DEBT (RE)CONSIDERED:
AN EXPLORATION OF SHAME, BANKRUPTCY, AND FINANCIAL RESILIENCE

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ABSTRACT

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CHARLIE POLLARD

In the wake of the 2008 Great Recession—a global financial crisis felt by millions of Americans—bankruptcy rates in the U.S. spiked; curiously, so too did stigma associated with bankruptcy (Sousa 2018). The brunt of literature grappling with these findings focuses on the external and structural consequences of stigma from bankruptcy. Prior work stays largely within the scope of the pre-bankruptcy/debt restructuring phase and within the bankruptcy process itself. A gap exists in the stigmatizing effects of the aftermath of bankruptcy. What are the emotional consequences of stigma and how does it impact financial resilience of debtors in the *years* after someone declares?

Employing a framework of Marxism, neoliberal orientations of political economy, and Symbolic Interactionism, this thesis explores the nexus of consumer bankruptcy, shame, and financial resilience following the Great Recession of 2008. Using semi-structured, in-depth interviews with 7 individuals who experienced consumer bankruptcy (both chapters 7 and 13) between 2007 and 2018, I find that shame mars the entirety of debtors' bankruptcy experience: before, during, and after. There are numerous structural reminders of debtors post-bankrupt status, i.e., bankruptcy staying attached to one's credit identity for years after successfully discharging. It is through structural remnants of stigma that debtors maintain their sense of shame and thus disengaged from financially resilient behavior after they discharged. Further, and in the years after discharging and living with stigma, post-bankrupt individuals both reify the very system that stigmatized them while attempting to resist the rationale that underpins it. Two phenomena occurred: 1) interviewees reified neoliberalism by affirming the stigmatized characterization of debtors and bankrupt individuals, and 2) interviewees reframed their own experiences thereby resisting the neoliberal system.

Dedication

"I've given you some stuff in your head too. Do you remember what it is? Anything?" "Ya, to be happy."

In joyful memory of Marie Winifred Brown
A Hoosier, a farm girl, and my caregiver

January 14, 1932 to February 24, 2022

Further Dedications

Mom - Do not doubt the sheer strength and power with which you move through life. You love wholly and without hesitation; youngest child to youngest child, you are my North Star.

Dad - You are the best teacher, resilient beyond measure, and the reason this work is even possible. Thank you for every documentary you 'forced' me to watch, and the lesson to cooperate (with boundaries) and graduate; know that I keep living the (my) dream because of you.

Ally - You have an insatiable drive for justice; one that exists as praxis every day, without pause. You are the presence in my life when I have felt most alone and the best sister. Thank you to my (sometimes) most favorite Aries.

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Ryan - You sustained me when I couldn't do the work myself. Thank you for the endless laughter and time amongst the pines—the best medicine.

Nat - My constant companion through higher education, "The most important thing I have ever built in my whole life is your trust. May you always feel entitled to more than your fair share of the bed… My little perfect peanut, My beating heart with fur and legs" (Gibson 2015).

Robert - You informed much of this work and the years behind it. Thank you. And I ask, did I keep it real?

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Introduction

This thesis explores the nexus of consumer bankruptcy, shame, and financial resilience following the Great Recession of 2008. Through semi-structured, in-depth interviews with 7 individuals who experienced consumer bankruptcy following the Great Recession, I explore the following research questions: 1) What emotions, such as shame, did individuals experience after their filing process was complete? 2) Did these emotions bolster or inhibit their financial resilience following bankruptcy declaration? and 3) How did individuals frame or reframe their experience in regard to their financial resilience or lack thereof? Through an exploration of individual experiences following the completion of bankruptcy, I examined the pervasive impact of cultural stigma surrounding bankruptcy and its embodied experience of shame for individuals. In doing so, I analyzed how shame becomes a limiting factor of financial resilience, and how individuals exhibit reframing, resistance, and resilient behavior in the face of shame following bankruptcy filing.

Consumer bankruptcy takes two forms: chapter 7 and chapter 13 filings. Chapter 7 bankruptcy is characterized as a liquidation process where the filer's non-exempt assets are pooled together, liquidated, and then distributed among all creditors (United States Courts 2021). In contrast, chapter 13 bankruptcy is characterized by its process of reorganization where repayment of all or part of one's debt extends over a three-to-five-year period determined from the filer's income. Notably, the U.S. Bankruptcy Code was amended in 2005 to require a "means test" to qualify filers for chapter 7 bankruptcy. The "means test" is required when a filer's income surpasses their state's median income and is used to determine if a filing is presumably abusive. Importantly, regardless of which chapter of consumer bankruptcy is filed, the completion of the filing process will result in the bankruptcy becoming attached to the filer's credit identity. Filing and completing chapter 7 bankruptcy remains on an individual's credit report for 10 years whereas filing and completing chapter 13 bankruptcy remains on an individual's credit report for 7 years (United States Courts 2021).

Reasons for filing for consumer bankruptcy are vast. Among the reasons most notable are medical debt, a disproportionately low income to mortgage ratio/foreclosure, and credit card debt (Morgan et al. 2012). Often, individuals who file for consumer bankruptcy experience financial precarity, and debt reorganization for years, if not decades, prior to filing (Sullivan et al. 2006). In their groundbreaking study, Sullivan et al. (2006) state that individuals who eventually filed for consumer bankruptcy did so long after it was financially responsible—identifying stigma as a primary reason for putting off declaring. Compounding the persistence of stigma, large busts in the market are positively correlated with consumer bankruptcy filings (Bauchet & Evans 2019). Thus, the scope of this thesis is specific to bankruptcies filed and completed after the 2008 Great Recession to make conclusions amid a time of increased bankruptcies and proportionately high rates of stigma (Sousa 2018). In exploring issues of bankruptcy and stigma, I find how individuals' agency in the bankruptcy process leads to two phenomena: 1) interviewees reified neoliberalism by affirming the stigmatized characterization of debtors and bankrupt individuals, and 2) interviewees reframed their own experiences thereby resisting the neoliberal system.

Summation of Theoretical Framework

The theoretical framework for this work employs a connection between Marxist and neoliberal orientations of political economy as well as Symbolic Interactionism. In doing so, I integrate ideas from the sociology of emotion and shame.

Marxism and Neoliberalism

The theoretical framework used in this work is largely rooted in Marxism as outlined by David Harvey. In *A Brief History of Neoliberalism,* Harvey (2005) discusses the emergence and impact of neoliberalism as a global force that supplements and works in tandem with capitalism. According to Harvey, neoliberalism operates as a political-economic strategy to reify class power in the hands of the global elites. The rhetoric that underlies neoliberalism promotes freedom and individualism which falsely assert personal agency for every individual who operates within the neoliberal system. In contrast to neoliberal theory, Harvey characterizes neoliberal in practice as an "accumulation by dispossession" in which resources, wealth, and power are centralized among a very few at the cost of the many (Harvey 2005:116). The fallacy of neoliberalism is that individuals still internalize the theory of neoliberalism even when the practice of neoliberalism—accumulation of capital—is inaccessible to most members of the public. The process of reifying neoliberalism in practice is done by reiterating and amplifying neoliberalism in theory, thereby, encouraging complacency among those that neoliberalism does not serve. Additionally, neoliberalism is furthered by a relationship between the global economic elites and governments where states become entities to further neoliberal agendas.

The theoretical framing of Harvey's work is useful to understand the internalized nature of shame following the experience of bankruptcy. Importantly, neoliberalism tells a story of the world in which individuals operate as rational entities that engage in financial behavior that is in their own best interest. In this framework, neoliberalism functions as an ethic with the ability to guide all behavior and action. Thus, by accumulating debt to the point of needing to declare bankruptcy, such financial behaviors become unintelligible and are seen as individual-level flaws in a neoliberal framework. In blaming individuals for their own lack of financial reasoning, neoliberalism increases the stigmatization of the bankruptcy process. Neoliberal theory argues that individuals socialized under neoliberalism also internalize neoliberalism's basic elements, like promoting individual agency that is void of considering social forces and social stratification.

The way neoliberalism *actually* functions—which is disconnected from the narrative it promotes—is the accumulation of capital through dispossession. Guided by four principles—privatization, financialization, management and manipulation of crises, and state redistributions—corporations accumulate profit through the extraction of consumers' capital (Harvey 2005). Whether it's the medical industry/medical debt, housing markets/mortgage debt, or credit industry/credit card debt, neoliberal industries function to accumulate capital while consumers falsely assume they are free agents in this exchange. An example of this, and relevant to this work, is the 2008 Wall Street bailout. Prior to the Wall Street bailout, banks engaged in predatory lending practices, namely providing subprime mortgages, which was a catalyst for the 2008 Great Recession. At the peak of the Great Recession, approximately 6 million American homes were foreclosed on while Wall Street received a $700 billion relief package from the US government. The relief package (Troubled Asset Relief Program) was used to purchase toxic assets from banks, e.g., subprime mortgages, and inject them with capital (Herszenhorn 2008). As observed in this example, the accumulation of debt—which is the dispossession of consumer's capital—is seen as the fault of the individual in an internalized neoliberal world, i.e., individuals retain stigma from foreclosure while their capital was extracted by bailed out banks. Harvey's work conceptualizes the disconnect between neoliberalism in theory and in practice.

As this paper will argue, these concepts are exemplified in the observation of bankruptcy and stigma in the United States. Individuals who declare bankruptcy likely will feel personal shame based on the larger cultural narratives that they have individual agency and control in the neoliberal political-economic system. As such, how this macro-level system impacts individuals' needs will also be accounted for in this paper.

Symbolic Interaction

Neoliberal conceptions of Marxism as a theoretical framework are useful to conceive of social stratification and stigma stemming from bankruptcy on the macro-level. However, a comprehensive framework to consider feelings of shame at the micro level is also necessary for the purpose of this study. Thus, the theoretical framework of this thesis also includes symbolic interaction. Symbolic interactionism argues that emotions, feelings, and affect are central to most human interactions (Bericat 2016). In regard to bankruptcy, emotions, feelings, and affect will be observed through both participants articulating their feelings in interviews and creating symbolic meaning from specific language and behavior. The epistemological foundation of symbolic interaction is that we can *know* feelings, emotions, and affective states through, as stated above, the articulation of such experiences and the observations of behaviors identified in the study.

For symbolic interactionist scholars, the self is the primary location to observe emotional responses (Bericat 2016). Eduardo Bericat states, "Individuals, at all times, try to confirm both the image they have of themselves (self-concept) and the particular identities through which they act in any specific social interaction (role identity)" (2016:499). Similar to how Harvey conceives neoliberalism in theory as an ideal form versus the incongruence of neoliberalism in practice, we can deduce what is important to a person based on their emotional responses. Having feelings of shame implies that a person has engaged in behavior counter to norms rooted in their social world (norms that are fluid to the nuances of one's setting, context, and culture). Importantly, emotions, feelings, and affect are embodied experiences of larger cultural narratives such as the stigma of bankruptcy in a neoliberal society. Not only are they verbalized and expressed through behavior, but they are also coded on and in the body. Within symbolic interaction theory, verbalized emotions and corresponding behavior are identified as external manifestations of emotions, whereas internal emotional experiences are identified as subjective feelings (Bericat 2016). Importantly, symbolic interaction theorists argue that the emotions produced in social interactions play a role in the operation of social control, linking individual responses to larger macro-level forces such as neoliberalism.

