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Abstract

How did the UK Chancellor of the Exchequer (the British Minister of Finance) publicly construct the economy after the Financial Crash, and why? Chancellor Alastair Darling's (2007-2010) rhetoric indicates how political elites represented the post-crash world for both themselves and subalterns. In his annual budget statements to Parliament, Darling talked about finance and mortgages much more, and taxation much less, than other chancellors. He constructed a vigorous defence of the financial sector and mortgage market, and comfortably described limited technical reforms. But as well as avoiding taxation as a topic, he appeared less comfortable and more inconsistent defending his taxation policies in public. Refusing to increase corporate or capital gains taxes, in his later budgets he argued that top-percentiles earners must pay more income tax, and that banks and tax evaders would pay more tax someday. This is a surprising elite characterization of top earners and taxation two and one years before Occupy would encamp at St. Paul's, which indicates that Darling understood the power of anti-elite critique. I argue that in his speech Darling was willing to sacrifice some limited and select elements of financial activity and taxation to criticism in order to protect fundamental aspects of the financial system, particularly the owned capital upon which it depends. Via an appropriation critical language about finance and the Crash, his rhetoric defensively protected owned capital and corporate profit from other claims.

Introduction

How did the UK chancellor publicly construct the economy after the Financial Crash, and why might he have chosen such representations? Much has been written about how elites publicly presented antecedents, explanations, and prescriptions, and many have argued that elites created discursive frameworks to protect established neo-liberal projects and themselves. In this paper I drill deep down within the discursive – all the way down to the rhetorical – and uncover more detail about how elite rhetoric worked, in the operational sense. I investigate an emblematic sample of the British Minister of Finance's description of the economy, considering what sorts of materials he used and how he assembled them. Understanding how Alastair Darling constructed the post-Crash world between 2007 and 2009 illuminates which kinds of strategies elites can and do use to understand, express and protect themselves in uncertain times.

In many ways, Darling constructed the sort of vigorous defence of finance, mortgage access, and capital taxation that one would expect of a G7 Minister of Finance post-2008. He argued that the financial sector was a public good, that mortgage access must be guaranteed, and that capital gains and corporate profits should not increase. Darling was broadly reluctant to discuss taxation at all, as a recession took hold, and as a general election loomed. But the Crash had amplified critiques of finance and its elites were amplified in the public sphere, and Darling was compelled to respond to vigorous public challenges to the *status quo*. With his rhetoric Darling strategically utilized those critiques of finance and of elites by calling for (very limited) reform of the financial sector, emergency measures for the mortgage market, and increases in income taxation for the top one-, two- and five-percent of earners. In order to improve the credibility of his account, Darling made anti-elite concessions to criticism in finance and taxation. I argue that this credibility was not only politically useful for Darling, but had political-economic use as well, because it sacrificed small amounts of elite privilege to protect fundamental aspects of the financial system, specifically the owned capital upon which so much debt was secured. Darling responded to external challenges to finance and elite taxation by incorporating that criticism into his constructions, sacrificing smaller matters in order to defend more fundamental issues. His defensive constructions appropriated incomplete, limited and closely-controlled popular arguments *against* finance and *against* unequal wealth, better to protect capital assets.

Finance, the Crash and the UK State

Elite representations of the causes and consequences of the Financial Crash have largely involved technocratic fixes that support the maintenance of the financial system. Englen et. al. (2011) have argued that policy makers and academics adjudicated on the crisis as either: (1) accidental structural failures between complex systems, or (2) political and economic elites driven by self-interest, or (3) an intermediate position, in which agents took relatively innocent decisions within which unforeseen risks lay. They have also observed that experts recommended technical fixes rather than address broader challenges. Whittle and Mueller (2011) have proposed two main public narratives of Treasury Committee questioners and UK banking executives: bankers as villains causing the Crash vs. bankers as victims who had been doing their best to create prosperity. Riaz, Buchanan and Bapuji (2011) have found that academic and financial elites have recommended technical changes in either government policy or in banking practices, respectively, while regulatory elites mostly recommended maintaining the existing system, and all three groups implied tacit support of existing institutions. Other political economists have gone further, arguing that the established neo-liberal order that had benefited elites for decades has not only endured the Crisis, but prospered in its wake (Crouch, 2011; Mirowski 2014).

We may take two proxies to gain some insight into the criticisms of finance specifically and capitalism in general, post-Crash. The first is the work of academic critics of the growing dominance of finance over other types of economic activity, which had existed before but gained a wider audience now. Scholars like Lapavistas (2008), Skidelsky and Joshi (2009), and Shiller (2009) wrote in broadsheets like *The Guardian* and *The Financial Times* not only that financial regulation was poor, but that finance had de-coupled from the real economy in destructive ways, that inequality and debt could be detrimental to economic growth, and that economic stimuli other than tax cuts were needed now. The second proxy is the Occupy movement, which arose formally more than a year after Darling left post, but reflected ideas that had circulated prior. Echoing the aforementioned economists, Occupy protesters would soon demand more wealth equality (Holmer Nadeson 2013), especially a more equitable system of taxation (Barnes 2013) and an economy that did not rely so heavily on mercurial finance (Ho 2012).

The intense and symbiotic relationship between the UK Treasury and the UK state has been well-argued argued for decades (Fine and Harris, 1985; Glyn, 2006; Ingham 1984). Susan Strange (1988) defined the financial system itself as the interdependency and, ultimately, cooperation, between banks, markets, and the fiscal and financial arms of the state (particularly the Treasury and central bank). Financialization – the rise and rise of finance since the 1970s – has brought new challenges for politics and economics, as finance has become socially privileged over other economic activities. During this epoch states and banks have cooperatively innovated to expand credit (Konings, 2011; Schwartz, 2008), increasing numbers of people participated in mundane finance, via savings and debt (Langley 2008), and governments successfully reaped both economic and political rewards of their participation (Seabrooke, 2006). While finance has become a more powerful elite domain, its ubiquity has also widened the stakes for all, and its Crisis has invited widespread criticism.

