

*The Cultural and Social Dimensions of the
Economic Crisis 2008-2014. Financial Cultures,
Human Suffering and Social Protests*

Manuel Castells

2013 Balzan Prize for Sociology

Balzan GPC Adviser: Dominique Schnapper

Project Directors: John Thompson, Sarah Banet-Weiser, Mireia Fernandez-Ardevol

Researchers: Michelle Forelle, Nahoi Koo, Lana Swartz, Antonio Calleja-Lopez, Arnau Monerde, Javier Toret, Enrique Serrano, Eirini Avramopoulou, Silvia Pasquetti

Affiliated Institutions: University of Cambridge; University of Southern California; Open University of Catalonia, Barcelona

Period: 2014-2017

Manuel Castells is University Professor and Wallis Annenberg Chair of Communication Technology and Society at the University of Southern California, Los Angeles; Professor at the Open University of Catalonia, Barcelona; Honorary Fellow of St. John's College, University of Cambridge; and Professor Emeritus of Sociology and of City and Regional Planning at the University of California at Berkeley. In January 2020, he was appointed Minister of Universities in the Sánchez II Government of Spain.

His threefold research program, conducted over three years (2014-2017), in three of the different institutions to which he is directly affiliated (the University of Southern California, the Open University of Catalonia, and Cambridge University) falls under the general theme of *The Cultural and Social Dimensions of the Economic Crisis 2008-2014*. Castells coordinated the entire research program, with associate directors taking scientific responsibility for supervising the work of the young researchers (at the University of Southern California, Professor Sara Banet-Weiser; at the Open University of Catalonia, Dr. Mireia Fernandez-Ardevol; at the University of Cambridge, Professor John Thompson). The young researchers in each of the three institutions conducted their own research, leading eventually to their own publications,

with the guidance and support of the coordinators and supervisors of the research program. A considerable number of individual publications have come out of this project, for which a summary follows. For more extensive details on the research activities carried out through Manuel Castells's Balzan research funding, see previous editions of the *Overview* on the International Balzan Foundation website: <https://www.balzan.org/en/prizewinners/manuel-castells/research-project-castells>.

RESEARCH TEAM 1: University of Southern California, Annenberg School of Communication – “NEW FINANCIAL CULTURES AFTER THE CRISIS”

Director: Professor Sarah Banet-Weiser

Young Researchers: Michelle Forelle, Nahoi Koo, Lana Swartz

The three young researchers included in this project were Dr. Lana Swartz, now Assistant Professor of Communication at the University of Virginia; Nahoi Koo and Michelle Forelle, both doctoral students at the Annenberg School of Communication at the time. Each one of them developed their own projects of research, under the general theme of the transformation of business cultures during and after the economic crisis of 2008-10. Forelle studied the cultural origins of financial derivatives in Wall Street; Koo studied the rise of new entrepreneurial networks in Silicon Valley; Swartz provided a comprehensive analysis of the cultural foundations of currencies and means of payment with a focus on cryptographic currencies, such as Bitcoin.

Publications

Part 1: New Financial Culture in Wall Street

After exploratory research, Michelle Forelle's research activities included meetings with other researchers from the social/cultural studies of finance field, and interviews with financiers. Her methodology was developed in graduate courses and seminars. Research carried out in the fall of 2016 resulted in the publication listed below.

Publications

Forelle, Michelle. “‘Then you are making riskless money’: A Critical Discourse Analysis of Credit Default Swap Coverage in the Financial Trade Press.” *Journal of Cultural Economy* vol 11 2(2018): 97-109. doi/full/10.1080/17530350.2017.1407815.

Part 2: The New Financial Cultures of Silicon Valley

Lana Swartz and Nahoi Koo worked on the New Financial Cultures in response to the 2008 global financial crisis, with a focus on the cultures of financial innovation in Silicon Valley, including new forms of currency, new payment systems, and new forms of collaborative consumption and alternative economic practices.

During the period of work supported by the Balzan Foundation Prize, Lana Swartz completed her dissertation on the cultures of money as a key component of the transformation of business cultures during and after the financial crisis. She focused much of her work on the rise of cryptographic currencies, such as Bitcoin, as an expression of new entrepreneurial financial cultures. Her dissertation, *Tokens, Ledgers, and Rails: The Communication of Money* (defended in 2015), was supported by funds from Manuel Castells's Balzan Prize. After preparing it for publication, the book was submitted to Yale University Press for full review. This research was followed by complementary research inquiring into everyday practices of financial technology, in particular, on how interviewees negotiate economic dimensions of social relationships through this technology and how they experience surveillance, platform governance, and other components of the political economy of this technology.

