DEBT STIGMA AND SOCIAL CLASS

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ABSTRACT

For as long as creditors have been extending credit to consumer debtors, Western society has stigmatized those individuals who failed to repay their financial obligations or who found themselves swamped by unmanageable debt. Over the past three decades, scholars have studied whether the stigma surrounding indebtedness and bankruptcy has declined or increased in American society, mainly due to the sharp spike in consumer bankruptcy filings during the 1990s.

These studies have resulted in a general debate over whether debt stigma still exists in society. Absent from the scholarly literature to date is an exploration of whether debtors from different social classes have varied conceptions of what it means to be financially indebted or to file for bankruptcy protection. Consequently, this Article is the first attempt to study empirically whether debt stigma varies by socioeconomic class.

Using quantitative data from the General Social Survey, the findings of this study suggest a systematic pattern between debt stigma and social class. Specifically, the higher an individual's social position based upon factors such as income, education, occupational prestige, and self-identified social class, the greater the likelihood of agreeing with the idea that an individual has a right to commit suicide as a result of serious financial problems. This measure reflects whether one would or should feel shame, stigma, or embarrassment because of troubling financial debt.

This quantitative finding is then situated within the social psychology literature, opining that finding oneself in severe financial straits has a direct bearing on a person's social identity and self-esteem—matters inherently tied to social class.

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INTRODUCTION

The relationship between debtor and creditor is one of unequals. While it may be the case that at the inception of their relationship the parties may be of equal standing, once the creditor dispenses the funds to the debtor a "logic of hierarchy takes hold[,]"[1] whereby the debtor can only restore herself to equality through the full repayment of the indebtedness. The failure to repay the debt is much more than simple economics—notions of morality undergird the entire debtor–creditor relationship.[2] Indeed, in the languages of early Western Europe, the word "debt" was synonymous with "fault," "sin," and "guilt."[3] More significantly, the maxim "one must pay one's debts" has been taken as a foregone virtue since the earliest civilizations.[4] The failure to repay one's financial obligations has historically been viewed as a shirking of one's responsibilities.[5]

This underlying notion of morality in the debtor–creditor relationship is exemplified by both religious doctrine and Western European history. "The world's major religions, Judaism, Christianity, Islam, and Hinduism, have always instilled in their followers a moral code and conviction that they must avoid becoming a debtor and, if the follower does become a debtor, then they stress the importance of repaying one's financial obligations."[6] As perhaps a consequence of these religious teachings, broken financial promises led to extremely harsh treatment of debtors both in Europe and in the United States prior to the mid-nineteenth century.[7] The historical record is replete with evidence of debtors and "bankrupts" being subjected to various forms of punishment, including pillory and indentured servitude, in addition to various public shaming rituals.[8]

The physical harshness by which society historically treated debtors has now faded, of course, but the moral opprobrium directed at individuals

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1. DAVID GRAEBER, DEBT: THE FIRST 5,000 YEARS 121 (2011); *see also* BRETT WILLIAMS, DEBT FOR SALE: A SOCIAL HISTORY OF THE CREDIT TRAP 6 (2004) (describing the debtor–creditor relationship as "embodied domination").

2. *See* Todd J. Zywicki, *Bankruptcy Law as Social Legislation*, 5 TEX. REV. L. & POL. 393, 395–96 (2001) ("Individual bankruptcy has been morally condemned throughout most of human history.").

3. GRAEBER, *supra* note 1.

4. According to David M. Tucker, Benjamin Franklin transformed notions of frugality and repaying debt "into part of the middle-class ethic." *See* DAVID M. TUCKER, THE DECLINE OF THRIFT IN AMERICA: OUR CULTURAL SHIFT FROM SAVING TO SPENDING 9–10 (1991).

5. GRAEBER, *supra* note 1, at 4; *see also* Douglas R. Rendleman, *Bankruptcy Revision: Procedure and Process*, 53 N.C. L. REV. 1197, 1201 (1975) (noting generally that "[s]ociety believes that people should pay just debts").

6. Michael D. Sousa, *Bankruptcy Stigma: A Socio-Legal Study*, 87 AM. BANKR. L.J. 435, 446 (2013).

7. *See* Rafael Efrat, *The Evolution of Bankruptcy Stigma*, 7 THEORETICAL INQUIRIES L. 365, 366 (2006).

8. Sousa, *supra* note 6, at 448.

who either cannot pay back their debts or who file for bankruptcy protection is arguably as stinging as ever.[9] From a cultural perspective, personal indebtedness is still considered "a matter of self-indulgence" in both the United States and most Western European countries.[10] Despite the combination of stagnant wages and the emergence of significant income inequality in the United States since the 1970s,[11] together with a shifting of the social safety net away from government and corporations and onto the shoulders of individuals and families,[12] American society still stigmatizes those who fail in the economic game of life by incurring unmanageable financial debt.

The most powerful way for a debtor to relieve herself of the pressures of unmanageable debt is to file for bankruptcy with the goal of receiving a "discharge" of indebtedness.[13] Most scholarly attention regarding the stigmatization of debt has been in the context of bankruptcy law, perhaps for obvious reasons. Since the passage of the modern Bankruptcy Code in 1978,[14] scholars and commentators have debated whether the stigma surrounding indebtedness and filing for bankruptcy still exists, and if so, whether this stigma has either increased or declined in the roughly three decades following 1978.[15] This debate took on greater relevance in the

9. *See* Zywicki, *supra* note 2, at 396–97 ("The emergence of this moral indignation is 'aroused by the perception of injustice; as such it is part of the emotional underpinning of human morality.'") (citation omitted).

10. *See* GRAEBER, *supra* note 1, at 379.

11. *See* DOUGLAS S. MASSEY, CATEGORICALLY UNEQUAL: THE AMERICAN STRATIFICATION SYSTEM 48–49 (2007).

12. JACOB S. HACKER, THE GREAT RISK SHIFT: THE NEW ECONOMIC INSECURITY AND THE DECLINE OF THE AMERICAN DREAM 21 (2008).

13. Nancy C. Dreher & Matthew E. Roy, *Bankruptcy Fraud and Nondischargeability Under Section 523 of the Bankruptcy Code*, 69 N.D. L. REV. 57, 57 (1993) ("The most sweeping remedy available to a debtor in bankruptcy is the discharge of the debtor's personal liability to his or her creditors.").

14. For a historical discussion of the development of bankruptcy law in the United States, see generally F. REGIS NOEL, A HISTORY OF THE BANKRUPTCY LAW (William S. Hein & Co., Inc. 2003) (1919); DAVID A. SKEEL JR., DEBT'S DOMINION: A HISTORY OF BANKRUPTCY LAW IN AMERICA (2001); CHARLES WARREN, BANKRUPTCY IN UNITED STATES HISTORY (1935); Charles Jordan Tabb, *The History of the Bankruptcy Laws in the United States*, 3 AM. BANKR. INST. L. REV. 5 (1995).

15. *See, e.g.*, F.H. Buckley & Margaret F. Brinig, *The Bankruptcy Puzzle*, 27 J. LEGAL STUD. 187, 194 (1998) (arguing that "the increase in filing rates might be attributed to a decline in social sanctions for promise-breaking and the loss of a sense of shame one feels when such values are internalized"); Rafael Efrat, *Bankruptcy Stigma: Plausible Causes for Shifting Norms*, 22 EMORY BANKR. DEV. J. 481, 483 (2006) (discussing the justifications for the shift in societal sentiments regarding filing for bankruptcy); Efrat, *supra* note 7, at 392 ("Hence, the data suggest that the attitudes of the American people about bankruptcy petitioners changed in the United States following the 1960s and have become more sympathetic towards bankruptcy petitioners."); Sousa, *supra* note 6, at 463 (finding in a qualitative study that "the overwhelming majority of debtors experienced deep feelings of shame and embarrassment" about having to file for bankruptcy); Zywicki, *supra* note 2, at 405 ("It is generally accepted that one of the factors driving the upward trend in bankruptcy filing rates in recent decades has been a general decline in the social stigma associated with filing bankruptcy.")

mid-1990s when the bankruptcy courts experienced a significant spike in the number of consumer bankruptcy filings, albeit at a time when the economy was generally robust.[16] As a consequence of this phenomenon, the credit industry commenced a successful campaign convincing Congress that individual debtors were "abusing" the bankruptcy process by filing for bankruptcy at a time when they had the capacity to repay all or a portion of their debts.[17] The 2005 Amendments to the Bankruptcy Code through the Bankruptcy Abuse Prevention and Consumer Protection Act (BAPCPA) were predicated, in part, on the belief that debtors were abusing the bankruptcy process and that the shame and stigma associated with bankruptcy had eroded.[18]

In the past, scholars have studied the phenomenon of debt and bankruptcy stigma using both qualitative and quantitative research methods. The past qualitative studies (including my own) explored bankruptcy and debt stigma by sampling on the dependent variable, namely, by interviewing individuals who had filed for bankruptcy protection or who enrolled in Debtors Anonymous, and gauging their thoughts and experiences about the entire process, including feelings of stigma and shame.[19] To date, the quantitative studies have examined debt

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(citation omitted). *See generally* Henry J. Sommer, *Causes of the Consumer Bankruptcy Explosion: Debtor Abuse or Easy Credit?*, 27 HOFSTRA L. REV. 33, 39 (1998) ("At bottom, the creditors' argument that there is no more stigma is really based upon circular reasoning. According to the creditors, there are so many bankruptcies these days, so there must not be any more stigma."); Teresa A. Sullivan, Elizabeth Warren & Jay Lawrence Westbrook, *Less Stigma or More Financial Distress: An Empirical Analysis of the Extraordinary Increase in Bankruptcy Filings*, 59 STAN. L. REV. 213, 214–15 (2006) ("The data we present are not consistent with the claim that declining bankruptcy stigma has fueled an increase in bankruptcy filings. Instead, the data are far more consistent with the hypothesis that increased filings result from increased financial distress, and they hint that, despite loud claims to the contrary, the stigma of bankruptcy may actually be increasing."); Scott A. Fay, Erik Hurst & Michelle J. White, *The Bankruptcy Decision: Does Stigma Matter?* (Dep't of Econ., Univ. of Mich., Ann Arbor, Working Paper No. 98-01, 1998), https://papers.ssrn.com/sol3/papers.cfm?abstract_id=70915 (opining from a quantitative analysis that the social disapproval of bankruptcy has decreased over time).