The tumultuous financial events that dominated Darling's chancellorship also deserve brief review. In Summer 2007 the US mortgage-securitization market came unglued, and in September 2007 Darling rescued UK bank Northern

Rock from a run, first by granting it emergency funds, then by nationalizing it (Shin 2009). By Autumn 2008 Darling had rescued four more banks and announced the availability of a £25 Billion recapitalization fund (UK Parliament 8 Oct 2008). In January 2009 Darling authorized the Bank of England to create liquidity by exchanging bonds for bank assets (Bank of England 2010). Despite widespread calls for financial-sector reforms, fundamentally very little changed in terms of the Government's macro-economic policies, the structure and governance of financial institutions, or the instruments that financial instruments were permitted to sell (Froud et al 2010; Hodson and Mabett 2009). But a lingering consequence of the Crisis was the effect it had on state balance sheets. By late 2009 at least £850 billion had been spent by HM Treasury to support UK banks, a tally which *did not* include quantitative easing activity at the Bank of England (National Audit Office 2009), which by February 2010 had spent £200 billion purchasing (mostly) UK government gilts from UK banks (Joyce et al 2010). Thus, by the end of Darling's tenure, over a trillion pounds had been extended by the UK government to the financial sector, and the Bank's balance sheet was three times its pre-Crisis size as a proportion of GDP (Cross, Fisher and Weeken 2010).

How does criticism of finance, and elite response to it, fit into this larger political-economic picture? For an explanation I draw on *The New Spirit of Capitalism* (2005) in which Luc Boltanski and Éve Chiapello have posited a model for the evolution of modern capitalism through mechanisms of political and civil feedback, arguing that anti-capitalist critique has contributed to the vibrancy and resilience of contemporary capitalism. According to Boltanski and Chiapello, capitalism has responded to popular challenge by either evading or absorbing critique, proving resilient to challenge via adapting to *select* social challenges. In their analysis, French capitalism responded to the 1968 students' strikes in part by incorporating a language of “freedom” and “creativity” into capitalist discourses, and subsequently a “creative class” into elite ranks, which allowed an evasion of the critique of workers' pay and thereby foiled that threat to accumulation. In this paper I will argue something similar, but on a much smaller scale: after the Crash Alastair Darling used popular criticism of the financial system and financial elites in his rhetoric, and actively responded to it, such that the fundamental base of the financial system – asset capital – was protected.

Investigating Budget Rhetoric

According to the Treasury's own publicity, “chancellors use the Budget statement to update Parliament and the nation on the state of the economy, on the public finances and on progress against the Government's economic objectives” (HM Treasury, 2013). These two audiences – Parliament and the nation – (themselves not even distinct) are comprised of as many sub-audiences as one might like to define. Darling speaks to all these audiences simultaneously, as well as international markets and policy-makers, but he is speaking to and for other elites especially, building an account for and about them. I believe this partly because Darling and his Treasury aides are elites themselves, creating meaning from their own experiences, but also because empirical studies suggest that budget statements should be especially meaningful for other elites (Hellwig and Coffey 2011; Schneider and Jacoby 2005). For all audiences, budget statements deliberately communicate the Government's preferred economic narrative and accompanying judgements, as progress toward preferred objectives is defined by the chancellor.

As rhetoric analysis is necessarily detailed and intense, I must select text carefully. In order to select distinctive text, I use a computer-based quantitative content analysis to determine how Darling's budgets were most dissimilar from the chancellors whom preceded and succeeded him. The annual budget statements delivered between 1976 and 2013 (see Table One for chancellors, prime ministers, and political parties) makes a corpus of 396,328 words, and I investigate it using *Antconc 3.2.4w*, a free-ware, UNIX-based corpus analysis application, developed by Dr.

Laurence Anthony of Waseda University, Tokyo, Japan, who holds copyright. This allows me to identify n-grams (words and phrases) in Darling's budget statements that have an unusually high or low frequency in comparison with other budgets. From a much larger list of n-grams associated with finance, fiscal matters, monetary measures, industry, and employment, I determined which shared n-grams (n-grams that every chancellor said at least once) appeared much more or much less often in Darling's budgets.

Table One: UK Chancellors of the Exchequer, 1976-present			
Chancellor	**Years in Post**	**Serving Prime Minister**	**Political Party**
Denis Healey	1976-1979	Jim Callaghan	Labour
Geoffrey Howe	1979-1983	Margaret Thatcher	Conservatives
Nigel Lawson	1983-1989	Margaret Thatcher	Conservatives
John Major	1989-1990	Margaret Thatcher	Conservatives
Norman Lamont	1990-1993	John Major	Conservatives
Kenneth Clarke	1993-1997	John Major	Conservatives
Gordon Brown	1997-2007	Tony Blair	Conservatives
Alastair Darling	2007-2010	Gordon Brown	Labour
George Osborne	2010-present	David Cameron	Conservatives

My rhetoric analysis is based on a constructivist frameworks, in which rhetoric is employed to build credible and robust representations of reality. Following Herrick's (2009) indications, I think of rhetoric as: (1) planned (2) adapted to an audience, (3) a revelation of motives of both speaker and audience, (4) responsive, response-making, and response-inviting (5) a seeking to persuade, through argument, appeal, arrangement, and aesthetics, and (6) an address to issues of contingency and deliberation. I then draw on work studying rhetoric as a matter of constructing credible accounts that can compete successfully against alternate accounts (Antaki and Horowitz 2000; Billig, 1996; Edwards and Potter, 1992) and especially Jonathan Potter's conception of rhetoric as "discourse used to bolster particular versions of the world and to protect them from criticism" (1996, p. 33) and "a feature of the antagonistic relationship between versions: how a description counters an alternative description, how it is organized, in turn, to resist being countered" (1996, p. 108). My rhetoric analysis, then, is the analyst's act of scrutinizing how descriptions are organized to make them seem the more credible and objective to audiences than other versions.