Review of Literature

In addition to the theoretical frameworks, other literature informed this thesis project. Through this literature review I identify and synthesize, 1) literature surrounding bankruptcy and stigma, 2) literature on shame and the sociology of emotions, and 3) literature on resistance, reframing, and resilience of stigmatized identities.

Bankruptcy and Stigma

In considering the literature on bankruptcy and stigma, it is useful to start with a discussion of the origins of stigma from debt. Social stigma surrounding bankruptcy is extensive and reaches across the globe—primarily being characterized as either a moral ill from breaking the trust of the creditor or a moral ill from poor financial management. The origin of identifying debtors as morally ill has specific roots in religious script that emphasize the importance of trust and good character (Frade 2012). The consequences of breaking trust with a creditor have included penalties as severe as the death of the debtor in instances where fraud is argued or indentured servitude for the debtor (and sometimes relatives) to pay off the debt. The process of tracing the history of stigma and debt has enabled scholars to identify the origins of bankruptcy and debt forgiveness.

Sociohistorical and sociolegal analyses impart that bankruptcy has taken the form of both total debt forgiveness and repayment plans (Frade 2012). In modern times, bankruptcy law across states includes both, what is argued, as a debt-free option (i.e., debt forgiveness) and a debt reorganization option (i.e., repayment plans). According to scholars (Frade 2012), when comparing bankruptcy options in the United States to comparable options in the United Kingdom, U.S. chapter 7 bankruptcy is framed as a debt-free option whereas the U.K. primarily offers debt reorganization options (most similar to chapter 13 of the U.S. Bankruptcy Code). Arguably, this is a gap in the characterization of chapter 7 bankruptcy in the U.S. Bankruptcy Code given that there are numerous types of debt—most notably, student loans—that are exempt from being included and discharged through the bankruptcy process. Consequently, there is no debt-free bankruptcy option in the U.S. Bankruptcy Code. This conclusion leads us to consider the occurrence and persistence of stigma given that bankruptcy may be a needed strategy, but neither chapter 7 nor chapter 13 of the U.S. Bankruptcy Code offers total debt forgiveness when factoring in all relevant debt that may result in financial precarity.

Importantly, some scholars have argued that the stigma surrounding bankruptcy has decreased over the last several decades as we have also observed an increase in bankruptcy filings (Buckley & Brinig 1998). The rationale for this assertion is that, if we see an increase in filings, it must mean that fewer people feel stigmatized by declaring bankruptcy. To contrast this, however, several scholars have argued that the relationship between stigma and bankruptcy is positively correlated (Sousa 2018). As such, my particular research project will help to bring clarity to this contradiction in the literature.

In his socio-legal study of bankruptcy and stigma, Michael Sousa (2018) conducts a quantitative analysis that employs bivariate regression models using available data from the General Social Survey (GSS). Sousa examined a single question from the GSS, "Do you think a person has the right to end his or her own life if this person has gone bankrupt," which indicated stigma associated with bankruptcy rather than the responders' suicidal ideation given their own experience with debt. The author then overlapped the responses with rates of consumer bankruptcy in the United States. As stated above, previous literature suggests that as bankruptcy rates have increased, stigma has decreased. Sousa counters these findings to argue that as rates of bankruptcies have increased, paradoxically rates of stigma from bankruptcy have also increased (indicated in the GSS question). In regard to the author's ideological framing, Sousa argues the value of individualism (assuming we are all free agents and our actions have consequences, linked to neoliberalism above) has minimized the relevance of social disadvantage in determining financial precarity.

The implications for Sousa's arguments clearly assert the important framing of this research in the aftermath of the 2008 Great Recession—more research is needed given that fluctuations in the market are negatively correlated with consumer bankruptcy filings, and bankruptcy filings are positively correlated with stigma. As we see an increase in bankruptcy filings, we also see an increase in stigma (Sousa 2018). Thus, it's vital to consider the lasting effects of stigma long after the bankruptcy process is complete. My work seeks to follow up with those who declared bankruptcy over a decade after to assess the impact of this stigmatized action on their current sense of recovery and resilience.

Importantly, Sousa's work compounds with other scholars that identify similar arguments regarding the relationship between stigma and bankruptcy (Sullivan et al. 2006). Sullivan et al. (2006) argue that, in considering stigma prior to having even declared bankruptcy, stigma is a primary reason individuals are resistant to filing even when it is more financially reasonable to declare. As we observe, stigma from bankruptcy is pervasive for individuals prior to declaring and is not mitigated on a macro level even when filings increase across the United States. From these conclusions, it becomes imperative to consider the extent to which stigma may impact individuals after they have finished their bankruptcy filing process, as this thesis proposes to do.

In considering the persistence of stigma after the filing process has been successfully completed, it is important to review literature that considers the cumulative disadvantage of bankruptcy. Michelle Marato (2012) explores the cumulative disadvantage that occurs in the labor and credit market for individuals who experience consumer bankruptcy. Importantly, bankruptcy is framed as a singular process that, upon completion, should alleviate financial strain. As discussed above, chapter 7 bankruptcy, which is often framed as a debt-free option, does not allow certain kinds of debt—namely student debt—to be discharged in the process. In any case, bankruptcy, in its totality, is still framed as a process that enables a total financial transformation where individuals who file leave a state of financial precarity. Therefore, following up with individuals after ~10 years of declaring bankruptcy is a contribution to the literature.

To contrast this, Marato (2012) and other scholars argue that bankruptcy becomes a defining characteristic of a filer's credit identity following the completion of the bankruptcy process. For labor markets that consider credit and legal history (e.g., jobs in the financial sector), there is evidence to suggest that bankruptcy results in a cumulative disadvantage making it more difficult to find a job, and results in less pay overall compared to non-bankrupt individuals (Maroto 2012). Maroto (2012) uses a study from the National Longitudinal Survey of Youth to compare relevant statistics of individuals who have experienced bankruptcy in comparison with individuals who have not experienced bankruptcy. In contrast to previous literature that frames bankruptcy as a positive financial decision in its totality, Maroto argues that individuals who experience bankruptcy do not experience a financial net positive from the reduction of their debts. In reality, the stigma associated with bankruptcy disadvantages individuals within the labor market. A gap in Marato's very useful work is that while they consider the cumulative disadvantages of individuals ten years post-bankruptcy, they do not extensively examine post-Great Recession. Importantly, the Great Recession impacted millions of individuals and businesses (Seefeldt, Graham, and Smiley 2013). While scholars (Sousa 2018) assert that stigma has increased over the years through the Great Recession, little scholarship has been conducted looking at the persistence of stigma years after people declare bankruptcy and following the 2008 Great Recession, making this thesis an important addition to the literature. Literature on bankruptcy and stigma is limited in scope—does not consider less than five years post-filing nor examines bankruptcies following large market crashes—thus, creating an apparent gap to fill.

Shame and the Sociology of Emotions

Classic Theorists

When considering the study of shame and the sociology of emotions, a handful of leading scholars rise to the top including Charles Cooley and Erving Goffman. Linked to the theoretical framework of Symbolic Interaction above, Charles Cooley was one of the first American sociologists to produce research discussing shame specifically (Scheff 1988). In his work, Cooley employed a dichotomous framework to understand shame in society that positioned it opposite to pride. Cooley argued that pride and shame are both products of self-monitoring. According to Cooley, self-monitoring is represented by three basic elements including: "the imagination of our appearance to the other person; the imagination of [their] judgment of that appearance, and some sort of self-feeling, such as pride or mortification" (Cooley 1922:184). Cooley's third element of the self-monitoring model argues that pride and shame are the essential emotional components associated with any given social interaction that we may observe.

Cooley built upon this idea when conceptualizing the looking-glass self which describes the social components of the self that are rooted in emotions—namely pride and shame (Bericat 2016). When considering shame specifically, the looking-glass self as a model enables us to consider how shame is manifested through the relationship between the self and the individual's perception of others and their own social world. To expand further, to consider a social and financial experience like bankruptcy, shame may manifest itself within an individual's perceptions of their social life whereby the sanctions associated with bankruptcy become internalized markers about how one functions in society. In essence, Cooley's work on shame provides a foundation to understand how individuals personally reflect on their position within their social world based on their assumptions of what others may think of them.

Erving Goffman follows Cooley's work in the canon to better disentangle the emotions associated with shame in society. Goffman's work in both *The Presentation of Self in Everyday Life* (1956) and *Stigma* (1963) provides a framework to understand interactions and behavior. In *The Presentation of Self in Everyday Life*, Goffman uses the dramaturgical model to describe how society can be observed as theatre. In this model, most interactions are made up of performers, an audience, a front stage, and a backstage. The dramaturgical model argues that performers engage in performance in the front stage largely to avoid embarrassment (Goffman 1956). In the context of the backstage region, performers are more able to be themselves, but an element of performance is still embedded within behavior (1956). Goffman argues that performers are constantly tuned in to how others perceive them. This notion extended Cooley's work on the looking-glass self to impart that performers are always in the assessing process.

Goffman's (1963) work on stigma is also a vital contribution to the literature. In his work, Goffman delineates a framework that speaks to how stigma operates and what individuals do when faced with a stigmatized identity. Relevant to this thesis, I will highlight two concepts discussed in Goffman's work: the distinction between discredited and discreditable statuses and the concept of passing. A discredited status is one in which the stigma is clearly known or visible. Individuals who are discredited do not have to be known personally to be identified in this way. Goffman differentiates between discredited and discreditable—the latter is delineated as a status that is stigmatized but able to be concealed. In this work and more broadly, a bankrupt status is characterized as discreditable. It is upon the disclosure of the status, bankruptcy, that the individual is then perceived as stigmatized. Through a discreditable status, individuals have the opportunity and often discretion to disclose their stigma. The act of non-disclosure and performance of a normative non-stigmatized identity is identified as passing. Passing for Goffman and many other scholars is characterized as the act of crossing highly stigmatized identities to perform as 'normal'. Passing in this context may look like performing as a non-debtor or non-bankrupt individual. Specifically, this could be observed as not disclosing one's discreditable identity (being bankrupt) and acting as a financially stable individual. An example of passing could be overt displays of wealth, e.g., showing off purchased, nonessential items, or verbal displays of financial homeostasis, e.g., articulating one's ability to purchase presents or go on vacation.

For scholars, one of Goffman's contributions to examining shame is housed in his epistemological contribution. Goffman asserts that performance can be understood by examining the variety of performance methods in which performers engage. Primarily conducted through what Goffman names "face-work," scholars may examine the process by which a performer avoids embarrassment or succumbs to embarrassment, otherwise known as losing face. In this process, the scholar may observe a performer engaging in impression management where the performer attempts to manage stigma and other performers' perceptions of their own performance. By using facework, scholars may deduce a degree of the underbelly of emotion rooted in a performer through their performance. Goffman's theory asserts that avoidance of embarrassment is the foundation of most interactions. Thus, to observe a performance is to make conclusions about the level of embarrassment a performer is attempting to avoid. The applications of this work to explore shame and bankruptcy allow for conclusions to be made about avoidant behavior and the corresponding emotion avoidant behavior indicates (e.g., shame and embarrassment).

