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Lifecycle Planning and Responsibility: Prospecation and Retrospection in Germany

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ABSTRACT

Financialisation confronts households in the form of planning and risk management along standardised lifecycle stages like starting a family or preparing for retirement. The finance sector in Germany represents this as the exercise of responsibility. Yet German government institutions have long encouraged and rewarded a different kind of responsibly, manifested in prudent study, work and consumption habits. In this paper, I tease out from life histories of German retirees their nonchalance about planning, antipathy toward finance and strong sense of personal effort and investment. Contrasting them with the contingency and treacherousness of financial planning, I argue that financialisation is preceded by ideological work, which redefines responsibility according to its own needs and in so doing, obscures its stakes.

KEYWORDS Financialisation; life histories; risk management; ordoliberalism; Germany

When finance meets households it speaks the language of planning. Financial instruments are tailored to the lifecycle, from credit to finance education and home-purchase through loans and insurance policies to buttress working life, saving instruments geared towards old age to, finally, inheritance. Through eight months of fieldwork observing financial advice in Germany, I never heard moneymaking discussed so much as strategies of saving, investing and maintaining liquidity divided into short-, medium- and long-term goals. These goals are mapped onto standardised stages like starting a family or retirement and framed in terms of one's responsibility to prepare and provision for them. Anthropologists have observed the same in places like Bosnia (Jasarevic 2012), China (Chumley & Wang 2013) and Kazakhstan (Begim 2015). Financialisation, in the sense of finance's integration into household economics, appears everywhere as planning and risk management along the lifecycle.

Germany is not considered a financialised economy: its economic growth is based on industrial export rather than debt-financing and asset-price inflation, most of its firms

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are not publicly traded such that shareholder value supporting quick profits plays a marginal role, it runs current account surpluses and its households on average have savings, which they place in bank deposits. Germans are, moreover, accustomed to their risks being pooled through the social insurance arrangements to which they contribute (Fischer 2014; Fuller 2016). But the capital-hungry finance market, which grows by locating unused financial resources and placing them in circulation, has been eyeing German surpluses and savings. German banks and firms also stand to profit, through sales and fees, from the intensified financial activity. The German government can expand public reserves by getting citizens to draw on private resources, and consumer organisations help citizens make the best use of the opportunities available to them. Diverse public and private agencies have something to gain, therefore, by introducing financialisation to the German public. They do so by delivering advice in the media and in informational websites, in financial education seminars and in one-on-one consultancies on financial matters.

The bankers, consultants and insurance agents among them have taken to calling themselves ‘financial planners’ and enjoining clients to be proactive about the future. They try to normalise financial planning, sensing perhaps how loath current workers are to plan for their retirements. Financial literacy initiatives assume that ‘irrational exuberance’ and incorrect budgeting are to blame for market instabilities (Wolf 2018). Disregarding people’s investments in education and work and their prudent spending and saving habits, financial planners represent lifecycle planning as the foremost precaution against financial calamity and poverty at old age, particularly against the backdrop of an overburdened public pension system and low interest-rates eroding the value of savings. They recommend things like real estate and stock or index-fund investment as building additional reserves for retirement. Defining personal responsibility as individual financial planning and risk management along the lifecycle, they regard not planning ahead and managing risks as near-sighted and irresponsible.

So ubiquitous is this rhetoric that it is easy to forget how contingent it is. Yet, if Germany is a key site for the promotion of risk management and planning as manifestations of responsibility, it is also a fitting site for unravelling its contingency. This is because its retirees have never had it so good; or so announce reports citing their high living standards and levels of satisfaction both in and of themselves and relative to previous generations as well as to estimates of what future retirees might expect (Die glücklichen Alten 2017; Generation glücklich 2017). The grounds for their purported well-being are not interrogated, leaving the door open for financial planners to advance their own version of responsibility by linking good retirement with financial planning. No less frequent are reports about retirees who are poor and struggling, which serve as forewarnings for the shortsighted who fail to plan ahead.

This sleight of hand goes unnoticed because of the malleability of responsibility as a motivating ideology. A tenant of liberal justice, it exacerbated the conflict between capital and labour accompanying industrialisation by suggesting that one is personally responsible and therefore liable for the harm one causes another in the workplace, exposing employers to damage claims. The subsequent threat to business was neutralised with the twentieth-century introduction of national social insurance

risk-pooling systems, where impersonal compensation procedures indemnified employers (Donzelot 1988). The risks pooled by social insurance arrangements were minimised by responsibility being redefined as the responsibility people take over own fortune by working, consuming no more than what they can afford and saving what's left over. Yet, with the financialisation that has taken hold of advanced economies since the 1980s and 1990s, risks become a source of profit to be embraced and managed rather than minimised (O'Malley 2006). Global finance equates responsibility, not with risk avoidance but with risk management in the form of financial planning, including borrowing to purchase a house or using stock funds as long-term saving products.

