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Credit in Society and in Sociology: On "The Bank and Its Customers" (Bourdieu, Boltanski, Chamboredon, 1963)

Abstract

In 1963, a young French sociologist, Pierre Bourdieu, together with two assistants—Luc Boltanski and Jean-Claude Chamboredon—conducted the first sociological study of the credit practices of a major French bank, entitled "The Bank and Its Customers". This article discusses the context, the findings and the legacy of this study. First, the article sketches the landscape of the emerging mass credit market in France in the early 1960s. Then, the paper summarizes and analyses the report itself. We also demonstrate how bank-customer interactions and credit continued to be a subject of interest for Bourdieu throughout his subsequent career. Finally, the paper seeks to contribute to comparative research on the varieties of national configurations of private indebtedness in relation to the level of development of the welfare state.

Keywords: Credit; Indebtedness; French Sociology; Bank; Housing loan.

Introduction

IN 1963, A YOUNG FRENCH SOCIOLOGIST—Pierre Bourdieu—together with two assistants—Luc Boltanski and Jean-Claude Chamboredon—conducted the first sociological study of the credit practices of a major French retail bank.[1] It resulted in an

[1] We would like to thank Luc Boltanski, Bernard Convert, Monique de Saint Martin, Marie France Garcia-Parpet, Marion Fourcade, Pascal Ughetto, Félix Adisson,

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unpublished report entitled "The Bank and Its Customers: Elements of a Sociology of Credit". This report, commissioned by Compagnie Bancaire, dealt with the ways in which this large bank specializing in mortgage loans treated customers from different social groups, as well as with the prevailing moral attitudes to savings and credit in France in the 1960s, where banking services were still in their infancy.

Despite the status and reputation its authors would later attain, the report has remained relatively confidential: it has never been widely circulated, never formally published, and has been only very rarely cited,[2] including by the authors themselves.[3] It does not constitute a "major text" in the history of sociology—it was written quickly and lacks theoretical framing. Moreover, it cannot be considered seminal, as it did not give rise to any wider research projects on credit, at least not before Pierre Bourdieu revisited this theme 25 years later in relation to housing. The study does receive brief mention by Bourdieu on the first page of *The Social Structures of the Economy* (Bourdieu 2005), as part of a list of "individual studies" he had conducted on the economy, but without further comment. However, contemporary sociologists working on credit, banking, indebtedness, and household finances are all familiar with this report, passing it around almost '"under the table"', and deriving from it a certain pleasure: the writing, with its playful and humorous style, brings to life the world of credit of the early 1960s and reveals the roots of what it would later become.

By dusting off this artefact from the Bourdieu "museum", we naturally seek to contribute to the dissemination of the main insights of the report as well as to restore the intellectual, economic and social context of its writing. Indeed, this report bears witness to a very particular period in France's history when both the credit market and the welfare state were first developing. But we also aim to demonstrate that its analyses of the interactions between bankers and customers, the methods of bureaucratic evaluation of individuals, the ethical changes in relationships to credit, and the progressive socialization of the French population to banking services can enrich discussions today of the major contemporary

Gérald Houdeville, Roger Nougaret and the anonymous reviewers for their encouragement, advice, and feedback.

[2] Some quotes can nevertheless be found in works on economic sociology [Swedberg 2011; Garcia-Parpet 2014; Convert, Ducourant et Eloire 2014; Boussard 2017; Lazarus and Lacan 2020; Wilkis 2014]. Google Scholar lists 29 citations to the report.

[3] As François Denord reminds us [Denord 2021], some of the report's analyses are reproduced in two articles that were published in *Actes de la Recherches en Sciences sociales*) a decade later entitled "*Avenir de classe et causalité du probable*" [Bourdieu 1974] and "*La Production de l'idéologie dominante*" [Bourdieu and Boltanski 1976].

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issues in the sociology of credit and money. We thus undertake a rethinking of the relationship between households and finance based on a case study that predates by two decades any research in the field of the financialization of everyday life [Martin 2002]. The introduction of mass credit in France constitutes a prime example of the necessity of effecting cultural change in order to create a new market [Zelizer 1979]. Our analysis of this report brings to light the specific relations that link the French welfare state to a credit market tailored to a society based on stable and secure employment.

In the first part, we sketch the landscape of the emerging French mass credit market in 1963. Bank credit was a novelty for French households but also for the three sociologists. The next part looks at the report itself: drawing on Bourdieu's anthropological work in Algeria [Bourdieu, 1979], the report's authors analyzed the commercial relationship between Compagnie Bancaire and its financially ignorant customers. The third part demonstrates how bank-customer interactions and credit continued to be a subject of interest for Bourdieu throughout his subsequent career. We chart the evolution of the theoretical framing in Bourdieu's economic sociology. Finally, in a last part, we discuss the report in relation to more recent work on credit. Our paper seeks to contribute to comparative research on the varieties of national configurations of private indebtedness in relation to the level of development of the welfare state.

Sociology, Banks, and Home Ownership in 1963

This part situates the report within the French context of its time, focusing on three aspects: the organization of sociological research, the state of home ownership, and the retail banking landscape in which Compagnie Bancaire operated.

Intellectual and organizational context of the 1963 report

The Compagnie Bancaire study was undertaken in the intellectual context of the early years of the Centre for European Sociology (CSE). The Centre, one of the most renowned in France, was founded in 1959 by Raymond Aron, for whom Pierre Bourdieu worked as an assistant after his return from Algeria in 1960. A group of students around him, including Luc Boltanski and Jean-Claude Chamboredon, were initiated into field research through research contracts, at a time when social science research centres relied on such contracts to balance their

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budgets [Chaubet 2012; Grémion 2016]. Private companies seldom commissioned research projects[4] and so, in France, government departments and ministries accounted for the bulk of the external demand for sociology [Houdeville 2007; Tanguy 2008]. Indeed, contract research was often frowned upon by sociologists at the time, unless it could be seen as an opportunity to open up new areas of study, given that field research was driving the revival of French sociology after World War II [Borzeix and Rot 2010; Chapoulie 1991; Pollack 1976]. This research into Compagnie Bancaire's practices was thus a "minor contract" for the CSE, on which its authors worked for only a few months. Bourdieu directed the project from Lille, where he was teaching at the time; Boltanski and Chamboredon supervised the field researchers and wrote the report. The collective work *Le Partage des bénéfices [Sharing the Benefits],* published a few years later, can serve to shed light on the questions that preoccupied the authors of the Compagnie Bancaire report at the time [DARRAS 1966]. It was published in 1966 under the collective pseudonym DARRAS, in reference to the symposium organized by Pierre Bourdieu and Alain Darbel in 1965, in the northern French town of Arras. The symposium brought together economists, statisticians, and sociologists to reflect on the transformations of French society since the end of the war. While the book raised questions about equal opportunity, and some of its chapters dealt with education in particular, it was above all intended as an examination of the effects of economic growth on the social structure: "In attaining a higher standard of living, will social groups tend to adopt all the attitudes of the groups that currently have this higher standard of living?" [DARRAS 1966: 19]. The project of *The Bank and Its Customers,* which was to analyze how housing mortgages were granted to social groups that had never before had access to them, represented a valuable contribution to this research.