16. TERESA A. SULLIVAN, ELIZABETH WARREN & JAY LAWRENCE WESTBROOK, THE FRAGILE MIDDLE CLASS: AMERICANS IN DEBT 3 (2000).

17. Michael D. Sousa, *The Principle of Consumer Utility: A Contemporary Theory of the Bankruptcy Discharge*, 58 U. KAN. L. REV. 553, 571 (2010); *see also* Robert J. Landry, III, *The Policy and Forces Behind Consumer Bankruptcy Reform: A Classic Battle Over Problem Definition*, 33 U. MEM. L. REV. 509, 515 (2003) ("Debtor-oriented groups blame creditors for the large amount of credit card debt and consider this the cause of increased filings. The pro-creditor groups blame individuals for not being responsible consumers and abusing the bankruptcy system.") (internal citations omitted); James J. White, *Abuse Prevention 2005*, 71 MO. L. REV. 863, 865 (2006) ("Critics maintain that the increase in [bankruptcy] filings is attributable to the disappearance of shame and to the new generosity of the bankruptcy law that came with, and as a result of, the Code of 1978.") (citation omitted).

18. Sousa, *supra* note 6, at 437.

19. *See generally* Terrell A. Hayes, *Stigmatizing Indebtedness: Implications for Labeling Theory*, 23 SYMBOLIC INTERACTION 29 (2000); Sousa, *supra* note 6; Sullivan, Warren & Westbrook,

and bankruptcy stigma indirectly, using various econometric models to test whether general stigma surrounding indebtedness and filing for bankruptcy increased or decreased, particularly during the 1990s when bankruptcy filing rates spiked significantly.[20]

This quantitative study takes a different approach by examining the existence of debt stigma more directly through a nationally representative sample of Americans who participated in the biannual General Social Survey ("GSS") conducted by NORC at the University of Chicago.[21] Very few large-scale, representative, or longitudinal datasets ask respondents about debt or bankruptcy. However, commencing on a fairly consistent basis since the 1980s, the GSS has asked respondents a question that reflects one's attitude towards severe indebtedness: "Do you think a person has the right to end his or her own life if this person has gone bankrupt?" However, the GSS does not specify to respondents what "gone bankrupt" means, namely, whether this is synonymous with filing for bankruptcy protection. Consequently, the phrase "gone bankrupt" could mean different things to different individuals. It is possible that respondents could interpret "gone bankrupt" to mean either: (1) actually filing for bankruptcy; (2) having severe debt problems together with the inability to pay back this debt; (3) having an income insufficient to keep up with current debt payment obligations; or (4) having assets valued at less than the extent of the individual's outstanding debts. Regardless of how respondents may internalize the import of this survey question, it is reasonable to presume that it prompts respondents to ponder whether having financial difficulties is serious enough that suicide would be an acceptable response to the financial strain.

For purposes of this Article, an affirmative response to this survey question is used as a proxy for the stigma surrounding debt. That is, a "yes" response is considered a reflection of the shame, stigma, and embarrassment one would or should feel (internally or externally) over being indebted to a significant degree. Methodologically, the GSS

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supra note 15, at 213; Deborah Thorne & Leon Anderson, *Managing the Stigma of Personal Bankruptcy*, 39 SOC. FOCUS 77 (2006).

20. *See*, *e.g.*, Kartik Athreya, *Shame as It Ever Was: Stigma and Personal Bankruptcy*, 90 FED. RES. BANK RICHMOND ECON. Q., Spring 2004, at 1 (using levels of unsecured borrowing and bankruptcy filing rates to explain the existence of stigma); Fay, Hurst & White, *supra* note 15 (using aggregate bankruptcy filing rates at the national and state levels to test for the presence of bankruptcy stigma); David. B. Gross & Nicholas S. Souleles, *Explaining the Increase in Bankruptcy and Delinquency: Stigma vs. Risk-Composition* (Wharton Fin. Insts. Ctr., Univ. of Pa., Working Paper 98-28-B, 1998), http://d1c25a6gwz7q5e.cloudfront.net/papers/53.pdf [https://perma.cc/D2VF-LD4U] (contending that debt stigma had declined in the mid-1990s based upon increased credit card delinquencies).

21. *See generally* NORC, GENERAL SOCIAL SURVEY, http://gss.norc.org [perma.cc/8H6S-8K7E].

question is being treated as one concerning debt stigma rather than suicide precisely because the question does not ask respondents whether they themselves would commit suicide or presently have feelings about suicide due to their own indebtedness.[22]

To date, the scholarly literature on debt and bankruptcy stigma has generally treated all debtors as a singular class of individuals. Absent from this literature, however, is an examination of whether debtors from different social classes have varied conceptions of what it means to be indebted or to file for bankruptcy protection. This Article adds to the current literature on the stigma surrounding debt by exploring whether individuals experience and perceive indebtedness differently according to their social position. As Brett Williams has astutely noted, from a cultural and sociological perspective, people "experience and imagine debt according to different social positions."[23] Consequently, this Article is the first study to empirically address notions of debt stigma according to social class.

The data from this empirical study suggest that the higher an individual's position based upon factors of social class—such as income, educational level, occupational prestige, and self-identified social class—the higher the odds an individual will agree with the "suicide upon going bankrupt" survey question (hereinafter the "debt–stigma" or "suicide-upon-bankruptcy" question). This quantitative finding is then situated within the sociological social psychology literature, theorizing that finding oneself in severe financial straits or resorting to the bankruptcy process

22. There is robust literature in the social sciences regarding the association between socioeconomic disadvantage and mental health, including suicide. *See, e.g.*, Patricia Drentea & John R. Reynolds, *Neither a Borrower Nor a Lender Be: The Relative Importance of Debt and SES for Mental Health Among Older Adults*, 24 J. AGING & HEALTH 673, 688 (2012) (arguing that "in modern society, indebtedness is a key component underlying the relationship between socioeconomic position and mental health"). *See generally* Sarah Bridges & Richard Disney, *Debt and Depression*, 29 J. HEALTH ECON. 388 (2010) (finding that respondents who subjectively perceived themselves as having debt problems reported a greater incidence of depression); Sarah Brown, Karl Taylor & Stephen Wheatley Price, *Debt and Distress: Evaluating the Psychological Cost of Credit*, 26 J. ECON. PSYCHOL. 642 (2005) (finding empirically that heads of households reporting substantial debt have significantly lower levels of psychological well-being compared to those without any debt); Simon Hatcher, *Debt and Deliberate Self-Poisoning*, 164 BRIT. J. PSYCHOL. 111 (1994) (finding a high prevalence of debt problems among self-poisoning psychiatric patients); R. Jenkins et al., *Debt, Income and Mental Disorder in the General Population*, 38 PSYCHOL. MED. 1485 (2008) (finding that the more debt an individual possessed, the more likely that he or she suffered from mental disorder, neurosis, psychosis, alcohol dependency, or drug dependency); H. Meltzer et al., *Personal Debt and Suicide Ideation*, 41 PSYCHOL. MED. 771 (2011) (finding personal debt to be a significant correlate of suicide ideation among respondents in a national survey of psychiatric morbidity of adults in England); Deborah Thorne, *Extreme Financial Strain: Emergent Chores, Gender Inequality and Emotional Distress*, 31 J. FAM. & ECON. ISSUES 185 (2010) (finding that indebted wives reported instances of depression as well as thoughts of suicide and death).

23. WILLIAMS, *supra* note 1, at 8.

has a direct bearing on a person's identity and self-esteem—matters inherently tied to social class.

This Article proceeds as follows: Part I details the prior scholarly literature on debt and bankruptcy stigma; Part II discusses the study's methodology and presents the quantitative findings; Part III offers a discussion through which the statistical findings on debt stigma and class are situated within the social psychology literature on social identity and self-esteem; and the Conclusion suggests further avenues of study.

I. LITERATURE REVIEW: PAST STUDIES ON DEBT AND BANKRUPTCY STIGMA

In 1998, Professors Scott Fay, Erik Hurst, and Michelle White released an unpublished paper on bankruptcy stigma.[24] Utilizing a dataset derived from the 1996 session of the Panel Study of Income Dynamics,[25] Professors Fay, Hurst, and White developed an econometric model of the bankruptcy filing decision in order to test two hypotheses: whether (1) "debtors respond to economic incentives in filing for bankruptcy" (that is, whether debtors are more prone to file for bankruptcy as the economic incentive for doing so rises) and (2) "stigma plays an important role in explaining bankruptcy filings."[26] Considering bankruptcy stigma to be an expense of filing for bankruptcy due to "the costs of self-disapproval and disapproval by others,"[27] Fay, Hurst, and White predicted that where this expense of bankruptcy decreases (i.e., less stigma associated with bankruptcy), an increase in the probability of filing for bankruptcy will occur.[28]

To measure decreased stigma quantitatively, Fay, Hurst, and White relied on essentially two predictors: (1) the number of lawyers per 1,000 people in a particular debtor's state of residence in a given year (based upon the assumption that an increase in lawyers practicing in a region translates into increased competition and consequently lower legal fees and heightened attorney advertising, thus leading to increased awareness and reduced stigma) and (2) "attitudes toward bankruptcy are assumed to

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24. Fay, Hurst & White, *supra* note 15.

25. Conducted by the University of Michigan beginning in 1968, the Panel Study of Income Dynamics "is a longitudinal study of a representative sample of U.S. individuals (men, women, and children) and the family units in which they reside. It emphasizes the dynamic aspects of economic and demographic behavior, but its content is broad, including sociological and psychological measures." Sullivan, Warren & Westbrook, *supra* note 16, at 245 n.90 (citation omitted).

