus, the point is not to state that all forms of power is marked by a signature, but rather that this perspective allows us to observe their interrelations⁹. Or to put it in another way: the goal is not to escape the signature of power, to avoid the constant oscillation¹⁰. Instead the signature allows us to become aware of the analytical

possibilities that emerge when we acknowledge the oscillations of power.

3.1.1 NETWORKS, IMMANENCE AND GOVERNMENT

Going more in depth with the two poles of power, the pole of government seems a fitting place to start. The analytics of the governmental power is largely associated with the works of the french philosopher, Michel Foucault. A current that flows through much of his work is the dictum that we have to cut off the head of the king¹¹. What this means is that Foucault proposes a grid of decipherment that does not adopt the sovereign or monarchic model of power, but rather renders relations of power intelligible with reference to its exercise, the way in which it is thought, its aims, objectives and the way in which it has been resisted¹². Thus, instead of locating a single person, office, ministry or position as the single ruler or governor, he stresses that power is relational. Cutting the head of the king, is an analytical point, meaning that we should not try to find a single ruler or puppet-master behind the galleries of government.

Even though this is an important and somewhat permeating feature of Foucaults ongoing thoughts on power, it may ascribes to him more coherence than he deserves, hence it does not satisfy our current ambitions; if we are to grasp his contributions, within the framework of

bipolar and oscillating power, we have to recognize that he conceptualized power *under the shadow of the sovereign*. This means his various contributions to the ongoing conceptualizations of power, e.g. governmentality, biopower and pastoral power, are all marked in opposition to the epochally outdated sovereignty, but not properly and clearly distinguishable and separable in their positivity¹³. The reason for this, can perhaps partly be located in his *experimental ethos*, which contributes to this very productive and creative thinking on power, which also effects, for better or worse, instances of conceptual unclarity. Having this in mind, we can discern an increasing awareness that we respectfully have to move beyond his meditations on power¹⁴. However, it could be argued that this is not a disloyalty to his works and efforts but rather a critical loyalty, as we take upon us the ethos of ongoing conceptual refinements.

The above reservation are not meant as a critique, so grave that we have to abandon Foucaults contributions to the conceptualization of power. The point is to reformulate the role of government, within a framework that allows for the presence of more than just immanent relational power. Thus, Foucaults concept of governmentality – and Deans analytics of government – should not be abandoned, but rather supplemented and buttressed; the task of analysing the rationalities, aims, technologies, subjectivations and

problematizations of government is still a relevant academic task¹⁵. This means two things; first that we have to recognize the synchronic co-presence of government and sovereignty and secondly, that we have to understand the transcendent and the immanent side of both of these concepts.

This movement allows us to recognize the different functions and faces of immanent, governmental and managerial power. The immanent side of government is, as is already introduced, the way in which power refers and relates to other actors, to knowledge, to different aims, produces subjects, the way in which it is assembled in dispositifs, networks and economies of power. Although the specificity of the dispositif can and will be debated later in the thesis, it may be useful for now to characterize it as an apparatus, an arrangement or a grouping. The dispositif is to be understood as a grid or network of relations between heterogenous elements such as discourses, laws, institutions, architecture and both the said and unsaid¹⁶. In other words, the immanent dimension of governmental power refers to these kinds of assemblages, where power functions through relations between heterogenous elements.

However, none of these points on the economies and dispositifs of power are new. A place where we can identify new analytical terrain, with the signature of

power, is at the transcendental dimension of government. In this territory we become aware of the construction and functioning of the concept of *order*. The specific configuration of order depends on the type of government in question; in providential government we may find a divine order invoked and in liberal government we may recognize the construction of orders of market and competition. In the case, where economies of power function by creating orders, that they govern in accordance to, a paradoxical figure appears; they create the orders that they may claim to be the very legitimacy, necessity and foundation of government¹⁷. Thus, the concept bridges immanence and transcendence, on the side of government. It allows for a passage from constituting to constituted power, in the sense that it opens the question of government in the relation to a creation or ordering i.e. if there was no one establish the kingdom, there would be no kingdom to govern¹⁸. Adding order to the analytics of government, helps us recognize its transcendent side where principles of orderings appears to be less economic and beyond the specific interactions.

In summary, we can conceive of government as functioning on interplay between immanent and transcendent forms of power, while still remaining predominantly immanent. Government is still very much characterized by the shaping of subjectivities, production of knowledge but it is also simultaneously producing the

very orders that it claims to govern in accordance with. In studying government, then, we are to be aware of both the occasions where it relates to closed and connected *economies* of power and the instances where it constructs and governs in accordance with notions of *orders*, beyond these economies.

3.1.2 AUTONOMY, SOVEREIGNTY AND TRANSCENDENCE

This leaves us with the other pole of power, that of sovereignty, to conceptualize. In doing so, we should be aware not to repeat the mistakes that made Foucault write in such strong opposition to the term, namely to accept the liberal imagery of sovereignty as an omnipresent Leviathan. Instead we have to close in on the specific functioning of reign and conceptualize its characteristics. As was seen above, government is characterized by several features such as the production of subjects and drawing upon knowledge. The question then remains if there is a similar set of features, which enables us to recognize sovereignty.

First of all, remembering Foucault's famous dictum to cut off the head of the king, we can launch into a main analytical gain of revitalizing the notion of sovereign power. The resurrection of the king follows an analytical move where the *how* of power is supplemented with a *who*. So if we hear the echo of Foucault's call for a beheading,

we may just have to ask the headsman to take the victims head off the block. Who judges and who decides are central questions, even though they can be answered in a broader sense than Foucault perhaps would have imagined. Thus, these questions can not only be answered with the single omnipotent ruler, but also with the public or the people¹⁹.

If we start with the transcendent side of sovereignty we are confronted with topics such as glory, nation, acclamation and people. Their relation to sovereignty has been investigated by both Carl Schmitt and Giorgio Agamben. The former investigating the role of the public and the people within parliamentary democracy and the latter investigating acclamation and glory. Starting with Agamben, one of his central questions from more recent works has been the question of *why does power need glory*²⁰? Here, Agamben confronts us with the image of *the empty throne* as the symbol of glory²¹. The throne is to be regarded as essentially inoperative, sabbatical, empty and void, hence in need of cover or coating²². This is the very role of glorification and acclamation, which has the empty throne as their target. Instead of being a fruitless and useless symbol of sovereignty, its function as void facilitates the process of glorification, which in turn constitutes sovereignty and the operability and functioning of power²³. In other words: we can regard the role of glorification as a role of nourishment to sovereign power. Or

putting it in the vocabulary of Agamben we can call it the *fuel* of the machinery of power²⁴.

The practices of acclamation and glorification are linked to the concepts of people and nation as, following the argumentation of Schmitt, we cannot have the latter without the former, and neither without acclamation²⁵. Thus, the practices of acclamation and glorification not only constitutes the operability of reign but also the very foundation of people and nation. Schmitt points to a paradoxical figure, in his dissection of the principles of parliamentary democracy; the will of the people, on which future politics is to be grounded, is formed by the very political power, which it claims to found²⁶. In this sense, the paradox allows for an operability of power, where the people and its associated publicness becomes integral. The exercise of power is founded in this transcendent notion of a people or a public, which renders the reign legitimate²⁷. We can argue, here, that the who-question is important, as it can target those who seeks to render the people or their will, in specific ways. Thus, the analysis of relations of power should not be blind to practices of glorification and publicity, as it allows us to zoom in on issues of representation and legitimacy of the people.

On the immanent side of sovereign power, we can identify some quite different

characteristics. Here we can trace the capacities specific to the state, including sovereign decisions and what we generally can label as sovereign practices. From Schmitt we have established the link between sovereignty and a quite radical decisionism, in his famous dictum that the sovereign is the one who decides upon the exception²⁸. Taking with us the link between decision and sovereignty, while simultaneously ridding ourselves of the imagery of sovereignty as all-encompassing and ubiquitous, we can re-think the practices of sovereignty. Dean points to three characteristics, which are central to the operations of sovereignty. The first characteristic is that sovereignty can be **DELEGATED**. Instead of rendering sovereignty as ultimate, we can regard it as being assigned. Sovereignty thus functions within specific orders, territories or fields, by being delegated to specific actors. Secondly, sovereignty can be **ARROGATED**. Thus, sovereignty can be claimed and overridden as in the case of, say, emergencies and exceptional situations. Here, the link to decisions is particularly evident, as the decision upon the constitution of exceptions allows for the possibility of the arrogation of sovereignty. A final characteristic of the practices of sovereignty is **ABROGATION** and **DEROGATION**. That sovereignty can be canceled, annulled and diminished comes to the fore in situations where laws are revoked and in instances where

monopolies of, say, taxation or violence, simply does not apply²⁹.

Instead of declining the relevance of the study of sovereignty, by reference to either epochal arguments, i.e. sovereign power does not exist anymore, or arguments of immanence, i.e. the claim that power only functions through closed dependent economies, the practices of sovereignty can become empirically traceable with the above characteristics.

At this point we can summarize the concept of sovereign autonomous power with reference to its two sub-dimension. On the side of transcendence sovereignty, we are confronted with an analytical importance of an awareness towards glory, acclamation and processes of publicity. Opposite, we can identify the immanent dimension of reign, by tracing the practices of sovereignty. Thus, the actions of delegation, arrogation and abrogation becomes analytically significant, as they open up a dissection of sovereignty.

3.2

PUTTING POWER INTO PLAY

The above meditations on the oscillations, distinctions and faces of power are of course in need of some sort of analytical programme of observations. How do they influence our observations and how do we

trace and recognize them throughout analysis? In the previous chapter, the role of the concepts was presented; concepts are employed with uncertainty, in the sense that they are included to facilitate a pragmatic process of going back and forth between already existing ideas of power and the empirical findings that they facilitate. Having introduced the concepts on their own, it is time to map out their analytical role. The analytical strategy aims at being able to dissect and distinguish between reign and government. It does so by doing two things; first adopting the framework called the analytics of government, created by Mitchell Dean and secondly by supplementing this framework with a transcendent and sovereign dimension. These are then meant to shape the observations throughout the analysis.

3.2.1 THE ANALYTICS OF GOVERNMENT AND BEYOND

Mitchell Dean has put the immanent governmental forms of power into operation with his *analytics of government*. As already mentioned, the analytics of government or governmentality, was not in need of abandonment, but rather in need of supplementary domains of power. This framework for analyzing power can be regarded as compatible with the general approach of the thesis, in that it is epistemological, in the sense of prioritizing how-questions³⁰. Here, this type of

questioning brings the researcher close to the *rationality* or *thought* of government; how is it thought, how is it practiced and what happens when it is conducted a given way? It positions the analysis at the level of the productions of appearances, and takes these seriously, which differs from realist analyses that seek to reveal the falsehood of, say, ideologies or propaganda³¹. Furthermore, it shares the critical ambitions of Andersens presentations of analytical strategies, as the analytics does not have any ambitions of a critique based on universal norms or prescriptions for the *right, true* or *just* design of the world³². This leads to a break with ideas of the production of absolutist truths and rather aims for intelligibility and clarity³³. Thus, it seems compatible with the general propositions regarding the design of analytical strategies

The analytics of government can be understood as the study of governmentality. The term governmentality covers two associated but different conceptions: first, we have governmentality as a historical delimited form of power, in the works of Michel Foucault. Here, it is linked to the invention of the economy and the population as targets for governmental techniques. It is thus epochal in that governmentality replaces sovereign and disciplinary power, by targeting the optimization of the subjects that it renders governable³⁴. The second conception, which is the one who will be followed here,

is broader in that it does not limit governmentality to a specific historical context. Instead governmentality is a concept entailing mentalities and rationalities of government. Conduct of conduct is another way of describing governmentality, in that it both seeks to shape the behavior of others and the way in which they behave themselves. The premise is that human activity is rendered as governable, not in the sense that the outcome of government can be predicted and controlled completely, but in the sense that change, shaping and influence, is indeed possible³⁵.

This second understanding can be studied by invoking the term of *regimes of practices*, meaning the way in which we are both governed and governing ourselves. Government is here regarded as an art, relying on expertise, techniques, thought, calculations and programmes³⁶. In general, regimes of practices can be studied along four equally important dimensions. However, before introducing these, it should be noted that problematizations are at the heart of architectonics of the analytics of government. Thus, one has to ask why, how and for whom a problem is rendered problematic and how the government is thought to be a solution³⁷. This argument goes hand-in-hand with the analytical strategic displacement of critique, away from universal standards. Paraphrasing Foucault we could say that everything is not *bad*, but *dangerous*,

hence we are not to write the history of solutions but of problematizations³⁸. For Foucault, the question of problematization renders intelligible the way in which problems and interventions are simultaneously constructed and acted upon³⁹. Governmentality is in this sense always imbued with both problematization and an almost utopian telos, where government is really thought to be effective⁴⁰. In this sense, then, we can say that governmentality exists in a continuum between problematization and telos. In other words, we can say that the intelligibility of governmentality appears when start to grasp the interwoven nature of the problems it seeks to intervene in, and the specific aims it hopes to actualize. This idea is not situated analytically as a separate dimension, but will rather permeate them in present thesis.

- The first dimension is baptized **FIELDS OF VISIBILITY**. Generally, this dimension concerns the visual side of government, including question of visibility, such as, what is hidden and what is brought to the front. The purpose of asking such questions is to map out how the activity of government relies on pictures, diagrams, flow chart, graphs etc. in order to investigate how they are given a visual role. Furthermore this dimension also includes the analysis of what is rendered as visible by the given governmental practice, in order to

grasp the way in which different agents are constituted⁴¹.