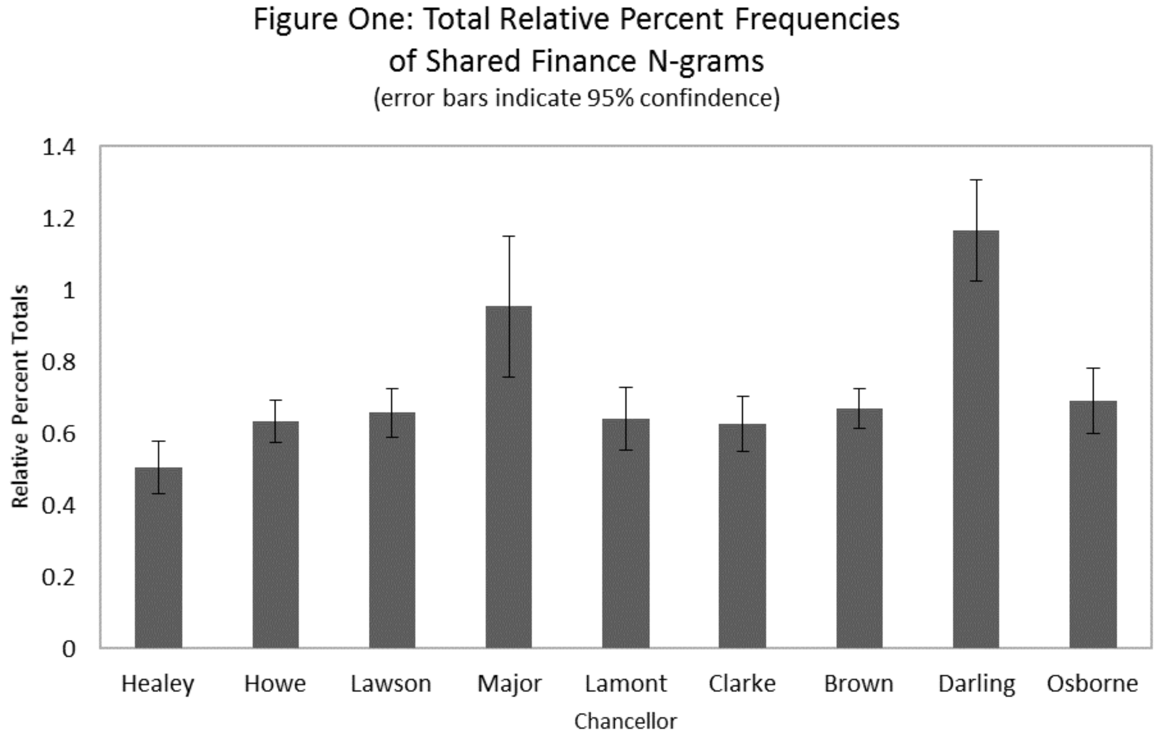
Following Potter (1996), rhetoric often recommends an action, if only an active agreement with the speaker's version of reality, what he calls its action-orientation. This may be done by explicitly asking, instructing, declaring, or demanding, but the more sensitive the suggestion, the more likely it is to be made by inference, implying a next best action. If there is a 'dilemma of stake,' that compromises speaker trustworthiness, it is common to attempt to manage that appearance. A speaker may also suggest an action through a categorization that maximizes, minimizes, or normalizes an object, while categorizations of "normal" and "routine" can be used to obscure speaker agency or environmental change. Or a description may suggest an action by selectively managing the terrain of description, so that only some objects are admitted but not others, an "ontological gerrymandering" (Woolgar and Pawluch 1985) that shapes what is problematic and what is not. Rhetoric also has an epistemological-orientation, which builds an account as credible. The appearance of self-interest must be managed so that the account looks independent of vested interests, or true in spite of them. Here Potter has borrowed Goffman's (1979) notion of footing, how closely/distantly a speaker presents himself or herself to the account, to build the appearance of veracity through accountability or to dodge blame.

Rhetoric often uses empiricist discourse, and here Potter has borrowed Gilbert's and Mulkay's (1984) list of empirical features in scientific accounts: impersonal grammar, the primacy of data primacy, and presenting procedural rules that appear universal. Speakers may make claims of consensus or corroboration, or vivid detail may be employed to make accounts appear more factual. Alternatively, detail may be left vague so that the account is harder for others to undermine. Narrative order can build an account by implying causation and temporal order. Potter has noted that some of these procedures can work against one another and require trade-off; perhaps worst of all for politicians, many of the procedures that heighten veracity also heighten accountability (see also Stapleton and Hargie, 2011). In the upcoming evidence sections, I will use these ideas to assess Darling's rhetoric.