26. Fay, Hurst & White, *supra* note 15, at 2.

27. *Id.* at 6–7. In their economic model, Fay, Hurst, and White also account for other costs associated with filing for bankruptcy, including out-of-pocket costs for filing fees, costs of attorneys' fees, informational costs regarding learning about the bankruptcy process, and the costs of reduced availability of credit post-bankruptcy. *Id.*

28. *Id.* at 9.

depend on the number of people in the area who have filed for bankruptcy in the past few years."[29] In other words, Fay, Hurst, and White found that the greater the percentage of individuals in a geographic region who filed for bankruptcy in the past several years indicated a reduced stigma regarding the bankruptcy process. This is due to "the spread of information and change in attitudes that results from high past bankruptcy filing rates,"[30] or what the authors characterize as the "contagion" effect.[31] After running their regression models, Fay, Hurst, and White opined that the social disapproval of bankruptcy had decreased, which had "caused more households to file for bankruptcy."[32] In short, Fay, Hurst, and White determined an increase in the number of bankruptcy filings is indicative of an inverse proxy for stigma.

Shortly after the release of Fay, Hurst, and White's study, Professors David B. Gross and Nicholas S. Souleles offered their own unpublished econometric study of bankruptcy stigma.[33] Reacting to the well-documented rise in consumer bankruptcy filings during the 1990s, Gross and Souleles sought to investigate the two leading explanations for the increased filings: the "risk effect," whereby recent credit extensions to a more risky populace resulted in greater defaults, and the "stigma effect," whereby it was believed that consumers had become increasingly willing to default on their financial obligations.[34] The dataset utilized by Gross and Souleles comprised several hundred thousand individual credit card accounts open during 1995.[35] The primary units of analysis were not flesh and blood individuals but rather their credit card accounts.[36]

Gross and Souleles tracked these individual credit card accounts for a period of twenty-four to thirty-two months "to estimate hazard functions for consumer default, for both bankruptcy and credit card delinquency, and to assess the relative importance of different variables in predicting default."[37] The authors' principal finding was that after controlling for the "risk effect" (i.e., less creditworthy borrowers obtaining credit, which then led to increased defaults) and other variables such as account age, payment history, economic conditions, and purchase history, "a given account was more likely to go bankrupt in 1996 and 1997 than in 1995."[38] According

29. *Id.* at 13.
30. *Id.*
31. *Id.*
32. *Id.* at 27.
33. Gross & Souleles, *supra* note 20.
34. *Id.* at 1.
35. *Id.* at 3.
36. *Id.*
37. *Id.* at 2.
38. *Id.* at 12. On this note, Gross and Souleles conclude as follows:

to Gross and Souleles, these results "are consistent with the view that most of the recent increase in default is due to a decline in stigma."[39]

In 2004 Kartik Athreya, a staff economist at the Federal Reserve Bank of Richmond, issued the results of his econometric study, which concluded that the stigma associated with bankruptcy "is by no means dead" and in fact still played a significant role in the bankruptcy rate.[40] Athreya's model suggested that the increased bankruptcy filing rates during the 1990s were attributed not necessarily to a diminished stigma associated with bankruptcy but rather to the reduced costs to financial institutions of extending credit to debtors, as well as to increased competitiveness among financiers in unsecured credit card lending.[41]

In 2006, Professors Teresa Sullivan, Elizabeth Warren, and Jay Westbrook culled data from their long-standing Consumer Bankruptcy Project[42] to test the claim that the stigma associated with consumer bankruptcy had fallen over time. Responding directly to the previous econometric studies, Professors Sullivan, Warren, and Westbrook criticized that when the econometric studies cannot "find a strong statistical correlation between bankruptcy and a handful of macroeconomic indicators," the economists attribute the precipitous rise in bankruptcy filings "to the unmeasured concept that they conveniently label[ ] as a reduction in stigma."[43] That is, these econometric studies assume a decline in stigma is the operative indicator for what otherwise cannot be explained.[44]

Sullivan, Warren, and Westbrook opined that if bankruptcy stigma had declined from 1981 to 2001, then there would be an appreciable change in the financial circumstances of Chapter 7 and Chapter 13 debtors over this twenty-year period.[45] More particularly, if stigma indeed declined over the years from 1981 to 2001, the authors predicted a marked increase in the presence of "better off" or "can pay" debtors among the

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> Even after controlling for risk-composition and other economic fundamentals, the propensity to default significantly increased between mid-1995 and mid-1997. A credit card holder in 1997 was 1 percentage point more likely to declare bankruptcy and 4 percentage points more likely to go delinquent than a cardholder with identical risk characteristics in 1995.

Id. at 15.

39. *Id.*

40. Athreya, *supra* note 20, at 3.

41. *Id.* at 16.

42. The Consumer Bankruptcy Project consists of "three large studies of natural persons filing for bankruptcy in Chapter 7 or Chapter 13 in 1981, 1991, and 2001." Sullivan, Warren & Westbrook, *supra* note 15, at 218.

43. *Id.* at 216–17.

44. *Id.* at 217 n.16.

45. *Id.* at 236.

Chapter 7 and Chapter 13 pool of bankruptcy petitions.[46] The authors tested this hypothesis by examining the debt-to-income ratio of debtors in their dataset; according to Sullivan, Warren, and Westbrook, if the stigma had declined, then there should be a decreased median debt-to-income ratio for the group of debtors as a whole.[47]

However, they did not find this to be the case. Instead, as a group, the debtors were much worse off financially in 2001 than in 1981. The debt-to-income ratio through the twenty-year period rose from 1.4 to 3.0 for overall debt (i.e., total debt owed per debtor in 1981 was approximately eighteen months' worth of income, whereas it jumped to approximately three years' worth of income in 2001) and from 0.79 to 1.5 for non-mortgage debt-to-income.[48] The authors thus concluded as follows:

> Instead of finding more can-pay debtors in bankruptcy, our data suggest that even the most-able-to-pay debtors are in worse shape in 2001 than in 1981. In 1981, the top 10% of bankrupt debtors best able to pay owed an average of 17% of their annual incomes in nonmortgage debt; in 2001 they also owed 17% of a year's income. But the ratio of total debts to annual income got significantly worse: the average total debt-to-income ratio rose from 30% of income to 63% . . . .
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> . . . . There is no evidence of a cohort of convenience filers who in 2001 were willing to enter bankruptcy with lighter debt burdens because they were no longer troubled by the stigma imposed by bankruptcy in times past. It would be hard to produce more compelling evidence that the rise in bankruptcy filings cannot be attributed in any significant part to a decline in the stigma associated with bankruptcy.[49]

From this, Sullivan, Warren, and Westbrook argued that contrary to those who professed a decline in bankruptcy stigma, the phenomenon had not declined since the enactment of the modern Bankruptcy Code.[50] Instead, the marked increase in bankruptcy filings from 1981 to 2001 was attributed to individuals experiencing increased financial distress in their lives.[51]

Much like Sullivan, Warren, and Westbrook, Professors F.H. Buckley and Margaret F. Brinig conducted their own empirical study to shed light on the dramatic rise in consumer bankruptcy filings from 1985

46. *Id.* at 237–38.
47. *Id.* at 238.
48. *Id.*
49. *Id.* at 239.
50. *Id.* at 214–15.
51. *Id.*

to 1991. This period was ironically marked by national economic prosperity and changes to the Bankruptcy Code in 1984 that were designed to make the use of Chapter 7 less palatable for some debtors.[52] Buckley and Brinig utilized a regression analysis of consumer bankruptcy filing rates with various legal, economic, and social variables for eighty-six federal judicial districts from the period of 1980 to 1991.[53] According to the authors, neither legal variables, such as the level of allowable assets exempt from creditors' reach, nor economic variables, such as unemployment rate and incidence of poverty, were able to explain the increased filing rates during this period.[54] Rather, Buckley and Brinig suggested that the increased filing rate during this time was attributable to changes in social norms and, more particularly, to a decline in the social sanctions surrounding bankruptcy, along with an overall weakening of the social stigma of promise-breaking.[55]

In response to what he perceived as the shortcomings of previous empirical studies on bankruptcy stigma, namely, the inability of both the econometric and statistical approaches to sufficiently represent the general public's perception of bankruptcy stigma, Professor Rafael Efrat sought to measure the evolution of bankruptcy stigma over time by examining the content of 176 newspaper articles published in the New York Times between 1864 and 2002.[56] According to Efrat, the "examination of the content of consumer bankruptcy related newspaper articles provides valuable insight into the evolution of public perception of bankrupts during th[is] period."[57] Efrat's study of the newspaper articles enabled him to ascertain the "embedded messages" contained within the articles and to evaluate whether a particular article struck a positive, negative, or neutral tone with respect to filing for bankruptcy, the characterization of bankruptcy debtors, and the validity of seeking formal debt relief under the then-existing bankruptcy legislation.[58]

Efrat used the embedded messages "as a proxy for broad and evolving societal perceptions about the bankruptcy population."[59] The result of Efrat's study suggests a shift in the discourse regarding bankruptcy stigma commencing in the 1960s.[60] As Efrat found, prior to

52. Buckley & Brinig, *supra* note 15, at 187.
53. For a detailed discussion of Professors Buckley and Brinig's methodology, see *id.* at 191–202.
54. *Id.* at 202.
55. *Id.* at 200–02.
56. Efrat, *supra* note 7, at 385.
57. *Id.* at 385.
58. *Id.* at 386–88.
59. *Id.* at 388.
60. *Id.* at 389.

the 1960s, the New York Times newspaper articles referred to bankruptcy debtors in negative terms, such as "evil doers," "cheaters," and "crooks[,]" while attributing debtors' financial failures as self-imposed.[61] In contrast, newspaper articles beginning in the 1960s adopted a more positive attitude towards bankruptcy debtors, often characterizing them as "hardworking, poor, struggling, and needy"[62] while at the same time attributing their respective financial woes to exogenous events, such as unemployment, high inflation, medical illness, or divorce.[63] Based on this, Efrat argued that the public's attitude towards debtors who file for bankruptcy has softened over time, calling into question whether bankruptcy stigma has indeed diminished during the last approximately 150 years.[64]