- The second dimension is the **TECHNE OF GOVERNMENT**. The realization given by this dimension is that government is not only an abstract value-based activity and not an activity where the way in which it is thought can always be directly realized. Rather government draws upon technologies and mechanisms, that function as both conditions of possibility but also limiting factor of government⁴².
- Thirdly, we can discern the **EPISTEME OF GOVERNMENT**. This dimension brings attention to the rational aspects of the regime of practices. Here, government is regarded as rational, not in a technical sense, but meaning that government is relatively coherent and systematic, even though we can discern a polyphony of rationalities⁴³. Thus, it focuses on how government is thought and how actors, problems, objects, subjects etc. are rendered governable, while simultaneously analyzing the reflections upon what rationalities are thought to be favorable. The aim of doing so is to move from the analysis of the empirical realism of governmental activities and include the analysis of aims, visions, knowledge, programmes and know-how that it draws upon⁴⁴.
- Fourthly, we have the **FORMATION OF IDENTITIES**. This dimension focuses on both the forms of identity that techniques of government seeks to act

through and type of subjects that it aims to create. Focus, then, is both at the level of the ontology of the subject, i.e. what capacities do they have, how can they be altered and how do they respond to government, and at a normative level, i.e. what should the subject become and why⁴⁵. These processes, however, should not be regarded as deterministic in any way. After all, the condition for government is the presence of, even though sometime very limited, freedom⁴⁶. Rather, the formation of identities functions through facilitating and inspiring processes of identification⁴⁷.

- Lastly, we can now recall that government itself did rely on an internal splitting between immanent and transcendent power. The above dimensions rely primarily on the former. To include the transcendent side we can introduce **ORDERS OF GOVERNMENT**, as a fifth dimension. What is included here is the notion that immanent economic power may branch out into orders, which the economy of power claims as foundation, justification or legitimacy. In this sense, even though the orders are essentially immanent, as they bloom out from the governmental practices, they have a transcendent dimension as they claim to be autonomous or beyond these economies. In other words, the analysis should be open to instances of

governance constructing orders that it claims to abide.

3.2.2 ANALYZING SOVEREIGN PRACTICES

What we have not covered yet is the operationalization of the sovereign and autonomous side of power. What we want is to stick out some preliminary guidelines, characteristics and points for observations, that can help unfold the empirical reality of sovereignty. As Dean has noted, Agambens work on power is extremely hard to reproduce and apply. If we imagine the writings of Foucault as a toolbox, ready to use, we can picture Agambens writings as box of gems, brilliant but not as digestible⁴⁸. To say that we are entering uncharted terrain would be an exaggeration, but it seems reasonable to claim that we are indeed in deeper waters, than with the works of Foucault.

As already mentioned the characteristics of sovereignty includes decisions, both on the exception and more broadly, arrogation, delegation and abrogation. These terms will function as the main support in the analytical operationalization of sovereignty. However, the analytics of sovereignty is not as fleshed out as the analytical framework of governmentality. Even though above characteristics serves as a good starting point, we do not have the same guidelines to apply and we have to pave the way as

we go. In a sense, we can recall Agambens description of *the happy moment for the interpreter*; inevitably a situation arrives upon us where one has to leap from the text and continue on his own⁴⁹.

To put it metaphorically, we can say that, used, as we are, to analyze the immanent side of power, we are to sharpen our attention to the instances when it is not the choir but the soloist who sings. However, as we known from Schmitt, sovereignty is not only the practices of the sovereign but also the sovereignty of the people or the nation. Staying within a musical vocabulary, we can say that we are observing instances of *rubato*, the *robbing* of time; the situations where the usual pace of the composition is either dictated autonomously by the conductor, a soloist or the whole orchestra. Above we could discern five dimensions of governmentality, when it was combined with the transcendent dimension of government. Very much inspired by the writings of Dean, Agamben and Schmitt, we can operationalize sovereignty in the same, however more preliminary, way.

- With **PRACTICES OF GLORIFICATION**, we can start to analyze the ways in which sovereignty comes into being. Here, we can focus on the very specific practices of acclamation, glorification and praise. Who, how and through what practices, symbols and rituals are glorification undertaken? What

sovereign does the acclamation serve and which types of reign become possible as a consequence?

- Another dimension regards **PROCESSES OF PUBLICITY**. In this dimension the questions of what public, what people and perhaps even what nation, the practices of acclamation concerns. Focus is on the way in which something becomes public, through what practices and through what medias and platforms. The focuses is, almost like a funnel, directed at the processes of making the heterogeneity of the mass edible as an uniform will of the people or public opinion.
- Thirdly, and most directly associated with present thesis, we can also unfold the idea of **PRACTICES OF SOVEREIGNTY**. Here, we can start to put into play the three characteristics of arrogation, delegation and abrogation. With these, we can trace the sovereign acts and thus come closer analytically to the empirical reality of sovereignty. For the analysis of governmentality, the role of technologies served as both condition of possibility and limiting factor. Perhaps the concept of *techne* can also be included on the side of sovereignty, in the dimension of practices of sovereignty. Nodding in the direction of Latour, we can put into play the distinction between intermediaries and mediators; objects who directly transport meaning and objects who transforms meaning in the processes⁵⁰.

While focusing primarily on the former, both can be included in order to investigate the utilization of objects in the conduct of sovereignty. How does reign depend on certain assemblages or even technologies of black-boxing, where the specific input or output remains secret or at least not public. What type of sovereign practices becomes possible or impossible as a result? Here, we can think of, say, technologies of drones, enabling direct executions of orders and technologies of surveillance, which may, when they aim at police officers etc. hinder or limit sovereign practices of violence. Of course, this movement pulls the analysis of sovereignty in an immanent direction. However, the point here is not to position it on either the side of immanence or transcendence, but rather to keep their interplay open throughout the thesis as an analytical topic.

Summing up, the general meditations on the importance of 2nd order observations and conceptual awareness are operationalized in a general distinction between government and sovereignty, as a guiding analytical thread. These concepts are put to play analytically by employing the analytics of government and an analytics of decisions and sovereign practices. This framework conditions and shapes the distinctions with which the present thesis observes. The 2nd order

observations observe, shapes and constructs the empirical material, i.e. the relevant observations by other actors. This leads back to a conceptual awareness of the analytical applicability of the given concepts, which again shapes the utilization of concepts, the programme of observation etc. The continuous movement between concepts, observations, empirical material and reflections then drips of with analytical points as a result of this very movement.

¹ Raffnsøe, Gudman-Høyer and Thaning 2009: 10

² Dean 2013: 196

³ Dean 2013: 12

⁴ Dean 2013: 3

⁵ Dean 2013: 14

⁶ This model is heavily inspired by Mitchell Deans model on the Signature of Power

⁷ Agamben 2011: 1

⁸ Dean 2013: 230

⁹ Dean 2013: 14

¹⁰ Dean 2013: 233

¹¹ Foucault 1978: 89

¹² Foucault 1978: 95

¹³ Dean 2013: 95f

¹⁴ Dean 2015b: 15f

¹⁵ Dean 2013: 223

¹⁶ Raffnsøe, Gudman-Høyer and Thaning 2009: 217

¹⁷ Dean 2013: 224

¹⁸ Dean 2013: 184

¹⁹ Dean 2013: 194

²⁰ Agamben 2011: xii

²¹ Agamben 2011: 245

²² Dean 2013: 210f

²³ Dean 2012a: 152

²⁴ Agamben 2011: 246

²⁵ Agamben 2011: 172

²⁶ Schmitt 1988: 29

²⁷ Schmitt 1988: 30

²⁸ Schmitt 2009: 25

²⁹ Dean 2013: 223

³⁰ Dean 2010: 39

³¹ Dean 2010: 5

³² Dean 2010: 50

³³ Dean 2010: 33

³⁴ Dean 2010: 28ff

³⁵ Dean 2010: 18

³⁶ Dean 2010: 28

³⁷ Foucault 2001:171

³⁸ Foucault 1983: 231

³⁹ Foucault 1997: 118f

⁴⁰ Dean 2010: 44

⁴¹ Dean 2010: 41

⁴² Dean 2010: 42

⁴³ Dean 2010: 18f

⁴⁴ Dean 2010:42f

⁴⁵ Dean 2010: 43

⁴⁶ Dean 2010: 21

⁴⁷ Dean 2010: 44

⁴⁸ Dean 2013: 197

⁴⁹ Agamben 2009: 13

⁵⁰ Latour 2008: 62

4

RESISTANCE

AN EXPLORATION INTO THE TYPES OF RESISTANCE AGAINST THE TROIKA AND WHAT THESE TELLS US OF THE ATTEMPTS OF GOVERNMENT

*“Where there is power there is resistance”*¹. The quotation, stemming from Foucault, displays an important point regarding power; it always faces opposition and exists in a field of struggle. However, the expression, as we have seen from his latter remarks regarding his analytics of power, might benefit from a reversal; where there is resistance there is power. It is resistance, which acts as a catalyst, for the empirical analysis of power, in that it displays the immediate reaction towards the effects of power². In this sense, we can think of resistance as a prism, rendering the spectrum of power visible. It is exactly here the present thesis starts its analysis, with the first research question: *how has the Troika been resisted in Greece?* Addressing this question means to look at the way in which protests and resistance has functioned in Greece; against what

effects of power, towards what aims and against which institutions? In doing so, we start to sharpen our awareness of the employment and exercise of power, associated with the Troika, which enables us to undertake the latter analysis of their programme for government. In other words, the aim is not to write an exhaustive description of the various protests in Greece, for its own sake, but rather to briefly investigate what it is that the resistance seeks to resist.

4.1

THE ROLE OF PROTESTS

As we are to look closer at the role of resistance as an immediate reaction to the effects of power, the role of protests seems a fitting place to start. Again, the purpose here is not to create an exhaustive

description of the protest, their numbers or magnitudes, but rather how they come into being in the wake of political currents as a form of problematization.

4.1.1 OPPOSING AUSTERITY

During December 2009 the government of Greece, then headed by George Papandreou, from the Pan-Hellenic Socialist Movement PASOK, introduced an ambitious austerity scheme. Following a credit downgrade from both Fitch's and Standard & Poor's, the plan would reduce the amount of public employees, reduce the budgets for military expenditure and the health sector³. The result of this was strikes, backed by several trade unions, which sought to remind Papandreou of his statement that "*the rich should pay for the crisis*"⁴. Here, it might be going too far if we describe this as a class struggle. However, what we can do is to start to discern that the protest activates questions of responsibility, questions regarding who should and should not pay the price of the Greek deficit.

Even though the cutback on public spending were protested, the spring of 2010 followed with several austerity packages, ultimately leading up to the signing of the *First Economic Adjustment Programme* for Greece, which was made in cooperation with the EC, the ECB and the IMF, the Troika. During this period, Papandreou declared that he would make

certain that the budget deficit would be reduced from the current 12,7% to 3%, which is the allowed maximum in the EMU. In order to do this, he stated, it would be necessary to cut salaries and increase taxes⁵. The result of this was again nationwide strikes and protests, shutting down schools, airlines and non-emergency treatment in hospitals⁶. The protest did not stop the political current of austerity. Later in the spring, the government took further measures to decrease the deficit, by cutting bonuses to civil servants, increasing taxes on alcohol and tobacco and freezing in the states pension funds⁷. Yet again, protest followed in the wake of the declared austerity measures. This time, the protest campaign seized control of Acropolis with banners with the following message: "*peoples of Europe rise up!*" According to the spokesperson of the nationwide trade union of civil servants ADEDY, the protests were founded in the unjustness of the measure to decrease wages and freeze pensions. For him, the government should start elsewhere when fixing the deficit⁸. Thus, the trade union does not necessarily protest austerity in itself or combats the aim of decreasing the budgetary deficits, but rather resists the way in which it is done.

What these protests reveal is a struggle against more than just austerity. The protesters do not want to comply with higher taxes, a decrease in public health care or pensions. In this sense, we can say

that they resist the immediate effects of power and not necessarily the power in itself. However, we can add another dimension to this. As the protesters refer to Papandreou's promise to make the rich pay for the financial rut of Greece, the question of responsibility is activated. In this sense, the protests also revolve around the placement of responsibility and the question of who should finance the Greek deficit and how.

4.1.2 FIGHTING THE SUPRANATIONAL

In May 2010 it became public that the *First Economic Adjustment Programme for Greece* was going to be signed and protests intensified. In the start of may, protests, which were labeled as the biggest since the re-introduction of democracy in 1974, took a turn and became increasingly violent. 100.000 people were estimated to participate in strikes throughout Greece, where general vandalism were accompanied with attacks on both banks and the Greek parliament, resulting in three dead bank employees and many injured⁹. Here, we can note how the protest intensified when the involvement of the Troika became public. As we saw in the section above, the austerity politics were already reality in the fall of 2009, but what seems to change in may is the growing intervention of supranational institutions. Attesting to the resistance towards European institutions, journalists, present

at the strikes, reported persons stating that *"we will fight the IMF because in reality we no longer have a government"*¹⁰. In other words, it appears that the protests no longer only resisted austerity, if they ever did, but also supranational involvement.

Similar dynamics can be observed in the protests of 2011. In the spring of 2011 the Second Economic Adjustment Programme for Greece was signed, which, unsurprisingly led to more protests. Here, a new protests movement came into being, Direct Democracy Now! also known as the indignados, the Outraged. This movement utilized Facebook to mobilize something between 20.000 and 30.000 people for protests at Syntagma Square in Athens in may 2011, with around 90.000 people showing their support for the event online¹¹. The number of participants later grew to around 300.000 and a polling bureau later estimated that around 2 million citizens, roughly corresponding to 20% of the population, had participated in the movement, which also included events in other major Greek cities¹².