Other published work in discourse studies will be helpful here. Firstly, Antaki and Wetherall (1999) have proposed that “making a show” of conceding by a well-structured sequence of proposition-concession-reassertion can strengthen a speaker’s relative offensive position in an argument. Show concessions do rhetorical work by introducing caricatures of the opposition’s case, or by reasserting the proposition as a reversal of the concession, or by devaluing some aspect of the proposition with the concession with a dismissive reassertion. “[B]y making a show of the concessionary gift the speaker corrupts it” (Antaki and Wetherall 1999, p. 24), and this can help protect the perceived stake or interest of a speaker such as Darling. Secondly, Finlayson (2006) conceptualizes political rhetoric in terms of setting the definition of problems and advancing arguments based on ideas, beliefs and meanings. Darling certainly constructs problems with his budget statement rhetoric, although I emphasize just how he sets problems in order to manage problem-setting that he himself did not generate. Thirdly, Fairclough and Fairclough (2011) have analysed the UK Treasury's 2008 Pre-Budget report in terms normative judgements of what politicians and audiences believe and want. We share related data sets, but I rely less than they on whether the audience follows a rational progression in practical reasoning just as the speaker intended, in part because this is something that I simply cannot know. Instead I keep my focus on my speaker's constructions, what versions of reality he was likely countering, and what his motivations may have been for doing so.

Finance and Mortgages

Darling spoke of finance more than any of the other post-1976 chancellors (see Figure One), almost twice as often as either Brown or Osborne, and Darling’s 95% confidence interval clears all other error margins except John Major’s. (Major is an anomaly among post-1976 chancellors as he only delivered one budget; his confidence intervals tend to be quite wide, so this should not be over-interpreted.) The shared n-grams are “interest rates,” “market(s),” bank(s),” “shares,” “investors,” “mortgage,” “housing,” “debt,” “credit” (not “tax credit”), “capital,” equity,” “finance” (not “finance bill”), and “financial” (not financial year). Given the unsettled financial climate that Darling finds himself in, it is reassuring that the n-gram list method generates this difference between Darling and other chancellors.



Darling's 2008 budget speech addressed finance with text approximately one-fifth the size of comparable text in 2009 or 2010, but still his commitment to the financial sector is clear. He said that "we have maintained confidence and stability in the banking system" (UK Parliament 12 Mar 2008a) and that "we want to bring together investors and lenders with the Treasury, the Bank [of England] and the Financial Services Authority to find market-led solutions to strengthen these funding markets further" (UK Parliament 12 Mar 2008b). Finance had not yet come under widespread criticism, but Darling was clear in his support. In April 2009, with a well-publicized financial crash in the recent past, constructions that address perspectives critical of finance begin to enter Darling's budget, alongside his established defence. The financial sector was still a crucial public good, but now one in need of reform:

> A successful economy needs a strong financial sector. We do not want to throw away the many advantages that come from our position as a world centre for finance. I intend that we retain that position. Hundreds of thousands of jobs across the United Kingdom depend on it. We need to build trust in the banking system, and harness the strengths of the financial services sector for the benefit of society. Crucial to this is financial regulation (UK Parliament 22 Apr 2009a).

The significant new claim in this account is that finance has great social worth, is for the "benefit of society," is crucial to hundreds of thousands of jobs. Darling implicitly admitted that trust has been lost and now promised to restore it with financial regulation. He responded to widespread criticism of the sector – criticism that he does not explicitly cite, only implies – by incorporating its remedies into his description. He sets the problem in terms of popular criticisms, but his account is tightly constricted by a larger insistence that banking is central, vital and good.

In 2010 Darling's defence of banking only grew stronger in the face of implied criticism:

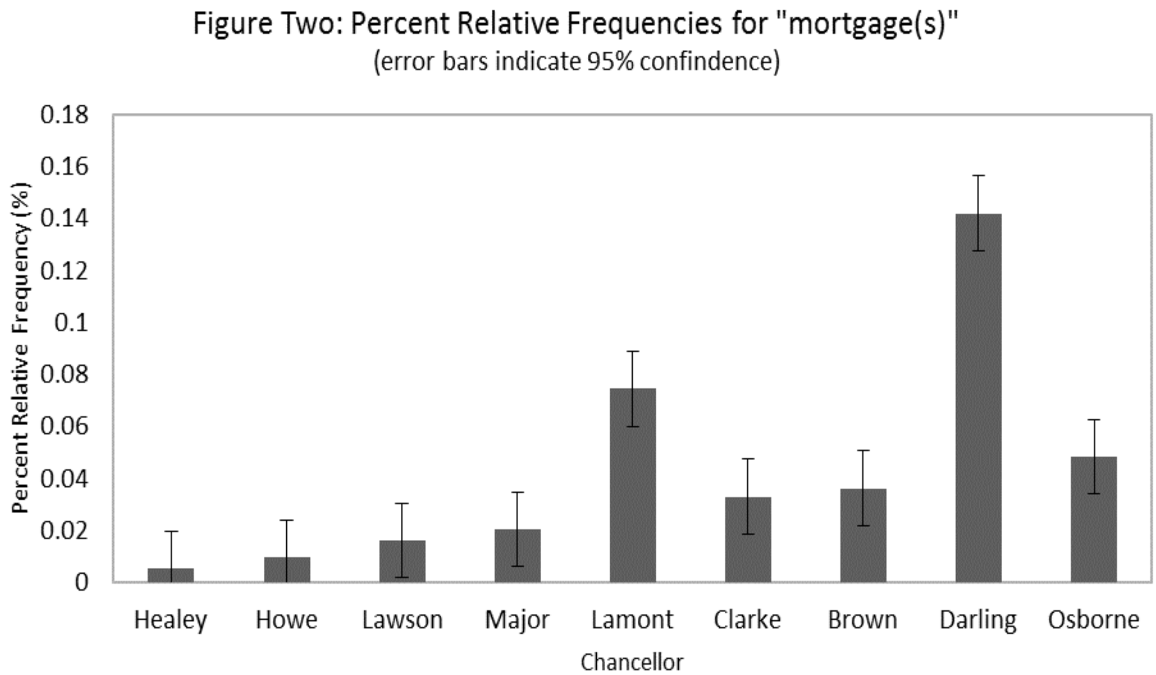
> There can be no return to business as usual for the banks, but we also must remember that their success is vital not just for the global economy but for Britain's future. London is the world's leading financial centre. Across the country, the sector supports over a million jobs including in Edinburgh, Leeds, Manchester, Cardiff and other cities. A healthy, strong financial services industry is essential for our long-term prosperity (UK Parliament 20 Mar 2010a).