The overall tone of the text is somewhat surprising. Its authors were quite sarcastic with regard to their patron, and this posture probably explains why the report was not published as such and perhaps why the second volume it references was never written.[5] In *Rendre la réalité inacceptable [Making Reality Unacceptable]*, Luc Boltanski wrote about the atmosphere in the group that had formed around Bourdieu at that time [Boltanski 2008]. While there was an intense work ethic ("we were expected to act like real 'professionals'"[6]), their relationships were

[4] A notable exception was the Kodak survey, which led to the publication in 1965 (English translation, 1996) of *Photography: A Middle-Brow Art*.

[5] On the sarcastic tone and working atmosphere that characterized the Centre at the time, see CHADOIN and HOUDEVILLE, 2017.

[6] All translations are our own.

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friendly and particularly "ebullient", with the excitement of passionate young researchers (Bourdieu himself was only in his early 30s) in the process of creating a new school. Luc Boltanski spoke in more detail about the Compagnie Bancaire study in an interview with the journal *Raisons politiques,* in 2000. He recalled, in particular, their creative practice of telephoning the bank's credit department:

> The bank wouldn't allow us to record its credit experts' telephone conversations with customers. So, we used a subterfuge: we'd call the credit department and imitate different types of clients: a *grand-bourgeois* who knows his way around banking, a tradesman, a factory worker, and so on. We recorded these calls—the bank employees who answered the phone obviously presented credit in a different way each time, as they took the customers "at face value". And then we introduced an analysis of these "experiments" into the survey report. It was lots of fun. The contract was not renewed, of course, but everyone in the lab found it funny, including Aron, who was officially in charge (in actual fact Bourdieu was) though not involved in the field surveys, but very happy to have this lab [de Blic and Mouchard 2000: 162].

To demonstrate the link between a customer's social position and their capacity for commercial negotiation, the authors developed a survey protocol under "experimental conditions" [48]. By telephone, they pretended to be potential customers from different social backgrounds and with varying degrees of knowledge of the world of credit. The role of a tradesman with a small business who is shy and ignorant about credit, and who is highly deferential, is played by a sociologist, as is the executive, who is pressed for time, direct and self-confident, and seeking precise information:

Conversation 1: The tradesman

Bank representative: You pay back in monthly instalments, capital and interest.
Customer: Capital and what?
Representative: And interest…
Customer: Capital and…?
Representative: That's, that's the cost of the loan…
Customer: The credit costs…? Because there are extra costs?
Representative: Well, there are management fees, so you pay back every month, and after 8 years, you're completely free.
Customer: So, if I borrow a million, I divide it by 8… For each month, how much is that?
Representative: You don't have to do any calculations. I'll tell you the amount you have to pay per month. For one million, you will pay 17,100 francs per month. That's all included, you won't have to pay anything extra, and you'll even have life insurance.

Conversation 2: The executive

Customer: Can you please tell me your interest rate?
Bank representative: Well, it all depends on the exact type of transaction you are considering. There are different factors that come into play.
Customer: … which are?
Representative: The best thing, I think, would be for you to come in and see us.
Customer: But can't you just give me the information over the phone? I would just like to know the interest rate you offer.
Representative: But you know, the rate varies, sir.
Customer: Why does it vary, Miss? Is it according to the discount rate of the Bank of France?
Representative: No, it doesn't vary every month, it varies once and that's it.
Customer: Can you please tell me the discount rate of the Bank of France at the moment?
Representative: Currently? It's 4%.
Customer: 4%… And the Compagnie Bancaire rate?
Representative: Our rates… We have 6%, we have 9%…
Customer: Oh, I see. So can you tell me what that is based on, Miss?
Representative: What is your profession?

Customer: But I don't see how my profession should affect the rate.
Representative: Oh, actually yes, absolutely…
Customer: But why?
Representative: Yes, it matters a lot.

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In 1963, the hierarchical relationship between Pierre Bourdieu, on the one hand, and Luc Boltanski and Jean-Claude Chamboredon, on the other, was perfectly clear: Pierre Bourdieu was in charge, while the two younger men, who were barely 25 and had just arrived at the CSE, conducted the surveys and wrote the reports, but remained apprentices. At the time, the working group to which they belonged was marked by considerable coherence, engaged in the collective development of a school of thought that was first and foremost that of Bourdieu. It was also a time of building theoretical frameworks, when working collectives were established that bound people together for decades to come. When the team was awarded the Compagnie Bancaire research contract, it based its work on these developing theoretical frameworks and lines of sociological research. As the era was characterized by the expansion of home ownership and the increasing role of banks in financing it, this study of the interactions between a bank and applicants for real estate mortgages is particularly valuable.

Banking and home ownership in the early 1960s

In the early 1960s in France, residential property ownership was booming across all social categories [Bourdieu and de Saint Martin 1990]. In 1954, 35% of French people were homeowners [Frouard 2012], yet among them were only 18% of white and pink-collar employees, 20% of blue-collar workers, and 22% of technical, middle, and senior managers. Eight years later, in 1962, 39% of the overall population were homeowners, with white and pink-collar employees having increased to 27%, blue-collar workers to 30%, and managers to 35% [Durif 1969]. These very significant increases, which even affected the lowest-earning classes, were linked to public policy that made access to home ownership, and especially of newly built units, one of the solutions to the housing problem. Indeed, real estate mortgages were a tool of economic policy. In an effort to rebuild the country and develop a stable middle-class, President de Gaulle's government distributed aid to households and

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promoted the creation of financial services companies to sell them loans. By providing households with financing, housing loans were intended both to support the construction sector and renew the existing supply of housing, as well as to contribute to the improvement of French people's standard of living by giving them access to better quality housing. No line was drawn between social and economic policies; they were seen as mutually reinforcing. The stability guaranteed to households by collective social protection gave them access to credit, which in turn contributed to their economic advancement.[7]

Households initially financed home ownership by borrowing from Crédit Foncier, a semi-public bank with a significant and financially attractive mortgage credit activity. Crédit Foncier granted what it called "special loans" to households[8] as part of the policy known as "*aide à la pierre*" (real estate support) [Goetze and Effosse 2007]. The interest rates on these loans were particularly low when they went to purchasing newly built housing. The conditions under which they were granted were administrative in nature: one had to earn below a certain threshold, build a minimum number of square meters per type of housing, and not exceed a certain ratio of construction cost per square meter.[9] However, Crédit Foncier's mortgages could not be used to finance the entire purchase. They could cover up to a maximum of 50% of the value of the property, excluding land and banking costs. The remaining 50% had to come from household savings. At the time, household savings were much greater than they are today and would start to decline in the following decade [Topalov 1987]. Households that did not have sufficient savings to finance their project would have to apply for additional credit from a private bank or financial institution specializing in real estate loans (including Compagnie Bancaire). As they were in addition to other sources of financing, these mortgages were known as "supplemental" loans. They served three possible purposes: to reduce the contribution from the borrower's personal savings; as a "bridge" loan, paid by the buyer to the developer while awaiting financing from Crédit Foncier; or,

[7] This process has been described for the United States by Sarah Quinn [Quinn, 2019] and for France by Jeanne Lazarus [Lazarus 2019].

[8] "These loans are called 'special' because they are covered by a State guarantee on the share that is not covered by the mortgage guarantee (half of the building's market value, as per Credit Foncier's statutes)" [Goetze and Effosse 2007: 13].