Nahoi Koo independently worked on three different research projects supported by the Balzan Foundation: (1) startup networks in Silicon Valley, (2) global culture and transnational entrepreneurship in South Korea, and (3) the feeling of happiness in the network society. Koo conducted fieldwork, attended startup conferences and networking events, and presented a paper from this project.

Publications

Swartz, Lana. *New Money: How Payment Became Social Media*. New Haven: Yale University Press, 2020.

Maurer, Bill and Lana Swartz, eds. *Paid: Tales of Dongles, Checks, and Other Money Stuff*. Cambridge MA: MIT Press, 2020.

Swartz, Lana and Kevin Driscoll. "The Lonely Old Bitcoin Miner Touches Eternity: Or, What Is a Peer?" *King's Review Journal*, King's College Cambridge. 2016.

Swartz, Lana. "Blockchain Dreams: Imagining Techno-Economic Alternatives after Bitcoin." In *Another Economy Is Possible*, edited by Manuel Castells. Polity Press, 2017.

- Swartz, Lana and David Stearns. "Money and Its Technologies in the Modern Era." In *History of Money: The Modern Era*, edited by David Peterson. Bloomsbury Press, 2019.
- Swartz, Lana and Michael Palm, eds. "Money, Technology, Culture." Special Issue of *Cultural Studies*. In preparation.
- Nelms, Taylor, Lana Swartz and Bill Maurer. In review. "The Economy of 'Just Us': A Dispatch from the Cambrian Explosion in Payments," *Theory, Culture and Society*. In review.
- Swartz, Lana. "What Was Bitcoin? A Retrospective Introduction." *Cultural Studies*. In review.
- Koo, Nahoi. "The New Culture of Sharing in the Post-2008 Silicon Valley." *Regional Studies*. Submitted for publication.
- Koo, Nahoi. "The Emergence of Transnational Entrepreneurship in South Korea's creative economy." *East Asian Journal of Business Management*. Submitted for publication.
- Koo, Nahoi. "Integrating Network Theories and Analysis into Research on Entrepreneurship." *Journal of Business Research*. Submitted for publication.
- Koo, Nahoi. "Network Analysis of Startups Participating in the Sharing Economy." *Journal of Small Business and Enterprise*. Submitted for publication.
- Koo, Nahoi. "Evaluating Subjective Well-Being in the Network Society." *Journal of New Media and Society*. Submitted for publication.

RESEARCH TEAM 2: IN3 – Open University of Catalonia, Seminar on Communication and Civil Society – “THE CULTURAL AND SOCIAL DIMENSION OF THE ECONOMIC CRISIS 2008-2014: FROM HUMAN SUFFERING TO SOCIAL PROTEST. A COMPARATIVE STUDY OF NETWORKED SOCIAL MOVEMENTS IN SPAIN AND THE US (2011-2014)”

Director: Dr. Mireia Fernandez-Ardevol

Researchers: Arnau Monterde, Javier Toret, Antonio Calleja-Lopez

Arnau Monterde, Javier Toret and Antonio Calleja-Lopez, the three recipients of the Balzan Prize awarded to Professor Castells linked to the IN3 – Open University of Catalonia, worked to conduct an in-depth, comparative analysis of two selected network movements: 15M in Spain and Occupy Wall Street (OWS) in the US. Popular indignation against the management of the financial crisis led, both in Europe and the United States, to the rise of social protests and social movements with distinctive

features in the age of the Internet, in particular, social movements in which networks play an important role emerged.

The main goal was to compare these two significant experiences, the 15M and OWS, taking into account the dynamics of the current global wave of mobilizations that were shaping social transformations and were shaped by them. Three main dimensions defined their specific goals: first, the characterization of the collectives related to the two movements and their degree of involvement; second, the analysis of the network movements from a multidimensional perspective; and third, the study of their social, cultural and institutional impacts.

The original project at the IN3 was designed, in practical terms, to allow the three researchers to work in an interrelated way. Each of them developed their activity individually to achieve the goals of the project, showing a growing intellectual autonomy. The Balzan project funding also made it possible to hire two research assistants that helped in specific tasks of the project during given periods of time.