Darling alluded to criticisms of finance, but then immediately described how important the financial sector was, for a "million jobs" throughout Britain, responding to an implicit criticism that finance only benefited London. Darling responded not just to calls for reform, but also to concerns about bankers' bonuses and the cost of bank rescues for the public accounts:

> We will sell our shares in RBS and Lloyds, as well as Northern Rock, in a way that maximises value for the taxpayer and recoups the money we invested. We intend to get all taxpayers' money back. In the meantime, I can tell the House that the Treasury has already received over £8bn in fees and charges from the banks, in return for our support. At the time of the pre-Budget Report I put in place a one-off 50 per cent tax on the excessive bonuses of bankers. I made it clear that banks had a choice of whether to pay bonuses or not – but if they did, given the amount of taxpayer support that had been provided, I believed it was right that the country as a whole should benefit. I can tell the House that that tax has raised £2bn – more than twice as much as was forecast. (UK Parliament 24 Mar 2010b).

In this construction, taxpayers are told that they will recoup on an investment, while banks have received the same funding as "support." Darling repeated the framework he had offered the year before, in which he chided the banks while insisting that they must be supported. He was also careful to say "fees" and "charges" (not a tax) for banks, while bankers were paying a "one-off 50 per cent tax" (not a charge or fee), making a clear distinction between language for institutions and employees. Note that this one-off tax is on individual income, not owned assets or institutions. Darling worked hard to give the impression that he was responding to challenges, while changing very little indeed.

Darling was eager to talk about mortgages, again an expected reflection of elites' fears for the housing market after the Crash. Figure Two shows that Darling spoke of mortgage(s) significantly more often than all other post-1976 chancellors (CI > 95%, save Norman Lamont, who presided over his own era of repossessions).



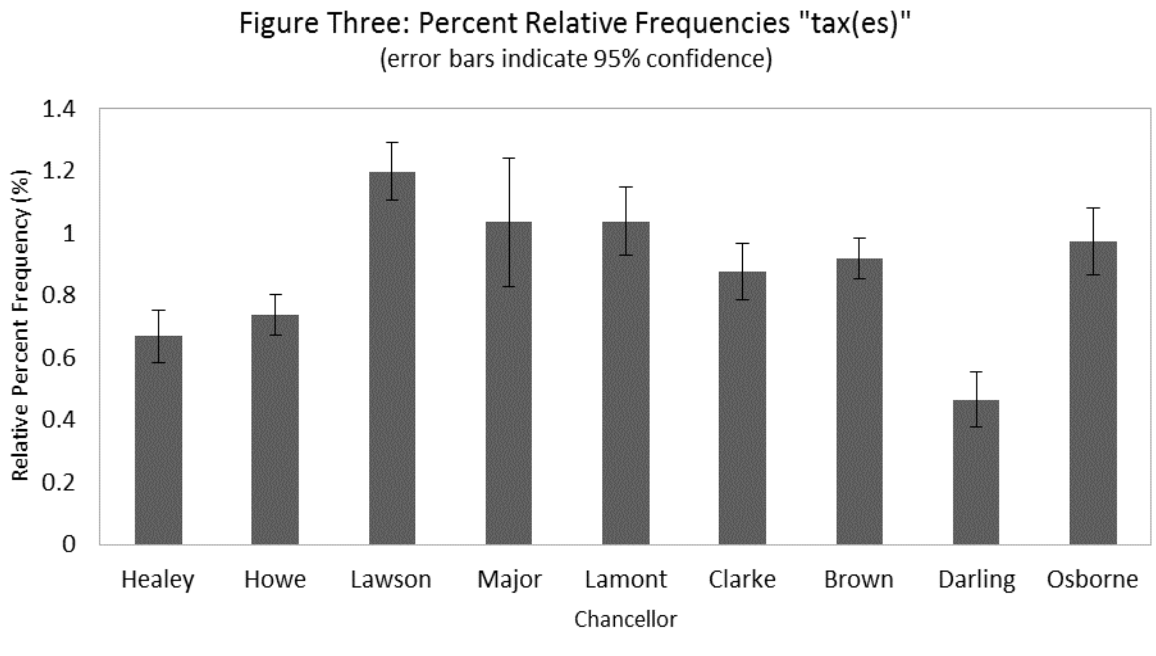
Most of this attention was bestowed in 2009, when Darling described the repossession fears of mortgagees and announced that the state would pay mortgage interest in cases of unemployment. Unspoken was lenders' fears of mass defaults, but I argue that Darling was also responding to their concerns, implicitly. Darling continued to say that "the housing market is also being held back by a lack of mortgage credit," and that:

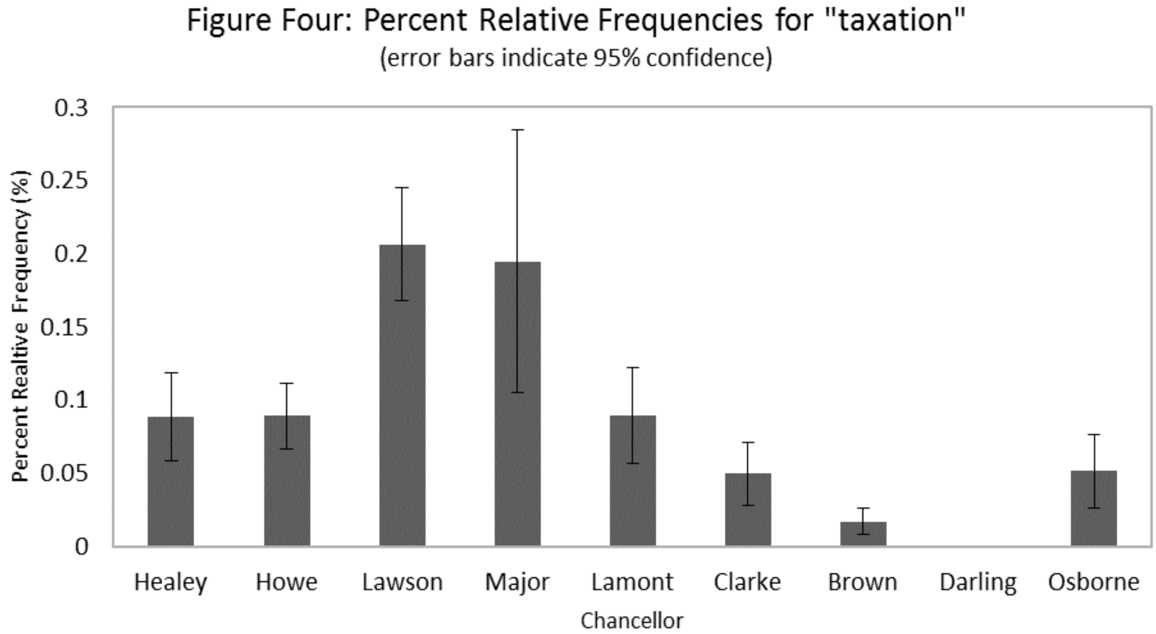
> The recession and the credit crunch have made it much harder for people to take their first step on the housing ladder. This is not just difficult for those involved, but also undermines the entire housing market. So, to help, I have decided to extend the stamp duty holiday on properties sold for less than £175,000 until the end of the year. Sixty percent of residential properties will continue to be exempt, which will encourage modest and middle-income home buyers (UK Parliament 22 Apr 2009b).

Darling's construction takes into account criticisms from people who cannot afford mortgages, as well as home-owners worried that mass defaults would damage their own net worth, as "the entire housing market" is undermined. Explicitly, he was happy to explicitly state the case for protecting the housing market, despite acknowledging those who felt 'shut-out.' More importantly, he in no way challenged the financial trade in mortgage-credit or house prices, which had grown to many multiples more of income in the decade before. These would be sustained via state subsidy as necessary. Again, Darling responded to criticisms, but only with small technical changes that maintained the market, and asset prices, while decreasing taxation on owned capital.

Taxation

Darling exhibited a precipitous drop in tax talk, as demonstrated by Figures Three and Four, before talk of taxation returned to typical levels under Osborne. Taxation (a word that Darling did not say once in three speeches) is a fundamental topic for budget speeches, so Darling's reticence to speak about taxes is quite striking.





In 2008 Darling made an emphatic defence of "non-doms," wealthy UK residents who were not deemed resident for tax purposes in the UK:

> We welcome the contribution made by people born outside the UK who choose to come and work here. They are an important and central contributor to our economy's growth and prosperity. They pay taxes on their earnings here; they also pay tax on money they bring into the country from abroad. But for those non-domiciled individuals or families who have chosen to make Britain their home, I believe that it is right and fair that they should, after 7 years, pay a reasonable charge to maintain the right to be taxed differently from other UK residents. Beyond that, as I have said before, we will not seek to charge UK tax on offshore income or capital gains that are not brought into the UK. This new charge will be implemented from April. There will be no further changes to this regime for the rest of this Parliament or the next [Interruption] (UK Parliament 12 Mar 2008c).

The fact that Darling meets the criticism of non-doms' favourable tax status not by direct citation but implicit construction makes the policy's contentiousness clear. Even the *Parliamentary Hansard* recorder indicated the controversial nature of Darling's decision by recording an "interruption" in the House. Darling defined the terrain of the debate by categorizing the Treasury's compensation for offering this favourable tax status as "reasonable," just as he declined to characterize the "charge" as a "tax." He makes a second categorization, suggesting with the phrase "no further changes" that his decision was routine. He maintained a distant footing throughout by separating "I" and "we" from "they," "those," and "their," a choice which manages his dilemma of stake as an elite, and managed his appearance of interests as the Chancellor. Of the 150 words in this short passage, Darling spent the first 66 defending why the UK needs "contribution made" by non-doms "who choose to come and work." Crucially, the tax status of non-doms did not fundamentally change, only a smaller adjustment was made.

In 2009 Darling's reluctant tax talk started to qualitatively change, as he began to characterize taxation as matter of top and bottom segments:

> I believe that it is fair that those who have gained the most should contribute more. Only those with incomes over £100,000 a year – or 2 per cent of the population – will be affected. In November, I announced a new rate of income tax of 45 per cent on incomes above £150,000 – the top one per cent of taxpayers. In order to help pay for additional support for people now, I have decided that the new rate

will be 50 per cent, and will come in from next April – a year earlier (UK Parliament 22 April 2009c).