[9] The terms and conditions of these home ownership financing schemes were so specific as to direct households to particular housing types according to their income strata and household composition. Aglietta and Brender see these financing schemes as a new dimension of social control through financial coercion [Aglietta and Brender, 1984].

finally, to replace Crédit Foncier as the provider of the primary loan. Most home ownership guides dating from the early 1960s strongly advised against the latter solution. They all pointed out that the swift response on the part of banks to applications for these loans (within three or four days) came with a considerable financial cost [Topalov 1987]. Between 1955 and 1963, 31.5% of households paid for their housing in cash, while the rest financed at least part of their purchase with credit. A year before the report was written, in 1962, 21.7% of outstanding housing loans were provided by private banks and all others by Crédit Foncier.

In 1963—the year the report was written—the French State decided to scale back its policy of financing the purchase of private property, which was a burden on public finances, and leave it to private banks. In so doing, it marked the gradual end of a model of relatively affordable home ownership through the combination of household savings and state subsidies. The model based on private bank financing that replaced it, which was still a work in progress at the time of the writing of the report, was a slower and more expensive model of financing home ownership,[10] based on salaried income as a prerequisite to accessing bank mortgages. Stable employment was about to become the "solvency standard", a standard that has defined access to credit and home ownership in France ever since. On this model, borrowers are primarily assessed on the basis of their professional stability [Ducourant 2014; Lambert 2016; Lazarus 2012b].[11]

Whereas in 1962, private banks issued only 21.7% of housing loans, with Crédit Foncier accounting for the rest, by 1972 these proportions had been reversed. As Christian Topalov has pointed out, in 1974 French mortgages fully entered the "age of banks".

French banks in the early 1960s

In the early 1960s, the banking system was not yet highly concentrated. Small institutions, including Compagnie Bancaire, were positioned in sectors that did not interest the major market players [Ducourant 2009]. Pierre Bourdieu devoted considerable amount of attention to

[10] Due both to a rise in house prices and the need to take out loans at higher interest rates than those offered by Crédit Foncier [Topalov 1987].

[11] This is a key feature of the French credit system. The US system is based on credit history and there is less emphasis on the borrower's current employment situation [for a comparison between France and the United States, see Lazarus 2012b; Poon 2007].

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the Compagnie Bancaire's founder,[12] Jacques de Fouchier, a former finance inspector who was well connected to government ministries and commercial banks [Fouchier 1989]. The shareholders of his companies were both investment banks (Worms, Crédit du Nord and Union des Mines, Crédit Lyonnais, Société Générale, Banque de Paris et des Pays-Bas, Banque de l'Indochine) and actors linked to the specific economic sector in which they intended to operate. In the 1950s, he created institutions to finance the purchase of household goods [CETELEM in 1954] and real estate mortgages.[13] This array of companies was brought together under the umbrella of the Union Française des Banques (UFB), which became Compagnie Bancaire in 1959. The change of name came with a change in the status of the group, which had become a holding company and an investment bank. Compagnie Bancaire then became a shareholder of Paribas, of which Jacques de Fouchier became the head. The latter was nationalized between 1981 and 1986 and merged with BNP (Banque Nationale de Paris) in 2000. This banking group is now the largest in France in terms of assets.

Let us go back to the 1950s and 1960s, when the share of mortgage loans in Compagnie Bancaire's activities was expanding. While they accounted for only 29.8% of outstanding loans in 1954, this figure had risen to around 50% by 1963. The bank's 1965 annual report highlighted this dynamic: "Our activity is experiencing strong growth in all areas and has developed particularly rapidly in the property sector. In addition, loans to individuals, which accounted for more than half of all outstanding loans from the outset, are assuming a greater share of overall activity due to the expansion of the real estate sector".[14] At the time, Compagnie Bancaire's real estate loans were issued either as "supplemental" loans to

[12] According to Rémi Lenoir and Monique de Saint Martin, whom we interviewed for this article, Pierre Bourdieu was fascinated by this "exemplary" banker. In *The State Nobility,* Jacques de Fouchier appears in the upper left-hand corner of the factorial correspondence analysis of the social space of corporate heads [Bourdieu and Clough 1996], i.e. the pole of "state chief executives" (which, here, are opposed to private chief executives—including those of private banks—and the large private bourgeois dynasties). Jacques de Fouchier would feature again in *L'Espace de la Noblesse* [Saint Martin 1993] and in *Le patronat* [Bourdieu and de Saint Martin 1978]. In the latter article, De Fouchier represents the perfect example of a social agent who has all the properties and titles of the "establishment". The article also cites him as a member of the "financial oligarchy", i.e. someone who belongs to the dominant fraction within the dominant fraction, whose members generally have a very large number of important connections and are present on many boards of directors chaired by CEOs who are themselves in dominant positions. According to François Denord, Pierre Bourdieu moved from an interest in banking interactions to an interest in the place of bankers in the field of power [Denord 2021].

[13] Union de Crédit pour le Bâtiment in 1951 and Compagnie Française d'Epargne et de Crédit, CFEC, in 1954

[14] Compagnie Bancaire, *Annual Report,* 1965.

those of Crédit Foncier or as primary financing for people who were either in a hurry, were not eligible for a Credit Foncier loan because they did not satisfy its requirements, or could not obtain a competitive loan (mainly people who purchased pre-existing dwellings). In all cases, Compagnie Bancaire offered a "personalized" loan, which meant that—as for most banks today—clients could choose from several combinations of terms and monthly payment schedules depending on their level of income. This approach contrasted with the practices of Crédit Foncier, which offered a single amortization plan. However, this personalization was not a *scoring* mechanism that would cause the interest rate to vary according to the borrower's risk profile. The bank's assessment consisted solely in accepting or refusing a borrower's application.

The report identified a triangle linking credit, social stratification, and the wage-society: the growth of housing credit was made possible by the stabilization of French incomes through the wage system and by the fact that the social stratification of the population was legible to the banking industry. Compagnie Bancaire provided loans to a society that was in the process of becoming middle-class. The sociologists who studied these credit practices were themselves in the process of defining categories of analysis to describe this new society, its practices, lifestyles, and values.

The bank and its customers

Let us now consider the report itself. The 229 typewritten pages that make up this manuscript could very well have amounted to nothing more than the work of a routine job, produced with little enthusiasm. However, quite to the contrary, they contain rigorous survey research (70 interviews with customers in Lille, additional interviews with managers, analysis of customer letters and statistics, as well as telephone interviews), supported theoretically by the framework that Bourdieu had been developing since his field work in Algeria, on the links between relationships to time, methods of economic calculation, and ethics.[15] It is a sociology enriched by many small contributions from anthropology, such as discussions of Algerian or Greek peasants, or reflections on gifts, debt, and family. In the following, we present the report's main theses and place them in the context of the authors' theoretical framework.

[15] For a presentation of the survey conditions, see Denord 2021.

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Organizing anxiety

The report consists of two parts: the first describes how Compagnie Bancaire receives its clients and "organizes their anxiety"; the second focuses on the notion of economic ethos. In the latter, the authors show that the development of credit presupposes a moral transformation in borrowers, and the extent to which the bank participates in this process.