The changing meanings of responsibility and their institutional preconditions are never made explicit in public discourse, which rehearses the merits of responsibly as if it has always meant the same. This blind spot sometimes plagues scholarship as well. So, criticisms against the shifting of risks from centralised risk-pooling systems onto private and household balance sheets (Lupton 1999; Calhoun 2006; Hacker 2008) discuss households as passive subjects of finance rendered vulnerable and bereft of responsibility while active household responsibility is associated solely with decision-making in production, exchange and consumption (Chibnick 2011). Such obscurity allows the finance sector to advanced finance-led accumulation, which directly implicates household resources and activates household strategies, through an ideology of responsibility whose terms it can define according to its own needs.

I set myself the task of using retrospection by German retirees as a way of bringing out the contingency of financial planners' association of responsibility with proactive financing, by making explicit the variable meanings of responsibility and their political preconditions. I have done so by collecting life histories, with a focus on finance, from 25 recent retirees who have grown up in West Germany¹ and are now around 70, give or take a few years. I cannot claim them to be a cross-section of German society: I approached these retirees through personal connections and some snowballing without further specification. Still, their personal paths and fortunes varied enough that what they did share in common was meaningful. Through reflective, semi-structured interviews, I traced their actions and experiences from childhood to the present, analysing them against the backdrop of the financial advice that I was researching at the same time. I conducted most interviews in the retirees' homes for a glimpse into their material circumstances and intimate lives.

In what follows, I present what responsibility meant for their generation, starting from their social embeddedness through their nonchalance about planning and antipathy toward finance to, finally, their strong sense of personal effort. I draw on these commonalities to demonstrate that finance's association of responsibility with risk management and financial planning is at odds with what responsibility actually means to the Germans I studied. I argue that these differences point at the ideological work that prepares the ground for the introduction of financialisation into Germany. Its stakes for Germany's current generation of workers are obscured as they are mobilised to partake in it through a familiar, inward looking and positively inflected rhetoric of personal responsibility.

'All in the Same Boat'

Aware of my being of a different generation and nationality, my interviewees sometimes referred to themselves in the plural to draw my attention to the historical specificities they lived through. Members of the post-Second World War generation, their early childhoods were marked by Germany's material devastation, their adolescence and young adulthood coincided with its so-called economic miracle of reconstruction and rapid growth, and in aging they bore witness to Germany's reunification, leadership of the European Union and emergence as the economic powerhouse it is today.

Their lives proceeded along more jagged paths. While many recalled childhood circumstances that to my ears sounded abject and are now far better endowed, not all of them are as well off as the media portrays them to be, nor have they all enjoyed a steady rise in living standards. Still, their material circumstances have remained fairly stable despite having gone through setbacks such as divorce, illness and unemployment, which would spell financial catastrophe in other contexts.

This stability is remarkable when considered from the perspective of lifecycle planning. The goal of this planning – inspired by the lifecycle hypothesis that originated in the 1950s with economist Franco Modigliani and his student Richard Brumberg (1954) – is to stabilise lives (or in economic parlance, smooth consumption) proactively in the face of anticipated instability. It assumes that people start earning money as young adults, make more as they age and none at all after they stop working. Acting with foresight to avoid upheaval they finance large frontloaded expenses like education or a house when young by borrowing, provision for retirement in their prime by saving, and maintain their living standards when old by spending what they'd accumulated. The sufficiency of retirement savings is the model's ultimate testing ground (Attanasio & Weber 2010; Biggs 2016). The lifecycle hypothesis has initially been offered to counter John Maynard Keynes's (1936) assumption that people spend or save according to habit and emotion and that economic policy has therefore a far greater role to play in regulating household economics.

In a recent interview, Thomas Piketty (Thomas Piketty in conversation 2015) claimed that lifecycle models have gained traction in the 1950s and 1960s because that's when inherited fortunes were growing scarce and more people were making money from work. Yet, far from merely reflecting this situation, these models proceeded to essentialise the notion that everyone begins from a level playing field and can do well if they plan well. Pierre Bourdieu entered the fray to show how, even when material fortunes even out, cultural capital remains highly differentiated and an on-going means of reproducing inequality.