Professor Terrell Hayes conducted a series of in-depth interviews with forty-six members of Debtors Anonymous in an effort to determine empirically whether the social psychological concept of labeling theory applied to individuals with a "low visibility" of indebtedness.[65] Through his series of interviews, Hayes concluded that all forty-six individuals experienced a form of labeling, which in turn produced feelings of shame.[66] Hayes identified three forms of labeling: direct, indirect, and self-labeling. Some of Hayes's participants experienced episodes of direct labeling during interpersonal communications with family members, friends, and strangers. Direct labeling occurred when negative statements and opinions of indebtedness in general and dissatisfaction with the debtor's conduct in particular were shared with the debtor.[67] Upon learning of the debt situation, some of these individuals also expressed their opinions that the debtor had a problem with finances that needed correcting.[68] At some point, these interactions caused debtors to feel shame about their conduct in incurring unmanageable debt.[69]

The participants in Hayes's study also experienced indirect labeling, which is subtle and suggestive rather than confrontational (as with direct labeling). The indirect labeling occurred in interpersonal exchanges through verbal cues (e.g., suggestions or questions), nonverbal means (e.g., body language and facial expressions), or a combination of both.[70] Similarly, episodes of indirect labeling also eventually led to feelings of

61. *Id.*
62. *Id.*
63. *Id.* at 390.
64. *Id.* at 390–91.
65. Hayes, *supra* note 19, at 30–31.
66. *Id.* at 33.
67. *Id.* at 33–35.
68. *Id.* at 33.
69. *Id.*
70. *Id.* at 36.

shame for the debtors.[71] Finally, in Hayes's study some of the participants also engaged in self-labeling, leading to feelings of embarrassment and shame over their conduct in incurring unmanageable debt even though no one else knew of their problem.[72] Moreover, Hayes found that although the three forms of labeling invoked shame, it usually arose only after debtors experienced a period of denial over the existence and extent of their financial problem.[73]

In 2006, Professors Deborah Thorne and Leon Anderson published their qualitative study of bankruptcy stigma after conducting semi-structured interviews with former Chapter 7 bankruptcy debtors. Thorne and Anderson collected data directly from debtors in order "to assess their experiences of stigmatization."[74] More particularly, Thorne and Anderson centered their analysis on the "stigma management strategies [debtors] invoke to mitigate the shame and social disapprobation [the debtors] experienced as a result of their bankruptcies."[75]

Thorne and Anderson found that 95% of the debtors they interviewed in their study expressed feelings of shame and stigmatization as they underwent the bankruptcy process.[76] Thorne and Anderson categorized debtors' stigma management techniques into three generalized categories: "concealment," "avoidance," and "deviance avowal."[77] As to the first category, Thorne and Anderson found that 80% of their participants made a concerted effort to conceal their bankruptcy filings from either their parents, co-workers, employers, or some combination of these constituencies. As Thorne and Anderson described, "[a]nxiety over the possibility of . . . disclosure loomed large in interviewees' experiences."[78]

With respect to the management strategy of "avoidance," Thorne and Anderson found that the fear of potential stigmatization caused debtors to engage in a variety of behaviors in an effort "to avoid situations that might lead to embarrassing or degrading interactions with non-intimates who would have particular reason to uncover their economic troubles and failures."[79] Bill collectors fall most prominently into this category. The debtors in the Thorne and Anderson study avoided answering the phone, shunned opening the mailbox, and utilized caller ID to screen incoming

71. *Id.* at 37.
72. *Id.* at 41.
73. *Id.* at 43.
74. Thorne & Anderson, *supra* note 19, at 78.
75. *Id.*
76. *Id.* at 82–83.
77. *Id.* at 83.
78. *Id.* at 85.
79. *Id.* at 86.

phone calls.[80] Other debtors physically hid from friends and family members, lest their economic situation be exposed and questioned.[81]

The third management strategy utilized by debtors was identified by Thorne and Anderson as “deviance avowal,” a theory that originates in the sociological literature. The disavowal of the discredited “bankruptcy debtor” status, according to Thorne and Anderson, “enabled individuals to cope with stigma by arguing in one way or another that their particular cases were emphatically not examples of typical deviant role enactment.”[82] In essence, by utilizing deviance avowal, the debtors in the Thorne and Anderson study attempted to separate themselves and their conduct from the discredited status of bankrupt debtor. They accomplished this feat through “distancing,” “accounts,” and “post-bankruptcy actions and statements directed toward transcending their stigmatized status.”[83]

As Thorne and Anderson found, the concept of distancing was very common among the debtors in their study; that is, debtors “went to considerable lengths to distinguish their ‘legitimate’ reasons for declaring bankruptcy from the otherwise illegitimate and morally objectionable actions and rationales of other bankrupt debtors.”[84] The debtors in the Thorne and Anderson study accomplished this distancing by, among other ways, depicting other debtors as financially frivolous and profligate, or as simply lacking in financial self-control.[85] In contrast to these qualities, the debtors interviewed by Thorne and Anderson self-described their pre-bankruptcy consumption behaviors as “conservative” and “based on necessities” rather than luxuries.[86]

Regarding the use of “accounts” as a deviance avowal strategy, Thorne and Anderson found that the debtors in their study often provided “excuses” and “justifications” for their bankruptcy filings, all in an effort to “soften the moral breach” of their deviant act.[87] Using excuses to explain their bankruptcy filings allowed debtors to deny responsibility for their conduct and to find a scapegoat for their behavior.[88] For example, debtors in the Thorne and Anderson study blamed lenders for the need to file bankruptcy relief; they characterized the lenders as irresponsibly setting debtors up for failure by virtue of their lending practices.[89] Other

80. *Id.*
81. *Id.* at 86–87.
82. *Id.* at 87.
83. *Id.*
84. *Id.*
85. *Id.* at 88.
86. *Id.*
87. *Id.* at 91.
88. *Id.*
89. *Id.*

debtors excused their bankruptcy filings by relying on unexpected or exogenous events, such as a job downsizing, medical illness, or downtrodden economy.[90]

In the last form of deviance avowal, Thorne and Anderson found that debtors attempted to "transcend" their bankruptcy experience by promising some form of future action that would hopefully effectuate a "destigmatization" of their devalued status, such as by repaying some of the discharged debt or by utilizing the knowledge gained "through their financial travails to help others avoid similar problems" in the future.[91]

In 2013, I published my own qualitative study of bankruptcy stigma based upon fifty-eight in-depth interviews with former Chapter 7 debtors.[92] The consumer debtors in my study expressed a wide range of attitudes and feelings regarding their indebtedness, which I categorized into three sub-groupings of responses. A portion of the debtors conveyed the expected internalized feelings of shame and stigma regarding their debt. A second sub-grouping expressed little to no shame over having filed for bankruptcy and instead identified justifications for the filing. The third sub-grouping expressed what I described as a "diluted sense of shame."[93] Although these individuals felt some degree of shame and embarrassment regarding their financial past, they tempered their feelings by either blaming their circumstances on external events, rationalizing that bankruptcy is commonplace, or engaging in deviance avowal as identified by Thorne and Anderson.

Given the existing literature on debt and bankruptcy stigma, this study attempts to forge new ground by investigating whether debt stigma is experienced differently depending upon social class, and what possible bearing such a finding might have on an individual's sense of self-esteem and personal identity. The next Part reports the study's methodology and principal findings.

II. METHODOLOGY AND FINDINGS

Since 1972, the GSS has gathered data on American society "in order to monitor and explain trends and constants in attitudes, behaviors and attributes" of the American population.[94] The GSS is a biannual, representative sample of non-incarcerated, non-homeless American adults.[95] "The GSS contains a standard core of demographic, behavioral,

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90. *Id.*
91. *Id.* at 93.
92. *See generally* Sousa, *supra* note 6, at 446.
93. *Id.* at 463.
94. NORC, *supra* note 21.
95. DAVID KREMELBERG, PRACTICAL STATISTICS 66 (2011).

and attitudinal questions, plus topics of special interest. Among the topics covered are civil liberties, crime and violence, intergroup tolerance, morality, national spending priorities, psychological well-being, social mobility, and stressful and traumatic events."[96]

As noted above, one attitudinal question the GSS asks respondents relates to bankruptcy and indebtedness. In particular, the GSS researchers ask survey respondents the following question: "Do you think a person has the right to end his or her own life if this person has gone bankrupt?"[97] Like many cross-sectional, representative social surveys, the GSS does not necessarily ask the same questions every year. With respect to this suicide-upon-bankruptcy question, the GSS did not ask this question prior to 1977, and omitted this question from the surveys in 1980, 1984 and 1987. However, the GSS has included this question with relative consistency since 1988.

To test the research question regarding debt stigma and social class, four discrete interval years were chosen for statistical analysis:1983, 1994, 2004, and 2014. Because the suicide-upon-bankruptcy question was not asked of respondents in 1984, 1983 was chosen as the initial year—notably, having been taken only a few years after the promulgation of the 1978 Bankruptcy Code.[98] It is believed that 1994 serves as another significant year because the credit industry's lobbying efforts and public advertising campaigns regarding allegedly immoral debtors filing for bankruptcy protection had already commenced.[99] Further, as previously noted, the 2005 Amendments to the Bankruptcy Code were largely premised upon the notion that "can-pay" debtors were simply shirking their contractual responsibilities by shedding their debts in Chapter 7 bankruptcy.[100] Thus, the year 2004 was selected to gauge attitudes prior to the 2005 Amendments to the Bankruptcy Code. Finally, 2014 was selected in keeping with the ten-year interval increments, and the year represents a period of time after BAPCPA normalized bankruptcy law, as well as a time after the Great Recession of 2008.