Darling implicitly responded to criticism of elite taxation by stating that "those who have gained the most should contribute more." He named the top one- and two-percent, gave great detail, and arranged the narrative so that first gains are cited, then penalties, making the case that this was "right" with narrative order. Thus, two-and-a-half years before the Occupy movement's high-profile occupations began, Darling publicly constructed income taxation in terms of top-percentages.

This trend only grew stronger in 2010, as Darling described taxpayers as top one-, two-, and five- percent of earners:

> The 50 per cent rate of income tax will come in next month, but only affects those with earnings over £150,000 a year, the top 1 per cent of earners. For people with incomes over £100,000 a year, the top 2 per cent, we will gradually remove the value of their personal allowances. Tax relief on pensions will be restricted from next year, but again only for those with incomes above £130,000 a year. Looking across all the tax rises since the beginning of this global crisis, 60 per cent of them will be paid for by the top 5 per cent of earners. We have not raised these taxes out of dogma or ideology. We are determined to ensure our overall tax regime remains competitive. But I believe those who have benefited the most from the strong growth in incomes in past years should now pay their fair share of tax (UK Parliament 24 Mar 2010c).

Here Darling cited dogmatism, and that explicitness indicates that, in truth, the charge did not trouble him too deeply; in contrast, as he employs the euphemism of "competitiveness" to defend the existing low-tax system. Corporation and capital gains tax remain untouched again in 2010, but small concessions were made in terms of the top-percentages of earners. While income tax for top-percentiles was rising, taxes on owned capital were remaining the same, or decreasing.

In 2010 Darling brought banks, as institutions, into his tax-talk for the first time, explicitly reassuring his audience that the banks would be taxed worldwide, eventually:

> We cannot continue with a situation where the banks are rewarded for creating excessive risk, but the taxpayer foots the bill when things go badly. More countries now agree on the need for an international systemic tax on banks. This must be brought forward quickly, as I will urge international Finance Ministers in Washington next month. I agree with all those who think that such a tax should be internationally co-ordinated. Going it alone, as some have suggested, would cost thousands of jobs, not just in London, but across the whole country (UK Parliament 24 Mar 2010a).

This is significant, because Darling was now willing to concede that banks as institutions may need to pay more tax. But I interpret this as a hedged bet: while taxation is promised, international coordination on international taxation agreement is beyond Darling's control. This is corroboration, but not as a reason to do something, rather as a reason to do nothing. Darling's capacity to act domestically is not acknowledged in this account, he only alludes to the constraints of acting globally. Similarly, tax evaders were in his sights, but international cooperation was needed:

> While people are suffering hardship, it is all the more unfair that some are escaping their tax obligations. I am determined to continue our successful drive to prevent avoidance and evasion. Measures in this Budget will bring in additional tax worth half a billion pounds each year, while protecting £4bn worth of revenues by 2012-13. These steps include tax agreements like that already signed with Liechtenstein, which is expected to bring in around £1bn of extra revenue. I can also now tell the House that we are ready to sign tax information exchange agreements with three additional countries – Dominica, Grenada and Belize (UK Parliament 24 Mar 2010d).

Darling constructed himself as tough on tax evaders and tax avoiders, but constrained by lack of international agreement so far. His footing was close, he categorized “our successful drive” as potent and intentional, and he promised that he was “ready to sign” so that more could be done. I argue that he could safely construct himself as active because nothing would actually happen to assets because of his speech. What needed no international agreement, what he could actually change – capital and corporate tax rates within the UK – he would not raise in his budget speech of 2010.

Discussion

Finance and the asset values that underpin the system are staunchly protected in Darling’s budgets, while critique is only admitted in a very limited fashion. In 2008 he insisted that the financial sector would be protected and the global system maintained. As the Financial Crisis worsened, Darling never retreated from this explicit position, instead he widened his defence of finance to include expressions about employment, the regions, and the public good. But by 2009 he added limited, controlled, criticism, specifically the incorporation of a message of regulatory reform. Like finance in general, mortgages in particular were protected. Darling constructed mortgage jeopardy – that many mortgage holders were holding debt they struggled to pay – and characterized this explicitly as an anxiety for all property owners. He answered criticism not with any suggestion that the housing market might be over-valued, but instead as a clear case for state support. The construction of taxation also protected owned wealth, by sacrificing limited top-percentile income taxation. Darling talked little about taxation, indicating that interventions in taxation – whether increasing or decreasing – were not his desire amidst financial upheaval. In 2008, Darling’s construction of non-domiciled residents was very much defensive, a response to criticism but not a very conciliatory one. But by 2009 Darling began to admit criticism of elite taxation into his account of tax, but only implicitly, and only in terms of income tax. Again in 2010, even though top-percentile earners and tax evaders were to pay more, capital gains tax and corporate tax were barely mentioned, and rates remained the same. Darling was willing to admit criticism of the top percentiles of earned capital, but owned wealth was protected by being almost entirely omitted from the construction of tax.