While classical theorists contribute epistemological and methodological frameworks to understanding shame along with some discussion of stigma as an avenue of social control (Goffman 1963), their work lacks a substantive discussion on how shame reflects macro-level structural power dynamics like what we may observe in the aftermath of having declared bankruptcy. Therefore, it becomes necessary to reconcile

Goffman and Cooley's work on shame and the material impacts on stigma like we observe in the cumulative disadvantage of bankruptcy (Marato 2012).

Modern Theorists

Thomas Scheff (1988 and 2014) extends from Cooley and Goffman's work to argue both an intervening principle of how to mitigate the effects of shame and also a practical and grounding characteristic of Goffman and Cooley's work that makes it far more applicable to observing shame from bankruptcy. Scheff argues that, in line with a Durkheimian theoretical framework, conformity of norms produces feelings of pride whereas nonconformity of norms produces feelings of shame. Scheff's intervention arises from an extension of Cooley's work on shame that argues 1) social monitoring of self is fairly continuous, and 2) social monitoring has an evaluative component that assumes others' perceptions of ourselves. Scheff (1988) adds to Cooley's work by asserting a third component where adults are constantly in a state of either pride or shame and that regardless of present feelings, these states are mostly hidden. Importantly, Scheff (1988) considers Soloman Asche's work on shame that examines conformity hypothesizing that those who did not conform in the study likely did so because of higher self-esteem even though they too felt shame regarding noncompliance. The use of self-esteem as an intervening principle to mitigate the effects of shame may be useful and is discussed in the following section on resistance, reframing, and resilience.

In regard to Scheff's (2014) contribution in using the sociology of emotions to examine shame and bankruptcy, this framework is far more relevant to political-economy than Goffman or Cooley because of the theoretical foundation in power dynamics and social stratification. Scheff (2014) asserts the vital nature of modernity in observing instances of shame. Scheff characterizes individualism as a key element of modernity which then births the ever-present feeling of shame, linking micro-level emotions and macro-level cultural schemas. The strength of Scheff's work is that by proposing a specific characteristic of modernity—individualism—the impact on an individual’s appropriate economic behavior, e.g., not becoming a debtor, becomes a coherent avenue to explore shame. Additionally, because of the importance of individualism, people will always see themselves as reflecting others' perceptions. Thus, it becomes essential to explore various avenues within modernity that may elevate the experience of shame, e.g. bankruptcy. From Scheff’s work, we can then make conclusions about emotions and experiences of shame following bankruptcy both in reference to behavior filers display surrounding their social network and behavior that filers engage in to overcome the harm done to their credit identity post-bankruptcy.

Following the review of the sociology of emotions, shame, symbolic interaction, and filling the gaps to connect these elements to bankruptcy (using a discussion of modernity), it becomes helpful to then consider literature that explicitly explores shame and bankruptcy. Very little literature looks at shame and bankruptcy explicitly instead being housed in the study of stigma surrounding bankruptcy. This makes my research unique, as I assert that there is a distinct difference between stigma and shame. While stigma and shame are often interwoven, I argue that stigma is the macro-level social and structural operation of social feelings birthed from deviant behavior. In contrast, while similar, shame and negative feelings are the embodied, micro-level response to stigma. As described above, the sociology of shame and emotion allows us to make conclusions about feelings and corresponding behavior. Thus, we can observe increases in stigma associated with bankruptcy across the US and connect that stigma to the feelings of shame that live *in* the body. In this way, feelings of shame from bankruptcy have specific emotional cues and corresponding behavior that make it an observable force.

In the main empirical work that explores managing shame from bankruptcy, Thorne and Anderson (2006) identify various coping strategies individuals engage in when experiencing shame. To start, Thorne and Anderson identify that individuals often engaged in avoidance as a strategy when feeling the effects of shame from bankruptcy. Avoidance as a strategy, according to scholars, is primarily used to avoid social networks so that outside entities do not become aware of the individual's bankruptcy. To supplement avoidance as a strategy, individuals also engaged in the concealment of their bankruptcy. Concealment, like avoidance, is a strategy that attempts to limit the disclosure of an individual's bankruptcy to their social network (Goffman would describe this as passing from a discreditable identity). In comparison to avoidance, concealment does not require the bankrupt individual to completely avoid their social network but to merely avoid the disclosure of their bankruptcy to their social network. In addition to avoidance and concealment, individuals engage in deviance avowal whereby individuals would acknowledge the general wrongfulness of having declared bankruptcy but would distance themselves from the stigmatized identity. Sometimes this was seen as defensive othering where individuals affirmed the stigma of more deviant identities thus hoping to minimize their own. Similar to Scheff's work on self-esteem as an intervening principle to mitigate the impact of shame, Thorne and Anderson's (2006) findings on deviance avowal will be useful to consider what financial resilient behavior looks like for individuals who declare bankruptcy and what types of feelings and rationales are useful to enable individuals to engage in financially resilient behavior.

Given the lack of other empirical work exploring shame and bankruptcy, this thesis will fill a gap in the literature with the specific goal of linking macro-level stigma and micro-level shame.

Resistance, Reframing, and Resilience

Upon considering 1) bankruptcy and stigma, and 2) shame and the sociology of emotions, it becomes equally important to consider literature that resists experiences of shame and stigma. Literature on resisting shame and stigma has been divided into three subcategories which include: resistance, reframing, and resilience.

Resistance

To start, resistance is made a coherent strategy through Luna's (2009) work on single mothers who are welfare recipients. In her work, Luna discusses two strategies, overt and covert, used by single mothers to resist the associated stigma attached to being a welfare recipient. Overt strategies are resistance strategies that are both intended by the individual and understood as resistant by the target or observer. Importantly, engaging in overt resistance may result in sanctions. Alternatively, covert strategies are every strategy that is intended as a form of resistance but lacks recognition from the observer as such. Because covert resistance strategies lack recognition, they often do not result in sanctions. Luna's description of covert resistance—which includes withdrawal, avoidance, and the origin story—is translatable to the experience of bankruptcy.

Indications that my respondents would be employing covert resistance would be individuals criticizing larger structures that create financial precarity and engage in accumulation through dispossession of capital as described by David Harvey (2005) in *A Brief History of Neoliberalism*. A larger critique of the system is evidence of resistance. Note that resistance may still have the effect of reifying neoliberalism in theory given that, while critical of the silo in which the capitalist class system is housed, it may do the work of affirming the importance of individual behavior (as is foundational to neoliberalism in theory).

Luna's work is useful to conceive of resistance as acts against a larger (oppressive) system. However, financial precarity, by nature, constrains and organizes behavior thereby limiting the potential of resistant acts (like the ones identified above). For example, having to work a 60-hour workweek to make a living wage may mean feasible resistance may only be a verbal challenge to an oppressive, capitalist system. Thus, to inject agency into the actions of bankrupt individuals, I marry Luna's work on resistance with Goffman's characterization of discreditable, stigmatized identities. Because stigma is projected onto identities and bodies, resistance, in this work, is operationally characterized as a challenge, verbal or otherwise, to a stigmatized identity imposed on a person. Resistance, therefore, is not necessarily a *physical* act that challenges a large, oppressive system. In this work, resistance is the challenge of a stigma *ascribed* to one's identity.

Reframing

To amplify the impact of resistance, individuals may engage in reframing. Importantly, stigmatization is internalized as shame largely because of the specific framing of bankruptcy as an individual moral ill that is simultaneously rooted in the logic and theory of neoliberalism (Sousa 2018). To counter this logic, individuals may engage in resistance and an articulated criticism of oppressive systems *while also* taking an additional step to connect such criticism to their personal narrative. In Luna's discussion of covert strategies, she discusses "the origin story," whereby individuals will attempt to distance themselves from the stigmatized identity they occupy by outlining instances of difference. As stated above, this has the effect of affirming stigmatized identities given that individuals assert why their life experiences are the *exception* to cultural narratives that impart shame. In this case, reframing is the antithesis of the origin story: instead of distancing oneself from their stigmatized identity, filer's assert a criticism of the larger structure that contributed or produced their *own* financial precarity. This does not distance individuals from stigmatized identities, but potentially looks like individuals leaning into stigmatized identities. Similarly, Thorne and Anderson (2016) identified a comparable strategy that they coded as deviance avowal. Regardless of the name or description, I argue that a reframing of personal narrative that critiques a large system should be coded not as a reification of shame and stigma but rather as a refusal to accept the specific framing of stigma associated with bankruptcy that lives in a silo of economic individualism.

Importantly, Harvey's (2005) work argues that neoliberal subjects perpetuate neoliberalism in theory even as it operates in contrast to neoliberalism in practice. Thus, by engaging in a reframing of personal narratives, individuals who have declared bankruptcy shine light on the inconsistencies and incongruence of neoliberalism in theory compared to in practice. As an individual articulates greater nuance and rationale as to *why* they declared bankruptcy, e.g., because of predatory creditors or gaps in the healthcare system, they are simultaneously identifying the often unspoken foundation of neoliberalism. This illuminates the underbelly of neoliberalism in practice to identify its essential nature—accumulation of capital for global elites through the dispossession of the masses' capital.

Resilience

Finally, notions of resilience are also useful. While little literature is available that employs the notion of resilience, in this work, resilience will be defined as feelings, emotions, rationale, and behavior that exhibits a willingness to engage in stigmatized financial choices even after experiencing the initial stigma associated with bankruptcy. A specific framing of resilience that was developed by Strike Debt (2014), a group of anonymous scholars and activists, argues that bankruptcy is a coherent strategy to ensure financial survival. Importantly and as noted early in the review of literature, student loans are often exempt from being discharged in the bankruptcy process. However, there is potential legislation that would, upon getting passed, amend the U.S. Bankruptcy Code to allow student debt to be included in the range of dischargeable debt. According to Strike Debt, most institutions (like creditors and insurance companies) that cause financial precarity and, thus, the reasons people file for bankruptcy, are more than keen to work with bankrupt individuals even after the bankruptcy is complete. Notably, creditors rely on the debtor/creditor relationship to ensure the creditor's survival and profit. Harvey contributes the following, "Reckless investments should be punished by losses to the lender, but the state makes lenders largely immune to losses. Borrowers have to pay up instead, no matter what the social cost. Neoliberal theory should warn ‘Lender, beware’, but the practice is ‘Borrower, beware’” (2005:74). Thus, the stigma associated with being a debtor is entirely one-sided and that is the side that carries the burden of shame.

However, resilience in the face of shame and stigma from bankruptcy may look like the persistence of stigmatized financial choices. For example, individuals who file bankruptcy currently are unlikely to have their student debt discharged in the bankruptcy process. However, if they are willing to declare bankruptcy again to get their student debt discharged, then their willingness to do so would be considered resilience. In this case, bankruptcy transforms from a consequence of moral ills and financial mismanagement to a strategy of financial survival in the face of social stratification. There is high stigma associated with consumer bankruptcy and it is exponentially higher for ‘repeat offenders’ (individuals who declare bankruptcy twice). Note that this stigma differs for corporate and organizational bankruptcies that are more often framed as business and/or financial strategies. In fact, much of the rationale that was used to pass legislation to amend the U.S. Bankruptcy Code and make it more challenging to file for chapter 7 (the creation of the ‘means test’) was rooted in the notion that bankruptcies are presumably abusive of the system (Morgan et al. 2005). By showing a willingness to declare bankruptcy to ensure a more promising financial future, individuals exhibit persistence in the face of compounded stigma and shame from bankruptcy.