What is interesting in this movement is that, while undeniably associated with the resistance against the politics of austerity, it also resists the democratic situation in Greece, or rather the lack hereof. Attesting to this, banners stating *"Error 404: Democracy not found!"* were held high at Syntagma Square. As was the case with the protests a year earlier, they resist the

involvement of the Troika, contesting the legitimacy of the involvement of the European institutions and the effects hereof. As another example, protesters spoke out against the privatization of state owned companies shouting “*you cannot own our water*”¹³. In this sense, the protest employs the sovereignty of the nation state as a normative horizon of politics, protesting the privatization or abrogation of elements, perceived to belong to the state. This point goes hand-in-hand with another observation: the crowd gathered at Syntagma Square booed other political protests of, as example, trade unions, criticizing their affiliation with corporatists ideas or specific political parties. Thus, the only exception to the omitting of political symbols was national flags, both of Greece and of other countries, which had previous had luck in resisting IMF¹⁴. Evidently, the protests also resisted the abrogation of the sovereignty of the nation state. Similar in logic, posters were hung in both Athens and Thessaloniki, which declared that “*for a long time decisions have been made for us, without us*”, while adding that the protesters will not leave before the Troika has. Here, the protests subscribe to, what we, with a reference to Carl Schmitt, can call democratic legitimacy, i.e. legitimacy derived from the representation of the people, a form of transcendent sovereign power¹⁵. However, the posters also activated the question of responsibility again, this time more specifically in the

terms of debt: “*We send them the message that the debt is not ours*”¹⁶.

We can now make some general observations about the protests, answering the question of what they seek to resist. First, they resist the effects of the austerity politics in the form of cuts in the services of the welfare state. Secondly, they resist the placement of responsibility, protesting that it is both the common Greek worker and the pensioners that, through higher taxes and lower pensions, are paying for the deficit – contrary to Papandreou’s statement to leave the bill to the rich. Thirdly, and perhaps most profoundly, the protests seeks to resist the intervention of supranational institutions. It does so in two ways; it contests their legitimacy, claiming that their decisions does not represent the people of Greece and secondly, it appeals to the sovereignty of the nation state. We should remember that acclamation can take both the form of laudation and of denunciation¹⁷. What becomes apparent is that while the protests denounce the specific government and their willingness to negotiate with supranational institutions, they simultaneously nourish the sovereignty of the nation state of Greece. In this sense, we can say that the protests in Greece, in their struggle with supranational interventions, utilize concepts associated with the sovereign pole of power: state, nation, people, democracy and legitimacy.

4.2

POLITICAL STRATEGIES

Shifting our attention away from the protests, associated with both austerity politics and the interventions of the Troika, another facet of resistance emerges. Resistance cannot only be recognized in the violent protest in streets throughout Greece against either the Greek government or the involvement of European institutions. The resistance against these institutions can also be identified in the established political parties in Greece.

4.2.1 GENERAL EUROSKEPTICISM

According to London School of Economics blog on European Politics and Policy, Greece is the second most euroskeptic nation in Europe. Polling the Greeks on whether membership of the EU is a bad thing, whether Greece benefits from membership, EU heading in the wrong direction and mistrust towards the EU, the blog identifies a general rising trend on all parameters. The amount of people not trusting EU and thinking Greece does not benefit from membership has more than doubled, jumping from around 30% to 75% and around 20% to 40% percent, respectively, in the period from the early 2000's and ten years forth. Furthermore, when Greece joined the Euro, in 2001, around 70% were voting pro and only 20% against, a trend, which has reversed since then to around 70% against the euro and

only 20% in favor, during 2011 and 2012¹⁸. The specific ratio of people in favor or against is not the interesting point here, but rather that one can locate a skepticism towards European institutions in Greece. In other words, it is not only the protesters who are against or, at least, doubtful about supranational involvement. Rather, the skepticism towards EU is an attitude, which is prevalent among the Greek citizens.

This is reflected on the long list of self-proclaimed euroskeptic parties in Greece. If we start with the KKE, the communist party in Greece, their self-proclaimed stance towards European politics can be described as euroskeptic. In the introduction to their European politics, it is clear that they believe that both the EU and NATO must be resisted and that they believe that other leftist parties in Greece are naïve when they think that a betterment of the situation will follow a re-thinking of the role of ECB or other European institutions¹⁹. In other words, KKE seeks to overthrow the influence of European institutions. Another example is ANEL, the Independent Greeks, which has been a part of both of Alex Tsipras cabinets. Panos Kammenos founded ANEL back in 2012, after he was kicked out New Democracy because he voted against the deals with the Troika. Here, he founded ANEL, without a fleshed out manifesto, but with the aim of withdrawing the two economic adjustment programmes²⁰. Golden Dawn also deserves a mention here. Perhaps

even more (in)famous than above parties, Golden Dawn enjoyed a brief period of political success in 2012, when they managed to secure almost 7% of the votes, and 18 seats in the parliament²¹. According to the information provided on their homepage, one must live by a set of nationalist principles if one wishes to be a part of Golden Dawn. These include the idea that the state is the natural offspring of the people, principle 9, and thus, that imperative to fight against all policies, which disrupts this natural order, principle 12²². Lastly, we can mention that several members of Syriza, which has its own euroskeptic history, even claimed that the party was not combating the interference of supranational institutions hard enough, resulting in them founding a new party, Popular Unity in late 2015²³.

It is, then, possible to observe the resistance against European institutions across the political divide of left vs. right. As we saw with the protests at Syntagma Square, other political agendas are down prioritized in the struggle for the sovereignty of Greece, where the flag was the only political symbol permitted. Apparently, the skepticism towards European institutions is able to bridge different political affiliations, which is also the case in the current government of Greece, where the cabinet currently consist of two euroskeptic parties; the leftist Syriza and conservative ANEL.

4.2.2 SYRIZA AND THE PEOPLE

As we saw above, the euroskepticism is widespread among protesters, the general population and in the representations of the political parties. References to nation, sovereignty and people are common. If we zoom in on Syriza, these concepts are put into play in their political strategies. These could easily take up a thesis on their own, but for the present aims a few examples will do.

If we start with the concept of the people, it becomes evident that it is used strategically in the politics of Syriza. In the spring of 2010, before the first economic adjustment programme, Tsipras invoked the idea of grounding the politics in the people, hereby ascribing to an idea of democratic legitimacy. Here, he argued that, then prime minister, Papandreou, should not try to make a deal with the IMF as, Papandreou, according to Tsipras, did not have the popular mandate to invite supranational institutions into Greece²⁴.

The idea of a people, capable of constituting politics and from which the politics should derive its legitimacy, recurs several times in the strategies of Syriza. They did it in the fall of 2015, after several members had abandoned the party in the wake of the signing of a new deal with the Troika. Here, Tsipras resigned as prime minister, but ran in the following election, effectively testing the popular backing to his politics²⁵.

Before that, and perhaps even more famously, Syriza called to a vote regarding whether Greece should accept the terms of the Troika, in the summer of 2015. A vote that turned out 60% to 40%, in favor of the 'no' side²⁶. Strategically this is interesting, in that Tsipras, in the deadlock of the negotiation with the creditors, the Troika, resorts to the legitimacy of the people. Drawing upon democratic principles of the sovereignty of the people, the party seeks legitimacy for their political trajectory in the consensus of the people. As a matter of resistance, we can observe the movement as a utilization of sovereign powers, i.e. the sovereignty of the nation and the legitimacy of the people's consensus, against the supranational institutions, which seeks to decide upon the politics of Greece. In this sense we can categorize the struggle as being between, sovereignty, on the one hand, and supranational government, on the other, seeking to delegate sovereign capacities upon European institutions. Here it is quite noteworthy that we indeed find sovereignty, and not managerial power, on the side of resistance.

4.3

CONCLUSION

Let us return to the first working question: [how has the Troika been resisted in Greece?](#) What was sought investigated with this question was the role of resistance

and the powers against which they struggled. As a first comment, we can say that the resistance in Greece has been multifaceted, however not to the extent that we cannot observe some general characteristics. If we look at the protests and strikes, they took place in the wake of austerity politics and increased as the Troika started to intervene in Greece. The politics were seen as undemocratic and lacking the consensus of the people. In doing so, the question of responsibility was also activated as a site for resistance, as the protesters also protested the idea that they were responsible for the debt of Greece. Politically, some of the same figures have been observed. In general, several parties in Greece protest the idea that non-elected supranational institutions should interfere in, what is perceived as, Greek matters. More specifically, Syriza has actively employed the concept of voting, in order to found their politics in the will of the people, buttressing their resistance towards the Troika with democratic legitimacy. The Troika has been resisted both within the established political culture and through protests without political affiliations. What has been common to these forms of resistance is the returning appeal to democracy, to the wrongful placement of responsibility, to the legitimacy of the consensus of the people and to the unjust interference and intervention of supranational institutions, seen as a threat towards national sovereignty. With our vocabulary of power,

we can observe that the resistance has drawn mainly on sovereign power, resisting through appeals to nation, democracy and people.

¹ Foucault 1978: 95

² Foucault 1982: 211

³ The Guardian 2009a

⁴ The Guardian 2009b

⁵ The Guardian 2010a

⁶ The Guardian 2010b

⁷ The Guardian 2010c

⁸ The Guardian 2010e

⁹ The Guardian 2010f

¹⁰ The Guardian 2010f

¹¹ Sotirakopoulos, N. and Sotiropoulos, G. 2013: 446

¹² Sotirakopoulos, N. and Sotiropoulos, G. 2013: 448

¹³ Bullett Media 2011

¹⁴ Sotirakopoulos, N. and Sotiropoulos, G. 2013: 447

¹⁵ Schmitt 1988: 33

¹⁶ Sotirakopoulos, N. and Sotiropoulos, G. 2013: 446

¹⁷ Agamben 2011: 169

¹⁸ London School of Economics 2013

¹⁹ KKE 2014

²⁰ Ekathimerini.com 2012

²¹ The Guardian 2012

²² Golden Dawn 2014

²³ The Guardian 2015b

²⁴ The Guardian 2010d

²⁵ The Guardian 2015c

²⁶ The Guardian 2015a

5

MONETARY ORDERS

IN THIS CHAPTER SEVERAL MONETARY ORDERS WILL BE DRAWN TO ATTENTION. THE PURPOSE OF DOING SO IS TO DISPLAY HOW THE FRAMEWORK OF THE EUROPEAN INSTITUTIONS RESTS UPON CONSTRUCTIONS OF ORDER

In the previous chapter we saw how sovereign power were used to resist the Troika. Mainly, the resistance aimed towards supranational involvement, as it continuously referred to counterpoints such as nation, people and sovereignty. If we imagine these forms of resistance as a starting trail, it asks us to look further into the framework of supranational institutions. Thus, the second analytical chapter will address the second research question: *what is the institutional framework of the debt crisis?* The point of raising this question is to situate the crisis within the context of the contemporary economic institutions in the eurozone. Here, several dimensions deserve attention; as examples, the role of central banking, fixed exchange rates and monetary unions has to become clear, in order to sketch out the boundaries of the present field of intelligibility and its relation to the Greek crisis. The focus here

is on the construction of the European Monetary Union, the European Central Bank and the consequences for the political field of possibilities. With these elements sketched out, we should start to grasp how and why the resistance in Greece has activated questions of nation, people and sovereignty.

Looking only at contemporary institutions means that the historical trajectories in this chapter starts around the 1990's, although it is certainly possible to analyze important dynamics even earlier on, especially between the two world wars. This, however, has already been covered by other literature and furthermore, the present thesis does not seek a complete or exhaustive genealogy of the changes in monetary regulations, but rather to point out the relevant elements of the monetary

framework, which has been activated in the contemporary Greek crisis.

5.1

CONSTRUCTING MONETARY ORDER

As already stated, present chapter does not seek an exhaustive historical account of the elements that plays a part in the struggle in Greece. Rather, and with inspiration from Foucault, the aim is *strategic*, in that it seeks to display how certain *orders* have come into play. What this means is, the chapter seeks to focus on the intention, aims and consequences of the construction of monetary orders throughout the eurozone. Since 2001, Greece has been a member of the European Monetary Union (EMU). In order to understand what this means for Greece today, the Maastricht Treaty should be brought to attention, as it has laid out the principles for the current monetary framework. By investigating the framework of the EMU we can start to become familiar with the different actors and orders involved in the current struggle and the way in which they are intended to operate.

As has been pointed out in literature on the Maastricht Treaty, the treaty relies heavily on the work of the Delors Commission. The commission has been regard as an *epistemic community*, in the sense that it through a combination of expert knowledge and a shared normative

stance has been able to institutionalize its neo-liberal values in the treaty¹. They published a central paper, *Report on economic and monetary union in the European Community*, which, in general terms, argues for the necessity of a internal European market², which should enhance competition³. It is argued that such a market is dependent upon supranational coordination and possible repercussions for member states⁴. Thus, it seeks to position the ECB as a sovereign actor with such qualities⁵. Even though the commission suggests direct bindings on the independence of the member nations, it also actives a counter-weight in its programme; a notion of liberty or freedom. It is argued that the EMU should bring complete freedom of movement for persons, goods, services and capital⁶. At this stage, we can note that the proposed framework relies on a dual understanding of power, bridging both the economic self-management of the European subjects, while positioning the ECB as sovereign and imbuing it with capacities of direct power.

5.1.2 THE ECONOMIC AND MONETARY UNION

Moving towards the EMU itself, we can observe how both poles of power are represented. The Maastricht Treaty, in which the central principles of the EMU was introduced, was voted through in December 1991. Here, it was planned that a singly currency, the euro, should be

implemented throughout decade in three stages⁷.

The first stage had the target of removing all barricades and obstacles towards financial integration and free movement of goods, capital etc. This stage took its beginning in the signing of the Treaty on European Union in 1991, the same period, in which, it was judged necessary to found a single currency to complete the internal market. The second stage started in 1994 and focused on economic convergence between the different European nations. This was done in order to plan the upcoming transition to the euro and in order to set scene for the European System of Central Banks (ESCB). This period lasted until 1999, where the third stage was launched, by introducing the euro, while simultaneously fixing the exchange rates irreversibly, creating binding budget regulations and introducing ECB as sovereign responsible for monetary policy making followed the introduction of the euro⁸.