Arnau Monterde's research goes beyond the boundaries of academia as he has the aim of fostering empirically-based reflection in Spanish society. His strong commitment to making his results open to the society shapes his selected channels for publication (i.e., academic open access journals). The Internet constitutes an essential channel to socialize research results, and with this end in mind, a dedicated section to the Balzan Prize project was created (<https://tecnopolitica.net/en/projects/balzan-project>). Arnau has published both journal articles and book chapters at the international level. His PhD dissertation has been submitted for publication by the most prestigious Spanish publisher in social sciences and humanities, Editorial Alianza. After the three-year period of the Balzan Prize, Arnau undoubtedly strengthened his autonomy as a researcher. At present, he is a researcher for the H2020 project "Decentralised Citizens Owned Data Ecosystem" (DECODE) and has been postdoctoral researcher at the IN3 Research Institute at the Open University of Catalonia since January 2017.

Balzan funding supported Javier Toret to coordinate the publication of the book *Tecnopolítica y 15M: La potencia de las multitudes conectadas* [Technopolitics and the 15M: The Power of Connected Multitudes] in 2015. Due to the international impact of this research, Toret has been invited to deliver public talks in several countries, which has helped him to support his research activities and, in selected cases, timely fieldwork.

Antonio Calleja-López combined the Balzan Prize project with broader research in sociological studies on techno-scientific practice and innovation. Thanks to the Balzan Prize support, Antonio has been able to focus his research on the emerging forms of technopolitics and democracy within the 15M protest movement, which helped him to finish his PhD dissertation in January 2017.

Publications

- Monterde, A., Calleja-López, A., Aguilera, M., Barandiaran, X. E., Postill, J. (2015). “Multitudinous Identities: A Qualitative and Network Analysis of the 15M Collective Identity.” *Information, Communication & Society*, 18(8), 930-950. <http://doi.org/10.1080/1369118X.2015.1043315> [JCR Impact Factor 2.109, 1st Quartile].
- Monterde, A. (2015). *Emergencia, evolución y efectos del movimiento-red 15M (2011-2015). Una aproximación tecnopolítica*. [Emergency, evolution and effects of the 15M network movement (2011-2015). A technopolitical approach], Universitat Oberta de Catalunya, Barcelona. Retrieved from <http://hdl.handle.net/10803/327599>. Submitted to Editorial Alianza for publication).
- Toret, J. (editor and author) (2015). *Tecnopolítica y 15M: La potencia de las multitudes conectadas*. [Technopolitics and the 15M: The power of connected multitudes]. Barcelona: Editorial UOC.
- Serrano, E., Calleja-López, A., Monterde, A. & Toret, J. (Eds.) (2014). *15MP2P. Una mirada transdisciplinar del 15M. [15Mp2p a transdisciplinary approach of 15M]* Barcelona: UOC-IN3.
- Monterde, A., Aragon, P., Esteve M., Carrillo, R. (2016). *#YoSoy132: ¿Un nuevo paradigma en la política Mexicana?* Doctoral Working Paper Series DWP15-003 IN3 Working Paper Series <http://in3-working-paper-series.uoc.edu/in3/ca/index.php/in3-working-paper-series/article/>.
- Monterde, A., Calleja-López, A., Blanche, D., Fernández-Ardèvol, M. (October 2017). *15M: The Movement in Its Third Anniversary*. IN3 Working Paper Series.
- Blanche, D., Calleja-López, A., Fernández-Ardèvol, M., Monterde, A. (November 2017). *Occupy Wall Street: The Movement in Its Third Anniversary*. IN3 Working Paper Series.

RESEARCH TEAM 3: Cambridge University – “THE HUMAN AND SOCIAL COST OF ECONOMIC CRISIS”

Director: Professor John Thompson

Young Researchers: Eirini Avramopoulou, Silvia Pasquetti

Aims

The aim of this strand of the research funded by the Balzan Foundation, as part of the Balzan Prize won by Manuel Castells in 2013, was to explore the ways in which individuals and groups in different parts of Europe lived through and experience the economic crisis, how it affected them and how they responded to it, both at the level of feelings, emotions and forms of suffering and in terms of practices and types of collective action. A bottom-up approach was adopted to carry out a qualitative and ethnographic study through in-depth interviews and close observation of the daily lives of ordinary individuals in carefully selected regions of Europe. This qualitative research was used as a basis for developing new concepts, theoretical ideas and arguments to understand the lived reality of economic crisis, to analyse the feelings, emotions, forms of suffering and practices that characterize the ways that individuals experience and respond to economic crisis, and to study the processes through which these emotions, forms of suffering and practices feed into types of collective action, including protest movements and other kinds of social and political action such as voting in elections and referendums.