In 1983, 6.57% of GSS respondents answered the debt–stigma question in the affirmative, that is, agreeing with the question that an

96. NORC, *supra* note 21.

97. The GSS asks three other independent attitudinal questions regarding whether a person has a right to end his or her life based upon some condition or event as follows: (1) "Do you think a person has the right to end his or her own life if this person has an incurable disease?"; (2) "Do you think a person has the right to end his or her own life if this person has dishonored his or her family?"; and (3) "Do you think a person has the right to end his or her own life if this person is tired of living and ready to die?"

98. Bankruptcy Reform Act of 1978, 11 U.S.C. §§ 101–1532 (2012).

99. Elizabeth Warren, *The Changing Politics of American Bankruptcy Reform*, 37 OSGOODE HALL L.J. 189, 194 (1999).

100. *See supra* Part I.

individual has the right to end his or her life if he or she goes bankrupt (103 out of 1,568). Eleven years later in 1994, 9.33% of respondents answered this question in the affirmative (181 out of 1,939). Ten years later, and the year before BAPCPA took effect (2004), the percentage of affirmative responses increased to 11.27% (101 out of 896). This upward trend in percentage increases continued in 2014, where 12.12% of the GSS respondents answered the suicide-upon-bankruptcy question in the affirmative (200 out of 1,650). Consequently, these raw numbers provide some evidence of an increased notion of debt stigma over a thirty-one-year period of time.

To begin testing whether notions regarding debt stigma vary by social class, the variables of education, occupational prestige score, and annual income were used to test whether the means of these continuous variables differed by how respondents answered the debt–stigma question for each year studied.[101] These variables are frequently used as indicators of objective socioeconomic status.[102] Table 1 provides the means for these variables for 1983.

Table 1. 1983 (means)	Income	Years of Education	Occupational Prestige Score
Suicide-upon-bankruptcy			
"Yes"	$34,827.91	14.02	45.34
"No"	$27,621.71	12.34	38.65

To test whether these differences are statistically significant for 1983, an independent, two-tailed t-test (assuming equal variances) was conducted using an alpha of 95% (.05).[103] Table 2 presents the results for 1983.

Table 2. 1983	Income	Years of Education	Occupational Prestige Score
t statistic	-2.4138	-3.8054	-3.9374
df	1566	1566	1566

101. All statistical tests were performed using the STATA statistical software program.

102. Spencer L. James & Paul R. Amato, *Self-Esteem and the Reproduction of Social Class*, 94 SOC. SCI. Q. 933, 941 (2013).

103. Simply put, *t*-tests "are used when you want to test the difference between two groups on some continuous variable." KREMELBERG, *supra* note 95, at 129.

p value	.0159	.0001	.0001

Based upon the obtained *p* values, there is a statistically significant difference in the means for income, educational level, and occupational prestige score between those who agree with the debt–stigma question and for those who do not. The probabilities that these differences are real are 98.41% for income, 99.99% for education, and 99.99% for occupational prestige score. Tables 3 and 4 replicate these tests for 1994.

Table 3. 1994 (means)	Income	Years of Education	Occupational Prestige Score
Suicide-upon-bankruptcy			
"Yes"	$35,588.51	15.08	45.93
"No"	$26,757.22	13.22	41.00

Table 4. 1994	Income	Years of Education	Occupational Prestige Score
t statistic	-4.1395	-4.9260	-4.0049
df	1937	1937	1937
p value	.0001	.0001	.0001

Based upon the obtained *p* values, in 1994 a statistically significant difference remains in the means for income, educational level, and occupational prestige score between those who agree with the suicide-upon-bankruptcy question and for those who do not. The probabilities that these differences are real are 99.99% for income, education, and occupational prestige score. Tables 5 and 6 replicate these tests for the next interval year, 2004.

Table 5. 2004 (means)	Income	Years of Education	Occupational Prestige Score
Suicide-upon-bankruptcy			
"Yes"	$41,169.94	15.12	45.87
"No"	$31,947.46	13.58	40.49

Table 6. 2004	Income	Years of Education	Occupational Prestige Score
t statistic	-2.3477	-3.6604	-3.1784
df	894	894	894
p value	.0191	.0003	.0015

Ten years later, a similar difference in means demonstrates these three factors are indicative of whether someone will agree or disagree with the suicide-upon-bankruptcy question. The probabilities that these differences are real are 98.09% for income, 99.97% for years of education, and 99.85% for occupational prestige. Tables 7 and 8 provide data for 2014, the final interval year in the study.

Table 7. 2014 (means)	Income	Years of Education	Occupational Prestige Score
Suicide-upon-bankruptcy			
"Yes"	$40,922.15	14.50	46.74
"No"	$28,349.58	13.62	41.21

Table 8. 2014	Income	Years of Education	Occupational Prestige Score
t statistic	-5.0392	-5.0030	-4.6612
df	1648	1648	1648
p value	.0001	.0001	.0001

As evidenced in Tables 7 and 8, this trend of statistical significance between the measures of objective social class continued a decade later in 2014. The probabilities that these observed differences are due to a real effect are 99.99% for all three variables, namely, annual income, years of education, and occupational prestige score.

The data provided in Tables 1 through 8 detail the existence of real differences between individuals who responded either "yes" or "no" to the debt–stigma question based upon objective indicators of social class. The next step of the research design was to uncover whether associations existed between these individuals and other attitudinal questions as measured by the GSS. The following five variables proved fruitful for exploration as affecting one's proclivity to respond to a question justifying suicide as a response to financial indebtedness: (1) self-identified social class; (2) whether the respondent reported themselves as "happy" in life generally; (3) a respondent's political views; (4) a respondent's categorical educational classification; and (5) a respondent's strength of religious affiliation.

For self-identified social class, respondents were asked to categorize themselves as either lower-class, working-class, middle-class, or upper-class. The variable "happy"[104] was used as a substitute for a respondent's mental health, as questions specifically addressing mental health (e.g., the existence of depression or number of poor mental health days in the past 30 days) were not introduced by the GSS until the late 2000s.[105] The "happy" variable was recoded into three categories, namely, "not too happy," "pretty happy," and "very happy." A respondent's political views was recoded from seven discrete responses into three general categories, namely, "liberal," "moderate," and "conservative." Years of education was recoded from a continuous variable into a categorical variable, employing the following four possible categories for respondents: less than high school, high school, some college, and college graduate. Finally, as coded by the GSS, a respondent's religious affiliation is divided into the following four categories: "no religion," "somewhat strong" religious affiliation, "not very strong" religious affiliation, and "strong" religious affiliation. This variable was not recoded for purposes of analysis.

To explore whether a relationship exists between these categorical variables and the dummy variable[106] of answering "yes" or "no" to the suicide-upon-bankruptcy question, a series of chi-square tests were performed.[107] All of the chi-square tests reported were conducted at an alpha of .05 (95%).

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104. The specific GSS survey question for the "happy" variable is as follows: "Taken all together, how would you say things are these days—would you say that you are very happy, pretty happy, or not too happy?"

105. The GSS does ask respondents questions regarding their mental health. One question is as follows: "Has a doctor, nurse, or other health professional ever told you that you had depression?" In addition, respondents are also asked the following question: "Now thinking about your mental health, which includes stress, depression, and problems with emotions, for how many days during the past 30 days was your mental health not good?" The first question was only asked of respondents in 2014, while the second question regarding mental health was first introduced in 2002 and has not been consistently asked since that time. Consequently, the "happy" variable was chosen as a proxy for a particular respondent's state of mental health, particularly since this question has been asked by the GSS consistently since 1972.

106. A "dummy variable" is a "variable that has been recoded so that one of its categories has a value of 1 and the other category has a value of 0." ROYCE A. SINGLETON, JR. & BRUCE C. STRAITS, APPROACHES TO SOCIAL RESEARCH 521 (6th ed. 2018).

107. "The chi-square statistic is used to show whether or not there is a relationship between two categorical variables." KREMELBERG, *supra* note 95, at 120. *Accord* ANNA LEON-GUERRERO &

Table 9. Chi-Square Test for "Suicide-upon-Bankruptcy" and Self-Identified Class				
Year	1983	1994	2004	2014
Chi-Square Statistic	$\chi 2(3)(N=788) =14.39$	$\chi 2(3)(N=1936) =14.4$	$\chi 2(3)(N=893) =6.44$	$\chi 2(3)(N=1641) =19.8$
p value	.002	.010	.092	.0001

Table 9 reports the results of the chi-square test of independence regarding the suicide-upon-bankruptcy question and a respondent's self-identified class. Based upon the obtained *p* values in 1983, 1994, and 2014, there is a statistically significant relationship between respondents' self-identified social class and their response to the suicide-upon-bankruptcy survey question. For 2004, the obtained *p* value is marginally significant. Nonetheless, it appears that from 1983 to 2014, people's self-identified social class is statistically associated with their response to the debt–stigma question in the GSS.

Table 10. Chi-Square Test for "Suicide-upon-Bankruptcy" and General Happiness				
Year	1983	1994	2004	2014
Chi-Square Statistic	$\chi 2(2)(N=1544) =19.84$	$\chi 2(2)(N=1935) =1.53$	$\chi 2(2)(N=894) =.032$	$\chi 2(2)(N=1641) =.197$
p value	0.928	0.466	0.984	0.906

Table 10 reports the chi-square results regarding the general happiness variable. Because the *p* values for general happiness are larger than the tested alpha at .05 (95%), these results are not statistically significant, representing a lack of association between people's general happiness and their proclivity to either agree or disagree with the suicide-upon-bankruptcy survey question.

Table 11. Chi-Square Test for "Suicide-upon-Bankruptcy" and Strength of Religious Affiliation				
Year	1983	1994	2004	2014
Chi-Square Statistic	$\chi 2(3)(N=1544) =22.7$	$\chi 2(3)(N=1872) =69.17$	$\chi 2(3)(N=881) =22.57$	$\chi 2(3)(N=1629)=33.3$
p value	0.001	0.001	0.001	0.001

CHAVA FRANKFORT-NACHMIAS, ESSENTIALS OF SOCIAL STATISTICS FOR A DIVERSE SOCIETY 228 (2015).