Returning to the Maastricht Treaty itself, it is presented that the treaty establishes an European Community, which should act in accordance with principles of, among other things, common policies - e.g. in fields of fishing, agriculture, environment and transport -, increased competitiveness, the construction of an internal market, the elimination of obstacles to free movement of goods, persons, services and capital and

shaping the laws of the Member States to increase the functioning of the internal market⁹.

The general pattern reveals that the objective for the member states is to create policies that facilitate the freedom of individuals and businesses on a single internal market. Furthermore, it appears that the individuals are, if we borrow a term from Foucault, rendered as *homo oeconomicus* in the neo-liberal sense of the word, i.e. subjects who are self-governed, productive and entrepreneurial¹⁰. In article 57 of the Maastricht Treaty, the aim of the policies is explained as serving the purpose of facilitating a process where the individual becomes a self-employed person. The way in which this goal is sought obtained is by standardizing both educational and other credentials throughout the eurozone¹¹. What this implies is that the importance ascribed to individual liberties is accompanied with a normative horizon, an ethos that favors the self-employed entrepreneurial subject. Here, it is important to underline that the notion of facilitating freedom for individuals, does not imply a *laissez faire* approach to the conduct of individuals. It does not imply that people should just do whatever they want to do. Rather, this freedom is sought shaped in order to facilitate economically sound behavior; i.e. the creation of the self-employed person.

BORROWING TO REPAY

Another example of how direct power is associated with the creation of a free market, regards its requirements of membership. Here, the union characterized by some strict requirements; a state can only become member if they have very stable prices, healthy public finances – without a deficit more than three percent higher than GDP and stable interest rates. Here it should be noted that the requirement of stable prices seems to overshadow the other requirements, in terms of importance. As an example hereof, ECB does not allow the support to any activities aimed at say, lowering unemployment or facilitating growth, if these initiatives simultaneously disturbs the stability of prices¹². In this pursuit, the ECB acts autonomously and sovereign by regulating interest rates in order to stabilize prices and inflation¹³. This highlights the economic priorities of the union; the importance ascribed to price stability can be linked to topics such as competition between businesses across Europe and consumer needs. This indicates that the individuals, who are thought to enjoy a higher degree of freedom under the EMU, are thought to be not only entrepreneurial subjects but also consumers, which indicates that the EMU employs notions of the homo economicus, stemming from both liberal and neo-liberal traditions.

Perhaps some of Foucault's remarks on the role of market and freedom in both liberalism and neo-liberalism, can help us

to grasp the logic above. As Foucault points out, neo-liberalism, at least in the American tradition, diverts from classical liberalism in, at least, one crucial way. Where liberalism ascribed to a laissez faire critique of government, meaning that one should always govern less and let the market run its own course, the neo-liberals employed a different idea of freedom and market. Here, the market becomes a court for the governmental interventions, a place where the merits of government are judged and read in the dynamics of the market¹⁴. In the same way, the EMU seems to conceptualize the market as non-natural; it will not appear on its own if government is reduced, but requires the support of the collective efforts of the member nations. Here, the market is not external but integral to the conduct of governing, which allows the evaluation of governmental activities in its ability to construct a functioning market. That the market, then, is said to foster freedom, in the form of self-employed entrepreneurial subjects and free movement of capital and goods, does not contradict the relation between governmental interventions and the market, but rather shows how they interact.

Whether we can label the EMU as neo-liberal, liberal or something completely else, of course, depends on how we condition these terms. As Mirowski has pointed out, the term neo-liberal, is, in a sense, an umbrella term, which encompasses many different and divergent

traditions and thought collectives, which does not readily fit into the same category¹⁵. Thus, the point here is not to baptize the EMU as liberal or neo-liberal, but rather to point out how the ethos of individual freedom is simultaneously accompanied with economic aims, which leads to direct forms of government. In The Maastricht Treaty we can find other examples, which displays the same dynamics. Here, we can observe how the policies facilitating free movement of capital are accompanied with a prohibition of all restrictions upon this free movement¹⁶. This is not necessarily a surprising move, but is still interesting in that it exemplifies how the discourse of the treaty subscribes to a logic where freedoms and prohibitions goes hand in hand. They are not separate domains but act in symphony towards the same end; the free movement of individuals, goods, services and capital. The creation of an internal market is thought to be economically advantageous, which leads to the prohibition of laws, policies and regulations, which stands in the way of such developments. Again, the market is not thought to exist on its own but rather a construct, which serves as a yardstick against which the economic merits of the politics can be measured.

That the EMU subscribes to both the sovereign and the governmental aspects of power seems evident at the present stage of analysis. However, the way in which

sovereignty appears requires some further remarks. As noted, we can say that elements of sovereignty is arrogated from the member nations and delegated by the EMU upon the ECB. Adding to this, we can also discern a different movement of sovereign actions. Instead of regarding debt in the eurozone as a collective responsibility, the EMU requires that each member states must acknowledge debt as their own sovereign responsibility, even though it is up to the EC and ECB to decide if a debt or deficit is so alarming that it poses a threat to other member states, rendering interventions necessary¹⁷. This is not just a question of membership and a withdrawal hereof, as risky or unhealthy behavior can lead to sanctions. Here, the European courts have the authority to fine member states up to 0.1 percent of their GDP if judged necessary¹⁸.

This notion again triggers the relationship between centralization and decentralization. On the one hand, states, businesses, individuals, goods and capital are all rendered as a part of a single union or a single internal market, but on the other hand, where states are thought to be individually responsible for any debts. Thus, we can say that the relation between nation states and sovereignty, in the EMU, is dual; on one side, the capacity of sovereign decisions regarding the size of debt, the need to intervene and the rate of interest are all delegated upon the EC and the ECB, but on the other, the nation state

is still responsible and held sovereign responsible for debts and deficits.

In summary, the EMU couples notions of market mechanisms, competition and individual freedom with the institutionalization of direct supranational government. Perhaps, then, it is not liberalism or neo-liberalism, which seems to be the closest associated terms, but ordoliberalism. However, the space for individual freedom is not just a placeholder for any type of behavior. While the individuals are thought to enjoy greater freedom under the EMU, the policies are created with a specific type of behavior in mind; they seek to facilitate self-employment and transparency for consumers, stemming from common currencies and price stability. In this sense, the individual freedom is coupled with a normative horizon that prefers entrepreneurial and consumer behavior, in a sense echoing homo oeconomicus.

5.2

POLITICAL CONSEQUENCES

The construction of the EMU is interesting to this thesis in that it has created the framework of supranational institutions, which has been delegated sovereign capacities from its member states, with the signing of the Maastricht Treaty. A noteworthy point is, that this was the exact type of power that was resisted in Greece,

with protesters appealing to the sovereignty of the people and the nation.

As we have already seen, one of the main priorities of the EMU is to maintain price stability and low inflation, in order to both construct and maintain an internal market. This is a central pillar in the EMU and has widespread political implications for the respective member states. As Christen Sørensen has argued, the focus on external factors, such as exchange rates, price stability and inflation-targets, limits the possibilities for the internal economic planning on a national level. Generally, he says, a monetary union rests upon two main pillars; on the one hand the member states has to follow the given monetary politics, and on the other, the state has to prioritize external factors, such as exchange rates and balance of payments, over internal factors, such as production and employment¹⁹. The reality of Greece and of course every other member nation, is that the politics has to prioritize according to these pillars. In praxis, this means that Greece cannot combat debt, unemployment or other internal affairs with, say, monetary remedies, as has been done in the case of Iceland. In consequence, the options of inflating the currency or creating new money are incompatible with the EMU and will be sanctioned if necessary.

Perhaps unsurprisingly, in the light of the previous chapters, this can become a

political and democratic problem. As Sørensen points out, the implementation of the EMU is troubling in democratic nations, as it requires an ongoing wish to prioritize external over internal factors²⁰. Simply put, there might not be a democratic majority, backing up initiatives of fixed exchange rates and price stability, if it means that one simultaneously has to endure bouts of high unemployment, low productivity and economic stagnation. What this indicates, is that there exists a conflict between notions of democratic legitimacy and the will of the people, on the one hand, and the principles of the EMU, enforced by an independent central bank, ECB, on the other. In this sense, we can say that democracy poses a problem for supranational government and vice versa. This is the conflict between relations of power which pendulate between sovereignty and government, which allowed Syriza to employ sovereign and transcendent notions of the peoples will in their tactics of resistance.

In the junction between government and sovereignty we can note an interesting asymmetry regarding the conceptualization of individuals and member states. Where individuals and capital are thought to be in need of freedom to act in an economical advantageous way, the member nations are simultaneously rendered to be in need of a disciplining market and a sanctioning monetary union. Apparently, the EMU breaks with a democratic logic of a direct

representation between the will of the people and the conduct of the member states. It is only the individuals and not the nations, which are to be trusted with freedom.

At this point we know that EMU as a monetary union shapes and influences the political possibilities of the member nations, sanctions when necessary, promotes the free movement of individuals, goods and capital and constructs the autonomy and sovereignty of the ECB. Earlier when we tried to gather these threads and grasp its logic. The Foucaultian analysis of neo-liberalism contributed with the notion of the market as constructed, with the intention of measuring the economic utility of given policies. Adding the notion of *order*, stemming from the writings of Agamben, we can unfold this further. Orders, are produced and constructed, stemming from networks, regimes or practices. The internal market, here, is similarly constructed from the coordinated efforts of the member states and even resembles the notion of order in another way; it is situated simultaneously in immanent and transcendent spheres. By referring to the market as something transcendent, beyond the actions of single individuals and even single nations, it is localized at the end of international cooperation. Simultaneously, this market is recognized as being dependent on very specific policies and regulations, without which, it is thought to

perish. For these reasons, it seems reasonable that we can refer both to the EMU as a monetary order, but also to the internal market, that it seeks to construct, as an order within this.

That both the internal market and the EMU functions as orders is interesting, as orders function by on the one hand, appearing as the very foundation, legitimizing governmental interventions, and on the other, is the offspring of these interventions. When market mechanisms, relying on freedom of movement for individuals, goods and capital, appears as semi-transcendent principles, it seems that they become more than just opinions, observations or perspectives. In a sense, it seems that they receive their own life. They become something to which the politics must obey. Even though the market, as we saw above, is presented as fragile, i.e. we must act in this and this way for it to come into being and survive, it seems that it also appears as transcendent in that it obeys or plays by some quasi-natural laws or mechanics.

In a sense, we can confirm the analysis of another observer of debt and government: Maurizio Lazzaratos. For him, there never was such a thing as liberal governmentality, i.e. a soft power governing only through freedom and with the ethos of decreasing governmental intervention. Instead, he argues, the idea of a liberal and free market economy has always been coupled

with the sovereignty of the state, or what he calls *state capitalism*²¹. Parts of this diagnosis seems close to the present analysis, as we several times have observed how governmental power is playing in symphony with sovereignty. Adding to this, however, it seems that these powers also clash and struggle against each other.

5.3

CONCLUSION

At this point, we can address the second working question: [what is the institutional framework of the debt crisis?](#) In short, we have observed how the EMU constitutes a framework for economic and monetary politics in its member states. As a consequence of the union, these have to prioritize price stability and exchange rates over political issues of unemployment and productivity. If not, they can be sanctioned through fines.

In doing so, the EMU plays with a simultaneous movement of centralization and decentralization. On the one hand, the ECB is constructed as autonomous and on the other the shaping of the European economy is displaced upon a market of free individuals and the its disciplinary mechanics. This movement is parallel to functions of power in the EMU. Here, it is evident that both the governmental and the sovereign faces are present. On the side of government, we can observe how one of the central aims of the EMU is to construct orders in the form of both

monetary policies and in the form of an internal market. Here, we see the soft side of government where economical sound behavior is thought to be fostered through an increase in the freedom of individuals and capital. On the side of sovereignty, we see a different functioning of power. Here, we can see how parts of the sovereignty of the member states are delegated upon the ECB. The central bank is constructed as independent and autonomous, in a position where it can make decisions about interest rates in the eurozone. Furthermore, the EC has been delegated the sovereignty to fine and sanction member states, if they fail to live up to the principles of the EMU or if their economies are posing a risk to the stability of the economic order. In doing so, debt is also constructed as sovereign, in the sense that the members of the EMU are to be held solely responsible for the debt they accumulate.

In this sense, the monetary orders of Europe separate sovereign decisions and sovereign responsibilities. We can observe the ability to create money and regulate interest rates as sovereign capacities, which are arrogated by the ECB. Simultaneously, the nation state is still to be held autonomously responsible, which was exactly what was protested in Greece.

¹ Verdun 1997: 29

² Committee for the Study of Economic and Monetary Union 1989: 7f

³ Committee for the Study of Economic and Monetary Union 1989: 16

⁴ Committee for the Study of Economic and Monetary Union 1989: 10f

⁵ European Commission 2015b: 5

⁶ Committee for the Study of Economic and Monetary Union 1989: 13

⁷ European Commission 2015: 6

⁸ European Commission 2015: 4ff

⁹ European Commission 1992: 12

¹⁰ Foucault 2009: 258

¹¹ European Commission 1992: 17f

¹² Sørensen 2015: 79

¹³ Sørensen 2015: 76

¹⁴ Foucault 2009: 282

¹⁵ Mirowski 2013: 68f

¹⁶ European Commission 1992: 18

¹⁷ Sørensen 2015: 80

¹⁸ Sørensen 2015: 89

¹⁹ Sørensen 2015: 75

²⁰ Sørensen 2015: 75

²¹ Lazzarato 2015: 92

6

GOVERNING IN PRACTICE

IN THIS CHAPTER THE VARIOUS DIMENSIONS OF THE GOVERNMENTAL ACTIVITIES UNDERTAKEN BY THE TROIKA WILL BE DISSECTED

The time has come to address the final analytical question: *how is Greece being governed in relation to debt?* This question is raised, as it leads us to a closer investigation of the Troika and its construction of debt. As already mentioned, present thesis utilizes government and sovereignty as its main concepts. In the present chapter, it is the governmental activities of the Troika, which is in focus, however without neglecting the presence of more sovereign forms of power; it is still the aim to locate the exercise within the relation of different forms of power. Focusing on the governmental aspects of the Troika, instead, means to study the activities as apparatuses, or if you will, assemblages, made up of heterogeneous elements. The consequence of this is that the governmental activities can be split up in several dimensions¹. While this is mainly a task involving the immanent face of power,

it does not have to be without reference to transcendent aspects, such as, and as we have already seen, the construction of orders sovereign decisions.