Achievements

The original plan was to carry out fieldwork in three countries – two in southern Europe, Greece, and Italy, where the deleterious consequences of the crisis were most apparent, and one in northern Europe and the UK. In practice, an originally planned-for third case study was dropped because the empirical research in Greece and Italy proved to be immensely fruitful and at the same time very challenging, time-consuming and costly. Moreover, as the social and economic trajectory of the UK evolved and the economic crisis of 2007-08 began to recede, other issues emerged in the UK.

Eirini Avramopoulou was appointed to carry out the research in Greece and Silvia Pasquetti carried out the research in Italy. For part of this time Avramopoulou was based in Athens, and part of the time in Volos and Pelion, carrying out interviews, in accordance with the project's original plans. Pasquetti was based in Parma and Florence, two prosperous northern Italian cities, for part of the time, and for the other part she was based in Syracuse and other smaller towns in southeastern Sicily, again carrying out interviews in accordance with the project's plans.

Before Eirini and Silvia began their fieldwork, they worked closely with John Thompson ([https://research.sociology.cam.ac.uk/link/human-and-social-costs-eco-](https://research.sociology.cam.ac.uk/link/human-and-social-costs-eco)

conomic-crisis) to develop detailed templates that covered the range of issues to be explored in the interviews, all of which were recorded and safely stored, with each researcher developing a system of pseudonyms for interviewees and fictitious place names for towns, villages, districts or streets when the use of actual names could compromise the anonymity of interviewees. Nearly 80 of the interviews have been fully translated and transcribed (over 2,500 pages) in English, thus constituting a very rich and substantial body of qualitative research material.

In addition to the interviews, Eirini and Silvia took detailed field notes about the research sites, the individuals they interviewed and the interviews they conducted. These field notes are also valuable primary material because they help to contextualize the interviews, describe the circumstances in which the interviews were carried out (many were carried out in the homes of the individuals concerned) and provide a commentary on aspects of the interview and the interviewee that are not apparent from the text of the interview on its own.

This research is still considered as work-in-progress. The grant has been used very effectively to produce a rich body of primary research material. This kind of material is very difficult to produce not only because it is time-sensitive and time-consuming, but also because it required a special set of linguistic and ethnographic skills. Given these challenges, the team was very fortunate to be able to generate as much primary material as it did. They are now in the process of analysing this material and developing output of various kinds. Project Director Thompson drew directly on the reports by Eirini and Silvia and used their findings to develop an original analysis of the human and social costs of the economic crisis in Greece and Italy. This co-authored paper was published in 2017.

Apart from these initial outputs, Thompson, Avramopoulou and Pasquetti plan to write a much more substantial text that builds on the analysis developed in the paper described above and uses much more of the rich primary material they have produced, possibly as a book with a similar title: *Suffering: The Human and Social Costs of Economic Crisis*.

Avramopoulou also worked on a project entitled “Changing Spaces of Refuge: Histories and Geographies of Displacement amidst Politics of Crisis in Greece”, which built directly on her research on the human and social costs of economic crisis in Greece.

Pasquetti has gone on to develop a project about the intersection between the refugee crisis and the economic crisis in Italy, “Injuries of Refuge: Asylum and Nested Marginalities in Peripheral Europe”, a multi-sited ethnography of asylum and inequalities in ‘peripheral’ urban areas in Europe. The project is directly indebted to the research she did for the Balzan project.

Publications

Thompson, John B., Eirini Avramopoulou and Silvia Pasquetti. “Suffering: The Human and Social Costs of Economic Crisis,” in Manuel Castells et al. (eds.), *Europe’s Crises*. Cambridge: Polity, 2017.

Avramopoulou, Eirini. Contribution in edited volume *Affect and Ethnography: Theoretical and Methodological Issues*. Nissos Publishers, forthcoming.

Pasquetti, Silvia. “Shades of Anger: Citizenship, Migration, and Grievances in an Unequal Italy.” Submitted to *Sociology* for a special issue on migration and the economic crisis.