The same, however, cannot be said for the association between one's strength of religious affiliation and the response to the debt–stigma question. As demonstrated in Table 11, there is a statistically significant relationship between these two variables. In other words, there is a statistical association between an individual's response to the suicide-upon-bankruptcy survey question and one's religious affiliation. Tables 12 and 13 test the association between the debt–stigma question and one's political views and educational level, respectively.

Table 12. Chi-Square Test for "Suicide-upon-Bankruptcy" and Political Views

Year	1983	1994	2004	2014
Chi-Square Statistic	$\chi 2(2)(N=760) =4.74$	$\chi 2(2)(N=1877) =23.85$	$\chi 2(2)(N=873) =14.55$	$\chi 2(2)(N=1606) =16.8$
p value	0.093	0.001	0.001	0.001

Table 13. Chi-Square Test for "Suicide-upon-Bankruptcy" and Education Level

Year	1983	1994	2004	2014
Chi-Square Statistic	$\chi 2(3)(N=1568) =47.87$	$\chi 2(3)(N=1939) =47.58$	$\chi 2(3)(N=896) =41.37$	$\chi 2(3)(N=1650) =48.7$
p value	<0.001	<0.001	<0.001	<0.001

Table 12 demonstrates a statistically significant relationship between the suicide-upon-bankruptcy survey question and one's political views for years 1994, 2004, and 2014; however, for 1983, this relationship is marginally significant but nevertheless important. In Table 13, the data reveal a statistically significant relationship across all years between people's level of education and their response to the suicide-upon-bankruptcy question. As a result of the chi-square tests, a statistically significant association exists between the debt–stigma question and the variables of self-identified class, strength of religious affiliation, political views, and level of education—but not one's mental state of relative happiness.

In order to further investigate the relationship of these variables upon the debt–stigma question, a series of logistic regression models were performed.[108] Out of the 9,941 GSS respondents overall in the years 1983,

108. Logistic regression was chosen primarily because the dependent variable (i.e., the suicide-upon-bankruptcy question) is a binary variable. The variable "happy" was omitted from the regression

1994, 2004, and 2014, 6,053 answered the suicide-upon-bankruptcy question (61%). In addition, another 1,055 respondents have missing data on other predictor variables (10.6%), thereby rendering an actual sample size of 4,998 respondents for the regression models. Table 14 reports the descriptive statistics for the predictor variables while Table 15 presents the results of the regression models.

models because the initial tests demonstrated no association between general happiness and responding to the suicide-upon-bankruptcy question.

Table 14. Descriptive Statistics

	All Years	"Yes" Suicide-upon-Bankruptcy	"No" Suicide-upon-Bankruptcy
Variable	(Mean/SD)	(Mean/SD)	(Mean/SD)
Sex	.5302/.4991	.4881/.5004	.5350/.4988
Age	46.65/7.35	43.82/15.39	46.97/17.53
Race			
White	.8117/.3909	.8498/.3576	.8074/.3944
African-American	.1313/.3377	.1008/.3013	.1347/.3414
Other	.0570/.2319	.0494/.2169	.0579/.2335
Annual Income	$30,106.50/ $32,629.83	$38,241.69/ $37,373.89	$28,165.71/ $30,343.81
Occupational Prestige	41.72/15.76	46.64/14.68	41.16/15.78
Political View			
Liberal	.2613/.4394	.3913/.4885	.2467/.4311
Moderate	.3866/.4870	.3063/.4614	.3956/.4890
Conservative	.3521/.4777	.3024/.4597	.3577/.4794
Education			
College Graduate	.2781/.4481	.5079/.5004	.2522/.4343
Less than High School	.1635/.3698	.0771/.2670	.1732/.3785
High School	.2943/.4558	.1542/.3615	.3101/.4626
Some College	.26411/.4409	.2609/.4395	.2645/.4411
Religious Affiliation			
No Religion	.1383/.3452	.2984/.4580	.1202/.3252
Somewhat Strong	.0892/.2851	.0573/.2327	.0928/.2902
Not Very Strong	.3944/.4888	.3933/.4889	.3945/.4888
Strong	.3782/.4850	.2510/.4340	.3925/.4884

Source: The General Social Survey (Years 1983, 1994, 2004, 2014)

Table 15. Logistic Regression Models for Dependent Variable "Suicide-upon-Bankruptcy"											
	Model 1		**Model 2**		**Model 3**		**Model 4**		**Model 5**		**Model 6**
	Odds Ratio		Odds Ratio		Odds Ratio		Odds Ratio		Odds Ratio		Odds Ratio
	(SE)		(SE)		(SE)		(SE)		(SE)		(SE)
Demo graphics											
Year	1.2146	***	1.2296	***	1.2538	***	1.1565	**	1.1725	***	1.0925
	-0.0549		-0.0557		-0.0569		-0.0535		-0.0549		-0.0521
Sex	0.8765		0.8638		0.844	†	0.8332	†	0.8619		0.9204
	-0.0837		-0.0825		-0.0804		-0.0802		-0.0836		-0.0911
African-American	0.7475	†	0.723	*	0.7277	*	0.7709		0.8173		0.9064
	-0.118		-0.1139		-0.1151		-0.1225		-0.1314		-0.1475
Other Race	0.6849	†	0.7049		0.6703	†	0.6637	†	0.6923	†	0.6829
	-0.1504		-0.1549		-0.1472		-0.1468		-0.1535		-0.1539
Age	0.9866	***	0.9843	***	0.9841	***	0.9888	***	0.9864	***	0.9932
	-0.0029		-0.003		-0.0029		-0.003		-0.0031		-0.0032
SES											
Annual Income	1.0418	***							1.0102		
	-0.0066								-0.0075		
Occupa-tion			1.0245	***					1.007	*	1.0093
			-0.0033						-0.0035		-0.0036
Working-Class					1.2299				1.0242		

					-0.2894				-0.2445			
Middle-Class					2.0171	**			1.1605			
					-0.4685				-0.2826			
Upper-Class					3.8915	***			1.6699			
					-1.1663				-0.543			
Less than High School							0.2501	***	0.3345	***	0.3054
							-0.045		-0.0669		-0.0601
High School							0.2594	***	0.3245	***	0.3025
							-0.0353		-0.0491		-0.045
Some College							0.487	***	0.5701	***	0.5413
							-0.0565		-0.0711		-0.0671
Religion											
Some-what Strong											0.2957
											-0.0651
Not Very Strong											0.5057
											-0.0639
Strong											0.316
											-0.0449
Political Views											
Moderate											0.657
											-0.0787
Con-servative											0.6791
											-0.0831
Intercept	0.1268		0.0635		0.112		0.3307		0.1906		0.4702
N	4998		4998		4998		4998		4998		4998

Source: The General Social Survey (Survey Years 1983, 1994, 2004 & 2014)
*** $p \leq .001$; ** $p \leq .01$; * $p \leq .05$; † $p \leq .10$.

Model 1 includes the demographic indicators of sex, race, and age because these measures are inherently related to suicide.[109] Of these three, only age is statistically significant ($p < .001$), suggesting a positive association between one's age and agreeing with the debt–stigma question. For each one-year increase in age, the odds of agreeing with the debt–stigma question decrease by 1.34%. The year variable is statistically significant as well ($p < .001$); with each additional ten-year period of time, the odds of agreeing with the debt–stigma question actually increase by 21.5%. This is further evidence suggesting that the stigma surrounding debt and bankruptcy has actually increased over time rather than decreased.[110] Regarding the measures of socioeconomic class, Model 1 includes annual income as a covariate. Annual income is statistically significant ($p < .001$); with every $5,000 increase in an individual's annual income, the odds of agreeing with the debt–stigma question increase by 4.2%. In other words, Model 1 presents a positive association between higher income and agreeing with the debt–stigma question.

Model 2 replaces occupational prestige as a covariate for annual income to test whether occupational prestige is also positively associated with a response to the debt–stigma question. Age remains statistically significant ($p < .001$), where each additional year in age reduces the odds of agreeing with the debt–stigma question by 1.57%. Controlling for other variables, occupational prestige is statistically significant ($p < .001$), as was annual income in Model 1. For each one-unit increase in occupational prestige score, the odds of agreeing with the suicide-upon-bankruptcy question increase by 2.5%. This finding suggests that the higher a person's occupational prestige as measured by societal standards, the likelihood of agreeing with the debt–stigma question increases.[111]

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109. The reference group for the reported logistic regression models is a (1) white; (2) male; (3) who self-identifies as lower-class; (4) with a college education; (5) with no religious affiliation; and (6) who identifies as politically liberal.

110. *See generally* Michael D. Sousa, *The Persistence of Bankruptcy Stigma*, 26 AM. BANKR. INST. L. REV. (forthcoming 2018) (finding that the stigma surrounding personal bankruptcy has generally increased from 1978 to 2014).

111. As demonstrated in Table 15, race is also statistically significant ($p < .001$). As compared to whites, African-Americans have reduced odds of 27.71% in agreeing with the debt–stigma question. While notions of race are inextricably bound with measures of social class, this Article does not examine the effect of race as a predictor for the dependent variable.

Model 3 introduces the covariate of self-identified social class and replaces it for the occupational prestige variable from Model 2.[112] Regarding self-identified social class, the respondents who identify as either middle-class or upper-class are statistically significant in comparison to the reference group, namely, those respondents who identify as lower-class, controlling for all other variables. Regarding the middle-class respondents, their odds of agreeing with the debt–stigma question are increased by 101.7% as compared to lower-class respondents ($p = .003$). The results for upper-class respondents are even more dramatic. Upper-class respondents have increased odds of 289.1% in agreeing with the debt–stigma question as compared to lower-class respondents ($p < .001$). Although not statistically significant for respondents who self-identify as working-class ($p=.379$), their odds of agreeing with the debt–stigma question are increased by 23% as compared to lower-class respondents. In other terms, Model 3 suggests that self-identified social class matters regarding whether a person will likely agree with the debt–stigma question; the higher an individual's perceived social class and station in life, the more likely he or she will agree with the suicide-upon-bankruptcy survey question.