6.1

DISPLAYS OF POWER

The first dimension, which will be investigated, concerns the visual material of the Troika. This means that the production of visuals, such as tables, diagrams and pictures, which accompany the exercise of power, will be scrutinized. Here, questions regarding what the Troika renders visible and what it leaves out becomes central, in that they lead us to a better understanding of who and what is being sought governed, how interventions are planned and how orders are perceived. Generally two types of visualizations can be discerned, in the context of the governance of the Troika; the first regarding graphs

and tables, related to debt and growth, and the second related to visual ideas of economic order.

6.1.1 VISUALIZING CONTAGIOUS DEBT

The first aspect of the way in which the Troika creates images and renders things visible, is evident in the reports they have published, regarding the Greek crisis. Throughout the different papers, published by both the EC and the ECB, we are confronted with several graphs, relating to economic dynamics in Greece.

Starting with the First Economic Adjustment Programme for Greece, published by the EC in partnership with the ECB and IMF, we start to see the visual side of the power. In the very first table we can observe the relation between the developments of GDP in Greece, relative to the EU average, in the period from 2000 to 2009. This visual puts a marker on what is in focus; only recent developments of growth, but not just growth for growth's sake, but relative to the eurozone average; the relation articulated herein, regards that between Greece and the Europe. Even though the figure shows that Greece is closing in on the average, the next figure shows that this development has, in fact, been unsustainable due to a domestic demand boom, caused by credit growth and financial liberalization². Another graph displays that in the same period, the debt

of the Greek government, relative to GDP has risen from 103% to 115%³. Generally, the report, in its diagnostic phase, circles in on debt as the main problem, and ends the section with an info box on “*the sovereign debt crisis in Greece*”. Here, it is shown how the Bank of Greece has been borrowing increasingly growing amounts of money from the ECB. According to the accompanying text, the creditworthiness of the banks has been hurt as a result of this, while the lack of liquid funds has decreased the confidence of Greek residents in the banking sector and of the financial institutions in Greece⁴.

This juncture between a deficit of both creditworthiness and confidence and high debt deserves a comment. Ute Tellman has pointed out how debt as a concept, functions by bridging moral and economic arguments; the debtor has failed in both spheres⁵. Above, it seems clear that the Greek crisis is presented visually as connected with questions of trust, confidence and faith. More specifically, the visuals seem to suggest that the Bank of Greece has been acting irresponsibly, hurting the confidence of both the banking and the financial sector. This is an interesting visual relation, as debt is problematized as a causal factor, leading to lacking confidence in the economy. In this sense, the relation echoes Tellman's analysis. However, if we use our main distinctions of power, we can come closer to the visual rationality.

If we put in play Agamben's analysis of *oikonomia*, we can understand this relation in a different light. The Greek word *oikonomia*, means both the administering of the household, or more generally management⁶. When introduced within Christian theology, in order to make possible the simultaneous existence of a monotheistic God and the holy Trinity, the concept took up a meaning of providential government; government functioning through a narrative of salvation and redemption⁷. In this sense, it appears that economic government is reliant upon a narrative of salvation, in which we should have faith. Thus, we can add that the case may be that debt does not necessarily bridge economics and morality, but rather that economics, in the form of economic power, in itself, encompasses questions of morality and faith. In this light, it is not surprising that the framing of the problems in Greece, results in a primary target of "restoring confidence" in the economy⁸. Here, it is formulated that the credibility of Greece, has to be restored for private creditors and its signature be improved⁹. In other words, Greece is rendered as unaccountable, in need of renewed faith.

Furthermore, the appearance of faith and confidence, within economic discourse, is interesting in that it activates another theme, which may seem foreign to economics; the concept of contagion. According to the First Economic

Adjustment Programme for Greece, the problems in Greece, is contagious, spreading to Portugal, Spain and Ireland. This is described as a result of change in investors' perception of risk, which indicates that, at the level of thought, confidence and contagion appears to be closely related. Visually, this is displayed in a diagram, which ranks European states, by the amount of money they have invested in so-called risky countries¹⁰. What this table implies is, that the more a state is affiliated with one or more of the risky states, Greece, Portugal, Spain and Ireland, the more prone it is to economic troubles.

If we, at least for a moment, expand our observations from only including the visual dimension of the exercise of power, to also include metaphors and semantics, we can easily see that the image of contagion extends beyond present figures. The ECB has published several reports on the role of debt in the eurozone. One of these, titled *The Euro area sovereign debt crisis: Safe haven, credit rating and the spread of the fever from Greece, Ireland and Portugal*, evidently employs the vocabulary of the contagion; debt is a fever and it is transmittable. It should be noted however, that the risk of contagion is not thought to be the only factor, increasing the spread of debt, but rather it acts in symphony with aggregate and country specific tasks; at least that is how it is put in figures in the report¹¹. Another example is the ECB's publication of the report, *The pricing of*

sovereign risk and contagion during the European sovereign debt crisis, again underlining the prevalence of the concept in the material.

From the above, it should be clear that in the visual dimension of the regimes of practices of the Troika, debt is rendered problematic, especially due to its associations with lacking growth and stagnating productivity. More specifically, it is displayed in relation with two other terms; first, faith or, the lack hereof, and secondly, the fever, the illness. An important point, at this early stage, is that debt is not just debt in itself; underlying the various graphs and figures, it is at all times clear that the debt belongs to a nation. In this sense, the visuals above appear aligned with the dictum of the EMU, that debt is always a sovereign responsibility.

6.1.2 IMAGES OF ORDER

Above we saw how debt and growth took up a central place in the reports of the Troika. Adding to this, we can discern a visual dimension that concerns the visualization of order. The EC put up several videos in the late 2014 and early 2015, which addresses the European economies, by means of several metaphors, including; mountain climbing, a football boot-camp, the navigation of a ship and gymnastics training. These are all interesting in that the metaphors displays

something about how the Troika seeks to visualize the functioning of the economy, its problems and how and at what levels interventions are needed. Furthermore, and with inspiration from Mirowski, we can look for the relation between these metaphors and the constructions of orders. He has noted that the utilization of natural metaphors, within economic discourse, has historically served the purpose of creating ideas of orders, ascribing to these a sense of normative idealness¹².

CLIMBING THE MOUNTAIN

If we start with the scenario of mountain climbing, we are confronted with the idea that each of the member states are thought to be a peak, which should be conquered by different businesses, the mountain climbers. The problem is, the speaker announces, that each of these countries have particular challenges, such as *rigid rules* and *labor taxes*. As a representative of the EC is seen unpacking the mountain climbers' backpack and getting rid of unnecessary gear such as snorkeling equipment, the speaker concludes that we are only able to soar higher, if we drop these burdens. In the next scene, a group of climbers are portrayed, each trying to put up a tent. As one of the climbers fails and the tent collides, we are confronted with the image of an expensive price tag, while the speaker comments that *in some sectors of our economies, excessive regulations or a lack of competition means*

that entrepreneurs suffer and consumers end up paying higher prices for inferior goods or services, like this tent. Finally, he lets us understand that we are only to grow and prosper in the eurozone if we are to comply with these ideas¹³.

Looking closer at the visual representations of the video, we start to grasp that nation states are, if not the enemy, then the obstacle and hindrance that businesses, entrepreneurs and consumers all has to face, with the help of the EC. The nation states are represented as mountains, meaning that we cannot eliminate or avoid these altogether. What we can do, according to the present logic, is to equip the businesses of Europe with better tools, while trying to restrict the burdens that the member states put on entrepreneurs. Here, we are faced with the echo of the figures that were present in the monetary framework of the EMU, the entrepreneurial subject and the consumer; two different faces of the same homo economicus. These figures are thought to inhabit the market, where competition reigns if not hindered by the nations states, which, however is a slight change from the framework of the EMU, where the fragility of the internal market and the necessity of its creation and maintenance, were repeatedly stressed.

BECOMING A TEAM

The second video of late 2014 depicts a football boot camp. Using the metaphor of the team depending on each and every player, the speaker lets us know that the European economies are more interdependent than ever before. This is the role of the *European Semester*, which has been created in order to monitor and enhance the performance of the European economies. Again the EC representative appears in the video, where he is seen giving advice and motivations, while customizing the training program for each player, each representing a member nation. In the next scene, all the players are gathering around the barbells, where each player has to do a bench press. Simultaneously, the speaker explains that all member nations has agreed to restrict the amount of money they can lend each year, as borrowing is expensive and puts a burden on the economy. Here, debt is represented by the weighted plates on the barbell, where the EU official takes the role of the spotter, making sure that nobody tries to lift heavier than they can. Ending the video, the team heads onto the pitch, and as the referee blows his whistle for the match to start, the speaker underlines that Europe is competing in the international economy, and that each country must perform, if Europe is to win¹⁴.

At this point, we can start to see some trends in the visual material. Competition recurs along with the EU representative,

who facilitates competition, however not for businesses this time, but for the member states of the eurozone. Where the last video focused on how businesses could compete better for both the sake of growth and ideal prices for consumers, this video focuses on the interdependence of European economies. Here, the respective member states has to perform, because they know that they put a strain on fellow member states if they do not do their best. In this sense, we can say that the video activates technologies of performance, which is associated with aims of restoring trust, creating transparency and making actors accountable and responsible¹⁵. Both the HR-monitors on the fitness bikes and the weighted plates on the barbell are visual representations of transparency (of cardiac functions, which would have been hidden inside the body, without the technology) and standardization (as the plates are clearly marked by standardized colors and weights). One could be tempted to call this an apparatus of transparency, as it, following the definition from Agamben, has the ability to control, intercept and direct¹⁶.

What is interesting though, is that the apparatus, in its Agambian formulation, is exclusively aimed at the actions of *living beings*, which, even with the recruitment of large portion of good will, cannot be said to encapsulate the nation state. This obstacle, however, has been sought removed, as each member state is visually

represented as a football player, and thus represented as a living being. In this sense, we can say that the apparatus renders the nations of eurozone as subjects.

Debt, fits into this apparatus of transparency, as the representative from EU, along with the member states, are spotting the player bench pressing in order to make sure that he or she does not attempt to lift too much. Debt here is prevailingly being portrayed negatively, it can become too heavy, it is costly and because of the interdependence of the European economies, it can even spread from one nation to another. While keeping these connotations in mind, it is interesting to see how the video does not advocates a total abandonment on debt, but rather tries to figure out the right amount. If we stay within the metaphor of the barbell, one only gets stronger if one lifts heavily enough. In this sense, debt is not problematized in itself, but only if the amount or proportion is off.

NAVIGATING THE STORM

The third video returns to the imagery of nature, with which we became familiar in the first video. Now, we are not confronted with a conquest of mountain climbing, but instead with the task of navigating a ship through a storm. Visually, we are first faced with lighthouse keeper, observing a struggling ship through his binoculars, while the narrator tells us that Europe was caught in the *perfect storm* of high debts

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and lacking competitiveness. While we see the ships crew heading for land in order to repair the ship, we are told that *smooth sailing requires regular maintenance*, and with strong economies focused on growth and competitiveness, Europe can be prepared for any storm. While a EU representative talks and supervises the maintenance of the ship, the speaker declares that banks, in the future, can become more reliant as the ECB has overtaken supervision of their activities. As a deckhand falls overboard, we are introduced to the European Stability Mechanism, which has the aim of helping countries in need. However, the speaker declares, countries should be able to pull their own weight, as their problems overflow and affects the rest of the countries in the eurozone: we are all in the same boat. Here, the concept of debt appears again, while we are simultaneously told that the European Stability Mechanism, has the purpose of helping countries get back on their feet, if in trouble, in order for them to repay their loans. While the ship disappears in the horizon, the speaker declares that next time the crisis hits, *we will be ready no matter which way the wind blows*¹⁷.

Again, we are becoming familiarized with several actors, the ECB, personified in a single representative, the member states, in the role of deck hands and EU itself, as the very vessel. These roles for the different actors are interesting in that they make

intelligible the way in which the Troika seeks to display the actors and their relations. The ECB has the possibility of overseeing, guaranteeing and offering sound advice, whereas the member states of the EU faces trouble because they are either unlucky or unable to carry their own weight, which again leads to trouble for the whole eurozon. The remedy, recommended by the ECB representative is growth and competitiveness, which echoes the ethos of the first two videos. The relation articulated between the member states and EU, becomes interesting when we pay attention to the way in which the member states are helped, when they face hardships. Here, fellow member nations help the sailor who fell aboard, onboard again. This is where the European Stability Mechanisms kicks in, helping just enough so that the nation who fell aboard can reach the ship again and become able to participate in the tasks, required to the navigation of the ship. In this sense, the help to member states are justified and rendered meaningful, in that it allows the member states to again help in the growth and prosperity of the EU. Another role, which we have not discussed yet, regards the debt crisis as a storm. The metaphor of the storm is interesting in that it is a natural occurrence; it is not the result of mistakes or counter-productive policies, but rather occurs on its own. In this sense, financial crises appear in a natural imagery as something of which we cannot rid ourselves but only prepare. This is

particular interesting in that the notion of crisis is associated with high levels of debt, in the video. On the one hand, debt is seen as a cause to or at least associated with crises, which appears as natural and impossible to avoid, and on the other, it is still the nation state, which is responsible to repay its debt. In this sense, the visuals echo the framework of the EMU; the state must acknowledge debt as its sovereign responsibility. The EU, can help, but only to the extent that it enables the member state to help itself. In this sense, the logic of the visual representation of debt, EU and the member states, comes close to the governmental idea that power is exercised as *the conduct of conduct*, or here, as help to self-help.

