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NEON, James Robertson, PIRC & Debt Justice

# How to talk about about debt

A Messaging Guide

## FRAMING PRINCIPLES

* **Open with the importance of self-determination for everyone**

Start your message with a shared value to connect with your audience, build affinity and get them onside. Build your message on values around self-determination. Talk about people having the freedom to get where they need to in life, to take care of their family, to get the things they need to live a good life. This sets up debt as something that **inhibits our journey** through life.

**EXAMPLE MESSAGE**

- No matter our background, how much is in our wallet or where we live, most of us put effort and pride into what we do, whether we're caring for loved ones, grafting between jobs or working 9-5.
- No matter the colour of our skin, how much we have or where we call home, most of us want to be able to live a good life where we can achieve what we want, look out for our loved ones and rest when we need to.

* **People are forced into debt traps - point the finger of blame at this government**

Your message needs to challenge the strongly held belief of individual responsibility - that people choose to go into or "fall" into debt. Show how over a decade of this government's cuts to welfare and public services, lack of affordable housing, skyrocketing prices of energy and food and the fact that wages have been suppressed for years has "forced" people to borrow money in order to pay for the things they need. This has pushed record numbers of people into heavy debt.

**USING 'THE TRAP' METAPHOR**

Using the metaphor of "the trap" gives you the opportunity to talk about how the shredded safety net, flatlining wages and sky high rents are all features of an economic system presided over by a government that has put corporate profits before people. In

doing so, the government set the debt traps that so many people are caught in. People who, with no other choice but to borrow or fall behind on bills, are sitting ducks for extortionate lenders.

**EXAMPLE MESSAGE**

- For over a decade, this government has cut financial support for people whose wages haven't increased in years. They have taken money away from critical services we need. Their recklessness has forced around 13 million people into borrowing money to pay rent and energy bills,to put food on the table and to pay for the bus to get to work.

- Everyone is feeling the bite but it is people who are on the lowest incomes who are hit the hardest. Opening a bill, going to the supermarket or buying a train ticket, families are left reeling. Working out how they will make it to the end of the month and cover the essentials is becoming impossible for more and more of us. This government lack of real support has trapped even more families, who are simply trying to pay for what they need, in debt.

* ## Compare the economy (and people within it) to an object in motion

The language used to describe the economy often suggests that it is natural or organic beyond human control. For example, we are told to "weather economic storms", or wait for "investment to flow". Instead, remind people that the economy is a product of human endeavour by comparing it to a man-made object in motion like a vehicle or a means to facilitate a journey like train tracks. I.E. talk about what "drives" our economy, how you" jump start it" or why we're "stuck in dead ends".

This way of talking about the economy sets up the opportunity to talk about debt as something that inhibits motion: "a trap", something that "weighs you down" or is "baggage to carry" especially if you're "heavily indebted". This metaphor can be used at an individual level e.g. talking about individuals "pursuing happiness", "careers going nowhere" or "moving along", or at a national level e.g. talking about how "this government's economic policy is driving us off the road" or "risks crashing the economy". See Anat Shenker Osorio's book Don't Buy It for more.

**EXAMPLE MESSAGE**

As prices of essentials like food, rent and fuel rise and incomes fall,

borrowing money and juggling payments has become a survival strategy for people stuck between a rock and a hard place. Weighed down by debt, many families struggle to move forward with their lives.

* ## Explain who “creditors” are and how they are enabled by this government’s choices

Rather than talking in general terms about “creditors", name who they are: big banks, energy companies, payday loan sharks and other predatory lenders. Show how creditors and bailiffs take advantage of people who have been made financially vulnerable by this government’s lack of financial support for people and investment in communities.

Talk about the need for better protection for people from exploitative creditors and bailiffs whilst including naming the government responsible for creating an economy where people are forced to borrow money to pay for food.

**EXAMPLE MESSAGE**

- Big banks, payday loan sharks, bailiffs and predatory lenders are cashing in on the fact that this government’s recklessness with the economy means prices have risen but wages haven't.
- This government continues to take away the financial support people could use to get back on track when they meet obstacles like falling sick, losing a job, or having to move house. This means that so many of us have no choice but to borrow money to survive.

* ## Spell out the impact of being trapped in debt

Explain why debt and mental distress go hand in hand. Try to use concrete examples to illustrate the stress and anxiety caused by problem debt and the vicious cycle it creates, as mental health issues lead to further financial, social and health difficulties. More broadly, explain how, because of the social stigma and guilt associated with indebtedness, people feel a moral responsibility to put their dreams or aspirations on hold for years or even decades until their debts are repaid, narrowing the horizons of millions of people.

**EXAMPLE MESSAGE**

When we don't even have money for the essentials, how are we supposed to pay back extortionate loans or foot an unexpected bill?? No wonder half of us in problem debt also experience mental health issues. This stress and anxiety creates more problems like having to take time off work and makes us increasingly isolated from our communities and wider society.

When we're stuck in debt traps we can't move on with our lives, our plans are put on hold: we can't set up a new business, get married or go back into education to learn new skills. Debt like this controls our lives, cancels our future.