The reference to Bourdieu is highly pertinent to Germany, where social class is predictive of one's course of education and subsequent profession and income. Yet Piketty focuses on only one part of Bourdieu's oeuvre. It is significant that in Bourdieu's key text, *Outline for a Theory of Practice* (1977), the chapter on how privileges accumulate arrives only after a chapter on how they are naturalised when people's dispositions are adjusted to opportunities. If lifecycle models are at fault for eliding people's differentiated positions in society, they are no less at fault for isolating lifecycles as if coherent

in and of themselves. Bourdieu explains strategies as pursuits of relative advantages or in-group credit among contemporaries. If they cohere along a lifecycle, it is not because they are part of a long-term plan but because social institutions synchronise them.

The retirees I interviewed hinted at the sources of synchronisation when describing aspects of their lives in terms of the social relations that gave them meaning. Recalling the material dearth of their childhoods, they hesitated to call themselves poor, explaining that no one had it better after the war and consumerism arrived only later. Describing their educational trajectories, they mentioned their social background and the expectations it implied. Many attributed their parents' progress to Germany's economic growth but their own to having applied themselves. They recalled benefiting from their parents' help and from political and economic opportunities such as publicly funded education, training and retraining programmes, tax benefits and loans connected to certain professions or choices of residence, and social insurance programmes. In turn, they linked challenges they faced to broader transformations such as the rising costs of living, the insufficiency of public childcare, the demise of certain professions and industries, recessions and reductions to public pension benefits.

Some reported a heightened sense of insecurity. A retired engineer, after telling me how his heart skips a beat whenever he sees a bill in his mailbox, recalled asking his parents after they already had some money why they don't splurge a bit and their replying that they save so that he and his brother would enjoy all the things they hadn't. 'We did do better than our parents,' he admitted, 'but now things are going back down'. A retired public relations specialist maintained that democracy, peace and economic security, stable for most of his life, are now gone. 'I lived at a very specific time that allowed me to have a good life,' was how he put it.

Unlike the collective fortunes that coloured early memories – some intoning that 'we were all in the same boat' – such insecurities were not equally shared and had a great deal to do with the size of the pensions they were receiving. In Germany's public pay-as-you-go pension system the premiums of current workers pay the annuities of retirees at a level that corresponds to the wages they earned while working; designed to enable workers to maintain their differential living standards upon retirement. This system is now said to be buckling under the weight of demographic pressures as well as persistently low interest-rates, and financial planners warn future retirees against poverty at old age if they don't supplement it with other savings. This who were satisfied with their annuities, guaranteed for life, felt less vulnerable to upheaval than others. 'I do ask myself what would happen if [my husband and I] need help,' explained a retired nurse: 'assisted living would be hard for us to finance. But the majority of the elderly population will have the same problem'. Most retirees reflected on the future by referring to ominous political developments. When I underlined personal finance, the conviction was gone. 'I know the two are connected,' a retired journalist told me, 'but I can say quite confidently that whatever happens, [my husband and I] will survive as well as anybody'.

The lives of the retirees I interviewed were at once embedded in their time and place, and highly differentiated. While their stability and continuity resonated with lifecycle models, they were nested in social specificities rather than in diffident planning.

Germany's tradition of partnership between capital and labour has created a social market economy that offered citizens protections against the worst calamities but retained divisions and inequalities among them while also providing opportunities for personal progress. The retirees experienced these political currents from distinct positions that afforded some greater protections than others. They had choices in education, work, consumption and saving, and they took responsibility over their outcomes. This was the backdrop against which they addressed my questions about financial planning.

'What's the Point of Planning?'

Modelling lifecycles is anathema to the kind of ethnography that rejects the division of lives into standardised stages, emphasising instead people's freedom to negotiate imagined futures (Johnsan-Hanks 2002). Yet empirical research does find a great deal of homogeneity in lifecycles (Elchadrus & Smits 2006). Its key feature is a tri-partition of the life course, in advanced economies, around periods of preparation, work and retirement. This partition has been institutionalised over the twentieth century to achieve social order by providing the rules according to which individuals conduct their lives (Kohli 1986). Financial planning is mapped onto this partition to signal the responsibility one must manifest in order to maintain one's living standards over the years.

If lifecycles were simply reflections of institutional anchoring, there would be little point in collecting life histories beyond, perhaps, giving a personal spin to social analysis (Agar 1980). Yet there are often discrepancies between institutionalised patterns and those that individuals manifest. Life histories are a good way of giving voice to such idiosyncrasies (Hommond & Sikka 1996). Discrepancies can signal discordance in the social structure itself for anthropologists who collect them after having studied the dominant patterns of a society (Mintz 1979).