BALANCING DEBT

In the fourth and final video on the European economy, we return to the context of sporting events. Starting with the picture of gymnasts creating a human pyramid, each representing a member nation of the EU, the speaker explains that European economies are interdependent, hence we all need to maintain balance; *if one country wobbles, other may too*. In the video, this is explained with market mechanisms; if one country stagnates, it may lower the demand for goods produced in other countries. In this sense, it is by employing the laws of supply and demand that the European economies have become interdependent. In the next

scene, a gymnast exercising with rings, loses his balance, as we are told that lack of investments and competitiveness, leads to trade imbalances and that economies out of balance will lead to market bubbles, burdening both banks and taxpayers. In the last scene, a EU representative bends down to bandage an injured gymnast, as the narrator explains that the EC has created an exercise, which seeks to reduce wobbles and injuries, creating a healthy and balanced economy¹⁸.

The themes of the last video are similar in nature to the ones above. Metaphors of team play and competition are employed while the interdependence of European economies is stressed again and again. Again, we see that the argument of interdependence is associated with a placement of responsibility, in what we have earlier called, an apparatus of transparency. The role of the EU representative is still to monitor, facilitate and create to optimal conditions for growth and competition, whether in the form of balanced economies or fewer regulations. However, in this specific video we can add another role, as the representative also, heals and bandage the injured athlete, positioning the EC as helping.

6.1.3 A VISUAL APPARATUS

We saw in the first section, that debt and growth are visually problematized as central variables, hence their actuality as

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spaces for intervention. Here, the problem of debt was understood as contagious and associated with lacking confidence and faith in both Greece and the banking sector. In the above visuals, we come closer to understanding why, as the orders in which they are imagined to exist are articulated through metaphors of sport, competition, teamwork and natural disasters. Debt is at first displayed as an obstacle to growth, which appears as a necessity for the eurozone. However, along the metaphors it becomes apparent that, while European countries must struggle to repay their debts, they are still encouraged to indebt themselves to some extent. Thus, it is not debt itself that is problematized, but rather debt in too great amounts. Like the weighted plates on the barbell, it is displayed as a necessity for growth, but still in need of a spotter, which makes sure that none of the member states tries to lift too heavy a burden.

The duality of the roles of the EC representative, is especially worth noting. In the videos he monitors, guides, advises, facilitates and motivates, both businesses and nation states. Here, he simultaneously *diagnoses* the problems, whether it being too restrictive laws on businesses, too high taxes, too great debts or imbalanced economies, and *remedies* the problem, through stability mechanism, prohibition on business laws, tax recommendations or even debt relief, helping a country back on its feet. The apparatus of transparency,

created by the Troika, is then envisioned to be both judging and helping. This point becomes interesting in the light of Agambens dissection of the meaning of the word apparatus. In his analysis, this term stems from the term *oikonomia*, and as we have already seen, *oikonomia* is a concept that encompasses both judgment and salvation. This duality, the sequential judgment and salvation of the economies of Europe, is exactly the way in which the EU representative is visualized. When debt is portrayed as feverous and contagious, it is not surprising that the EC representative has the qualities of a doctor, evaluating and treating the body. Furthermore, when the problem of debt is rendered as linked with lacking faith, it makes sense that the EC representative is a figure that monitors, makes nations accountable and inspires.

The notion of *oikonomia*, the apparatus, is splitted in more than one way. Above we saw how it seeks to bridge the roles of judgment and salvation, in its rendering of the member states as plagued with fever. Adding to this, and like the theological meaning of *oikonomia*, the exercise of power of the Troika has to simultaneously articulate unity and dispersion, union and sovereignty. Above, the team and its players visually represent this, but other examples testify to the same distinction and the same attempts of unification. If we look at the euro bills, each is printed with the image of a gateway, a window or a bridge; all symbols of passageways, bonds

and connections. The euro coin also bears mark of this; they all similar on the one side, but different, depending on the country, on the other¹⁹. At this stage it seems that the displays of power of the Troika exists in a grid of intelligibility where power functions through the simultaneous articulation of unity, dispersion, judgment and salvation.

6.2

THE MEANS OF POWER

The second dimension of the regime of practices, related to the Troika, concerns the *techne* of government. Here, focus is on the means, procedures, techniques, maneuvers and technologies that both makes possible and limits government. Of course, given the large scope of the combined activities of the EC, the ECB and the IMF and their timescale, which roughly corresponds to the half of a decade, some of the means has to be left out. What is focused on, then, is some of the maneuvers, which seems to predominate throughout the program.

7.2.1 INDEBTING GREECE

One of the central enigmas of the struggle between Greece and the Troika, regards the ongoing indebteding of Greece. In the light of the described problematization of debt, it can appear strange that Greece did in fact continue to loan money throughout the implementation of the economic

adjustment programmes. The pattern is the same for both the First Economic Adjustment Programme for Greece and the Second Economic Adjustment Programme for Greece; the fact that Greece is loaned money is not discussed very much. In the start of the first programme, it is mentioned that after the EC, the ECB and the IMF has visited Greece, after a request for financial aid, the EC has pooled together loans for Greece and that the IMF has prepared a loan as well²⁰. That Greece has borrowed money from the Troika is not in itself a noteworthy point. What is noticeable is first, that the amount of money or the way in which they should be spent is not significantly discussed throughout the paper and secondly, the absence of a terminology that indicates that some sort of deal has been struck. Qualifying the importance of this observation, it can be added that the pattern also stretches to the Second Economic Adjustment Programme for Greece, which does not either discuss the loans in themselves, but rather what are demanded in return²¹. As a consequence of these points, the interesting question, in relation to the exercise of power, to ask here is, what becomes possible as a consequence of the fact that the loans to Greece are communicated about as reimbursements and not as part of a deal?

In this context, a banal and evident fact deserves mentioning; namely, that the Troikas influence on policies and structural reforms in Greece started at the moment

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where their borrowings intensified; with the signing of the First Economic Adjustment Programme for Greece. In this sense, we can locate the technique of indebting as an overarching tactic, which, in this case, serves as condition of possibility for the functioning of the other means; privatization, bank control and competitiveness. However, before we proceed to the other technical dimensions of the exercise of power, enabled by the simultaneous indebting of Greece, we can zoom in closer on the relation between debt and indebting.

Here, we can add that the technique of indebting relies on a somewhat paradoxical relation to debt. If we, for a moment, recall how debt was problematized, in the videos from the EC, where debt was described as a burden, a toll on the economy, which should be repaid, it seems strange that the commission, in symphony with the ECB and the IMF, would simultaneously support a further indebting of Greece. How can debt be both a problem and a solution? The question can best be answered by looking at the procedures, which led up to the First Economic Adjustment Programme for Greece. Here, IMF judged that the plans to pool loans for Greece was not sound, as the loans were not deemed *sustainable*, i.e. realistic to pay back. As the IMF operated under guidelines that dictated that the loans provided by IMF had to be sustainable with *high probability*, they were initially unable to participate in the bailout

of Greece. However, it was estimated that the situation in Greece was prone to be contagious and spread throughout Europe, which led to the creation of the *systemic exception*, an exception from the above guidelines of debt sustainability²². Thus, IMF were enabled to participate in the bailout of Greece.

This maneuver is interesting for a couple of reasons; first, it activates the image of debt and economic catastrophe as contagious, which were also present in the visual material. The consequences of this image becomes clear in the context of the new special rule of the IMF; they are now allowed to participate with loans, even though their consequences for Greece is uncertain, in order to stop the problems from spreading to other member states. In this sense, we can see the technique of indebting as a tool that allows a placement of responsibility, within economies that operate so interdependently that parceling and isolation is not possible. In this sense, the maneuver of the systemic exception upholds the idea that debt is problematic, while at the same time giving grounds for further indebting of Greece. We can understand the grounds for this position as an echo of the EMU framework where each country has to recognize debts as their own sovereign responsibility. Even though it is unclear whether further loans would wreak havoc on the Greek economy, the loans are justified on the premise that the problems must not spread to other economies. In this

sense, the technique of indebteding is also a technique of responsibility.

Earlier, it has been mentioned that Tellmann has analyzed debt as a moralized economic term, which positions the debtor as a failure. This idea, however, does only seem to encapsulate parts of the technique of indebteding; while debt is surely being problematized as a burden, new loans is simultaneously being facilitated. Varoufakis, in hindsight, notes that debt has been de-moralized, countering Tellmann's point²³. Here, we can note that neither and both are right, and instead observe how debt, occurs within sets of distinctions, being both problem and solution and moralized and de-moralized.

Another point, regarding the creation of the systemic exception, regards the nature of the power involved. Even though we can locate the techniques of government, within the governmental pole of power, the technique of indebteding seems to draw upon instances of sovereign power, in the form of sovereign decision. If we remember the Schmittian idea of the sovereign, as the one who decides upon the exception, it is clear that the technique of indebteding is simultaneously part of a governmental assemblage and yet relying on the exercise of sovereign power. The point here is not that the IMF or the Troika, for that matter, is always and at all times, sovereign in all their doings, but rather that they, in this instance, has created, what we can call a

pocket of sovereign power, in the form of the ability to decide sovereignly upon the framework of the creation of debt. This is the power of decision that made it possible to make a special case of Greece. This capacity was again underlined in 2016, when the systemic exception was abolished. Showcasing the non-deterministic character of techniques of government, it was discontinued because it failed to reduce the contagion of the economic problems²⁴. In conclusion, we can say that the technique of indebteding is articulated and employed both in a governmental complex, as a strategy for the placement of responsibility and reduction of contagion, but simultaneously drawing upon sovereign capabilities, not of member states of the EMU but of the supranational institution of the IMF.

6.2.2 PRIVATIZATION AND THE ECONOMY OF COMPETITION

Another governmental technique employed in the struggle between the Troika and Greece regards the creation of competition and, as a part of this strategy, privatization. According to the Troika, lacking competitiveness was one of the initial causes of the poor economic condition of Greece. This lack is explained with the continuous growth of wages, especially the wage of public employees, which according to the Troika has outpaced the growth in productivity in Greece²⁵. In this sense, the concern for

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competitiveness constructs the labor market as a platform for intervention. This problematization of the level of income, were followed up with new structural reforms, which aimed at increasing competitiveness. Here, it is stated that the planned lowering of wages in the public sector is not enough; hence the need for new reforms of the way in which wages in the private sector is negotiated. The whole labor market is judged to be in need of flexibility, meaning that a new legislation is proposed. The legislation changes the way in which wage is bargained and simultaneously seeks to enhance and increase the usage of part-time workers²⁶. Thus, we can discern both legal reforms and structural reforms of the labor market as techniques for the interventions of the Troika.

This trend is followed in the Second Economic Adjustment Programme for Greece, where it is stated that the liberalization of the labor market sectors, will help spur growth and competition, which should put a downward pressure on wages, as a consequence of high unemployment²⁷. In this report, the interventions of the First Economic Adjustment Programme for Greece, is debated. Here, it is concluded that the ongoing debates with representatives of employees in the private sector has not been successful, hence the government of Greece has intervened and reduced the minimum wage in the private sector.

However, according to the report, this initiative is not enough, hence the overall reduction of labor cost must also be aimed at non-wage labor costs, resulting in a *elimination of non-core social benefits*²⁸. This is a particularly interesting point, as we are again confronted with techniques of government, which act in a very direct way; when negotiations does not work, direct legislation is employed. It should be noted though, that the directness of rule does not push the notion of power into the category of sovereignty; after all, the decision to reduce the minimum wage in the private sector was made by the democratically elected government of Greece. Even though we are within the economic and governmental axis of power, the exercise of government can perhaps be argued to be more direct than what Foucault implied with the term *governmentality*. Seemingly we can observe a sequential substitution of the facilitating and inspiring employment of economic power with direct government, in the light of lacking economic performance.

When analyzing the creation of competitiveness as a technique of government, the interventions in minimum wages, wage negotiation and workers benefits are not the only maneuvers present. If we locate these at the level of the employee, seeking to create a downward pressure on wages by enhancing competition, we can also locate interventions at a national level. At this level, the technique of privatization

prevails. In the first adjustment programme, privatization is not addressed specifically, but mentioned as a site for future interventions²⁹. In the Second Economic Adjustment Programme for Greece, however, the technique of privatization is prevalent. In this report, privatization is listed as the primary site for the introduction of fiscal reforms. It is listed as a goal that the Greek state should collect 50 billion Euro, by selling state owned companies, by the end of 2015³⁰. This technique, however, has continued. Attesting to this, we can highlight the publication of a report, which documents the extensive plans of the selling off of 21 state owned business, including Hellinc Post, the post provider in Greece, Public Gas Corporation, which is noted for 90% of the total gas consumed in Greece, different water suppliers, power corporations and 14 regional airports, as well as the sale of different real estates and land plots³¹.

We can link the idea of privatization with the notion of the state as an obstacle, in the visual dimension. In this dimension it was displayed that the Troika envisions member states of the EU as obstacles to business endeavors. Invoking the idea of an order of competition, where states govern too much and meddle too much in the pursuits of entrepreneurs, the Troika seeks to limit the role of the state. Likewise, the technique of privatization seeks to limit the amount of business operations owned by the state. However, it is not only the size

of the state owned operations, which are viewed as problematic. In a letter from then prime-minister Lucas Papademos in 2012, addressed to Jean-Claude Juncker, president of the Eurogroup, Olli Rehn, vice-presidente of the department of Economic and Monetary Affairs and the Euro, in the EC and Mario Draghi, president of the ECB, it is stated that the Greek state stays committed to ambitious plans of privatizations as state assets are thought to be of more productive use in the private sector³². This point is interesting in that it reveals a more general tendency in the discourse between Greece and the Troika; there is a difference regarding the a priori ascribing of rationality to the state, as an actor, and the actors of the private sector. The reason goes, as was also present in the video material of the EC, that the state not facilitates but hinders competition and growth and, in this respect, is inferior to the competition of private entrepreneurs.