Based on disparate data—observation, interviews with senior managers, the bank's incoming correspondence, telephone calls—the report characterizes Compagnie Bancaire as a site of interaction between agents and customers. The authors describe an "apparent harmony" between mortgage applicants and the bank during these transactions. Clients are never in contact with the departments in charge of approving or rejecting applications, but only with customer relations agents, first by telephone and then in person to fill out forms in an austere, imposing hall. Managers describe customers as anxious and ignorant. They explain that the telephone agents are in fact responsible for personalizing the relationship by adopting a "friendly" attitude, intended to reassure anxious customers. The authors of the report, however, consider that this causality should be inverted. In fact, the process seems to be designed so that customers correspond to the managers' description of them:

> Why does Compagnie Bancaire take the trouble to maintain a telephone service which, after providing confusing information, gives up on informing the customer and schedules an appointment? What is the point of giving confusing information after which the customer will have to come to the bank; or does this confusing information only serve to convince the customer of the need to visit the bank? Shouldn't the dogma according to which the customer always prefers an in-person meeting to a telephone conversation be qualified in this case? [22]

The asymmetry created by the process is what constructs the customer's state of mind. Anxiety is not the "initial" state so much as it is "acquired". The authors then point out the bank's interest in putting its clients in a position of inferiority: its employees do not wish to deal with "annoying" customers who know too well what they want, but rather prefer "those who know enough to make the company's job easier, but not so much as to create difficulties for it" [45]. The totally ignorant client is too apprehensive; the ideal client is one who has a partial understanding and uncritically listens to the information provided by the customer relations agent. The authors illustrate this idea through a sketch by Fernand Raynaud, a popular comedian of the time, in which a clothing salesman explains to his customer that it is his body, and not the suit he is trying on, that is "poorly designed" [61].

To understand this relationship the sociologists pretended to be different types of customers on the telephone: an anxious and excessively polite independent tradesman, a confident senior manager, and so on. The bank made customers feel inferior and turned them into "humble applicants" who had to answer probing personal questions if their application was to be considered. As noted above, Compagnie Bancaire offered "personalized" loans but, as the authors showed, this personalization strategy benefited only the bank, which thereby obtained the information it needed to decide whether or not to grant the loan. Clients, on the other hand, got nothing out of it. As their applications were assessed in an impersonal manner, they were not given personalized responses.

The bank's control of the interaction

The report provides a detailed analysis of the use of language in the production of domination-—a word which will become key in Bourdieu's sociology, it does not appear in the report, though the general idea is already present. Employees control the tone of the interaction, moving at will between the "personal" and the "bureaucratic", while customers, most of whom have a poor grasp of the technical terms, are limited to everyday language. If a customer puts forward arguments that correspond to what the agent wants, the latter encourages them in everyday language. On the other hand, the recalcitrant or demanding customer is confronted with technical terms intended to make them feel as though they do not know what they are talking about.

To demonstrate that this commercial relationship is one of domination, the authors draw several parallels with other, more ordinary commercial interactions that constitute points of reference for mortgage applicants. From these parallels, it emerges that, in general, price is a *datum* that is subject to limited modification, if at all. For instance, the price of a watch is displayed in a jewelry shop and is the same for all customers. During a credit transaction, on the other hand, the price is multiple, variable, and elusive. Customers cannot generally obtain the price list quickly;[16] they are given this information only once their application has been accepted. The authors also make an analogy to

[16] A document in the form of a table listing loan amounts and the monthly payments for each amount according to the chosen duration of the loan and the associated interest rate.

interactions between mechanics and motorists, which they see as having features in common with those that exist between borrowers and Compagnie Bancaire employees. In trying to explain their problem to a mechanic, motorists will display all of their technical knowledge. This often has the opposite of the desired effect, as their inappropriate or excessive use of specialized vocabulary will only serve to demonstrate their inability to accurately assess the situation and thereby make them an easy mark for the unscrupulous mechanic. The same is true for credit transactions: those who try to assert themselves with the scraps of technical knowledge they have at their disposal are unaware of the fact that they are in fact signaling the contrary. To regain the upper hand, banking agents will then turn to opaque language.

To summarize, the authors consider that the "assistance" provided by the telephone agent, who kindly offers guidance to the confused customer, is an illusion. They describe the interaction as one of a "training" ("*dressage*" in French, which would normally be used to refer to an animal) of the customer: "to put the customer at ease, is it not to keep him in line?" [65]

Knowledge and morals

The authors affirm that customer behavior is a reflection of the attitude of the customer relations agent. Simply observing interactions is therefore insufficient to truly grasp how borrowers perceive the new tool that credit offers them. To gain a better understanding, it is necessary to take a second look at customers, this time outside the context of the bank. Thus, the second part of the report explores the economic ethos of consumers and analyzes their knowledge and morals. To do so, the authors draw on interviews as well as a statistical survey of 198 borrowers (they cite the difficulties they encountered in constituting this sample, which went through the bank's statistics service—meaning the results should be interpreted with caution).

The report's description of the state of customer knowledge reveals that the process of "bankarization" had not yet taken place. Customers knew very little about how credit worked, had a poor grasp of the relevant vocabulary, and miscalculated its costs. For example, they were very worried about the security they were asked to provide, and grossly overestimated the risk of foreclosure. Similarly, the customers surveyed were rather skeptical about the practical consequences of inflation and the fact that it would make the use of credit more attractive:

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How do they relate inflation, as they hear about it in the newspapers, for example, to their practical experience of the rising costs of living? Although in many cases the inflation argument is used in favor of credit, it should be noted that as this argument is very often used by shopkeepers and credit institutions, some respondents end up doubting its validity and taking the opposite view, as demonstrated by the following reply: "They all tell you, the canvassers, that money devalues. I don't know if that's good or bad" (man, 36 years old, low-level manager). Witness also this assessment: "Money devalues, but the credit companies are not crazy, they reserve a sufficient profit margin to anticipate inflation" (man, 41 years old, teacher) [131].

Although customer knowledge was generally limited and "improvised" [114], the degree of customer control was correlated to their social position. Small business owners in the industrial sector were the most knowledgeable, which put them in a better position to negotiate and choose loans. Conversely, blue-collar workers tended to borrow in an emergency, leaving the loan's practicalities entirely up to Compagnie Bancaire.

This knowledge was also imbued with moral values. The link between economic practices and morals is one of the main focuses of the report. The authors believe that there are coherent and constructed moral attitudes underpinning savings. Yet they are unable to identify the moral basis of credit, which they describe as "scattered and seemingly diluted by a set of multi-faceted themes" [139]. The virtues of saving and the mistrust of credit are inculcated from childhood, through precepts such as: "debt binds you". Saving is perceived as self-discipline and credit as an external power relation. In this sense, only real estate credit has a positive moral status, as it is not seen as opposed to the morality of saving and asceticism. On the other hand, there is no moral defense for consumer credit, suggesting that borrowers lack the reference points that would allow them to assess how legitimate their use of credit may be (a legitimate use being one that is parsimonious). In the report, quotations from respondents are analyzed to reveal the virtues of saving and the impossibility of finding a positive moral attitude around the use of credit:

Respondents frequently talk about a "sense of saving". It is necessary to learn the meaning of saving and to transform saving behavior into a habit at the expense of asceticism. [...] The respondents frequently say that one should "learn to buy on credit". "We should learn to buy on credit", says one. And another adds: "It's done a lot, you have to know how to buy on credit. Myself, I don't buy on credit". However, if we carefully analyze the context of these statements, we realize that learning to buy on credit is not learning to use credit to the fullest, to destroy the obstacles that prevent it from being used. Learning to buy on credit means learning to moderate the tendency to buy on credit: "It's good if you don't abuse it" [woman, working-class husband, 35 years old). And another adds: "If you don't know how to buy on credit, you run the risk of taking what's bad in credit" (woman, employed husband, 46) [141-142].