Employing notions of resilience, Brené Brown (2006) developed the Shame Resilience Theory (SRT) which consists of four central elements to engage in resilient behavior following experiencing shame: 1) individuals must first recognize the personal vulnerability that led to the feelings of shame, 2) individuals then recognize the external factors that led to the feelings of shame, 3) individuals can then connect with others to receive and offer empathy, and 4) individuals will discuss and deconstruct the feelings of shame themselves.

In Brown's model of shame resilience, she similarly houses the basic elements of resistance, reframing, and resilience. Specifically, recognizing external factors of shame employs the basic foundation for resistance, i.e., critiquing the large system. Following this, the third and fourth elements of SRT, connecting with others and discussing feelings of shame, employs the elements of reframing where an individual engages their personal narrative with an understanding of how external factors impact their feelings. By engaging the elements of Shame Resilience Theory, the product is that individuals may be more able to show resilience. By mitigating the effects of shame, individuals may be more able to engage in financially resilient behavior and use similar financial strategies, like bankruptcy, for survival.

Literature on 1) bankruptcy and shame and 2) the sociology of emotions, fails to account for the ways that individuals overcome the mental and material impacts of precarity by utilizing a variety of strategies. Including literature on resistance, reframing, and resilience fills a gap in research on bankruptcy by both identifying it as a survival strategy and demystifying it as not just a process solely rooted in trauma and financial ruin. This research explores the aftermath of financial struggle—seen in filing for bankruptcy—to consider what it can look like to overcome and how that comes to be.

Methods

This work consisted of 7 semi-structured, in-depth interviews with individuals who declared bankruptcy between 2007 and 2018. The scope of this work is specific to the 2008 Great Recession thus, in the single individual that declared in 2007 (prior to the Great Recession start), she indicated the Great Recession and its defining characteristics were contributing factors to her filing. Additionally, because of the individualized focus of this work, that individuals retain stigma and potentially experience shame, I only interviewed individuals who filed either chapter 7 or chapter 13 consumer bankruptcy, not any level of corporate or organizational bankruptcy.

Interviews were conducted between January and March of 2022. There was hope to recruit interviewees in November and December of 2021 but the holiday season posed a barrier and inhibited recruitment for research on financial stress.

The first method of recruitment consisted of cold calling individuals that had declared bankruptcy in Arizona in 2009 from public records listings. This method was used in previous literature (Thorne & Anderson 2006) but was an ineffective method of recruitment for this research. Because this method was previously employed but nonviable for this work, I provide a brief summary and hypothesis on why this method seems to be no longer viable. The first method employed consisted of identifying bankruptcies filed under the Ninth District Court in early 2009. From that, cases, and names attached, were highlighted and placed in a spreadsheet. A general internet search was used to identify phone numbers of filers. Importantly, in this method, couples that filed together were easier to identify than single filers because their relationship provided additional data points to identify them with, e.g., it was easier to locate a phone number for either Joe or John Doe (a married couple) than just Jane Doe.

Cold calling, the first method of recruitment, was found to be ineffective as no interviewees were recruited from this method. Notably, cold calling was, from my experience, an incredibly invasive and emotionally taxing method. Filers, if they picked up the phone, would either direct anger towards me for having identified them or they would disclose life challenges, like caring for dying family members, that inhibited their participation and thus made me emotionally fatigued before continuing on to the next call. What should be taken from this is that the most prevalent assumption made by those that picked up the phone was that I was a phone scammer. The literature that employed cold calling as a method (Thorne and Anderson 2006) did so in the early 2000s. In 2022, scam calling is rife with 46% of American reporting experiencing scam calls daily (Hickey 2021). I hypothesize that I was identified as a scammer because 1) a majority of calls were forwarded to voicemail, and 2) filers directed hostility toward me prior to me disclosing the reason I was calling. Importantly, I assert that cold calling is no longer a viable method in general because of increased rates of scam calls, even without the nuance of a topic on financial struggle.

Once cold calling was deemed ineffective, I pivoted to recruiting over social media. I identified five bankruptcy support groups on Facebook: Life After Chapter 13, Credit Repair Tips and Tricks, Your Life After Bankruptcy, Bankruptcy Before and After, and Bankruptcy: A Dirty, Little Secret. Note the title of the last support group was very telling of what this work is focused on: shame.

In the first two weeks of recruitment with this method, I posted a broad call for participants on the main pages. That method received little traffic. Following this, I pivoted to private messaging members of the pages with a direct ask for participation.

This too was minimally effective; many individuals that were interested in participating had filed too recently and were outside of my scope. The most effective method was scanning the page looking for both members that were active, indicating their willingness to grapple with their bankruptcy, and ones that disclosed the year they declared. Following this, I direct messaged active members that fit my scope, referencing something they had posted about followed by a more general script regarding my research.

Importantly, it should be noted that both methods, cold calling, and recruitment over Facebook, were purposive sampling schemes and did not produce generalizable data. However, for a qualitative work intending to build a theoretical framework for future studies, this is standard. By recruiting through a bankruptcy support page, interviewees, at a minimum, were more willing to think through their bankruptcy, and at a maximum, used the page/community as an avenue of support. The implication of this for my work is that the social media pages may have shifted how individuals felt about their bankruptcy and may not be reflective of the average bankrupt individuals between 2007 and 2018. In a similar vein, the sample size was 7 people and is too small to draw generalizable conclusions. Importantly, 8 total interviews were conducted. Because of poor vetting, the 8th interviewee was out of my scope; the interview was still completed but was not analyzed nor included in my discussion.

I set up Zoom meetings with those who agreed to participate in the study. Zoom meetings were set up to auto record and upload the transcription (both of which were hugely helpful to save time for analysis). An interview guide was employed. The questions in my interview guide (See Appendix A) were broken down into four main categories which were useful in the analysis of the interviews. The categories were as follows: 1) background on bankruptcy, 2) shame and bankruptcy, 3) shame, bankruptcy, and resultant behavior, and 4) shame, bankruptcy, and reframing or resilience (see Appendix A for interview questions). The categories were constructed to identify if 1) a participant experienced shame following the completion of the bankruptcy, 2) if the shame they felt inhibited their financial resilience, and 3) if they engaged in a reframing of their experience to lessen the experience of shame and increase their financial resilience.

MAXQDA, a qualitative methods program, was used for coding. The coding process consisted of thematic coding to identify common themes relevant to the three areas of exploration identified above (Esterberg 2002). When additional themes and codes arose from the data, they were identified with the intention to revisit in future studies when I have more captivity to attend to their implications, i.e., there were gendered and racialized themes. To analyze the data, interview transcriptions were first reviewed for coherence and an initial coding of themes and categories. The first round of coding broadly identified themes relevant to the areas of exploration indicated above. Once major themes were identified, I conducted an additional round of coding—focused coding—to clarify themes and identify subthemes of each primary thematic category. Following each coding session, I completed procedural and analytic memos to 1) remember the type of coding I conducted and 2) help develop my themes and categories as I saw them emerge from the interviews. To analyze the data, I utilized the typographies that were enabled by the MAXQDA system. For example, typographies of emotions (shame, fury, confusion, etc.) were useful to analyze what emotions were experienced and by whom.

To humanize the stories of interviewees that were deidentified, pseudonyms were assigned to interviewees. Pseudemys were chosen from a basic internet search that identified similar names based on gender and approximate year of birth. Review *Table 1: Frequency of Themes* for a list of interviewees' names along with the occurrence of themes present in interviews.

My research was driven toward expanding the field surrounding shame and bankruptcy using a neoliberal macro-perspective and a symbolic interaction micro-perspective. Effort was taken to ensure that the research process committed to the highest standards concerning validity, reliability, and human-centered ethics. Assuring validity for qualitative work, in this case, consisted of 1) thoughtfully interpreting the meaning participants gave to their answers and in reference to present literature, 2) a critical assessment of all elements of the research process, and 3) a commitment to frequent self-critique that considered my own bias, influence, and positionality as the principal investigator of this work. To ensure reliability, I, as the researcher, was attentive to the iterations of my research guide—adapted as needed—and was diligent and systematic in the transcribing and coding processes. Note that for interviewees that declared chapter 13 over 7, more time was taken to discuss the bankruptcy process given that they were in repayment plans for a minimum of three years; this is an example of the fluidity with which the interview guide was employed. Additionally, this research was submitted for IRB approval in November 2021, followed by an amendment in January 2022 when adjusting the recruitment methods, as assurance that thoughtful scholarship extended beyond methods and prioritized participants with the utmost ethical concern.

Connected to the ethic of this research is an important conversation about my own standpoint and perspective. Importantly, my parents declared bankruptcy in my formative years which is where I locate the brunt of my interest in the topic. Regarding the implications of this on the work, I've taken great care to assess how my lived experience informs my perspective and the potential for it to shape how I understand interviewees' lives. The first step in assessing my standpoint is acknowledging I have one. Second, and in preparation for interviews, I conducted a pilot study employing the same interview guide (adapting as needed) in February of 2021. During the pilot study, I conducted two, one-and-a-half-hour interviews. Conducting interviews through a pilot study presented me with valuable insight into the assumptions I made about bankruptcy and my own emotional response when discussing the topic—specifically, discussing financial strain made me sad, anxious, and stressed. Throughout the pilot study, I made a practice of committing to weekly check-in with myself to assess feelings that continued to arise during the study. The practice of check-ins was similarly employed during the breadth of my recruitment and interview stage. Sometimes check-ins consisted of journaling while other times I simply talked with companions about how I was connecting to the research. It was my hope, and something I achieved, to minimize the emotional response I made apparent during interviews. This doesn't mean I displayed an absence of empathy, simply that interviewees' vulnerability took center stage rather than my own. It is through this standpoint that I maintain both a deep awareness of my own connection to bankruptcy and a drive to honor the experiences of those reflected in this research.

Table 1: Frequency of Themes

Category	**Thematic Code**	**Rob**	**Lindsay**	**Breonna**	**Marie**	**Tonya**	**Taylor**	**Melissa**
BEFORE BANKRUPTCY								
	Shame	x	x	x	x		x	x
	Desperation	x	x	x	x	x	x	x
DURING BANKRUPTCY								
	Unwillingness to disclose bankrupt status	x	x	x	x	x	x	x
	Incongruence between self-concept and role identity	x	x	x	x		x	x
AFTER BANKRUPTCY								
	Struggle to regain credit footing	x	x	x	x	x	x	x
	Hope after discharging	x	x	x	x	x	x	x
	Penalized post-bankrupt status		x	x	x	x	x	x
	Injured self-efficacy (credit cards)			x			x	x
RESISTANCE via Reification								
	Use of 'repeat offender' narrative	x	x	x		x	x	x
RESISTANCE via Reframing								
	Relationship maintenance as reason for declaring	x			x			x
	Critical of structural inadequacies	x	x	x	x		x	
	Observation of neoliberalism in practice	x		x	x		x	

Discussion

> “No matter how bad and dire the situation is, it's a season. You can make it through this season as well. You can make it through. It's not gonna be easy, but you can do it. You just gotta want to do it; just try to make it through. Let's see where this goes…” - Marie

Shame: A Pernicious Species

Shame was pervasive in the experiences of debtors; it marred the time in which debt accumulated, while interviewees declared bankruptcy, and in the years following.