Model 4 introduces the covariate of education as a replacement for self-identified social class as a measure of socioeconomic status.[113] In the GSS, the variable for education is a continuous variable (i.e., years of education). However, for regression analysis this variable was recoded into a categorical variable with the following four categories: (1) less than a high school education; (2) high school education; (3) some college experience; or (4) college education. Regarding education, as compared to those respondents with a college education, respondents who possess less than a high school education have reduced odds of 75% in agreeing with the suicide-upon-bankruptcy question, and this finding is statistically significant ($p < .001$). Those who possess a high school education have reduced odds of 74.06% in agreeing with the debt–stigma question as compared to the college educated respondents, and this finding is also statistically significant ($p < .001$). Finally, for the respondents who possess some college experience, their odds are also reduced by 51.3% in agreeing with the debt–stigma question as compared to the college educated, and this finding is statistically significant ($p < .001$). In short, as a measure of socioeconomic status, one's level of education has a positive association in agreeing with the suicide-upon-bankruptcy question. Thus, the higher a

112. Age remains statistically significant as well ($p < .001$). Additionally, with respect to race, African-Americans remain statistically significant ($p < .05$). Again, as compared to whites, African-Americans have reduced odds of 27.23% in agreeing with the debt–stigma question.

113. Age remains statistically significant as well ($p < .001$).

person's level of education, the more likely that they will agree with the debt–stigma question.

Model 5 adds all four covariates for socioeconomic status, namely, annual income, occupational prestige score, self-identified class, and education, in order to determine the attenuation between variables. As evidenced in Table 15, occupational prestige score and education remain statistically significant, while self-identified class and annual income are no longer so.[114] Regarding occupational prestige, with each one-unit increase in occupational prestige the odds increase by 1% in agreeing with the suicide-upon-bankruptcy question ($p < .05$). For education, the same observation from Model 4 carries over to Model 5; that is, as compared to the college educated, respondents with less than a high school education have reduced odds of 66.55% in agreeing with the debt–stigma question, a result which is statistically significant ($p < .001$). Further, those who possess a high school education have reduced odds of 67.55% in agreeing with the debt–stigma question as compared to the college educated, a statistically significant result ($p < .001$). Finally, respondents with some college experience have reduced odds of 42.99% in agreeing with the debt–stigma question as compared to those who have obtained a college degree; this finding is statistically significant ($p < .001$).[115]

Model 6 adds the covariates of strength of religious affiliation and political persuasion to test whether these variables attenuate the statistical significance of the socioeconomic variables upon the debt–stigma question. Because self-identified class and income were not statistically significant in Model 5, these covariates were omitted from the final model, Model 6. For measures of socioeconomic status, education and occupational prestige score were included in the model. The working hypothesis was that the more religious or more conservative (or both) a respondent reported to be, this would cause him or her to be less likely to agree with the suicide-upon-bankruptcy question. This pattern emerged as demonstrated in Table 15.[116] Regarding strength of religious affiliation, as compared to those respondents who claimed to have no religious affiliation (i.e., the reference category), respondents who have a "somewhat strong" religious affiliation have reduced odds of 70.43% in agreeing with the debt–stigma question, and this finding is statistically

114. Age remains statistically significant as well ($p < .001$).

115. Though not statistically significant in Model 5, the odds of agreeing with the suicide-upon-bankruptcy question increase as self-identified social class increases. As compared to the self-identified lower-class respondents, working-class respondents have increased odds of 2.4% in agreeing with the question, middle-class respondents' odds are 16% higher, and upper-class respondents' odds are 67% higher.

116. Age remains statistically significant as well ($p < .001$).

significant ($p < .001$). For those reporting a "not very strong" religious affiliation, the odds of agreeing with the debt–stigma question are reduced by 49.43%, a finding that is also statistically significant ($p < .001$). For those respondents reporting a "strong" religious affiliation, they have reduced odds of 68.4% in agreeing with the suicide-upon-bankruptcy question, and this too is statistically significant ($p < .001$). Consequently, having some religious affiliation reduces an individual's odds of agreeing with the debt–stigma question.

The covariate of political persuasion is also statistically significant and thus demonstrates a positive association with the debt–stigma question. But much like the direction of religious affiliation, the data suggest that as compared to those respondents who report a liberal political affiliation (i.e., the reference group), moderates and conservatives have reduced odds of agreeing with the suicide-upon-bankruptcy question. More specifically, and again as compared to liberals, political moderates have reduced odds of 34.3% in agreeing with the question; this finding is statistically significant ($p < .001$). Regarding conservative respondents, the odds of agreeing with the debt–stigma question are reduced by 32.09% as compared to liberals, and this too is statistically significant ($p < .001$).

The surprise in Model 6 is that although controlling for both strength of religious affiliation and political persuasion, the socioeconomic variables of occupational prestige and education remain positively associated with the debt–stigma question.[117] Regarding occupational prestige, with each one-unit increase in occupational prestige score, the odds of agreeing with the suicide-upon-bankruptcy question increase by .93% ($p < .05$). Regarding education, as again compared to the college educated (i.e., the reference group), those respondents with less than a high school education have reduced odds of 69.46% of agreeing with the suicide-upon-bankruptcy question ($p < .001$). For those respondents reporting a high school education, their odds of agreeing with the debt–stigma question are reduced by 69.75% ($p < .001$). And finally, those respondents who have some college experience have reduced odds of 45.87% in agreeing with the suicide-upon-bankruptcy survey question ($p < .001$).

Based upon the logistic regression models, the data present initial evidence of a systematic pattern between debt stigma and social class, namely, that one's objective and subjective social class position predicts an individual's proclivity to agree with the suicide-upon-bankruptcy question. More precisely, tested independently, the objective socioeconomic indicators of annual income, education, and occupational

117. Like all other models, age remains statistically significant ($p < .001$).

prestige are positively associated with the debt–stigma question. The higher an individual's annual income, educational level, and occupational prestige score, the greater likelihood of him or her agreeing with the proposition that a person has the right to take their own life upon "going bankrupt." This same conclusion holds true for subjective social class when measured independently. That is, middle-class and upper-class respondents have significantly greater odds of agreeing with the suicide-upon-bankruptcy question as compared to lower-class respondents.

Further, once all of the objective and subjective covariates for socioeconomic class are included in the model, the objective measures of education and occupational prestige remain statistically significant; the higher one's educational level and the greater one's occupational prestige, the more likely that he or she is inclined to agree that suicide is a justifiable response to an individual "going bankrupt." As the final model demonstrates, these two measures of objective socioeconomic class remain relevant and statistically significant in predicting such a response, even in the presence of two other statistically significant covariates that reduce one's proclivity to respond affirmatively to the suicide-upon-bankruptcy question, namely, strength of religious affiliation and political persuasion.

As other scholars have noted, "stigma . . . is linked to an individual's social identity."[118] The GSS data suggest that class distinctions exist regarding debt or bankruptcy stigma, or both. Using the suicide-upon-bankruptcy question as a proxy for stigma, the lower- and working- classes report less stigma regarding debt and bankruptcy based upon their survey responses. Inversely, the higher one's social class as measured by income, occupational prestige, and education, the more inclined one is in agreeing with the suicide-upon-bankruptcy question. The next Part attempts to situate these empirical findings within the sociological social psychology literature in a first effort to explain this apparent social phenomenon.

III. DISCUSSION

The results of the foregoing statistical tests paint an initial picture of the connection between social class and debt stigma in the United States. Simply stated, the data suggest a positive association between social class and perceiving stigma regarding indebtedness. The higher an individual's social class as measured by the objective indicators of education, income, and occupational prestige, as well as self-identified subjective class, the greater the likelihood that he or she will agree with the acceptability of

118. Carol T. Miller & Cheryl R. Kaiser, *A Theoretical Perspective on Coping with Stigma*, 57 J. SOC. ISSUES 73, 74 (2001).

suicide in response to "going bankrupt." I contend that the American structure of individualistic capitalism and social psychology offers a framework for explaining why this is so.

From a structural standpoint, the explanation begins with the American ideals of individualism and self-reliance. Peter L. Callero defines the concept of "individualism" in the following terms:

> [I]ndividualism is a belief system that privileges the individual over the group, private life over public life, and personal expression over social experience; it is a worldview where autonomy, independence, and self-reliance are highly valued and thought to be natural; and it is an ideology based on self-determination, where free actors are assumed to make choices that have direct consequences for their own unique destiny.[119]

Callero argues that individualism is not only "one of the most dominant values in American society"[120] but also the "defining characteristic of American culture."[121] The American ideal of individualism and self-reliance pervades all aspects of social life but perhaps none more than our economic system. Indeed, under this societal ethos of individualism and self-reliance in economic affairs, one's social position is the product of effort and talent.[122] Consequently, individuals are personally responsible for their class position.[123] Despite the multitude of structural forces that influence our economic class position and personal finances, Americans remain tied to the notion that through some combination of hard work, persistence, and raw talent, anyone can achieve financial success and stability.[124] The problem with this premise of meritocracy, of course, is that it tends "to overestimate the effects of merit on economic outcomes and to underestimate the effects of nonmerit factors."[125] Nonetheless, Americans remain steadfast in the belief that meritocracy undergirds our economic lives.[126]

Accepting as true that many, if not most, Americans adhere to the concept of economic meritocracy, then those who find themselves clinging

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119. PETER L. CALLERO, THE MYTH OF INDIVIDUALISM: HOW SOCIAL FORCES SHAPE OUR LIVES 15 (2d ed. 2013).

120. *Id.*

121. *Id.*

122. MARTIN N. MARGER, SOCIAL INEQUALITY: PATTERNS AND PROCESSES 226 (6th ed. 2014).

123. *Id.* at 227.

124. STEPHEN J. MCNAMEE & ROBERT K. MILLER JR., THE MERITOCRACY MYTH 215 (3d ed. 2014).

125. *Id.* at 11.