Jane Guyer (2001) anticipates that such a study would encounter institutionally anchored lifecycle patterns and urges cross-cultural comparison to relativise them. She demonstrates this for Ghana, where lives are divided into phases of independence marked by investments in social connections and phases of household-membership marked by investments in health and education. In contrast, the lifecycle hypothesis hinges on careers and banking practices that value middle-class resources as collateral for mortgage loans. Guyer holds that financial strategies, when institutionalised, are not deeply thought through but rather embedded in careers, insurances, pensions, mortgages and social security. Only people outside this framework must be vigilant about planning.²

Building on Guyer's insights, I submit that the retirees I interviewed operated within an institutional framework that supported lifelong stability for those whose responsibility was enacted by learning and training, working so long as they could, not consuming more than they could afford or taking on more debt than they could pay off and saving a bit when possible. Political institutions lifted the additional burden of value-calculating, risk-managing and time-dated planning off of their shoulders.

Financial planning places great weight on discerning investment in education and professional skills with an eye toward anticipated income. But the retirees hesitated when I asked them why they pursued the line of study or work that they had – decisions that shaped the course of their lives. They portrayed them, rather, as leaps into the unknown. A retired marketing executive who had studied sociology first, then psychology and finally economics, explained that ‘no one thought: what will I do in 20 years? I had no idea and I was definitely not aware of what my choices would mean for my life’. Some of my interviewees had interrupted their studies or work for travel or eschewed permanent employment for contract-based work. ‘Back then, a university degree protected you from unemployment,’ a retired consultant explained, ‘I was sure that I’d always find something and indeed, I always had.’

Nor were financial decisions part of a grand plan. The homeowners among my interviewees borrowed to finance their first homes when starting families without considering the future value of the real estate. ‘I don’t remember [why we bought a house],’ explained one, ‘the house we rented was too cold and we also wanted to move to the countryside. But it also had to do with the general desire to own a house. It was the thing to do: get married, buy a house.’ Fluctuations in real-estate prices hit them, therefore, as unexpected occurrences they neither counted on when favourable nor provisioned against when unfavourable. As well, all of my interviewees considered saving for retirement, including those who supplemented mandatory with voluntary public or private savings, as banal components of their household economics: hardly decisions at all, let alone steps in lifecycle planning.

Daily expenses were no different. When I asked a retired couple whether they ever fought about money, they denied it. So the wife:

Most of our decisions were inevitable anyway. Things had to be done. The roof needed fixing. We had children and a certain amount of money to pay the rent, the mortgage, the food, the car. There was nothing left over so there was nothing to fight about.

Her husband chimed in:

we never even bought life insurance, though this house serves the same purpose. Our decisions about money came to us, so to speak. Our family was growing and we needed space, no big conceptualization, things came up and we decided about them. It was never dramatic, all plain and simple.

Retirees could be so nonchalant about planning without being penalised for it thanks to stable jobs, the public financing of education and job training and retraining, social insurance programmes, public pension and crucially, family transfers. Thus, a retired chemist had taken time off work to travel, knowing that her parents would pick up the slack. She continued working fulltime after having two children thanks to her mother providing childcare. When she divorced, she moved back in with her parents until they helped her buy a new place. She, in turn, helped her own children with rent when they attended university and continues helping them with family expenses. ‘It’s always the same,’ she explained, ‘when you’re young you need money but don’t have it and when you’re old you have more than you need so you give it to your children. That’s what my parents did and that’s what I do’.

Not all life histories were so upbeat. Beyond unemployment and divorce, many retirees suffered from health issues of their own or of their loved ones and eventual loss. The financial bite of these incidents has been eased thanks to public and family resources they had access to by responsibly working, saving and insuring as required by law. Yet, these protections did nothing to diminish the emotional toll. So, one retiree considered his two months of unemployment a lifelong wound that would never heal. Such wounds confirmed, in the minds of retirees, the uselessness of planning in the face of misfortune cast solely in personal terms. ‘What’s the point of planning?’ asked me a retired bookseller whose mother fell ill and whose husband died on the very year she retired, replacing her travel plans with mourning and caretaking: ‘You can plan all you want but you never know what’s going to happen and make everything fall apart.’