6.2.3 CONTROLLING THE FAITH

A less predominant technique of power, which deserves mentioning, in part due to its relation to sovereign power, regards the control of banking activities, including the services of ATM machines. During the summer of 2015, leading up to the memorandum regarding new loan packages, the ECB withdrew their guarantee to keep liquid funds coming for the Greek banks. The ECB had operated as a lender of last resort, establishing the

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emergency liquidity assistance, to Greek banks, meaning that the ECB would make sure that Greek banks has credit available³³. Earlier, we have seen how one of the primary objectives of the First Economic Adjustment Programme for Greece was to restore confidence and trust in the Greek economy, both by showing that Greece could be trusted, counted on and acted accountably, but also by showing investors that the economy was, in fact, heading in the right direction. In this sense, both Greece and the institutions of the Troika have had an interesting in buttressing the Greek economy with faith.

In this light we can understand the decision to supply Greece with the emergency liquidity assistance; by supplying the Greek banks with credit, the Greek people have the possibility of a first-hand experience with the capabilities of the central bank; they can create seemingly endless amount of credit, insuring their money and the functioning of the banks. Simultaneously, by publically announcing the guarantees to the Greek banks, the ECB has rendered Greek banks trustworthy to foreign investors, who might else have had doubts. In both ways, the ECB places credit, trust and confidence simultaneously. We should not regard this as a pure coincidence, but rather as a central capacity of the central bank. As Ole Bjerg has pointed out, in his analysis of the mechanisms of contemporary banking, credit stems from the old Latin term *credere*, meaning to

trust or to have faith in. Today the functioning of the concept of credit is based on its capabilities to direct who and what to have faith and trust in³⁴. In this sense, we can regard the insurance of the ECB as a lender of last resort, as a technology, which explicitly draws upon both economic performance and faith. In this sense, it could be argued that faith can be regarded as a cornerstone in economic performance.

If we regard the guarantee of credit to Greek banks as a technique for the production of faith in the economy, the ECB's decision to discontinue this guarantee becomes interesting. Not because the guarantee was withdrawn for long, as it was only upheld for a week before being continued again, but because of the timing and the implications of the lacking guarantee³⁵. As a consequence of the abandonment of the guarantee to supply credit to the Greek banks, the banks had to shut down, effectively positioning the ATM machines as the only possible way to withdraw money. However, also the ATM's were placed under strict control, as Greek citizens could not withdraw more than 60 euro a day, during the week³⁶.

It is not only the consequences, which are interesting, but also the timing. The decision to discontinue the credit guarantee came shortly after Alexis Tsipras' decision to call a referendum on whether or not Greece should accept the terms of the

Troika, for a new loan package. The timing was noted by Tsipras, who called the decision a pure *blackmail* and a *disgrace for Europe*³⁷. What we can discern in this scenario is that the insurance of the credit of the banks, not only allows for the production of faith, but also for its removal. It is in this sense that the tactic can be seen as a maneuver against Tsipras, when he decides to call for a referendum and employs the idea of legitimacy of the people. The question of faith and credit, is embedded within the struggle between national sovereignty and supranational institutions, because it is made possible by the EMU framework. Here, the member states can no longer produce credit to finance their own deficits, but has to rely on the ECB's production. In this sense, the technique of controlling credit rests upon sovereign power, in that the production of money and credit, regarded as a sovereign capacity, has been delegated upon the central bank within the EMU framework. Here, the ECB, is bestowed with the sovereign decision to control capital flows to banks in Europe, hence its ability to also place guilt and responsibility; when Tsipras invoked the notion of the people, the ECB did too. While Tsipras called for a popular vote, ECB simultaneously aimed its intervention at the level of the people. Attesting to this we can observe how it was indeed possible to withdraw more than 60 euro a day from Greek ATM machines, however, only if you were not a Greek citizen³⁸. In this sense, the technique of

both the production, control and withdrawal of faith, was employed specifically, towards the Greek people.

6.3

FORMS OF KNOWLEDGE

Above, we have witnessed how the activities of the Troika, understood as an assemblage of power, have developed dimensions of both the visual representation of debts and orders, and techniques, which serve to indebt, place responsibility, restore faith and create competitiveness. To this we can add another dimension; the dimension of thought and knowledge. It is here that the forms of knowledge, know-how, expertise, programmes, plans and question are to be shed light upon³⁹.

Generally speaking, the knowledge upon which orders, visuals and techniques of the Troika rests, can be divided into two categories; one dealing with economics and growth and one dealing with the field of the social, i.e. the social costs of austerity.

6.3.1 ECONOMIC KNOW-HOW

Starting with the most obvious form of knowledge and thought, present in the tactics of the Troika, we can start to zoom in on economic knowledge. Generally, it is present throughout reports from the EC, the ECB and the IMF. A tendency to note,

however, is that especially the ECB has published many reports, which does not address Greece directly, but rather addresses debt and its general role in the European economies. Earlier, it has been analyzed how the concern for the sustainability of debt has played a central role; it was one of the obstacles to IMF's participation in the program for Greece, even forcing the institutions to change its rules. In the reports from ECB, it becomes clear they have also been engaged with the concept. In the april-issue of their monthly bulletin from 2012, ECB analyzes the way in which they tend to analyze debt. Here, it is concluded that the conventional model for the analysis of debt and its sustainability lacks realism, understanding for the political climate and generally, is based on too optimistic projections for the economy⁴⁰. This point is interesting in that the report concludes that employment of policies based on the foundation of conventional assessments of debt sustainability ultimately overlooks the uncertainties embedded herein, effectively disqualifying the technique as a stand-alone tool. Instead, the report concludes, policy-makers throughout Europe would be wise to exercise prudence in their legislations⁴¹.

At this point we become aware with a hitherto, unfamiliar characteristic from the supranational institutions; doubts and concerns regarding own practices. It is evident from the paper that the ECB is

engaging with the fundamentals of its own practices and uses its know-how, i.e. the experience of over optimism in economic forecasts, to problematize the disregard for uncertainties in the analysis of debt sustainability. It is here that we, at the level of thought, can locate a rationality, subscribing to a better-safe-than-sorry attitude towards economic policy making, as prudence is argued to be a sound principle for policy making.

Another interesting dimension of the economic knowledge, related to the interventions in the Greek economy, regards the employment of forecasts and economic projections. Here, the economic rationality constructs multiple alternative futures in order to measure the credentials of their own proposed policies. In the report, just discussed, this was done by examining different outcomes in the period from 2010 to 2020, depending on whether Greece would implement fiscal consolidations⁴². This is also the case in the First Economic Adjustment Programme, where, as an example, a diagram examines the different economic trajectories for Greece with and without its current pension system⁴³.

Another example of how the concept of the future enters into economic knowledge, regards debt itself. In a working paper from the ECB on the relation between debt and growth, the optimal balance between the two is

investigated. Here, it is concluded that a debt ratio, exceeding 67% of annual GDP damages growth. However, even though this is the case, debt is still regarded as beneficial in smaller amounts for short-term growth. On the basis of these conclusion, and this is where the concept of the future becomes evident, it is estimated that lowering the debt in high debt countries will benefit the opportunities for growth⁴⁴.

Evidently, the economic rationality, with its imperatives of growth and competition, seen in previous sections, employed here, aims at creating the optimal conditions for economic prosperity through caution, moderation and prudence. Emphasis, seems to lie primarily on short or medium term goals, which is emphasized by the fact that the concerns for the lacking sustainability of debt was overridden due to fear of contagion, as documented earlier.

Going one step further, in the analysis, we can discern why both prudence and caution is advocated as necessary qualities in future policy making. In another bulletin from the ECB an article on the European Stability Mechanism the concept of crisis is argued to be central to the rationality for the introduction of the mechanisms. The stability tools are labeled as management tools for *permanent crisis*, which is interesting in that it indicates that not the avoidance but the management of risks are thought to be the goal of the economic

management of the Troika⁴⁵. The rationality does not regard economic trouble as avoidable, but rather a necessity or fact of economic conduct. This skepticism about the possibilities of economic planning of the Troika is underlined by the fact that the stability mechanism should not be regarded as fiscal transfers, saving the economies of member states, but rather as a *liquidity bridge*, helping just enough to *buy time* for member states⁴⁶. In this sense, the economic rationality draws both on the governmental idea of management as conduct-of-conduct or help-to-self-help and the idea, found in the visual orders, that crises and storms naturally emerge. Here, the rationality goes that if we cannot avoid them altogether, as facts of economic life, we must prepare for them well ahead, hence the argument for the moderations of debt and the prudence of economic policy making.

6.3.2 THE CARE FOR THE SOCIAL

In the light of the emphasis ascribed to both economic knowledge and economic techniques in the intervention of the Greek economy, the Troika would perhaps not be expected to pay much attention to the social consequences of their policies. However, this has not been the case. If we start with the First Economic Adjustment Programme for Greece, the question of how the austerity program will affect the weak, elderly and vulnerable is taken up. It is not addressed in depth, but states that

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vulnerable groups will be compensated for the *adverse effects*, of the programme⁴⁷. Implicitly, this shows that the programmes of the Troika, is thought to have negative consequences, hence the need to create specific policies, which seeks to shield the most vulnerable citizens.

In the Second Economic Adjustment Programme for Greece, the topic is followed up. Here, it is concluded that the targeting of the social policies has not been satisfying, leaving households at the lower end of the income distribution in dire risks for poverty. In this context, it is not the policies for the vulnerable, which is problematized, but rather their implementation. Thus, it is not argued that more money should be directed towards vulnerable households but rather the contrary; further targeting towards those in need may open up the possibility for further savings in the social field⁴⁸.

Thus, we can understand the production and utilization of knowledge on social conditions as a field of intervention, which seeks to lean up the social benefits; in this sense, it can be regarded as austerity politics. The rationality seems to be that the more money saved in this field, the better, however, while still helping those in the greatest risk of becoming poor. As was the case with the knowledge on economic matters, where it was concluded that more knowledge was indeed necessary for the analysis of the sustainability of debt, the

same attitude seems to prevail in the field of the social programmes. It is not that the rationality is self-critical to the extent where it concludes that it lacks the necessary knowledge to intervene, but rather seeks more country specific know-how in order to optimize its programmes, in order to save, where possible.

This attitude also emerges in the health-branch of the social policies, where a lack of transparency, according to the second programme, prevails. Here, it is argued that corruption, lack of structure and fragmented institutional systems hinders an overview, which is necessary for a thorough analysis of the cost-effectiveness of the interventions⁴⁹. The rationality of the Troikas interventions in Greece is, then, not so much reliant on safeguarded knowledge on how to shield the vulnerable, but rather reflections upon the matter; a call for further investigations and for further clarity. In this sense, the approach to the social field echoes the need for control, transparency and monitorization, which were stressed again and again in the visual material of the EC.

It would make sense, if the call for further research and activities of monitoring of the social field, only would predominate at the start of the programmes in Greece. However, in 2015 a report on the social consequences of the austerity programmes points out that a new comprehensive review of the welfare system will highlight

areas where it should be possible to achieve better results for the same costs. Here, it is again, five years after the initial report, stated that reviews must be done in order to make certain that the weakest are not pushed into poverty by the reforms⁵⁰.

The aims of optimization, of increasing the cost-effectiveness of the policies, while avoiding direct poverty, seems to be a permanent ethos for the rationality of Troikas approach to the social system in Greece. In this sense, it is unlikely that there will ever come a time, where the system is recognized as fully optimized, without needing further cuts, optimizations and effectiveness. Generally, then, we can state that the interest in the social welfare of the Greek citizens is founded on a rationality that simultaneously seeks to trim and optimize its services, while avoiding, at least if possible, pushing the most vulnerable into poverty.

6.4

THE STATE AS MAN AND MAN AS ENTREPRENEUR

An important dimension of governmentality as an assemblage of different exercises, thoughts and practices, regards the type of subjects that the relations of power seek to create. Put in the words of Agamben, apparatuses always operate on a schizophrenic basis, where power has no foundation in being, and thus has to create the subjects of its exercise.

Perhaps unsurprisingly, the papers of the Troika never explicitly address the question of which subjects they seek to foster. Even though this is the case, we can still address the question indirectly, by analyzing how their problematizations and interventions has consequences for the idea of the subject.

6.4.1 THE ENTREPRENEURIAL SUBJECT

One of the central figures, which comes up in the different papers, visuals, reports and documents, is the figure of the entrepreneurial subject. If we start all the way back with the juridical framework of the EMU, it became clear that the creation of the internal market in Europe sought to create a subject, free to move across borders and taking educational and business credentials with him. In this sense, the framework fostered the subject as free, in a legal sense; i.e. free to move around, free to trade, free to take with him capital and goods. However, another dimension of the subject became clear here; subjects were also shaped to compete. This quality was fostered through techniques of standardization, where educational backgrounds should be standardized throughout Europe, with the aim of enhancing the transparency of European workers and facilitating an increasing competition. The figures mentioned here, were both the figure of the businessman and entrepreneur and the figure of the

customer, both identified by Foucault as the two faces of the modern figure of homo oeconomicus, the economic man.

It should be noted that this aim of enhancing the opportunities of the entrepreneur is not specific to the framework of the EMU. If we recall the visual material, analyzed earlier in this chapter, the same attempt at creating ideal conditions for the entrepreneur becomes discernible. Here, it was argued that the member states of the EMU often put too heavy taxes and limiting regulations on business, which especially was thought to be hindering for new businesses. Implicit in this argument is, that the entrepreneur should have better conditions for his pursuit in creating new business ventures.