Hence, it is justifications rather than morals that attach to credit: "The fact that an ethic of credit often seeks to express itself aggressively is significant in and of itself—as is the fact that those of our respondents who are in favor of credit prefer to talk about leisure credit in the same way. As an unconstructed morality, an ethics of credit cannot be articulated *per se*, but can only be posed as opposing something else" [143]. The authors see lack of knowledge about credit, due to its novelty, as the cause for the persistent presence of morality in discourses on it: "Insofar as one cannot objectively know whether credit is economically desirable or not, it is better to affirm that one is morally for or against it" [164].

Attitudes toward time and indebtedness

The second chapter of the second part—entitled "Actual Behaviour"—deals with the fact that, regardless of the moral value they ascribed to savings, many of the interviewees had already taken out a loan. Based on a survey of Compagnie Bancaire customers, the authors distinguish economic morality by social class, following the work of Maurice Halbwachs. Halbwachs had shown that, at equal levels of income, the spending patterns of blue-collar workers and white and pink-collar employees varied, due to their lifestyle and interiorized representations [Halbwachs and Baudelot 2011]. In the report, the population is divided into three groups: high-income executives, who were not very inclined to take out loans; low-income workers, who were similarly disinclined; and middle-income managers and employees who made extensive use of credit. These groups did not have the same economic morality. For the executives, economic calculation was central: they looked at whether credit was a good investment or not. Middle-income managers, on the other hand, wanted to buy a house; they valued hedonism. Finally, low-income workers—who in this case were quite different from those that Halbwachs had studied—wanted to have a nice home and live a better life. Age and family size were also important factors. Compagnie Bancaire's typical customer was a married man in his thirties. The authors thus posit that attitudes to credit may be linked to the nuclear family, which must rebuild its assets with each generation and whose time horizon is limited to the head of a family's lifespan, as opposed to the "extended family", which has no such temporal horizon. In the modern nuclear family, unlike the traditional family, generations did not seek to save so that they could pass on accumulated assets; they simply tried not to leave any debt to their descendants.

Finally, the authors address the notion of ethos, which was also at the heart of the work on Algeria that Bourdieu was undertaking at the time [Bourdieu 1963]. Ethos differs from ethics. The latter are constructed and systematic, while ethos is "a set of lived, non-thematized values that manifest themselves only through conduct and its particular style". Ethos involves a certain "temporal consciousness", a "vision of time". Much like Algerian peasants, Compagnie Bancaire borrowers found themselves grappling with two discordant ideal-type ethe: the traditional ethos, based on providence, and the capitalist ethos, based on forecasting. In the traditional ethos, people do not try to seize hold of time, and this logic makes them reluctant when it comes to credit, as it implies acting in an abstract future. The only acceptable type of credit is consumer credit (at the grocery store, for example), which is to be used exclusively in times of dire need. In the capitalist ethos, however, rather than protecting oneself from the future, one tries to govern it. The meaning of savings changes, from a safety reserve to a creative stock.

Once these ethe are described, the authors go on to reflect on their possible discrepancies with respect to practice. The objective meanings of behavior may differ from subjective values. A real estate purchase, for instance, may work within the traditional ethos even if it requires a mortgage, if it is perceived as offering security for oneself and one's family. However, the authors, in line with Weber, argue that practices transform ethe and that credit will, in the long run, lead to the adoption of a capitalist ethos. Moreover, the emergence of an ethos of credit is promoted by a regularity of income and by work being defined as a "career", which allows one to plan for the future.

> The career, an organized and institutionalized life course, provides a new type of security since it allows for forecasting and predictable advancement, in the form of promotions. The project, in this case, does not call for any particular boldness in anticipation. The anticipated future is already present in outline [219].

It was for this reason that the authors believed that the socio-economic conditions were in place for credit to become both commonplace as a practice and acceptable from a moral point of view: "The rise in the standard of living and the development of credit institutions and their economic importance, a condition allowing for the emergence of an ethos of credit, ensure that the propensity to use credit will increase in France" [221].

A family resemblance

This report had no theoretical or academic agenda; it was written at the behest of Compagnie Bancaire's management. Yet the research

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group's conceptual frameworks of that time run through it, albeit not always explicitly. Reading it today, one is struck by a sense of familiarity: the themes, the ways of asking questions, and the categories of analysis are very much consistent with the authors' contemporary and subsequent academic work, in which these aspects were developed more fully and taken to a deeper level.

Ethos/ethics

In the same year as the report, an article by Pierre Bourdieu was published in the journal *Sociologie du travail* [*Sociology of Work*] [Bourdieu 1963] that would become the first chapter of *Algeria 1960* [Bourdieu 1979]. Algerian examples are cited several times in the Compagnie Bancaire report, and Bourdieu's theorization of the differences in relationships to time between the traditional economic ethos and the capitalist ethos, and their moral consequences, underpin the report's analysis. However, the two texts do not explicitly engage with one another—far from it. How does one explain, in particular, that similar distinctions can be applied to Kabyle peasants and inhabitants of northern France who, unlike the former, had long been accustomed to the spirit of capitalism's methods of work and calculation? Much like Algerian peasants, borrowers in Lille were categorized into two groups: those who had adopted a capitalist ethos and engaged in forecasting—a relationship to time based on calculation and planning; and those who, following a traditional ethos, had a more defensive mode of calculation (in which the purpose of saving was to protect oneself, not to accumulate or invest). Bank credit, with its monthly repayments and its evaluation of the borrower's future repayment capacity, entails a very particular relationship to time—one that is linked to salaried employment. This analysis is only roughly sketched out in the report; it was still inchoate and would only be fully developed later in the issue of *Actes de la Recherche en Sciences Sociales* on "Household Economy", and then in *The Social Structures of the Economy,* with the notion of the bureaucratically defined individual [Bourdieu 2005]. The report seeks not so much to define economic morality in detail as to analyze the balance of power, as a reflection of social domination.

Domination and market interaction: some differences

The reader's sense of "déjà vu" goes beyond these categories for analyzing the link between relationships to time and economic morality. The way the sales interactions between customers and Compagnie Bancaire agents are presented brings to mind the later analysis by Bourdieu and his team of single-family housing sales in the 1980s [*Ibid*.]. By then, the home ownership market had merged the role of the seller of a (newly built) house with that of the provider of financing (the bank agent). The question of how a real estate purchase would be financed was no longer raised in the offices of Compagnie Bancaire, but directly at the time of choosing the property. What can be learned from a comparison of the 1963 report and the subsequent articles on home ownership? What insights can be drawn from the research findings in these two different instances?

Almost 30 years after their survey at Compagnie Bancaire, the authors of the 1990 article generalized the analysis of credit sales interactions to all interactions that take place in a bureaucratic context. In this type of context, the rhetorical strategies of professionals enable them to maintain a position of dominance and render the interaction incomprehensible to the customer (or user). In the case of single-family housing sales, the authors analyzed the agent's oscillation between personalizing the relationship with the buyer and adopting an impersonal discourse that puts them at a distance. They also examined anew the strategic use of legal and technical categories that are inaccessible to the lay person. Finally, they focused on the way in which sales assistants foster a relationship of complicity with customers—one that is enabled by a partly shared *habitus*. The authors showed that this proximity of *habitus* is what made the personalized discourse of salespersons effective.