A Long Winter - Before Declaring

In the majority of participants, six out of seven, shame was prevalent in their pre-bankruptcy, debt accumulation stage. Shame looked and felt different among participants but maintained a consistent presence regardless of how it manifested. For some, shame was flagged as being unable to exert financial autonomy; this was both a reckoning for what the individual could/could not provide for themselves *and* for their support system. Taylor states, “… and then we couldn't pay for Christmas. I wanted to buy Christmas presents and it felt very… it felt embarrassing to not be able to buy Christmas presents.” The sense of being unable to engage in a ‘normal’ accumulation of goods imparts something deeper about how one participates under and in a neoliberal system (Harvey 2005). Neoliberalism in theory projects our individual ability to assert ourselves under a free market, namely through the accumulation of goods; the inability to do so confers an incongruence between behavior and expectations thus manifesting as shame. In this case, shame is located in the *inability* to engage in expected behavior rather than established in enacted behavior.

Compounding this, and as expected with the neoliberal and historical framings of bankruptcy—that it is the fault of free agents or debtors engaging in a moral ill—is that the shame debtors experienced was similarly located in the behavior they *had* engaged in (Frade 2012). Taylor added to their previous narrative to discuss shame in the behavior they had engaged in, stating, “We realized we were messing up. I don’t like to be failing so I just kind of gave up,” when referring to the accumulation of debt from credit cards and subsequent (un)willingness to service that debt. For many interviewees, shame was rooted in the notion that they should have known better before engaging in ‘questionable’ financial behavior. Importantly, the very behavior they felt was questionable also varied along with the reasons they declared bankruptcy and the debt they discharged. In one instance, Melissa, debt occurred from medical bills acquired from a severe, not-at-fault car accident. In this case, even though Melissa had insurance (through her veteran status), she still discharged upwards of $90,000 of medical debt. The majority of interviewees’ debt, five out of seven, came from credit cards and/or payday loans. The characterization of this type of debt was largely rooted in ‘irresponsible’ spending habits and, in four out of those five participants, to “keep up with the Joneses,” Taylor stated. What is meaningful about this, how debt is acquired, is that even having a ‘legitimate’ source of debt, one in which society does not *necessarily* place the debtor at fault, does not mean the bankrupt individual felt any less shame as they declared.

The pervasiveness of shame is underscored by the painful reality of desperation that occurs from being in a financial position to *need* to declare. Literature indicates that individuals may put off declaring far beyond the time it is financially reasonable to do so

(Sullivan et al. 2006). Melissa captures this fact when describing the challenge of talking with creditors,

> “So, I was doing the bills and then, when it just got harder and harder to actually pay the bills, I started getting, I wouldn't say that it was PTSD, but I started getting an aversion to talking on the phone. I didn't want to call them (creditors) and I didn't want to talk to them because I had nothing good to say. I didn't have the money; I should have had the money and I felt like it's my responsibility to pay my bills and I [couldn’t] do it.”

Emotional challenge from bankruptcy is in both the shame of being a debtor/accumulating debt (to the point of needing to declare) and in the everyday life experiences that are conferred through a debtors’ identity under neoliberalism.

Desperation, pain, and guilt mar the lives of interviewees pre-bankruptcy; they are in the moments when an interviewee receives a pre-foreclosure/foreclosure letter (Breonna, Taylor, and Melissa). For example, “the day we got the pre-foreclosure letter my mom was at my house. I got it and I [started] sobbing,” (Taylor). Desperation laid bare as interviewees grappled with concurrent and compounding personal and financial stressors: “I was underwater for a while because of the (car) accident… [and then] I lost my job, and I was literally interning for like $7.25 an hour… [and then] I was dealing with people (creditors) calling me and I [had] to tell [them] I have no money” (Lindsay). Desperation was, point blank, in the hardest moments one had alone. Marie stated the following after her car broke down for a second time within a month,

> “I don't know, it just pushed me over the edge because I'm like, God, I'm already in so much debt and [I] can’t get another loan at this point… I'll never forget, I laid down on my living room floor, I just laid down, face down on my living room floor and I just cried and cried and said, “God, I just cannot take it anymore. What am I going to do? I just cannot take it anymore.” I was at rock, rock, rock, rock, rock, rock bottom. I can't emphasize that enough. The day…that day, I really was thinking about doing…. so I hate to even say the word suicide… but I was thinking about killing myself… I have no life to live. I'm worthless.”

Suicide and suicidal ideation are arguably the most personal experiences one has with oneself. But they so too are deeply sociological and tethered to macro and meta forces that indicate such acts are intelligible behavior when faced with debt. This is so much so that the General Social Survey (GSS) asked, across 25 years, if a person has the right to end their life if they've gone bankrupt (Sousa 2018). This question both speaks to the stigma associated with the bankruptcy process and what shame is *allowed* to do to debtors and their bodies. From a Symbolic Interactionist perspective, suicide being an appropriate remedy to behavior indicates that the corresponding behavior, declaring bankruptcy, maintains the greatest of moral ills and associated stigma. To nuance this with power, suicide from a stigmatized identity is the ultimate form of social control. In sum, desperation and shame were pernicious for interviewees; but, they did not exist in a silo.

There is a specific frame with which interviewee's encountered debt and subsequent desperation and shame. While only a few interviewees, two out of seven, indicated that the 2008 Great Recession was a catalyst for their bankruptcy, all interviewees were privy to and spoke to the financial crisis and deep precarity that millions of Americans faced (Seefeldt et al. 2013). Specifically, all interviewees knew someone or were close to individual experiences that underlaid the 2008 financial crisis. As interviewees characterized the Great Recession as a whole, they described both individual and structural recounts of a system in crisis that exacerbated the financial vulnerability of themselves and those closest to them. Lindsay recounted the financial strain she felt from the Great Recession, stating, "Because I had money, I was able to help my family who lost everything from jobs, especially my parents. My dad got laid off." The attempt to support family members came at a personal sacrifice. Lindsay went on to state, "So it's hard because you're trying to be productive and save but then you're supporting a whole 'nother family system over here because of a recession." While I cannot speculate how substantial Lindsay's savings would have been had she not supported a second household during the Great Recession, the presence of such savings in the years following, when she divorced and experienced a severe car accident, would have certainly lessened some of the financial burdens she would later find herself in.

The framing of the 2008 Great Recession is important because it tells a story about the pervasiveness of shame and desperation in the expanse of neoliberalism. Shame and desperation are not invasive species in the ecology of neoliberalism; instead, they are indigenous to the framework. Despite all interviewees being aware of the mass precarity from the Great Recession—knowledge that should have given their own precarity and self-concept nuance and reduced shame—they still maintained feelings of shame and individual desperation from juggling debt in the, oftentimes, years prior to declaring.

A Reckoning - Declaring Bankruptcy

The characterization of declaring bankruptcy, whether chapter 7 or chapter 13, ranged from being a nuisance that required a toggling of resources and interactions among attorneys, trustees, and courts, to an incredibly painful, invasive, and strenuous process. Two out of seven interviewees declared bankruptcy more than once and one of those declared three times (one was dismissed). Within the scope of this work, bankruptcies were declared between 2007 and 2018, two interviewees declared chapter 7, and five interviewees declared chapter 13. What is common among all interviewees is the prevalence of shame used to describe their declaring process. In this work, the process of declaring starts from the first attorney appointment (all interviewees used an attorney even though it is not required), to the time in which their debt was discharged. Notably, one interviewee, Marie, is still in the bankruptcy process having declared in 2018, and was given a five year repayment plan.

As noted prior, chapter 7 is characterized as debt relief while chapter 13 is characterized as debt reorganization. In chapter 13, all bankrupt individuals are given either a three- or five-year repayment plan where they will pay off either a portion or the entirety of their debt owed (this is up to the discretion of and negotiation among attorneys, trustees, creditors, and the court). The payment plan is ultimately established by the trustee resulting in required monthly payments that are either paid directly to the trustee or accessed through employee wage garnishments; how the trustee is paid is variable and dependent on state policy. The implications of this, especially for folks who declare chapter 13 over 7 (a choice, among interviewees, made to protect secured debt or required because of ineligibility from the means test) meant that the process of declaring bankruptcy was long and strenuous.

Among all interviewees, shame was present. Shame was exhibited during the bankruptcy process in a variety of ways but chiefly through two phenomena: 1) unwillingness to disclose one's bankrupt status (a discreditable identity), and 2) incongruence between the bankruptcy process and one's sense of self, i.e., incongruence between self-concept and a bankrupt role identity. All participants expressed reservations, hesitation, or outright unwillingness to disclose their bankrupt status; however, the reasons for this varied. In some instances, individuals expressed concern over disclosing their status to their employers. Among the rationale for non-disclosure, literature supports the notion of a cumulative disadvantage for bankrupt individuals that largely extends into the labor market (Marato 2012). Interviewees' desire to compartmentalize their bankrupt status and their work experience was at times in tension with the requirements of the bankruptcy process. Specifically, in states that use wage garnishments as the primary system of repayment, the 'discomfort' of disclosing one's bankrupt status to their employer was a moot point. Marie articulated this fact in the following way,

> "Well, our trustee only does check garnishments and I was like, "I don't want everybody I work with to know this." I work with HR training so the systems that run all of that, the payroll… I know these people. I see these people daily. So, the people, the HR people, and everybody who's going to see this know me personally. I'm not just a name on a check to them; they know me, and I don't want them to know I'm in bankruptcy."

Shame in this instance, rooted in wanting to preserve professional relationships devoid of personal challenges, also maintained an element of self-preservation; wanting to ensure one's employer could not weaponize their bankrupt status.

An evident indication of shame while interviewees declared bankruptcy was apparent in their hesitation or unwillingness to disclose their status to family members and friends. Literature also indicates that sharing experiences of shame can mitigate feelings of shame overall (Brown 2006). Thus, retaining and hiding the origin of shame, observed as non-disclosure of one's bankruptcy, is evidence of shame and has the potential to magnify, or at a minimum, enable the persistence of shame. The most striking instance of which was witnessed in two interviewees, Breonna and Taylor, who expressed hesitation or outright resistance to disclosing their bankruptcy status to their parents—both of whom had also declared in the decades prior. For Breonna, even though her mother declared in her formative years, she still expressed resistance toward disclosing her status linking it to her mother's ability to keep providing financially in spite of financial struggle. Breonna stated, “I knew what (job) level she was at, and I was just shocked at how many miracles she made [happen] because she didn't make a ton of money.” In this way, a parent's own experience of precarity did not afford a child of similar precarity exemption from shame. Working here, neoliberalism in practice, is the following rationale: the financial resilience of others is a barometer to measure one’s own failings *and* the financial crisis of others does little to ameliorate a narrative that we are solely (ir)responsible financial agents.