- ## Show change is possible and people can make it happen

Fatalism is a major barrier to people feeling like change is possible and getting involved to make it happen. To tackle this talk about the changes that we've already made and spell out the role of people in making it happen.

**EXAMPLE MESSAGE**

Together we successfully campaigned to convince the government to cap the cost of credit and drove payday lenders and 'rent to own' businesses out of our communities. People came together, picketed, lobbied and organised to make that happen.

- ## Keep it simple, tangible and relatable

Your message needs to be easy for people to grasp. Economic literacy amongst the public is quite low so don't use economic jargon and expect your message to land. Be selective about which concepts, policies or regulations to talk about based on what you think people could immediately understand. Ground your comms in people's everyday experiences, so rather than talking about inflation talk about the price of food and petrol going up.

**EXAMPLE MESSAGE**

Without a proper safety net of financial support from this government, many of us have no choice but to borrow money to put food in the fridge and a roof over our heads.

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# CORE MESSAGE

**Value**

No matter our background, how much is in our wallet or where we live, what most of us want is to put effort and pride into what we do, whether we're caring for loved ones, grafting between jobs or working 9-5. We want to live knowing that we have what we need to get where we want to in life and overcome any obstacles we face along the way.

**Problem**

But right now we are facing so many obstacles without the support to overcome them. Our wages have been kept low, the prices of the things we need from food to energy to rent, are being hiked up. On top of that, this government has stripped away financial support that could give families meaningful support to get back on track.

**Impact**

Without any support from this government, so many of us who aren't paid nearly enough are being forced to borrow money from big banks or payday loan sharks out to make a killing preying on people who are trapped.

And as the cost of things continue to rise, so does the debt leading to high levels of stress and anxiety for people. Stress that wreaks havoc in our lives, stops us from going to work, from being there for family, and simply living our lives.

At this very moment, there are nearly thirteen million people in the UK who are weighed down by crippling debt - that's more than the population of Scotland, Wales and Northern Ireland combined. Once in debt, it's hard to get out. Too often it becomes a trap, keeping people stuck in debt, poverty and hardship for years.

**Solution**

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We need to come together to demand that this government starts looking out for all of us. This starts with providing better routes out of debt for people when their debt becomes unmanageable, cracking down on exploitative lenders and ending harassment from debt collectors. But it doesn't stop there, we demand that this government put policies in place that provide proper support for families to pay for the things they need and pressure companies to raise wages so that we all have what we need to get our lives back on track.

## STATS THAT TELL A STORY

1. Around 13 million people in the UK are now weighed down by debt, that's more than the entire population of London and Birmingham combined. (Guardian, 2023). Almost half (45%) of us trapped in debt live in the very poorest households in the UK (Debt Justice, 2018).
2. Over a third of people on low incomes are trapped in debt, on average, spending nearly half (40%) of their monthly incomes on repayments. (Debt Justice, 2022)
3. People of Black and minority ethnic backgrounds are almost twice as likely to be in serious debt as white people. (Debt Justice, 2022)
4. Out of the population living with problem debt three-quarters (74%) are unhappy and 70% often feel anxious because of their debt (Money Advice Service, 2013)
5. Low-income families owe a total of £14.2bn of unsecured debt, costing them £3.9 billion a year (£680 per household) in repayments. (Joseph Rowntree Foundation, 2023)

## WORDS THAT WORK

| Do say... | Don't say... | Why... |
|---|---|---|
| People are forced/pushed into debt<br><br>People are forced to borrow money to pay for the things they need | *People are in debt*<br><br>*People fall into debt* | *Avoid using language that is passive and implies individual responsibility. Most of the people who are in debt are forced into it because they don't have a choice.* |

| | | |
|---|---|---|
| People are forced/pushed into debt traps | | |
| This government's recklessness with our economy forces people who are struggling to make ends meet into debt traps. | *The system is rigged* | *Although "the system is rigged" might resonate with people it risks cueing fatalism as it conjures that society is controlled by shadowy elites rather than specific politicians, political parties and/ or corporations* |
| Big banks, energy companies, payday loan sharks, doorstep lenders, bailiffs, debt collectors | *Creditors* | *Specifically name the villain in the story and avoid abstract terms* |
| Bank loans, overdrafts, credit card bills, borrowing to get by | *Credit, debt, personal or household debt* | *Avoid abstract terms. Avoid "in debt" where possible as it's another way of saying being grateful for a favour* |
| People, our communities/ Neighbours, specific people | *Consumer* | *Consumer is dehumanising* |
| Need | *Rely, depend* | *Avoid cueing an "addiction" frame as it obscures the external factors that force people into debt* |
| People are trapped, dragged or weighed down, held back | *People are being left behind* | *"Left behind" makes it sound like forgetfulness rather than intentional decisions* |
| Fractions or comparisons e.g. "the population of Birmingham" | *Percentages or big numbers* | *More tangible, easier for people to visualise* |
| Food, gas, electric, rent, | *Cost of living, basic goods* | *Where possible spell-out the* |

| | | |
|---|---|---|
| petrol | | *costs we are talking about.* |
| People care about earning enough to look after their loved ones and get what they need | *Living in dignity* | *Focus groups have shown us phrases like 'living in dignity' don't resonate with the general public - use simpler language.* |