The 1990 article also differed from the 1963 report in that it analyzed interactions within their social context. In the report, interactions are studied for their own sake; in the article, the authors explain that the encounter between a salesperson and a potential customer can only be understood by taking into account credit and housing policies, the expansion of salaried employment (which is what enabled the existence of personalized credit as we know it), and the workings of the bank, that is, the way in which it assesses/values persons. The report does not address the context of employment, credit growth in the post-WWII boom period, or public policies that combine economic stabilization through social protection and the development of the banking system. We are doing so retroactively, placing the report's research findings in their broader context, as Bourdieu and his team would do in their subsequent work.

Finally, in the 1990 article, the interactions are seen as one of the mechanisms of "production of the product". To buy a house is also to

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buy a discourse on that house, and this discourse is intended to support "work on contenting oneself". The very sophisticated salesmanship of real estate agents—which consists in making their discourse on the product they are selling correspond to their clients' social orientations—leads borrowers to buy houses that are too expensive, poorly located, and of dubious quality. This aspect is not mentioned at all in the report, as the phases of buying a house and negotiating the financing were quite distinct at that time, and real estate salesmanship was still in its infancy.

Ultimately, what awaits individual home buyers is "petit-bourgeois misery,[17]" as they find themselves having followed their dreams rather than their capacities [Bourdieu 2005]. It should be mentioned here that the passages in *The Social Structures of the Economy* and in the issue of *Actes* on this form of misery—one that does not readily inspire the reader's sympathy—hint at a kind of bitterness and disdain for buyers not apparent in the 1963 text. Despite the many interviews carried out for the report, buyers hardly feature in the actual text, aside from statistics about them. But this is not the only explanation: the object under scrutiny—the mortgage—was still new in 1963. The fact that the morality of credit had not yet stabilized meant that the figure of the borrower facing years of debt, whose entire family had to mobilize to make the lifelong dream come true, did not yet exist, nor did any moral assessment of this relationship to time and property [Godard, Cuturello and Pendaries 1982]. The Frankfurt School had already severely criticized the culture of consumption [Lazarus 2006] and, across the Atlantic, the question of working-class consumption had already been constructed as a political object—i.e. as a mechanism of social integration or a means of weakening political engagement. However, in early 1960s France, which was still emerging from years of post-war hardship, the absence of disdain towards a worker seeking a mortgage, in an otherwise extremely sarcastic and irreverent text, suggests that petty bourgeois consumption was not yet the subject of struggle. In *Le Partage des bénéfices* [DARRAS 1966], the rise in the level of working-class consumption and its social and political effects

[17] The expression "petty bourgeois misery" refers to the idea that certain strategies and practices of social ascension would necessarily lead to a series of disillusionments. It is a form of "relative" misery, also referred to as "position misery," which typically does not garner much sympathy. According to Pierre Bourdieu, while "great misery" had been largely eradicated in France, "ordinary misery" had undergone unprecedented growth and warranted academic attention [Bourdieu and Accardo 1999].

were described as subjects to be scrutinized, yet without any normative framing other than the hope that the benefits of economic growth would be shared equitably. By the 1980s, there were no longer any such illusions.

Beyond ethics; or the effects of domination on banking interactions

After "The Bank and its Customers", later work by Bourdieu touched on the themes of credit and banking. But, as time went by, Bourdieu became less and less interested in the interactions between customers and bankers, the effects of domination that occur there, and the values that are manifested. Indeed, as he developed the theory of fields, Bourdieu moved away from interactions and an analysis of values and gave greater importance to bankers and their place in the field of power [Bourdieu and de Saint Martin 1978; Bourdieu and Clough 1996; Bourdieu *et al.* 2015] reported by Denord [2021]. Within this framework, the power of the bank is no longer analyzed as the result of an asymmetry between the bank and its customers, but rather derives from its position in the field of power. And holding information about customers becomes a resource that strengthens its position in this field [Denord 2021].

Discussion

The report echoes many of the current scholarly discussions on credit. It provides valuable background to the system of credit in France today, by exploring its roots. In addition to providing details of the French "case", it reveals the necessary conditions for the development of a credit market: the constitution of a supply side as well as a solvent demand side prepared to purchase these financial products. We will present the economic, social, and political context that makes it possible to fully understand this French case, and thus to enrich future cross-country comparisons. But our project is also theoretical. This report and its analysis prompt a discussion of three significant issues in the sociology of credit and money: the moral frameworks surrounding credit, the financialization of everyday life, and a model of political economy linking the credit market and the welfare state. In what follows, we take up each of these issues in turn.

A case study for thinking about the place of morality in the construction of markets

A large share of the report is taken up with discussions of morality and ethics. The authors examine the moral transformations that the growth of credit may engender, and they also explore the extent to which it is necessary to have a particular moral attitude in order to take out a loan.

They do not raise the question of the morality of debt repayment—these more contemporary debates, initiated in particular by Davey and Adkins, do not seem to figure in their thinking [Adkins 2017; Davey 2019]. However, their approach does resonate with that of Viviana Zelizer's work on life insurance a decade later [Zelizer 1979]. As in Zelizer's study, the work of moral conversion is twofold: to render the product (credit) morally acceptable and to achieve moral acceptance for the practice of defining people in terms of numbers (in bank evaluations).

In the report, credit is considered as both a financial product and a way of life. Lifestyle, economic practices, and morals are linked: "This popular knowledge, that of the Compagnie Bancaire customer, is on the contrary impregnated with moral values" [136]. For the authors, values are "organized morals" in the form of rational knowledge. Therefore, they consider that economic reasoning expresses moral values. Technical and practical knowledge blend together: credit entails both technical knowledge and moral appreciation. In 1960s France, where credit was still little developed, one can see a shift towards a different connotation of borrowing. Hitherto associated with debt—that is, with dependency on the creditor and bad management on the part of the debtor, and thus to be avoided whenever possible and undertaken only in the utmost secrecy—it became the bank loan: a form of credit that is rational, concluded in broad daylight, and whose participants are no longer seen as desperate people prepared to risk a part of themselves (recall the pound of flesh of the merchant of Venice) but as rational participants in the economic world—as producers, consumers, and even investors.

Another necessary moral displacement is the acceptance of submitting to new tests, which do not involve interpersonal connections but rather quantitative evaluations of people. Bourdieu will further develop and theorize this aspect in *The Social Structures of the Economy*, when he talks about "the bureaucratically defined person" [Bourdieu 2005: 158], but it is already clearly articulated in the report. The issue of evaluation is crucial here, and the authors clearly show that the "evaluating" process [Ossandón *et al*. 2021] produces substantial socio-economic effects. The idea of evaluating a person bureaucratically before lending them money

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was not obvious at the time, which is no doubt why the issue of ethics and morality occupies such a prominent place in the report.

The analysis of morals in the report is based on a socialization approach: what norms must change for people to enter the market for bank credit? This socialization is orchestrated by the bank, which thus appears as a social institution, producing new social norms that it seeks to disseminate; the report describes what it calls the "training" ["*dressage*"] of customers.