‘I Don’t Care About Money’

In her ethnographic study of the liberalisation of Sweden’s pension system and financial responsabilisation of its citizens, Anette Nyqvist (2016) describes Swedes responding with a plea for ignorance along with the occasional remorse and desire to know more. In my own fieldwork on financial advice in Germany, I encountered similar pronouncements as well as some attempts to learn, particularly to ward off the much-publicised danger of insufficient pensions. Conversely, if there was one thing that all of the retirees I interviewed had in common, it was a wholesale dismissal of all things financial. Every last one of them professed not to care about money. They seemed bored when I asked about their finances while perking up when recounting other aspects of their lives. Some didn’t remember or pretended not to remember the height of their salaries, cost of their homes, amount of their loans or size of their savings. Others had to be reminded by a family member, overhearing my questions, about a house they left out or a loss they neglected to mention. Ingratiating of my interest in their finances, they often wondered at it.

These attitudes were not (or not only) expressions of privilege by people who never had to worry about money. Indeed, they crossed material divides. Even my interviewee whose life was most tragically impressed by lack of money (who suffered depression while welfare dependent, whose husband committed suicide because of debt and who now supplements her pension by cleaning houses twice a week) made a point of saying: ‘I have enough to pay the rent and my daily expenses: money means nothing to me.’ But she did have this to say about her fortunes. As soon as she had more money in her pockets, she abandoned the discount supermarket to shop at an organic grocer. Others spoke about scaling back when money was tight or spending, when they had more, on better cars, vacations abroad and so forth. Clearly, then, money did mean something to them. Specify, it meant a means of exchange with which to satisfy their consumption needs and desires. Their antipathy was confined to another traditional role of money, as a store of value. What they so emphatically rejected was money as finance: a resource whose value fluctuates over the years according to forces outside their control.

To be clear, all of them had actually used money as finance: taking out credit for a house, saving for the future or investing in their children's education. But like the couple quoted in the previous section, they saw these as banal components of their household economics, refrained from calculating their anticipated value and refused to give them any weight when reflecting on their fortunes. Those, they attributed to their personalities and choices, to the relationships they nurtured and above all to their work.

One way to make sense of this is by observing what happens when finance is superimposed. Pierre Bourdieu showed how finance reshaped the Algerian economy over half a century ago (1979). Credit, to be repaid with a set interest rate, forced upon Algerian peasants an awareness of the financial value of time and necessity for calculation. Those earning incomes that exceeded subsistence needs had to become proactive in organising their lives in relation to future opportunities. Yet even the luckiest among them, with permanent jobs, hoped to someday forego planning and live well with neither debts nor savings.³

Though their circumstances could not be more different, I did pick up on similar uneasiness about debt and savings among the retirees. Their aspirations were adjusted to their opportunities (to use Bourdieu's terminology) to the extent that they could consider their living standards as unremarkable given their relationships and work trajectories, while disregarding the external sources of financing they required and not worrying about how to sustain them over time. They studied things they found interesting and found jobs they'd been trained for. Some took pride in having stuck to jobs they didn't like to fulfil their breadwinning responsibilities while others switched to new jobs they liked better. They took on credit to buy houses when they felt confident they could repay their loans, without a second thought to real-estate values. They saved as much as they could as a precautionary measure but did not specify a tailored saving-instrument or a time-dated plan for how to spend their savings. And they paid little attention to the financial consequences of many personal decisions, trusting that they could continue supporting their families at an expected level.

A retired translator who had found increasingly lucrative contract work was scandalised when I asked if the higher pay was something she negotiated. 'I was brought up that you don't ask,' she insisted, 'that you don't talk about money at all'. Yet her musicologist husband had negotiated pay raises. He justified this – as did my other interviewees whose salaries have risen – by citing the growing needs of an expanding household. A retired corporate manager whose salary quadrupled over his work-life recalled his one-time mentor telling him that his salary may grow but the expectations of his family will grow apace, 'and he was right: The minute I made more money, we went on nicer holidays, had nicer cars. Sure, we had more leftover, but not that much because our family was spending more'.

The same applied lower down the pay scale. A retired social worker recalled how he and his wife could never afford to spend more than 800 deutschmark on rent. They kept to this limit by moving their family from one house to another, further out of town. Eventually, an inheritance formed the down payment for a house

with a mortgage whose monthly repayment was a bit lower than the rent. It allowed them to maintain their living standards without moving. Still, they tightened their belts when their children needed their higher education financed. After the children entered the workforce, he and his wife enjoyed two years in which they could save some of their earnings. Then he retired with a pension almost 40% below his last income. It suffices, however, now that the house is paid off and the children are financially independent.