If look closer at the materials of the Troika, we can see that they subscribe to a discourse of the entrepreneur, where his characteristics of being able to create businesses and conduct himself economically, is presupposed as a quality. This observation becomes evident if we look at the aims of the programmes of the Troika. Here, we find no attempts, in the form of say, educational programmes, at creating entrepreneurs or transforming already existing subjects into actors with qualities that translates well into businesses. Instead, the programmes seek to remove the burdens on already existing entrepreneurs. These attempts come, as we have already seen, in attempts at

placing debt on the Greek state and not the businesses, changing taxation, increasing competition and creating opportunities for free movement of individuals, capital and business, across Europe.

Simultaneously, competition is ascribed to the entrepreneurial individual, as a fact of its nature. This logic comes to the fore in the situations, where the reduction of the number of state employees are thought to put a downward pressure on wages in the private sector or when increased standardization in credentials is thought to enhance and facilitate an already existing competitive drive, in European actors. In this sense, the entrepreneurial subject, which is also a subject of competition, is not the construct of the Troika, but rather presupposed to exist and rendered as the normatively desired subject.

6.4.2 THE STATE AS A SINGLE SUBJECT

Regarding the dimension of the creations and presuppositions of the subject, another facet seems interesting; the role of the state. Although less predominant and different in character, there have been indications throughout the analysis that the Troika has attempted to render the Greek state as a single entity. This is not to say that the Greek state appears as a subject of governmentality in a narrow sense, as a subject or actor, roughly corresponding to

what we could call a human being or individual. If we broaden the scope and investigate the idea of identities, seems applicable to the roles of the state; the governance seeks to imbue Greece with several identities or roles.

A first thing to highlight is that the Greek state, and even the rest of the member states of the EMU are attributed with different roles at different times. Examples of this include the role of the state as an obstacle to entrepreneurs. Here, the state was picture as a mountain, creating difficulties for the prosperity of business, by putting too heavy taxes or too many constraints on their opportunities. Later, the state takes the role of a deckhand, falling overboard at the ship of Europe, in the face of the perfect storm, the current financial crisis. In both scenarios the state appears as a single unit or actor. First as an obstacle, a mountain and later as a subject, which was also the case of the state as a football player or a gymnast.

In the light of an understanding of power, which includes both the concepts of sovereignty and government, the portrayal of the state as either single unity or subject becomes interesting. One of the central concerns in the debates between these two branches of studies of power regards the role of the state. One of the defining characteristics of governmentality studies is to break with conventional theories of the state, meaning that instead of employing a

schemata of analysis, which addresses the issues of the legitimacy of the sovereign and the obedience of its subjects, these images must be investigated. Thus, at least according to Foucault, we should no longer regard the state as a unity, but rather an abstraction, stemming from programmes and practices⁵¹. With a signature of power, that includes both government and sovereignty, we are at a suitable distance to observe the consequences of the imagery of the sovereignty of the state as a narrative, without contemplating its sociological realism. In other words, we are in a position to analyze the consequences of the narrative of the Greek state as both unity and subject. That the imagery of sovereignty is put to use is, perhaps, unsurprising, as the interventions of the Troika draws heavily on the EMU framework, which defines debt as a sovereign responsibility of the member state. Thus, it seeks to render Greece sovereign, in its accountability for the debts.

However, if we look closer at how the Greek state appears, we can discern that it is only parts of the sovereign imagery, which is employed. On the one hand, the Greek state is seen as sovereignly responsible for its debt, it is seen as a single unity hindering entrepreneurs, on the other hand, the sovereignty of the state extends only to its obligations and responsibilities, and less to its exercise of power. This dynamic is most evident in the

metaphors, employed in the analyzed material. Here, the Greek state is presented as a subject, either part of a team supervised by European institutions or as a part of a ship's crew, captained by European institutions. In both cases, the dynamics presented, posits the Greek state, and the rest of the European states for that matter, as single subjects, in need of supervision and motivation from the Troika. Here, the European institutions are positioned and presented above the European states in regards to abilities; they are presented as more rational actors than the states; they are presented with qualities specific to them, such as, motivating and rational. In this sense, the imagery of sovereignty, is only employed in terms of responsibility, but when it comes the qualities of the state, they are presented with flaws, capable of failing and making bad decision.

6.6

CONCLUDING THE ASSEMBLAGE

Having examined the assemblage of the governmentality of the Troika, we can address the third and most significant research question: *how is Greece being governed in relation to debt?* In the first part of the analysis we saw how different visuals depicted debt as problematic, while arranging it within an order, where the supranational European institutions were in position to monitor and inspire solutions,

both to the benefit of the individual and the economy. Secondly, the techniques and programs through which the governance is carried out were analyzed. Here, it was found that the technology of indebtedness was predominant, as it served as leverage, making possible the rest of the policy interventions, such as competition policies and privatizations. Furthermore, it functioned by rendering Greece responsible, constructing debt as a sovereign responsibility, in line with the EMU framework. Thirdly, we could observe how these techniques and pictures relied on an economic rationality, which understood the current situation as a permanent crisis. Thus, the knowledge employed created a foundation for an understanding of economic help, which were only helpful if the country helped, would also take upon itself to act prudently. Lastly, we saw how the interventions did not try to create entrepreneurial subjects, but rather to free them from the constraints of the nation state. In this sense, the entrepreneur is presupposed to exist, in the rationality of the Troika, which, then, aims at creating the optimal conditions for the functioning of this subject. Simultaneously, the state, at least from time to time, was sought governed as a single subject, sovereign in responsibility but subjected to the supranational governance.

¹ Dean 2010: 40

² European Commission 2010: 3

³ European Commission 2010: 6

⁴ European Commission 2010: 7

⁵ Tellmann 2015: 27

⁶ Agamben 2009: 8

⁷ Agamben 2009: 10

⁸ European Commission 2010: 10

⁹ European Commission 2010: 11

¹⁰ European Commission 2010: 11

¹¹ European Central Bank 2012a: 32

¹² Mirowski 1994: 451

¹³ European Commission 2014a

¹⁴ European Commission 2014b

¹⁵ Dean 2010: 197f

¹⁶ Agamben 2009: 14

¹⁷ European Commission 2014c

¹⁸ European Commission 2015a

¹⁹ European Commission 2015b: 18f

²⁰ European Commission 2010: 1

²¹ European Commission 2012

²² International Monetary Fund 2016b

²³ Varoufakis 2016: 10

²⁴ International Monetary Fund 2016a

²⁵ European Commission 2010: 3

²⁶ European Commission 2010: 48

²⁷ European Commission 2012: 2

²⁸ European Commission 2012: 3

²⁹ European Commission 2010: 66

³⁰ European Commission 2012: 31

³¹ European Commission 2015c

³² European Commission 2012: 94

³³ European Central Bank 2015a: 1

³⁴ Bjerg 2013: 29

³⁵ European Central Bank 2015b

³⁶ The Huffington Post 2015

³⁷ The Washington Post 2015

³⁸ The Daily Mail 2015

³⁹ Dean 2010: 42f

⁴⁰ European Central Bank 2012b: 63

⁴¹ European Central Bank 2012b: 69

⁴² European Central Bank 2012b: 61

⁴³ European Commission 2010: 19

⁴⁴ European Central Bank 2012c: 17

⁴⁵ European Central Bank 2011: 71

⁴⁶ European Central Bank 2011: 71

⁴⁷ European Commission 2010: 28

⁴⁸ European Commission 2012: 36

⁴⁹ European Commission 2012: 36

⁵⁰ European Commission 2015d: 17

⁵¹ Dean 2010: 35

7

CONCLUSION

AT THIS STAGE THE TIME HAS COME TO SUM UP THE ANALYSIS AND ADDRESS THE ORIGINAL PROBLEM FORMULATION

Having addressed the three working questions, thought to unfold the problem formulation, we are now in a position where we can address it directly: *how do the strategies of the Troika construct and act in relation to debt?* At first, protests and resistance in Greece was analyzed, in order to come to grips with the nature of the dominant forms of power. Here we saw how resistance, materialized in both riots and political parties, which protested the way in which the sovereign debt of Greece, was placed on its people. Simultaneously, the protesters observed the placement of responsibility and guilt, as a consequence of the involvement of the EC, ECB and IMF – the so-called Troika. When Syriza employed this dynamic, calling for a popular vote, the struggle revolving the repayment of debt, became a struggle between national sovereignty and the influence of supranational governance. These points presented the crucial leads for the analysis. In the next analytical

chapter, the institutional sources for the apparent conflict between democratic politics of the nations of the eurozone and the coordination of their economies, was traced. Looking closer at the EMU, it became apparent that it sought to establish monetary order, throughout the eurozone, in the form of shared policies regarding financial and economic matters. More precisely it aimed at establishing a single European market, and create the euro as a mean to this end. In doing so, the member states of the EMU delegated sovereign capacities of decision regarding economic planning and sanctions upon the ECB. The institution was then to oversee the levels of debt in the member states, regarding these as a sovereign responsibility and sanctioning these if necessary. In this sense, the monetary order, established with the EMU separates the *sovereign capacity* to create money and sanction debt, which is placed on the ECB, and the *sovereign responsibility*,

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which is placed upon the member state. In this sense, the protests in Greece led us to a trail that indicated that the supranational government, with its liberal ethos of creating an internal market and a free subject, also has an authoritative and sovereign face. Going into the last part of the analysis, this insight became crucial. Instead of approaching the practices of the Troika as only an apparatus of liberal facilitating government – or conduct of conduct – we could study it along both axes of the signature of power; its references to network-like powers and direct and sovereign powers. Attempting to render the practices and rationalities of the Troika intelligible in such a way, does not mean that it does not draw upon governmentality. Contrary, the analysis displayed how visual orders were produced, how the techniques of government facilitated and hindered interventions, how these techniques drew upon both economic and social insights and how these dimensions acted together, in order to facilitate entrepreneurial - and consumer behavior. The point, instead, to include both faces of power, within present analysis, was to supply this governmental assemblage with the instances and pockets where power became less relational and more direct and autonomous. That Greece was treated as an exception in need of intervention is an example of the sovereign capacities of the Troika. Another is the declaration of a permanent crisis. Yet another is IMF's break with their own rules,

regarding sound loan policies. Thus, present analytical strategy, has been able to display how the interventions of the Troika draws upon powers associated with both government and sovereignty, which is central to the answer to the problem formulation.

In conclusion, the Troika constructs debt as both problem and solution. If we understand this construction as an apparatus of debt, we can observe that debt appears on both the side of judgment and the side of salvation, appearing as both moralized and de-moralized. The construction of debt as multifaceted and polyphonic, functions as a tactic, which serves as condition of possibility of the strategies of the Troika. It allows for the initial problematization of debt, defining it as a threat, a fever and a contagion. Drawing upon sovereign capacities, the supranational institutions defined Greece as a special case in need of intervention and suspended their own guidelines for debt reimbursement, in order to create new loan packages. In this sense, debt appears as the solution to the problem of debt. The construction of debt, allows for further indebting of Greece, which serves as a counterweight for the initiatives Greece had to accept in turn for the loan packages. Thus, debt is constructed as problem and solution, a sovereign responsibility, which paradoxically serves as condition of possibility for the interventions of the Troika.

8

AFTERTHOUGHTS

HAVING ADDRESSED THE PROBLEM FORMULATION, ISSUES REGARDING THE PRACTICALITY OF THE ANALYTICAL STRATEGY AND THE POLITICAL IMPLICATIONS

At this point, we can abandon the strict academic reasoning, present throughout analysis and open up the perspective for reflections upon the thesis and its implications.

Academically, one of the central ambitions has been to work critically with the notion of the 2nd order observation. As described earlier, the thesis sought to distance itself from the rigid distinction between 1st and 2nd order observations and, more precisely, the idea that the 2nd order observation somehow is more rational or reflective than its counterpart. In present thesis, all the interventions, strategies and powers of the Troika are materialized in reports, documents, journals, press releases and videos, which can be regarded as observations. These are the observations that the analytical strategy, with its concept of 2nd order observations, seeks to observe. A central gain, with the radicalized idea of

the 2nd order observation, is that we need not reproduce the idea that the observations we observe are reflectively inferior and holding the belief that they see all what there is to see. Distancing itself from this idea, the thesis has been able to analyze how questions of which actors to act rationally, which are to be trusted etc. are part of the functions of the powers of the Troika. In this sense, we can embed theories of observation, within the analytics of power, in order to remain analytically engaged with the way in which different actors observes and ascribes rationality to other actors. In this way, the question becomes analytical instead of theoretical.

Another central ambition has been to include both the sovereign and governmental faces of power in the analysis. Where the governmental power associated with the works of Michel Foucault has matured into an analytical

field, coupling it with sovereign powers is a road less traveled. This has marked the present analysis, which has been able to include instances sovereign capacities of decisions upon exemptions, sovereign responsibilities and the transcendent power associated with notions of people and nation. This, however, are just some of the facets of sovereign power. What could have been investigated further, but would also have changed the focus quite a bit, is the role of theology, especially in central banking. In present thesis, the role of central banking was just a momentary stop on the way to another focus, but nonetheless it might deserve further attention as a topic in itself. Summing up on the analytics of power, I would like to think that the central distinction between sovereignty and government has been fruitful to the observations of the thesis, and facilitated an empirical sensitivity, that could not have come into being without a conceptualization, that allowed the co-existence of the network-like management of visuals, know-how and different techniques on the one hand, and instances of autonomous decisionism, on the other. But even though this is the case, it appears that there is still work to be done, in order to mature the analytical operativity of especially sovereignty and its point of contact with government.

If we are to briefly reflect upon the political implications on the report, it seems that there are some central points of conflict

between orders of market, monetary orders of central banking and democratic self-understanding and the role of national sovereignty. Present analytical framework does not nor seeks to offer a way out. Instead this identification of points of struggle, should rather be regarded as problem points, in need of future attention, whether it being analytically or politically. Another central political implication regards the role the production of debt, which, as it has been observed, is central to the governmentality of the Troika. Politically, it may seem that the role of central banking is overlooked, in public debates regarding economic performance and, as we have seen, economic faith. In this sense, present thesis hopes to contribute with more questions than it has answers.

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