To initiate a conversation with contemporary debates, we can see that this report demonstrates the fact that the constraints imposed by financial institutions can be analyzed with relatively conventional sociological tools such as the notions of norms, values, and socialization. It also reveals that questions that may seem to have only arisen with the financialization of everyday life, especially those dealing with ethical changes in economic practices, were already being raised in the 1960s. Even the forms of bancarization and use of bank credit that today appear the most basic and controllable, had required a prior ethical transformation: to accept bank credit, one had to accept the bank's calculative order, whether in terms of the evaluation of persons, the calculation of interest rates, or the representation of the future that even a non-financialized housing loan entails.

Rethinking the financialization of everyday life based on the French case

The report addresses issues that are today often grouped together under the rubric of the "financialization of everyday life" and offers illuminating insights on them in two ways: first, by presenting a specific case of the introduction of credit into household finances that predates most common examples in the literature; and, second, by providing a framework focusing on processes of socialization, processes which are not always made explicit in other studies, to understand how these new financial tools are domesticated [Pellandini-Simányi, Hammer and Vargha 2015; Ossandón *et al*. 2021].

Contemporary research on the financialization of everyday life explores the extent to which finance is ingrained in nearly all aspects of everyday life [Van der Zwan 2014] as well as its increased power of control over them—for instance, in the classification of individuals [Fourcade and Healy 2013]. This research includes studies of the transformation of the market for household finance and the impact of the introduction of financial products on household budgets (insurance, student loans, and retirement plans, for example), but also the public

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policies that facilitate them, especially the withdrawal of collective social protections—or what Jacob Hacker has called "the risk shift", i.e. the shift toward the individualization of risk management, formerly assumed collectively by social insurance [Hacker 2008]. Risk is a central issue in studies of financialization, which analyze it both in terms of a transfer of risk to households [Hacker 2008; Davis 2009] as well as a transformation of subjectivity [Langley *et al.* 2019], where financialization produces new kinds of individuals who internalize the high-risk future introduced by financialization [Beckert 2016].

In contrast, the analysis of the introduction of housing credit in France serves to denaturalize what is sometimes represented in the literature as a mechanical link between the risk shift, the financialization of household budgets, and the evolving subjectivity of individuals. Risk is not directly addressed in the report; the focus of the research is on access to credit and the modalities for assessing customers. Indeed, the practice is hardly described in financial terms at all. Asset accumulation and wealth creation through the credit market do not yet seem to be subjects of interest—partly because the practice was only nascent at the time. Instead, the authors describe the confusion and anxiety of inexperienced customers: "Confronted with credit guarantees, the customer of the banking company acts like Prévert's painter who, upon seeing a bather, paints a drowning man" [113]. The anxiety appears to be an effect of ignorance. We see a population being initiated into bank credit—with its rigidities, its bureaucracy, its methods of evaluation, but also its new opportunities.

The report invites us to think about the difference between financialization and bancarization [cf. Lazarus and Luzzi 2015]: the financialization of everyday life exposes household budgets to the risks of finance without intermediaries, whereas bancarization would absorb the volatility of financial markets to stabilize household finances. However, the process of moving from bancarization to financialization is far from uniform: the northern European model—found in France, the United Kingdom and Sweden—was characterized by the very gradual development of household bancarization in the 1960s, followed by a more or less extensive financialization depending on the country's degree of deregulation in the banking sector and withdrawal of social welfare provision [Husz and Bouyssou 2015]. In countries such as India and Chile, more recent processes of financialization have occurred with greater suddenness, and sometimes without prior bancarization [Ossandón 2014; Guérin, Palier, and Prévost 2009; Han 2012]. Here, the poorest households interact with financial institutions via risky, expensive products

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that do not serve to stabilize their finances. In their comparison of housing debt between several European countries, Van Gunten and Navot note that while Spanish and Portuguese households carry high levels of debt over particularly long periods, exposing them to high risk, France (with Germany) presents a different case, characterized by high levels of household debt but limited use of riskier financial products, such as refinancing tools [Van Gunten and Navot 2018]. Delving into the roots of the creation of the credit market in France can shed light on the contemporary situation, in which there is widespread use of real estate credit by French households but with less exposure to risk, since the banks have built a market that is regulated by the State and selects borrowers according to their degree of social integration. As the report shows, the quality of borrowers is assessed not only on the basis of their financial practices but also on their social characteristics.

In the tradition of Maurice Halbwachs, and before Bourdieu himself was to develop this point in *Distinction* [Bourdieu (1984) 2015], the authors consider that lifestyles are as much, if not more, determined by social status than by income level. Consequently, neither economic vulnerability nor wealth accumulation is dealt with in the report, except in terms of the lower level of savings available at the bottom of the social ladder. The report never addresses consumption or poverty head-on. The year of the report, 1963, coincided with the publication of David Caplovitz's book, *The Poor Pay More*. The contrast between the two cases, but also between the issues addressed by the respective authors, is striking. Caplovitz examines the consumer practices of poor New Yorkers and reveals their relegation to low-quality, expensive goods, mainly because they only make purchases in their neighborhoods and from merchants willing to give them credit—if not from door-to-door salesmen. From this he concludes that poor people are exploited through consumption, using consumption as the basis for an analysis of social stratification [Caplovitz 1963]. There is nothing of the sort in the French report: social stratification is part of the analysis, but not with the aim of considering different kinds of consumer habits (in this case, of credit) according to the social group to which the consumer belongs, but rather to observe the patterns of interaction between borrowers of different social strata and the banking company. Lifestyles are not scrutinized in the report, nor are the effects of banking practices on the social hierarchy. The bank appears as a site for recording the prevailing stratification, without really participating in it.

The report thus offers two useful insights into the work on financialization and credit: first, it demonstrates that the issue of ethical

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transformation on the part of borrowers also arises in a case where households were connected to financial products via a relatively slow and regulated process of bancarization, entailing less risk than in today's context; second, it provides granular observations of the interactions between financial institutions and their customers, revealing how new calculation mechanisms and social tests were implemented in practice.

The wage-earning society/credit/social welfare triangle: the French case in the study of political economy

An analysis of the bank-customer relationship can contribute to the framing of cross-country comparisons that seek to classify national configurations ("varieties") of private indebtedness. It can contribute to emergent analyses, notably in the field of political economy, that examine the relationship between the development of banking and financial products and the welfare state. These works highlight both the increase in individualized forms of protection in the context of welfare state retrenchment as well as the ways in which financial tools have become part of the public protection model, challenging the usual association of the welfare state and decommodification [Esping-Andersen 1990]. For example, the modern United States was built around the figure of the borrower [Hyman 2013; Quinn 2019], while public policy participated in the development of the market [Prasad 2012] based on the idea that credit was an instrument of charity and "a form of welfare" [Trumbull 2012]. Seabrook and Schwartz use the term "varieties of residential capitalism" to integrate housing policies into the literature on varieties of capitalism: the mechanisms of housing support for households are seen as one of the elements of national economic models [Seabrook and Schwartz 2009]. The French report looks at the specific ways in which the credit market, the labor market, and the welfare state were linked in France in the 1960s. Whenever France is included in comparative studies, researchers are often surprised to find that clichés, which claim that France has been resistant to credit, do not stand up to analysis. Although usury laws are relatively strict in France, French public policies have encouraged credit in many ways (through tax exemptions, monetary policies, and even micro-credit programs for the poorest) [Fuller 2015; Trumbull 2012]. In the end, it would seem that French households engage in extensive use of credit [Van Gunten and Navot 2018]. Moreover, an analysis of public policies in the 1960s indicates that the State sought to create a private credit market: it withdrew from Crédit Foncier, deliberately clearing the way for private banks, and encouraged the support of the housing construction market through private financing [Effosse and Plessis, 2013; Topalov 1987].