Just as rising incomes corresponded to growing family expenses, lower pensions corresponded to declining expenses, not merely of paid-for homes and independent children but also of personal consumption. ‘Your priorities change as you grow older,’ a retired secretary explained,

I still meet friends but I invite them over or we go to a pub. Clothes are losing importance. I used to visit friends in Paris and buy cloths there. I love French fashion, it had a big influence on me and I spent money on it. But I don’t care so much now that I’ve stopped working. I spend less now, it’s as simple as that.

Responsible work and consumption habits were rewarded, in other words, by the institutionally supported long-term adjustment of desires and resources. It spared the retirees from having to manage risks, anticipate value fluctuations or plan ahead in a very deliberate and goal-oriented fashion, and it enabled them to be casual about their finances. Many stated that they are neither spendthrifts, having been schooled in frugality, nor must they watch every penny they spend. A few boasted that they had never taken out a loan. Those who had, had me know that they were conscientious about paying it off. In Germany, aversion to debt (the German word for debt – *Schuld* – also means guilt) is legion, but I was surprised to discover that savings were also an issue to the extent that the retirees didn’t want to manage them and keep their value in mind as financial planners instruct. One retiree considered selling her former house but balked at having to deal with the money. Another sold her late husband’s stock, which he’d received with favourable terms from the corporation he worked for, because she didn’t want to keep an eye on their performance. The bank doesn’t give her a moment’s peace, she complained, always calling up to suggest that she place her savings here or there. She refuses, saying: ‘I have what I have. I don’t want to make more.’

‘I had enough to do what I wanted so I was never interested in money,’ was how a divorced and childless retiree summed up his situation: ‘I hope to leave life with a balance of zero.’ Others pursued such a balance – the endpoint of finance – by passing on what they accumulated. A retired education-abroad administrator cheerfully expounded on his career accomplishments but met my queries about his finances with a whiff of impatience. ‘Look, I’m aware of what I have but I’m not keen on making more,’ he finally said,

what I spend I spend. I have a cushion and I can give to charities. I benefited from people’s help when I was coming up and now that I have money of my own, I’m lucky to be able to help others.

'We Produced Value'

In his history of the modern pension system, John Myles (1989) traced its popularisation after the Second World War to the commodification of labour. Governments linked pension entitlements to past work and earning levels and then modified them according to political criteria, including the demands of organised labour. In this sense, Myles concluded, the standardised life course is a political construct. Yet, linking entitlements to market criteria helped occlude the political aspects of this construct. Public pensions are part of a programme that would have individuals govern their lives through responsible investment. They institutionalise returns not only from work but also from savings. The value of work-life deductions is realised over time, reframing the life course itself as a kind of investment (Aitken 2017). Governance can thereby work at a distance while citizens regulate themselves through personal responsibility: they work, consume and save, while their personal objectives are synchronised with socially prized goals (Rose 1989).

Germany is a forerunner of this form of governance, according to Michel Foucault (2008), in recognising that unlike the free-market liberalism of the late nineteenth century, market competition and business require state assistance to create a society amenable to them. In what has come to be known as German ordoliberalism, the government assures the smooth functioning of markets by safeguarding competition in production, circulation and service provision, while assuring the reproduction of the workforce through public goods and services. Combined, these strategies encourage Germans to be enterprising and take responsibility over their fortunes.⁴ Indeed, it inspires Germans to extend their personal responsibility to social causes (Fischer 2014) while being oriented to thrift and austerity (Blyth 2013).

The importance that the retirees I interviewed attributed to their initiatives, efforts and frugality attests to the power of the ordoliberal project to encourage and incentivise this form of responsibility. They were all self-made as far as they were concerned. Sure, their families' resources influenced their fortunes yet, perceiving them as matters of chance, they found them barely worth mentioning in comparison to their own undertakings. Remarkably, they disregarded even their professional opportunities. Many got jobs thanks to personal contacts or serendipitous circumstances and their careers were institutionally enabled, supported and rewarded. But from their perspectives, their fortunes derived from the sheer fact of their lifelong work and prudent consumption. So, a retired accountant: her career at a Germany-stationed American military base began when, accompanying a friend for an interview, she was talked into testing for a vacant position. At first, her work was done by hand. When computers were introduced she was trained to operate them. Later the system got networked, occasioning further on-the-job training. Finally, as most of the work was performed via the Internet from the USA, German personnel were cut down. Only two years away from legal retirement, she could live off her unemployment benefits until her pension kicked in, both corresponding to her salary as a highly trained professional.