## COMMON ATTACKS

**ATTACK: People need to learn to get their budget under control, if families spent less money on frivolities they'd not get into debt!**

*RESPONSE: Parents have no control over the price of food. Pensioners have no control over the cost of fuel to heat their homes. Nurses and carers don't set tax rates. Last year BP made more money in two minutes than a middling British family makes in a year. [The company made £23 billion profit in 2022] that's £44,000 per minute. This government has choices, it could choose to cap energy prices, it could cap the interest charged on credit cards and provide solutions for everyone weighed down by debt to reset their finances and have a fresh start. But instead it is happy to pass the burden down to those already struggling.*

**ATTACK: People expect too much. If you haven't got enough money, you can't go on holiday**

*RESPONSE: There are now nearly 13 million people in the UK in severe debt. That's more than the entire population of London and Birmingham. Most sensible people would ask, why are so many people in debt and why are there 5 million more people in debt now than there were five years ago? The answer is that, more and more, people are having to borrow just to cover the costs of the basics like food, electricity and rent? Why? Well this government's economic agenda has meant that wages haven't kept up with prices, and the safety net which is supposed to catch us is threadbear. So people are forced to borrow to make ends meet.*

*Is it really too much to expect, in a compassionate society, that cares about the wellbeing of people, to have some time off from time to time?*

**ATTACK: Won't the government wrapping up lenders in all this red tape block desperate people from being able to access the credit they need to survive**

*RESPONSE: No, we need ethical and affordable credit to help people borrow when they need to. However, high cost exploitative lending can suck almost unlimited profits from our communities by charging sky-high fees to people with nowhere else to turn, pushing them further into debt. We also need to be asking, why do so many people need to borrow just to survive right now. It's because this government took its hands off the wheel and the economy crashed. It's because our wages aren't keeping up with the cost of the things we need to live - like putting food in the fridge and keeping a*

*roof over our heads. So now over a third of people on low incomes are heavily in debt and are spending nearly half of their monthly incomes on repayments. They're in debt traps laid by an economy that is geared towards maximising corporate profits rather than meeting human needs. Surely after the mess they've made, the least this government can do is protect people from the irresponsible, predatory lenders preying on those stuck between a rock and a hard place*

**ATTACK: If we allow people with unpayable debt to write off their debts won't people just borrow more recklessly?**
*RESPONSE: No, evidence shows that people want to pay their debts off in full, because of the stigma and sense of failure that comes with being unable to meet your repayments. Some people who have insolvency options available to them still choose to pay back their debts in full as they blame themselves for their situation. Personal insolvency solutions come with multiple penalties and the decision is not taken lightly. People who access insolvency have it recorded on a public register, their credit scores are harmed and they will often pay more for financial products as a result. All people in unpayable debt deserve to have a fresh start available to enable them to rebuild their lives and fully contribute to society.*

## WHERE THE PUBLIC ARE AT

We found a number of strong strands of thought in the public consciousness about debt. Many of the beliefs commonly held make it harder to argue for progressive policies. For example, personal debt is often seen as 'inevitable' and that it's 'fair' to lend people money at high interest rates if they are less likely to pay it back. Similarly many people blame those in debt for their situations. As with all economic concepts debt is often seen as abstract, and is widely misunderstood.

Our main findings were:

1. **Debt is seen as ubiquitous and bad.**

   94% of people think the UK has a debt problem (Payplan, 2017).

   Four in 10 people fear they would get into debt if they lost their job today (Mirror, 2023)

   31% of people think you should avoid all debt - even credit cards.

   The coverage of Wonga and other payday lenders has made that kind of debt particularly unpopular.

2. **People don't want to see themselves as being in bad debt**

   There's a marked difference between debts which are seen as an investment, such as mortgages and student loans, to ones which are seen as 'bad' like payday loans and credit cards.

   Debt is associated with shame.

3. **The metaphors that people use to talk about debt are threatening**

   Debt as a pest - 'under control'

   British economy 'freed from its debts'

   Debt as a moral stain - intergenerational

   Debt as a trap - 'easy to get into, hard to get out of'

4. **People (particularly the young) think it's a priority to avoid debt**

   For millennials paying debt is a top priority.

   46% define financial success as being debt free.

   Millennials more sceptical of credit cards than previous generations.

5. **People in debt are stigmatised and blamed for their situation**

   It's a moral failing/character flaw to get into debt.

   People see the economy as a container - you need to put in what you take out.

   Psychological failing - people who can't control spending. Addict profile.

   Skills failing - people need to be educated/understand better how to manage their money.

   Over 55s are more likely to blame individuals for debt.

6. **Most people understand that causes are complex and inter-related**

   Debt is seen as normal, everyday - and it's not clear if people see debt as necessary.

## RESOURCES

- **Framing the Economy: how to win the case for a better system**
  *NEON, NEF, Frameworks institute, PIRC*
- **Don't Buy It: The Trouble with Talking Nonsense about the Economy**
  *Anat Shenker Osorio*
- **How to Talk About Government**
  *FrameWorks Institute*

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