There were other options, most easily seen in terms of the things I have argued Darling was reacting against. The state could have significantly re-regulated the financial sector, with the division between retail and investment banking re-instated. Instead of cutting stamp duty in the first-time home-buyer's range, the government could have accepted that the UK housing market was over-valued and allowed market-forces to correct this. Doing so arguably would have done as much for first-time buyer access. The government could have administered a Tobin tax to retard the rates of financial transactions, as some EU leaders were advocating, or re-valued the council tax system, or levied a mansion tax (still an elusive policy measure at the time of writing). Great lip-service was paid to supporting the “real economy” in the wake of the Crash, but very little was done, as the Brown Government still did not like to “pick winners,” despite re-energized Keynesians inside the Labour Party. Darling's increases in top-earner taxes did not amount to a significant redistribution of wealth: owned wealth was untouched, off-shore wealth was untouched, and there was no distribution from, say, earners between 95% and 33% of incomes to the lowest third. When Darling set the problems of finance, mortgages and taxation, his answers were like his rhetoric: measured, controlled, and of no significant challenge to elite constituencies.

Following Potter (1996) I argue that allowable criticisms built veracity in Darling’s account, made his account palatable for a range of audiences, and constructed elites as sensible and responsive to subaltern criticism. Incorporating criticisms into constructions that supported the *status quo* was a tactic to soften accounts of contentious issues. His incorporation of criticisms of finance, mortgages, and especially taxation were attempt to inoculate himself against his stake as an elite, to increase his own appearance of trustworthiness, and construct himself as a vested interest only up to a defined point. He managed his appearances of agency, accountability and activism with this tactic, and in turn attempted to manage the expectations of multiple audiences about what he could and would do. The criticisms are softened by the fact that they remain largely allusions in the text, rather than being explicitly defined. This softening helps Darling build a picture of consensus within his account, regardless of how much or little audience members agree on the role of finance, the mortgage market, or taxation in the Financial Crash. Admitting these criticisms also facilitates "ontological gerrymandering" (Woolgar and Pawluch, 1985), as Darling constructed particular financial, mortgage and taxation activities as problematic while remaining silent on other activities. Darling worked hard at these accounts, constructing his own activism and agency through categorization, close footing (Goffman 1979; 1981), detail, and narrative order where he wanted to construct his own agency. Conversely, he used a lack of consensus and empiricist repertoire (Gilbert and Mulkay 1984) where he wished to look less culpable, especially in terms of tax talk. While this is problem-setting (Finalyson 2006), it is not a setting of Darling's choosing, rather these are responses that He was uncomfortably forced to make. Darling made show concessions, specifically what Antaki and Wetherall (1999) have called a "sting in the tail," in which Darling acknowledged a criticism (typically implicitly), and then addressed it with a very limited response.

With this rhetoric, Darling implicitly acknowledged criticisms of finance, including subaltern criticisms of elite taxation, yet financialized elites were reassured that fundamental change would not happen. I argue that he sacrificed smaller issues of regulation in order to protect more fundamental aspects of how the financial system operated, specifically the capital value of assets upon which it is based. In sociological terms, Boltanski and Chiapello (2005) have suggested that by incorporating selected critiques, capitalism has evaded other, more challenging critiques, and that this adaptive tendency has helped make capitalism robust. I suggest here that Darling's speeches after the Financial Crash can be viewed in a similar light, that his response to the Financial Crash was an observable example of a political elite enacting what Boltanski and Chiapello recognized as a broader historical trend. Darling incorporated criticism into his constructions, but he simultaneously placed constraints around critiques of financialized capitalism. Owned capital was protected and top-percentile earned income sacrificed; house prices would be protected even if mortgage payments had to be socialized; the banks should be re-regulated, but finance would remain central to the economy. In short, Darling incorporated allowable critique in hopes of maintaining some control over larger and more fundamental narratives. And this makes perfect sense, in light of the long-standing relationship between the UK Treasury and the City (Ingham, 1984; Strange 1988; Seabrooke, 2006), another example of the way that the state protects finance and financial capital, a system in and for which it is integral itself.

Conclusion

Alastair Darling's constructions after the Financial Crash were extraordinary in terms of how often he spoke about finance, mortgages and taxation, and how he responded rhetorically to the challenges of the Financial Crash. Darling protected finance and owned capital, but he was willing to construct finance as in need of reform, and even to penalize top-percentile earners. He admitted critiques of finance, mortgage provision and taxation into his constructions as a means of building his own credibility and the credibility of his solutions. My findings suggest that after the Crash elites incorporated in rhetoric select elements of criticism of finance and even themselves in an attempt to influence how the Crash and its criticisms were framed in public debate. Alluding to limited criticism provided "cover" for more fundamental issues, and provided "balance" that attempted to appeal to a wide range of audiences, all while carefully managing expectations about the degrees to which finance would be reformed.

Affirming previous empirical findings about limited technocratic responses to the Financial Crash in terms of institutional reform, I add the observation that political elites are willing to sacrifice select elements of elite privilege in order to limit consideration of fundamental reforms to the economy. I, too, find that Darling sought to defend what he described as the fundamental worth of finance, while recommending that the Crash be remedied through technological improvements to the existing architecture. What I add with my analysis is that Darling utilized a dynamic criticism of financial, mortgage, and taxation activity in order to make the case that he was implementing remedies, and did so in a way that preserved these systems from fundamental critique within his account. He was compelled to respond to the Financial Crash in some way, publicly, and he navigated this difficult problem by admitting criticisms, often implicitly, and always in a limited manner. In providing a budget narrative, Darling provided leadership to other elites, suggesting how they might present themselves, recommending that concessions to critique might be necessary in this new post-Crash epoch. My findings suggest that political elites are part of what Boltanski and Chiapello describe as capitalism's ability to respond to and incorporate selected critiques while evading others, and that it may be political elites, rather than financial elites, who have been key. Future work should consider this possibility more fully by comparing the two, as well as compare the rhetoric of Chancellors Brown and Osborne, who flank Darling in history but did not have to deal with an immediate, catastrophic, and high-profile financial crisis.

Parliamentary Hansard

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