Institutionally supported training, work and insurance arrangements allowed and encouraged retirees to develop and apply their skills, initiatives and efforts. The retirees

would consequently consider these institutions (if at all) as mere background factors while their own investments loomed large. Those who did well at school, attained professional skills and switched from one job to another emphasised their having had the intelligence and resolve to carve out their own fortunes. All of my interviewees worked fulltime or (in the case of women with breadwinning husbands) part-time for most of their lives, save interruptions due to illness, childrearing, travel or unforeseen and temporary unemployment. Those who were satisfied with their pensions attributed them to decades of hard work without further ado. Those who were not complained about the pension system penalising them for this or that shortcoming despite decades of hard work.

The retirees who felt they were doing well had good reason to take pride in the steps they had taken to achieve their well-being. That these steps had been politically incentivised and validated was, for them, beside the point. A retired special education teacher's life history offers a good example of this. Aside from the modest pensions that he and his wife were receiving, their entire wealth was in their house. If they are ever in need of special care, they could sell it at a profit. An old barn house, they bought it many years back in a state of disrepair; financing the purchase with a loan they are almost done paying off. They took out this loan after he had been tenured, assuring him and the bank that he would be able to pay it off. They renovated the house with the help of his father and some friends, devoting weekends and summer vacations over many years to repair. 'We produced value though our own work,' he said, 'and it paid off: we could never have afforded this house otherwise'.

As was common for children of his social background, he had been sent to vocational school, followed by training for a printing profession that no longer exists. While working, he went to evening school to get a high-school diploma with which he could attend university to become a teacher, as he'd always wanted. He later availed himself of a public training programme for teaching special education. Excelling at his job, he assumed more responsibilities over the years, climbing up the pay grade. When reflecting toward the end of the interview upon his life, the house came up again: 'Our living standards improved steadily to the point where we live here and live well,' he said:

I'm the son of a mechanic. Today I'm squarely middle class. But if I would have continued doing what I was originally trained to do and hadn't been active, taking advantage of opportunities and doing my job well, I would never be where I am today.

As often happened upon hearing such stories, my mind wandered to friends and colleagues who are insecure and struggling despite similar efforts. The life histories of German retirees, in which planning was disdained and finance dismissed, was anchored in a political system that validated personal responsibility as exercised through work and prudent spending and saving. A gap has since opened up between people's readiness to work and spend responsibility and the assurance that they would be rewarded for it, to which financial planning is introduced as a stopgap. The institutionally incentivised responsibility of retirees has granted such credibility to their sense of personal initiative, effort and investment, that they could overlook the political institutions

that enabled it. To the extent that such oversight persists to this day, it allows the finance sector to redefine responsibility – which continues being held in high esteem – in a way that supports quite different institutional and political realities.

Conclusion

Shortly after taking up a fellowship in Germany I got a call from Deutsche Bank inviting me over to teach me how to ‘save better.’ Not one to pass up on an opportunity for research, I showed up at my bank, vaguely hoping to improve my finances in the process. Yet, as the banker sketched diagrams of short-, medium- and long-term saving strategies for me, their irrelevance became clear. With no desire to purchase a house, no children whose education I needed to finance and no assurances about how long I would remain in Germany or even employed to justify locking up regular contributions, I was hardly the right client for such a presentation. But who is? Certainly not the people I observed coming into finance seminars and consultancies, which rehearsed similar messages. Each for their own reason, they were likewise unable or unwilling to plot out their futures so meticulously.

The undoing of the institutional conditions that have allowed current retirees to take financial planning in stride has been gradual in Germany, where public insurance programmes as well as employment availability and protections are still high relative to financialised economies like the UK or the US. The standardisation of the life course into periods of preparation, work and retirement has likewise persisted to the present (Kohli 2017). Yet the most recent financial crisis as well as frequent warnings about pressures on Germany’s public pension system is giving some people pause, as is their being depicted as negligent and irresponsible for refusing to plan ahead. One financial planner, excited about how his business has picked up, told me that

people are now aware that they have to take their finances into their own hands. They see problems with Greece and also here, with low interest rates and markets in trouble. And you know what? I think that in 10 years from now it will be even better.

What is better for the finance sector, which profits from households placing their resources in circulation, shines less brightly for the current generation of workers. It is impossible to predict what the consequence of their willingness or reluctance to engage in planning might be but it is already evident that their lives will be punctuated by calls to make financial decisions about spending, saving and investing that the previous generation performed offhandedly and to manage risks of which their parents were blissfully ignorant. Judging from the rising popularity of financial advice offered from school age onwards, many are already anticipating that their fortunes will rely on making good decisions.