Shame oftentimes was located in a specific memory; one that conjured a reckoning between one’s self-concept (one’s sense of self) and the reality of declaring bankruptcy, i.e., their role-identity. Symbolic Interactionism argues that individuals are always trying to conform their self-concept to the roles they are actively engaging in (Bericat 2016). An example of this was witnessed in four out of seven interviewees who imparted a specific memory over the course of their bankruptcy process that captured this nonconformity. Rob, the highest earner among the interviewees, recounted the following, “...it's like three o'clock in the morning…outside my bedroom, the lights come on and I look outside; it's a tow truck. So, here's Mr. Los Angeles, Mr. American Airlines pilot, and his car is being repossessed with a flatbed truck.” Captured here, Rob denotes a disjuncture between one’s self-concept and the way the world treats—arguably low earning—debtors, i.e., the role-identity he now assumes as a bankrupt individual. In this instance, the incongruence was in how central success and wealth were to Rob’s identity followed by markers that indicate the instability/absence of success and wealth;

evidenced here as a flatbed truck coming to repossess a Mercedes. This too was a location of shame.

Being a person of knowledge/common sense was a recurrent internalized identity (i.e., self-concept) that led to subsequent shame when challenged by newly assumed bankrupt identities. For example, the logic of, “I should have known better,” was frequently used—found in six out of seven interviewees—as a marker to indicate a person's shame about their bankrupt status. Neoliberalism in theory operates through this logic when adding in the nuance of why many interviewees declared. All but one interviewee who employed the, “I should have known better” rationale, declared because of credit card debt/payday loans. The underbelly of discharging credit card debt was that much of it was accumulated through ‘just trying to get by’ or ‘keeping their head above water.’ As millions of Americans live(d) paycheck to paycheck, credit card debt is/was not just accumulated through non-necessity purchases. While all participants who discharged credit card debt indicated that they lived above their means, they also indicated that some of their debt was just trying to get by. Whether acquired through taking out loans to pay for custody fees or to cope after the loss of a parent, credit cards were the means to gain a semblance of autonomy and ease. In many ways, interviewees’ purchasing behavior *was* a matter of survival. Retaining shame because you ‘should have known better’ while doing the best you can to survive financial and personal crises further affirms the discrepancies between neoliberalism in theory versus in practice.

Symbolic Interactionism offers a similar intervention in that the shame individuals experienced was a product of social control linked to the meta-system of neoliberalism. The rhetoric of “should have known better” centers the individual, something that directly challenges individuals' self-concept. The implications of bruising one's self-concept by a previously acquired debtor identity and newly acquired bankrupt status, or role-identity, resulted in shame. Correspondingly, emotions, such as shame, place the meta-system in the invisible margins, a location that means fault for the bankruptcy is always in the hands of the consumer, never the creditor or lender. This too is the schema that underpins neoliberalism.

Marrying the two phenomena together, unwillingness to disclose one's bankrupt status and incongruence between the bankruptcy process and one's sense of self, was apparent in one interviewee's story in particular. Breonna discussed her resistance to disclose the bankruptcy to her mother who had also declared. Important to her rationale were two identity status of race and class: that she was Black and a high-wage earner. As Breonna states, "It was embarrassing because you're making… like for me, to be honest, for Black people…a Black couple making that much money… [and] we have nothing to show [for it]." Interviewees frequently toggled with the expectation that they should have been more able and competent to navigate the system—a system that, especially within the scope of the 2008 Great Recession, engaged in predatory lending (Drozd 2021). When retaining an identity that is the exception to the rule, e.g., being Black and a high-wage earner, the logic follows that one should have similarly been the exception to pervasive credit practices and increasing normalization of using lines of credit to supplement income. Shame from bankrupt role-identity compounds through these means; challenging both one's self-concept *and* the relationships held most dear.

A False Spring - After Declaring

Bankruptcy is framed as a net positive in which debtors are expected to come out of bankruptcy overwhelmingly better off than they started (Porter & Thorne 2006). This is observed through language employed to characterize post-bankrupt life, e.g., a fresh start. Importantly, a fresh start does not hold up to the experiences of interviewees—especially for those that discharged through chapter 13. All interviewees indicated a struggle to regain their (credit) footing after they declared. Marie, who is still servicing her debt, is anticipating the challenge. The realities of attending to life after bankruptcy were in many ways just as hazy and uncertain as characterizations of the pre-bankruptcy and the bankruptcy process. Notably, five out of seven interviewees indicated they learned the extent of being financially penalized after or late into declaring. This came as a surprise given they too thought discharging would establish them in a better financial position than they eventually arrived at. Melissa affirms this notion stating, “That was something that they don't tell you; they don't warn you; they don't tell you; they don't explain what happens to your credit report right after you finish. They don't explain any of that kind of stuff. That was probably the hardest part in the entire bankruptcy.” Melissa captures the harsh reality of bankruptcy; the *after* can be the hardest part of declaring. In many ways, the years after declaring were a false spring.

For individuals that declared chapter 13 (five out of seven), the burden of a hit to their credit score was compounded by years of fatigue from servicing debt (the shortest serviced their debt for three years and the longest for six years). Not to be overshadowed, servicing debt in chapter 13 for interviewees sometimes looked like being unable to pay a trustee any given month (Lindsay and Melissa) or struggling to pay for the medical needs of an ailing family member that resided in one’s own home (Marie). Servicing debt in chapter 13 was laborious, painful, and, oftentimes, filled with uncertainty; uncertainty about paying trustees and how one would get through to the end of the month with enough money for groceries. Debt, for interviewees, was serviced for so long that the end of servicing represented hope: an end to a long and strenuous winter. All seven interviewees indicated a sense of hope in anticipating life after they discharged their debt; yet six of the seven interviewees indicated a sort of penalized, post-bankruptcy status. The manifest realities of a persistent penalized status, largely observed in the continued hit to one's credit identity, exacerbated feelings of shame.

Shame was conferred in moments that reminded individuals of their continued debtor status (it remains attached to one's credit identity for seven years for chapter 13 and ten years for chapter 7). Many interviewees held off on large life and financial choices until after they discharged, i.e., changing jobs, retiring, selling/purchasing a home, etc. This was where they located much of their hope for the future. However, because their credit history still showed their bankruptcy, hope for future financial endeavors remained uncertain or simply an insurmountable endeavor. In the ways they accessed hope, by continuing to pursue life and financial goals, they were continuously reminded of their bankruptcy. Taylor described the following, "We want to buy a new house and we're very much financially where we can, but we can't loan wise until we've been out for a year. It's just a constant reminder that you messed up five years ago." Captured here, Taylor affirms she did what she was supposed to do (as asserted by neoliberalism in theory); she attended to her debt, saved money for a house, etc. Yet, Taylor remains unable to exert control over her financial reality; neoliberalism in practice argues that she wasn't necessarily an autonomous agent to begin with (Harvey 2005).

And still, interviewees endeavored through their financial disadvantage; they networked, strategized, and tried to access the things they wanted through avenues they started to become aware of. Taylor continued to discuss her endeavor for a home loan,

> "I had to call someone. We know an older couple that had filed bankruptcy six years ago, the year before us, and when I went over there to talk to them about house loans and car loans, that kind of stuff, they gave me this number for someone that they got their house loan through. So, when I called him… that's…that's embarrassing. It's like you know nothing about me; you don't know what I make, you don't know what I do for a living, you don't know how much money I have. [All] you know [is] that I filed bankruptcy and that's embarrassing to me because I made the mistake five years ago. I shouldn't have to tell this guy."

A post-bankrupt status was perceived as an equalizer across class; meaning, post-bankrupt individuals sensed they were all *equally* disadvantaged regardless of wealth. Linking to the previous section on how shame was observed during bankruptcy through two phenomena, post-bankrupt individuals navigate a similar incongruence between one's perceived sense of self or self-concept and their *continued* debtor/bankrupt status (role identity). In this case, Taylor asserts herself as a financially responsible agent (self-concept), now having access to various levels of financial security and wealth. However, the caveat here is that the world does not perceive her as such as apparent through her continued bankrupt role identity. For Taylor, reckoning continued coupled with the shame that a debtor status even came to fruition in the first place.

To compensate for the hit to credit score that occurs from bankruptcy, all interviewees indicated that acquiring credit cards was one of the most useful means of improving one's credit identity. Notably, acquiring credit cards after bankruptcy posed a similar challenge to acquiring a home or car loan in that folks struggled to gain approval or were only approved for cards with high interest rates. A significant observation, occurring in half of the interviewees that located credit card debt as a primary reason for declaring bankruptcy, was a strong hesitancy or outright rejection of acquiring credit cards. Interviewees readily expressed that credit card advertisements came in the mail before their debt was discharged, thus, their hesitancy or rejection stemmed largely from low self-efficacy—they did not trust themselves to not acquire more debt and/or become a ‘repeat offender,’ i.e., declaring bankruptcy more than once. Hesitation and rejection characterize the rationale for withholding from credit cards but the feelings behind such logics are deep-rooted. Interviewees described fear and worry when thinking about the prospect of rebuilding their credit. Taylor stated the following when discussing acquiring credit cards post-bankruptcy, “They’re (credit cards) the easiest way to rebuild credit but that doesn't mean that that's what I should do. I don't want to end up back in the same place. So [when] I approach finances now, I'm scared of them.” Linking back to the previous findings, avoidance of shame can also be traced to subsequent hesitancy; the narrative of being a repeat offender was one of the most prevalent rationales used among interviewees to confer stigma surrounding bankruptcy.

Financial resilience is broadly enabled by attending to one’s finances. However, long lasting negative interactions with finances experienced pre-bankruptcy and during bankruptcy caused tension when navigating finances post-bankruptcy. All seven interviewees were the primary person responsible in their network for attending to financial labor, i.e., paying bills, budgeting, etc. Therefore, they were also the key figures attending to the harsh realities of debt/bankruptcy, i.e., talking to creditors, trustees, etc. Upon discharging their debt, three of the seven interviewees indicated severe emotional fatigue from resolving their debt and all that was necessitated by the process. The most visceral of recounts was expressed by Melissa who could no longer participate in the financial labor of her household. She stated the following, “He (her husband) took over doing the bills because I mentally just couldn’t do [it]. You know I feel like I should be stronger to do that but…it really hit me hard. I’m still… I’m still struggling with that.” Working with one’s finances is necessary across the length of one’s life course; being unable to do so because of trauma disables individuals from fully engaging in financially resilient behavior. Further, observing the emotional trauma from being a debtor that persists *after* one is no longer in debt indicates the all-consuming presence of shame and the consequences of long-term financial crises.

One of the single most useful strategies to improve credit identity, as identified by interviews, was successfully utilizing credit cards. In thinking about financial resilience post-bankruptcy, not engaging in such behavior has the potential to affirm shame—an individual believes they are still too irresponsible to successfully use credit cards as a strategy. In contrast, knowing one’s boundaries may mitigate future financial strain. As indicated throughout, financial stress has long term emotional, mental, and sometimes physical consequences, i.e., weathering is the advanced deterioration of health outcomes because of social stressors like systemic racism and, relevant here, experiences of poverty/persistent financial crisis (Bhatnagar & Diaz 2018). Stress and shame live in, on, and around the body; they are nefarious. The avoidance of such financial stress, as exhibited by four of the interviewees, may also be read as a strategy to navigate and strategize *away* from more financial strain. As noted prior, even individuals who indicated their credit card debt was from irresponsible spending habits so too noted very clear instances when it was *needed* supplementary income. Thus, it should not be assumed that living without credit cards will mean interviewees live without financial strain. What this can mean is that the avoidance of debt as a strategy is *also* a means of survival—especially in thinking about the lengths individuals will go to relieve themselves of debt. Supporting this notion, Breonna described the following regarding non-dischargeable student loan debt,

> "My husband had student loans and he went and joined the military. That's what he did. He went to Iraq for them (the U.S. military) to pay off loans. They got paid off, but he can't work again… he lost more than just student loans in Iraq…. I mean he's disabled (now)."