This image of France as a credit-averse country reflects the perception of a trade-off between credit and social protection, where extensive use of the former compensates for weaknesses in the latter and is therefore likely to be more developed in countries with limited safety nets. The work of the sociologist Andreas Wiedemann complexifies this view [Wiedemann 2021]. Wiedemann shows that credit is not necessarily a substitute for social welfare policies but can also serve as a supplement. Wiedemann establishes a typology by jointly analyzing credit regimes and the extent of state welfare provision.

In countries such as Denmark (with a comprehensive welfare state and a permissive credit regime), credit acts as a supplement; in the United States, with its more limited welfare state, it is a substitute. In Germany, credit is understood to be suppressed, in the sense that the market is restricted. In the event of household financial difficulties (Wiedemann is particularly interested in job loss), alternative resources to credit are drawn upon, whether they come from the State or the family. Wiedemann's research is rich in insights, analyzing situations where credit is used to cover social risk. However, in the report studied here, credit is not seen as a means of responding to risk; rather, it can develop only because risk appears to be receding.

An additional configuration may thus be added to those described by Wiedemann: the welfare state as a condition of possibility for access to credit. In France, the welfare state was principally established following World War II, at which time there was a significant period of economic growth, which would come to be called the "*Trente Glorieuses*" (the "glorious thirty"). This 30-year period was characterized by major increases in the standard of living and level of comfort and availability of household goods. This was partly due to the provision of consumer credit, which was encouraged by the government. Real estate loans complete this picture. Another major socio-economic transformation of the period was the generalization of salaried employment, with social insurance tied to employment status, which became a protected social position and provided a means of social integration, enabling the working-class to finally achieve middle-class lifestyles.

The banking system developed within this framework. Housing loans were designed for wage earners and became accessible to them. An interview extract—in which a woman, described in terms of her husband's profession (hospital laundry worker), compares her situation with that of her parents and children—highlights the novelty of this historical moment, characterized by rising living standards but also by a newly stabilized status, which was then being consolidated. The working-class was in the process of appropriating it:

> We could have done it six years ago [have a new home built on credit]. At 25 it's time to become a homeowner; at 40 it's too late. We should have thought about it earlier. We were afraid of our situation. Five years ago, people had to do everything themselves. It was scary. We thought it was an extraordinary thing. And then we saw other people in our situation who were having houses built. We thought: why not us… My parents certainly had a much harder time of it. Life was harder (they had six children). In 1937, there was the Loucheur Law. My parents were afraid to start building […] Our children will know the new laws better and they will not be afraid of the future [113-114].

Her parents did not use banking services—which in fact barely existed; she and her husband hesitated; her children, she predicts, will feel entirely at ease, because they will understand the workings of banks, but above all because they will no longer be afraid of the future. Fear lies at the heart of this woman's attitude to the world. However, fear of the future, which had long been a constitutive part of the working-class condition, was gradually receding. It was not credit that mitigated fear of the future, however, but rather the attenuation of fear that was a requirement for taking out a loan. For this woman, who represented the French working classes of the 1960s, credit was not a mechanism of protection. Rather, the constitution of social protection was an enabling condition of debt. The regulation of the labor market and the social rights attached to salaried employment make it possible for households to plan for their future within the framework of a real estate loan.

Moreover, other respondents (especially relatively older ones) seemed to confuse private credit with public assistance. For instance, one respondent declares: "credit helps social progress, it came with all the social benefits, for example with family allowances" (woman, 57 years old, husband retired from the SNCF state railway company)." Yet, as Gunnar Trumbull has shown, the American version of credit-as-welfare was never adopted in France, where social progress has always been defined by higher wages and social benefits [Trumbull 2014]. The following quote from the report attests to this: "On the contrary, this other respondent, a union activist, forcefully separates private credit, which he says is essentially aimed at profit, from disinterested social aid: 'Progress, yes; social progress, no! Social progress is when you have a sick child and you are reimbursed, or it could be credit, but only when there is no interest. Otherwise, it's not social.'"

Borrowers do not consider credit to be a component of social welfare, but they do believe that they are living in times of social progress—with

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regulation of the labor market, higher wages, and greater collective protections—which has given them access to credit, because their income has been secured. Transposing these analyses onto the contemporary situation, they must be reexamined in light of the dualization of the wage-earning system. We can then see the variety of uses of credit to respond to the insecurity experienced by a growing portion of the population and to maintain the capacity to engage in planning for the future, an essential element in the definition of the Western middle-class [Beckert 2016; Finez and Naulin 2018; Zaloom 2021]. In countries where credit is used as a substitute for welfare, access to credit, even of poor quality, appears to serve as a means for stabilizing the future. In France, however, the credit market remains strongly influenced by its formative era and is largely unavailable to people with low incomes (the first four deciles of the income distribution have little access to credit), precarious jobs, and students. Indeed, professional integration into the workforce, backed by social insurance, is still an essential element of the credit test [Lazarus 2012a].

Conclusion

To conclude, we must return to the reasons for taking an interest in this document 60 years on. To begin with, it has value as a museum piece —written by now famous scholars and bearing witness to a singular period in the development of both the credit market and the welfare state in France. However, it also delves into a fascinating socio-economic and intellectual context which is essential to our understanding of both contemporary societies and contemporary sociology. The report is thus not only of historical interest. It provides a basis for a discussion of the sociology of contemporary finance and credit.

Indeed, it demonstrates that connecting households with finance is not a new phenomenon and therefore raises important questions about the specificity of the current moment of financialization of household economies. Today's financial products are riskier but, more importantly, their function in the domestic economy has changed. At the time of the report, a full employment and social insurance system guaranteed household solvency, which in turn made it possible to take out loans. More recent developments have transformed these processes, turning credit and the financial services offered by banks themselves into the mechanisms for maintaining solvency and income smoothing, at a time when employment has become increasingly precarious and collective insurance has receded. It should be noted that these dynamics are less clear-cut in France—where access to credit is still thought of as an outcome of solvency and from which a considerable part of the population is therefore excluded—than elsewhere.

The report also demonstrates that traditional sociological concepts—such as norms, values, and socialization—can be profitably deployed to analyze credit markets. It represents an early example, well before the work of Viviana Zelizer, of the study of the cultural changes enabling the emergence of a market by exploring the modalities of ethical conversion. Finally, and this is undoubtedly the report's main theoretical contribution, it brings to light the specificity of the French model involving a nexus between the welfare state and the credit market, in which an initial stabilization of household finances, through a regulated labor market and an extensive welfare state, was the foundation on which the credit market developed.

A final, and less expected, insight that arises from a comparison between this 1963 report and contemporary studies on credit concerns the evolution of sociological practice. Because of the conditions under which it was written, the tone of the report suggests a mode of sociology that is less "serious" than that of most scholarly work (including by the same authors); or rather, one might say, a very serious sociology which does not exclude the possibility of having a bit of fun. The report thus offers a window onto the professional practices of another time and invites us to not forget the pleasure that can be had from inquiry and analysis.

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