Financialisation is often discussed in terms of the dismantling of the risk-pooling pillars of the Keynesian state and the introduction of novel financial instruments for exploiting and allaying risk privately (Martin 2002; Bryan & Rafferty 2006; Langley 2008). The lifecycle hypothesis has been proposed as an alternative to Keynesian ideas of saving and investing, with financial planning along the lifecycle a key strategy of responsible risk management. But risk management also implies that the counterpart

to financial choices is financial mistakes, which can be fatal for one's material fortune. The fear of making such mistakes haunts the people now charged with borrowing and saving toward long-term goals.

In contrast, setbacks that the retirees I interviewed suffered had little to do with their financial planning. They sometimes lost money when real-estate prices slumped or when pension entitlements were reconfigured but it was hard for them to imagine how they could have done things differently. Almost all of them replied with a resounding no when I asked whether they regretted any financial decision they made. Some had to rack their brains for any noteworthy decision at all. The only ones who hesitated were those who, typically later in life, had in fact engaged in planning. So, a couple that, after heated discussions, drew on public subsidies to buy a second apartment in an East German town after Reunification to fix up and rent out. The hoped-for nest egg turned out to be a money guzzler. When he mentioned supporting East German development she snickered, and when she claimed that 25 years later they are barely breaking even, he countered that they've never done the math to know this for a fact. Whether or not the investment has been a good one, it weighed on them, and it was a weight by which other retirees were unencumbered.

With financial planning being the demand *du jour*, no one among the current generation of workers in Germany, as in most advanced economies, will be so carefree. The finance sector sends out ominous warnings about the dire consequences of not planning for the future. If people's inaction will indeed be an ultimate source of regret, the same will likely apply to the steps they take for the sake of their future should they turn out to have been the wrong ones. With little indication of what to expect and a heightened awareness of potential regret, the anxieties of the present are compounded.

The finance sector renders the demands of finance familiar and reassuring by ideological work. Specifically, they rehearse the cherished values of personal responsibility, which (they imply) is what has made Germany's retirees as well off as they presumably are. This occludes the fact that responsibly for Germany's retirees means something different from what it does for the finance sector. Having exercised it through work, thrift and matching of their living standards to their incomes, they maintain antipathy toward finance and its management. That responsibility today translates into placing money in circulation through time-dated debt and saving instruments with a range of risk and value prospects from which to choose according to lifecycle goals shows how far the term has been stretched to accommodate the demands of finance-led accumulation.

In the first instance, then, the life histories of German retirees simply demonstrate how things were once different. But on a deeper level, they bring out, by way of contrast, the ideological work that prepares the ground for financialisation in a non-financialised economy like Germany's. Attuned to the demands of personal responsibility as it has long been defined, its current workers invest, to the extent that they can, in education or training, seek steady employment and forego some consumption when possible in order to save. But they are also made aware of the risks they nevertheless face as future retirees. Their fortunes are said to be too unpredictable to count on their education, work and thrift to secure it. Finance insists that responsibility means managing risks through lifecycle planning.

One thing this definition shares with prior understandings of responsibility is its effacement of the political conditions that make each credible at a certain point in time. So long as people focus on their personal choices and the consequences thereof to the exclusion of politics and history, they are also easy prey for finance to foist upon them more risks than they bargained for and to convince them that this is a part and parcel of personal responsibility as it has always been understood. It takes some retrospection on lives already lived and the institutions in which they were embedded to expose the treacherousness of prospection in the present moment; a prospection endorsed by the finance sector's demand that workers use financial instruments and manage risks as they engage in lifecycle planning.

Notes

1. I decided to restrict my study to the West after collecting several life histories from retirees who had grown up in the German Democratic Republic and finding that too many of their work, consumption and saving practices were determined politically rather than guided through their personal sense of responsibility to reveal much about continuities and discontinuities in responsibility over the lifecycle.
2. Martha Starr (2009) argues that standardized financial practices are outcomes of habit and influence: buying a house when starting a family or saving for retirement upon reaching adulthood because that's what everyone else does. She adds that many people are now struggling because the practices they imitated had worked well for their parents but do not fit current conditions.
3. Relatedly, lifecycle models are stretched to accommodate empirical evidence that rather than actively planning, people prefer having their hands tied by savings instruments that relieve them of the need to calculate (Attanasio & Weber 2010).
4. Political scientists (e.g. Mau 2003; Streeck & Yamamura 2005; Plumpe 2016) remind us that the ordoliberal doctrine was only credible in Germany by virtue of favorable material conditions such as successful export-savings growth that fueled accumulation while accommodating demands by powerful trade and labour unions.

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