In this case, joining the military was so too a means of survival just as having/not having credit cards and declaring bankruptcy was. A deeper question comes from this, if one's mobility is an intelligible payment for debt under a neoliberal system, what payments *are not* legitimate? In other words, is there a limit to what debt is allowed to ask from us?

To amplify further, five out of seven individuals serviced at least a portion of their debt for years. The knowledge acquired late in the process of discharging, that their financial disadvantage would continue, has the effect of perpetuating shame, uncertainty, and fatigue as one regards both their manifest and latent financial reality. Uncertainty can be crippling as one tries to rebuild; trying to put one foot in front of the other to realize you've been walking in quicksand the entire time. In post-bankruptcy, there are few vines to pull you out especially if you doubt the integrity of the vine available to you, i.e., the efficacy of credit cards. Because of methodological gaps (no interviewees had yet to have their bankruptcy fall off their credit report, a future avenue of research), minimal speculation can be made about how long disadvantage and reminders of a stigmatized identity persists. From expressed assertions by interviewees, the hope continues for a future after their bankruptcy falls off their credit identity. In this way and in spite of, at times, a seemingly seven-to-ten-year long winter, spring will come. Working in tandem with this and what should not be discounted in the face of hope, is the time in which disadvantage persists. During this time, post-bankrupt individuals are starting families, tending to the final years of parents' lives, caring for children trying to become adults in the midst of global uncertainty, etc. Just like their pre-bankruptcy years, interviewees' post-bankruptcy was similarly characterized as them just doing the best they can.

Reification, Reframing, and Resistance

David Harvey's (2005) work has an explicit linkage between internalizing neoliberalism (neoliberalism in theory) and observing the larger social structure (neoliberalism) that operates as a political-economic strategy to reify class power in the hands of the global elites (neoliberalism in practice). Shame was the internalized manifestation of a larger social stigma. Upon attesting to how shame occurred in interviewees' lives, it so too was apparent the ways that individuals grappled with the meta-system. Two phenomena occurred: 1) interviewees reified neoliberalism by affirming the stigmatized characterization of debtors and bankrupt individuals, and 2) interviewees reframed their own experiences thereby resisting the neoliberal system.

Reifying Neoliberalism - When a Polar Vortex is the Fault of Those without Heat

A common theme among six of the seven interviewees was a negative characterization of 'repeat offenders.' Notably, two of the seven interviewees had declared bankruptcy more than once. Of those that declared more than once, neither used the words 'repeat offender' to describe their own bankrupt statuses; however, they did use the verbiage to characterize others. ‘Repeat offenders' was used as an ambiguous shorthand to generalize the presumably ‘abusive’ bankrupt individual. Repeat offenders were individuals that “haven’t learned anything from their first bankruptcy,” Melissa stated, or “they just want[ed] to file bankruptcy to get rid of things and they [didn’t] really need it,” asserted Tonya. The most striking characterization came from Rob who stated the following,

> “...they just can’t help themselves. They’re going to do it again. They’re repeat offenders. And they go, “oh, I just got out of it (bankruptcy) [and] the system says “here’s easy credit”… and it’s okay [so] I should go on a vacation.” It’s like when they talk about the welfare system where you know it’s a certain segment of society…like you saw it in Katrina when, you know, it’s the soft underbelly of America where you’ve got all these overweight people, and…they’ve just learned how to work the system and they’ve got eight fake kids on welfare and it’s a learned behavior.”

To state what’s working here, the presumably abusive ‘repeat offender’ has a similar characterization of exploitative welfare recipients, such as the dog whistle of “The Welfare Queen.” The ‘repeat offender’ in this instance is a decisively classed and, arguably, racialized figure, entrenched in a larger white supremacist, anti-Black system (Federico 2004). Importantly, Black individuals that declare bankruptcy are disproportionately more likely to be placed in chapter 13—a statistically significant enough fact that both Black interviewees noted and employed strategies to not be represented in that statistic, e.g., they vetted multiple attorneys or intentionally chose a Black attorney (Strike Debt 2014). Note that the characterization of the ‘repeat offender’ was similar to the logics employed to amend the Bankruptcy Code in 2005. The characterization of the ‘repeat offender’ was promoted, most vehemently, by creditors lobbying for the means test; these logics and characterization would later mean the majority of interviewees were only eligible for chapter 13—the, as interviewees put it, definitively worse and more costly chapter (Strike Debt 2014).

Similar to how interviewees recounted a specific memory of shame, so too could they recount a specific memory to confer stigma. Breonna, one of the interviewees to declare more than once, noted the following, “I remember going to court (for her first bankruptcy) and there was a couple in front of us, and I think [it was] like their third or fourth time filing bankruptcy. I said to myself, “I'll never be back here,” and then, you know, five years later, I'm back here.” The ‘repeat offender’ is an identity to be avoided at all costs largely because it's entrenched in layer upon layer of stigma and subsequent shame.

For those that declared bankruptcy more than once, they employed a tactic Luna (2009) described as disassociation, meaning the interviewees distanced themselves from the basic stigmatized characterization that defines being ‘repeat offenders’ and engaged in defensive othering. The rationale employed is: 1) being a debtor is bad, 2) being a debtor is not as bad as being bankrupt, and 3) being bankrupt once is less severe than declaring bankruptcy multiple times. In this way, an economy of stigma (and subsequent shame) is established; an intelligible rationale for neoliberalism that operates off of scarcity and individualism. To read this differently, and as Luna (2009) asserts, disassociation is a form of resistance *away from* stigmatized identities, an internal and external boundary between one’s self-concept and a stigmatized role identity. The effect of such resistance, in this work, and defensive othering ultimately reifies stigma and neoliberalism broadly; it legitimizes the *usefulness* and *rightness* of stigma. It codifies the notion that there was something to learn from the process of acquiring debt and the pain of declaring bankruptcy; the lesson, similar to public school textbooks that exist in states who legislate against critical race theory and ethnic studies (like the state, Arizona, this thesis was written in), is incomplete and devoid of structural inequalities.

(Re)Inscribing Seasons - Perspective from the Eye of the Storm

As indicated prior, resistance away from stigmatized identities had the effect of reifying stigma specifically and neoliberalism broadly. Working in opposition to this, interviewees reframed their origin story, the reason why they declared, and thus resisted neoliberalism; reframing thereby illuminated gaps in the system, i.e., identifying the disjuncture between neoliberalism in theory and neoliberalism in practice. Reframing and subsequent resistance occurred in three ways: 1) interviewees unapologetically identified maintaining relationships as the reason they declared, 2) interviewees were critical of structural inadequacies experienced in the healthcare system, familial (dis)advantage, and labor market, and 3) interviewees were explicitly critical of how they observed neoliberalism in practice—wealth and power concentrated among global elites.

A theme among three interviewees was the unapologetic context they ascribed to the reasons they declared, noted here as maintaining relationships. The maintenance of relationships was not only expressed but further indicated as an external motivation to them having engaged in stigmatized spending habits and their successive status as bankrupt people. Marie exemplified this theme when discussing the reason she acquired debt: taking a pay cut and moving to take care of her ailing father who would later succumb to cancer. Marie stated the following, “I went completely backward in my career [and] when you throw the bonuses in there as well, I probably took about a 70 to

$80,000 salary cut. But trust me when I say… trust me when I say it was so worth it—even going through bankruptcy. It was so worth it at the end of day."

Caring for one's social network was summarized in one word: sacrifice. While the process of acquiring debt and declaring bankruptcy was stressful and, at times, painful, interviewees' framed their debt/bankruptcy process in a larger picture of community and care. Melissa cited a similar origin story; there was no limit to what she would do as a parent. Melissa discussed the initial stress her daughter went through in a costly divorce,

> "...my little girl [was] crying and screaming because she [was] unhappy [and] having meltdowns… I [had] no control over any of that, you know. I mean, it would just… it would tear anyone up to have to deal with the meltdowns of their little girl who is such a sweet, happy girl [who's] having meltdowns all the time." Followed by, "It wasn't the right decision (charging on credit cards and taking out payday loans), [but] I just didn't know what else to do. As a mom it's like, I'll go broke. I'll do what I have to do (for my child)."

Luna (2009) employs the origin story as an extension of disassociation; individuals trying to resist stigma by moving them away from stigmatized identities. As noted prior, disassociation can have the impact of reifying neoliberalism. In this instance—and working in conjunction with neoliberalism in practice versus in theory—the origin story challenged the foundation upon which stigma sits; interviewees' deeper motivation challenged individualistic and fault-driven framings of stigmatized behavior, i.e., acquiring debt from credit cards and/or payday loans. The rationales displayed by interviewees present an unapologetic recount of debtor behavior thus challenging the logics that underpin stigma of bankruptcy.

There is potential inconsistency in the application and use of the theoretical framework. Both narratives, the 'repeat offender' and the 'origin story' had the effect of distancing oneself from stigmatized role identity and shame-ridden self-concept.

Similarly, they both are framed as acts of resistance against a stigmatized bankrupt status. This would beg the question, why does the origin story disable a neoliberal system while 'repeat offender' reifies a neoliberal system. A resolution to this lies in shame as the embodied experience of social control (asserted by Symbolic Interactionism). If stigma and embodied shame are avenues of social control, the system that is asserting social control onto subjects is neoliberalism with corresponding institutions like creditors and the health care industry. Social control is *useful* if it disperses power away from the masses. Similarly, if neoliberalism is the accumulation of capital from the dispossession of the masses, power can also be dispossessed (Harvey 2005). By altering one's self-concept, seen here as being a person of sacrifice for the needs of community, an individual not only reduces embodied shame (embedded in self-concept) but undermines legitimate forms of social control. In contrast, the 'repeat offender' narrative affirms the foundation upon which social control is built. Through the means described here, little by little the foundation cracks.

Second to this, interviewees were critical of the structural inadequacies and inequality they experienced. The institutions they cited were the healthcare system (Lindsay and Breonna), the financial and housing sector (Lindsay, Breonna, Marie, Taylor, and Melissa), and the labor market (Lindsay, Breonna, and Marie). Additionally, they cited the intervening principle of having a network of wealth to tap into in instances of personal financial strain; the absence of such networks meant a fatalistic predisposition toward bankruptcy. In the process of criticizing institutions, interviewees recounted specific ways in which institutions created or exacerbated mass precarity and inequality. For example, Breonna stated the following regarding the healthcare system,

> “I think at any given time, at any given point, the average American is at the brink of bankruptcy… because unless you just have thousands of dollars saved up, it can happen. You don't know how good your insurance is until you get sick because as long as you're feeling good you don't know. It's when you get sick when you need to use it, you’re like this ain't worth a crap.”

Lindsay built off this same notion when discussing where she located the origin of her debt: a crippling healthcare system and the gaps embedded in Veteran Affairs (VA). For Lindsay, the brunt of her dischargeable debt came from medical debt that was acquired from a not-at-fault car accident; specifically, she cited that, just for her to be airlifted to the nearest hospital, was $20,000. Importantly, she was treated at a non-VA hospital, thus, and in spite of having Tricare from being a veteran, the VA would not cover her medical expenses. Indicated here are obvious gaps in the system; at any given moment an individual is one encounter away from so to being bankrupt.

In communicating instances of inequality, interviewees identified gaps in the system that were social determinants to bankruptcy; chiefly, having resources, wealth, and social networks at one’s disposal becomes an intervening principle to mitigate one’s propensity to declare. Four of the seven interviewees cited that if they had had family members able and willing to provide financial support, they would not have needed to declare bankruptcy. Taylor cited access to wealth most strikingly when discussing a friend's suggestion to rethink filing for bankruptcy; a suggestion that, in her mind, indicated stigma. Taylor stated, “I was like, “No, you don't understand the place I'm in; my parents can’t give me the money for that.” No offense to her, but my parents can’t do what [her] parents can do. I don't have that (resource),” followed by, “It pisses me off. It's like no, you don't get it. You'd be in the same place [if it weren’t for your parents].” For interviewees who were privy to the financial ‘irresponsibility’ of individuals in their social network, similar to their own, having access to wealth was an apparent challenge to stigma. Wealth and resources meant that stigma could be avoided because bankruptcy could be avoided. In this way, interviewees established rationales that challenged the logics of stigma from bankruptcy and those of which are founded through neoliberalism.

Finally, and more broadly, interviewees knew that neoliberalism operates globally to direct wealth and power toward elites (Harvey 2005). Four of the seven interviewees articulated the presence of said structure and also used this finding to challenge the stigma and shame they were expected to legitimize. For some, the criticism of a neoliberal system was tied to the reason why they declared, i.e., credit card debt. Breonna stated the following, “I’m sorry [but] Capital One is a billion-dollar business. They've been ripping off people for years… yeah, and I mean, these companies are not going to fail because I didn't pay them off. Even with BP and their massive oil spills and trying to clean it up, they’re still a billion-dollar company.” Some interviewees weaponized neoliberal logic to their advantage; they reframed their origin story to assert bankruptcy as a similar strategy to what businesses access; a strategy, when utilized, that is exempt from individual stigma. Rob argued the following,

> “If you could frame yourself as “I’m a business, and this happens,” it would be easier on people in bankruptcy. In business, there's risk attached to business and it's normal because some percentage of people doing business is going to go bankrupt. You [can] try and mitigate that risk; if you open a restaurant, your margins are thin and you've got to have a year of money put away and still your chances of success are low.”

Businesses, notability, do not retain the same stigma as consumers who declare bankruptcy. Thus, using a transactional logic, one promoted by neoliberalism in theory, has the effect of mitigating shame and stigma internalized by bankrupt individuals. In this way, illuminating the incongruence between neoliberalism in practice and neoliberalism in theory, an act that lifts the curtain so to speak, facilitates agency among debtors; they become strategists in a system that was never set up for their success.

Conclusion

The central question of this work explores what emotions individuals experience after bankruptcy and if those emotions inhibit financial resilience. The seven individuals that were interviewed in this work identified lengthy experiences of stigma from bankruptcy and subsequent internalized shame. Despite declaring bankruptcy during a global recession, the 2008 Great Recession, and in a time of increased bankruptcy rates (Sousa 2018), stigma and shame persisted; it was deep-rooted and damaging. Importantly, and identified as the intervention of this work, interviewees maintained shame *even after* they had successfully discharged their debt. The maintenance of shame was located through a persistent debtor/bankrupt identity facilitated by the bankruptcy process itself: a hit to one’s credit score for ten years when declaring chapter 7 and seven years when declaring chapter 13. In this way, bankrupt individuals were both outwardly penalized, their financial resilience inhibited by external factors, and internally penalized, observed in their unwillingness to engage in some financially resilient behavior. Three of the seven interviewees were unwilling or hesitant to acquire credit cards despite this being the chief avenue to improve credit post-bankruptcy.

This work's final question was if individuals reframed their experience to lessen feelings of shame that were born from stigma. Through assertions by interviewees, it was apparent that bankrupt individuals often reframed their experience; a reframing that, at times, reified stigma and neoliberalism, and, alternatively, resisted the legitimacy of stigma. To focus on the avenue of resistance, neoliberalism operates as an all-consuming meta system; it functions to direct power and wealth toward elites through logic that draws attention from its underbelly. Thus, under this system, it is improbable to structurally change the bankruptcy process, one that enables the wealth of creditors and—as observed by the lived experiences of interviewees—often disempowers consumers declaring. The intervention of this work is observed by the interviewees' individual resistance against such a system. The power of neoliberalism is born in its rationale and theory. Through critiques and reframing of their own stories, interviewees lifted the curtain to show the disjuncture between neoliberalism in theory and in practice. In a world where comprehensive bankruptcy legislation is unlikely, interviewees and millions of bankrupt individuals are still finding and engaging their own forms of intervention and resistance.

A limitation of this work, its small sample size at n=7, means that it can minimally attest to the expansive experiences that bankrupt individuals face. In sum, this work is not generalizable. However, the ambition and intervention of qualitative methods is not about generalizability but endeavoring to investigate the lived experiences of interviewees and those with similar stories. In many ways, this work is a single iteration of a larger question, how do individuals navigate bankruptcy and debt as observed before, during, and after declaring? The work in this thesis is specific to the 2008 Great Recession. At present, experts project that we will again see increased rates of bankruptcies now linked to the COVID-19 pandemic (Pinsker 2021). As found in this work and supported by literature, we also know that even when bankruptcy rates increase, stigma does not inversely decrease (Sousa 2018). Thus, more broadly, this work will be extended to explore financial resilience witnessed across multiple global financial crises.

Another limitation of this work was in the time devoted and available to interview and analyze data. It was my intention to interview eight to ten individuals that fit the scope of this work, bankruptcies declared between 2007 and 2018. Time constraints and access to filers through non-invasive cold calling, as noted above, were the reason a larger sample size was not achieved. Additionally, because of time constraints, the scope of this paper, and a small sample size, there were supplementary themes observed in the coding process that could not be explored. Future work will expand the sample size and explore themes that emerged in the coding and analysis, i.e., gendered labor and racialized realities were themes present but could not be fully explored.

Despite these limitations, this work is positioned at the nexus of policy, critical, and public sociology and is an important intervention in its own right and also must be of use to the benefit of those that live the experiences you have read. Specific avenues and entities this work is applicable to are, program evaluations of pre-bankruptcy financial counseling and post-bankruptcy debtor education courses, bankruptcy support groups, bankrupt individuals, and bankruptcy attorneys.

What should be highlighted is that the bankruptcy code is established at a federal level. Therefore, any amendments made to the U.S. Bankruptcy Code will have a totalizing impact on the bankruptcy process experienced by the millions of consumers seeking to declare. It is through the findings of this work and upon extensive, supplementary research that policy analysts and legislators consider the following in regard to the U.S. Bankruptcy Code: 1) provide avenues to discharge student debt (Stephens 2021), 2) require oversight and auditing of trustees to improve consumer experience, and 3) decrease the length of time in which bankruptcies remain attached to one's credit identity, especially for filings under chapter 13. It is my hope, as inspired by the interviewees that informed this work, that the U.S. Bankruptcy Code so too be 'in a season' of winter; spring will come for meaningful and comprehensive legislation. To be clear, even without spring, debtors and bankrupt individuals will keep trudging, heavy-footed but determined, through the squall.

Appendix A: Interview Guide

Introduction

1. Tell me a little bit about yourself?
   a. Where did you grow up? What's your job? What's your family like?
2. How would you describe your socioeconomic or class background? Has it changed throughout your life?
3. **How are you feeling about doing this interview right now?** What does that feel like in your body? On a scale of 1-10, with 1 being very relaxed and 10 being very anxious, how calm would you say you are right not?

Background on Bankruptcy

1. What year did you declare bankruptcy?
2. What chapter bankruptcy did you file for? Why that chapter?
3. What caused you to declare bankruptcy?
   a. What kind of debt did you have? Medical, credit card, mortgage, etc.? b. Did the 2008 market crash play a role in you declaring? If yes, how?
4. How long did it take you to decide to declare? What pushed you to that decision? What do you remember from that time? Any particular memories or emotions?

Shame and Bankruptcy

1. What was bankruptcy like for you emotionally?
   a. What emotions did you feel before deciding?
   b. What emotions did you feel during the process?
   c. What emotions did you feel after? For how long?
   d. Did you feel shame during the process? If not, what emotions do you think are most reflective of your experience? Embarrassment, humiliation, guilt,
   frustration, anger?
2. **How are you feeling about this interview at this point?** What does that feel like in your body? On a scale of 1-10, with 1 being very relaxed and 10 being very anxious, how calm would you say you are right not?

Bankruptcy and Behavior

1. What was your support system like in the midst of declaring? Who did you reach out to and why? (nuclear family, extended family, friends, employers, attorney)

a. What were those interactions like? Can you give me some examples of how others reacted to your declaring bankruptcy?

b. Did any of these relationships change after you completed the filing process? Have they changed over the years since your declaration and if yes, how and why?

2. Bankruptcy stays on people's credit for seven to ten years. How has that impacted you? a. Has it impacted how you feel about your future? Has it impacted your financial decisions?

b. How do you make financial decisions now? Do you have a set plan, wait on decisions, make them in the moment?

3. How do you feel when you make financial decisions now?

a. What does that feel like in your body? On a scale of 1-10, with 1 being very relaxed and 10 being very anxious, how calm would you say you are right not?

b. Why do you think you feel that way?

4. Besides your support system or your financial behaviors discussed above, has bankruptcy changed any of your other behaviors?

Bankruptcy and Reframing

1. What were your thoughts on bankruptcy before you declared?

a. What did you think of people who declared? What did you think about companies that declared?

2. Earlier on you discussed the contributing factors to you declaring bankruptcy and that it was XX years ago. Have your *thoughts, logic, or rationality* on why you declared —as opposed to your emotional response—shifted at all throughout time? a. How have you processed or reflected on your experience?

b. Were there any specific experience that made you rethink your filing process? 3. Studies show that when people experience financial trouble, like declaring bankruptcy, negative emotions are heavily associated with the experience. Have your *negative emotions* around the experience of bankruptcy shifted throughout time?

a. What factors contributed to shifting these negative emotions?

b. Have you found ways to combat any negative emotions you've felt in the last few years?

4. Have you found any *positive emotions* that have reframed your experience of bankruptcy?

a. Do you have a sense of hope, feel like you are persistent, built up your financial confidence, etc.?

b. What do you feel in terms of positive goals or hopes for your financial future? 5. Given all we've discussed about your financial situation, behaviors, and reframing, how do you feel about yourself and your financial situation now overall?

a. How do you feel about the decisions you've made in general?

Conclusion

1. **How are you feeling now as we near the end of our interview?** What does that feel like in your body? On a scale of 1-10, with 1 being very relaxed and 10 being very anxious, how calm would you say you are right not?
2. Is there anything else you would like to cover? Anything I didn't bring up or something you'd like to clarify?

THANK YOU!

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