126. SUSAN T. FISKE, ENVY UP, SCORN DOWN: HOW STATUS DIVIDES US 9 (2011) ("[W]e endorse meritocracy most highly in the economic sphere, where we tolerate inequality according to merit.").

to the lower economic rungs in society deserve their fate. It is consequently understandable that when financial calamity strikes an individual or family and debt service simply becomes no longer manageable, attribution of the economic plight is associated with personal failings and limitations. In a society that "puts a heavy emphasis on personal agency and independent effort, it can be difficult to recognize or acknowledge the controlling influence of large social processes."[127]

Americans' general adherence to the social structure of economic meritocracy has relevance for an individual's social identity. In this context, identity is the "internalized statuses" by which individuals categorize and present themselves to the outside world.[128] Stryker and Burke's observation that social structure can have consequences for an individual's social identity undergirds this assertion.[129] In fact, Katherine Newman explored this proposition in her classic ethnographic study of downward mobility among the American middle-class. Although not particular to debt stigma, Newman's findings regarding occupational loss provide a useful analogy. Newman concludes as follows on this point:

> One's occupation . . . [is] viewed as a test of commitment, and the product of hard work and self-sacrifice. Cast this way, success is not a matter of luck, good contacts, credentials, or technical skill but is a measure of one's moral worth, one's willingness and ability to drive beyond the limitations of self-indulgence and sloth. It is this equation of occupational success and inner or moral qualities that rebounds on the unemployed manager's self-image, making him or her feel not just unsuccessful but worthless.[130]

By analogy, becoming mired in debt and possibly needing to file for bankruptcy as a result has "consequences that reach down deep to core issues of self and identity."[131] Such financial distress is undoubtedly an "overwhelming blow to one's social identity and sense of self."[132] Simply put, for many individuals, incurring substantial, unmanageable debt and possibly needing to file for bankruptcy represents a disastrous fall from the social class hierarchy, one that can shatter an individual's sense of self and identity.

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127. CALLERO, *supra* note 119, at 113.

128. LIZABETH A. CRAWFORD & KATHERINE B. NOVAK, INDIVIDUAL AND SOCIETY: SOCIOLOGICAL SOCIAL PSYCHOLOGY 212 (2014).

129. *See generally* Sheldon Stryker & Peter J. Burke, *The Past, Present, and Future of an Identity Theory*, 63 SOC. PSYCHOL. Q. 284 (2000).

130. KATHERINE S. NEWMAN, FALLING FROM GRACE: THE EXPERIENCE OF DOWNWARD MOBILITY IN THE AMERICAN MIDDLE CLASS 76 (1988).

131. CALLERO, *supra* note 119, at 112.

132. *Id.* at 113.

Based upon the findings of this study, it is the individuals with the higher levels of education, the greater annual incomes, the higher occupational prestige scores, and the higher self-identified class that are most likely to agree with the suicide-upon-bankruptcy survey question. The prospect of severe indebtedness is apparently so salient to their internalized social identities and sense of social worth that these respondents are accepting of suicide as a consequence of debt (at least as indicated by their responses to the GSS). Perhaps this is so because, as Thomas J. Gorman uncovered in his qualitative work, individuals judge themselves on the bases of income, levels of education, and occupational prestige.[133] That is, components of self-worth include one's educational credentials, income, and occupational prestige. Further, one's objective or perceived social class can have a distinct effect on one's response to a particular situation. Rebecca Sandefur articulates this sentiment in the following terms: "Social class and socioeconomic differences in how people experience problems and respond to them can mean that the same initial event . . . creates very different consequences for those in different class positions."[134]

The GSS data suggest that for individuals in the middle- and upper-classes, "going bankrupt" represents falling from a position of seemingly hard-earned social status in the American economic meritocracy. In a society that places so much emphasis on economic success, the incurrence of unmanageable debt may be the quintessential symbol of economic failure, one that speaks louder to middle- and upper-class individuals' internal measure of self-worth and self-esteem. According to sociological social psychology, the notion of self-esteem arises from three sources: reflected appraisals, social comparisons, and self-perceptions.[135]

The first measure of self-esteem, reflected appraisals, harkens back to Charles Cooley's the "looking-glass self."[136] Simply stated, Cooley argued that an individual's sense of self, and by extrapolation one's self-esteem, is developed through interactions with other members of society.[137] More particularly, reflected appraisals, which constitute "images of yourself based on your perceptions of what other people think about you," form a "basis for creating and confirming self-concepts."[138]

133. *See generally* Thomas J. Gorman, *Cross-Class Perceptions of Social Class*, 20 SOC. SPECTRUM 93 (2000).

134. Rebecca L. Sandefur, *Access to Civil Justice and Race, Class, and Gender Inequality*, 34 ANN. REV. SOC. 339, 347 (2008).

135. CRAWFORD & NOVAK, *supra* note 128, at 213.

136. *See generally* CHARLES H. COOLEY, HUMAN NATURE AND THE SOCIAL ORDER (1902).

137. *Id.*

138. Charles Jaret, Donald C. Reitzes & Nadezda Shapkina, *Reflected Appraisals and Self-Esteem*, 48 SOC. PERSP. 403, 403–09 (2005).

When an individual's reflected appraisals from others match that person's salient identity, the person's self-esteem is buoyed.[139] In contrast, when reflected appraisals no longer corroborate one's identity, an individual's self-esteem can be damaged.[140] As Charles Jaret and colleagues argue, it can be "disconcerting and potentially deflating to one's sense of having a distinctive identity to realize that other people attach great significance to categories such as one's . . . social status,"[141] especially if there is a mismatch between perception and identity. If based upon one's possessions, occupation, income, and education others view him or her as distinctly middle- or upper-class, the incurrence of unmanageable debt can certainly cause a disconnect between a person's reflected appraisals and internalized identity as a member of the respected higher classes. As Charles Jaret and colleagues found, when reflected appraisals relate to one's roles and statuses (such as social class), there is a negative relation to self-esteem.[142] This may explain why those in the middle- and upper-classes in the GSS, as measured by objective indicators of socioeconomic status (i.e., education, income, and occupational prestige) and self-identified class, are more inclined to agree with the acceptability of committing suicide in response to indebtedness if they believe society in general places importance on these markers of social class status.

With respect to the second measure of self-esteem, namely social comparison, Susan Fiske notes that social comparison is a universal human trait. As Fiske argues, "We compare in order to inform ourselves about where we stand. We compare to protect our self-esteem. We compare to identify ourselves with our peer group, those others who are similarly situated."[143] Empirical evidence exists that middle-class and upper-class individuals place great emphasis on the distinctions between themselves and the lower social classes.[144] Indeed, Michèle Lamont uncovered that upper-middle-class Americans tend to exclude others on the basis of socioeconomic superiority, as measured by education, income, and occupational prestige.[145] Further, as Thomas J. Gorman found in his study of members from both the working-class and middle-class, people "judge

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139. Morris Rosenberg & Leonard I. Pearlin, *Social Class and Self-Esteem Among Children and Adults*, 84 AM. J. SOC. 53, 63 (1978).

140. Joanne M. Kaufman & Cathryn Johnson, *Stigmatized Individuals and the Process of Identity*, 45 SOC. Q. 807, 827–28 (2004).

141. Jaret, Reitzes & Shapkina, *supra* note 138, at 405.

142. *Id.* at 403.

143. FISKE, *supra* note 126, at 27.

144. *See generally* Benjamin Sosnaud et al., *Class in Name Only: Subjective Class Identity, Objective Class Position, and Vote Choice in American Presidential Elections*, 60 SOC. PROBS. 81 (2013).

145. MICHÈLE LAMONT, THE DIGNITY OF WORKING MEN: MORALITY AND THE BOUNDARIES OF RACE, CLASS, AND IMMIGRATION 104 (2000).

[another's] worth on the basis of income, educational credentials, and occupational prestige."[146] These reciprocal feelings of judgment and comparison remain hidden but unquestionably serve to "shape daily interactions among members of different social classes."[147] In interviewing members of the middle-class, Gorman discovered that not only do members of the middle-class fear downward mobility but they also differentiate and distance themselves from members of the lower-class based upon the markers of income, education, and occupational prestige.[148]

In addition to distancing themselves from members of a lower-class as a mechanism of social comparison, middle- and upper-class individuals also utilize reference groups in the act of social comparison. In this regard, the people in our own social network form the relevant comparisons, which in turn set the standards for our behaviors and attitudes.[149] As a corollary, our self-identity and self-esteem "closely track[] feeling included or excluded" in our referent social group.[150] If this is the case, it is not hard to envision that becoming mired in financial debt and possibly resorting to bankruptcy damages the identity and self-esteem of those in the middle- and upper- classes, namely those individuals who are supposed to be the most economically successful in our financial meritocracy. Indeed, grave indebtedness or filing for bankruptcy protection, or both, arguably represents a falling from their own reference group and social network, something that can undoubtedly distort one's identity and self-esteem.

Finally, identity and self-esteem derive from internal evaluations of our own role performances. In this sense, it is well-accepted by sociological social psychologists that individuals routinely engage in "identity work," which Tony J. Watson describes, in part, as a process whereby individuals make "connections 'outwards' to social others as well as 'inwards' towards the self."[151] In other words, identity work, according to Watson, is a process whereby individuals shape and evaluate their own "internal identity" as measured against one's "social identity." Applied in this context, if an individual's social class is particularly salient to their senses of self and identity, then the act of incurring unmanageable debt or filing for bankruptcy relief represents a grave disconnect between

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146. Gorman, *supra* note 133, at 102–03.

147. *Id.* at 105.

148. *Id.* at 112.

149. *See generally* FISKE, *supra* note 126.

150. *Id.* at 116.

151. Tony J. Watson, *Managing Identity: Identity Work, Personal Predicaments and Structural Circumstances*, 15 ORG. 121, 140 (2008).

identifying as middle- or upper-class, and a negative evaluation of role performance is likely the end result.

CONCLUSION

This empirical Article offers a fresh perspective to the ongoing debt and bankruptcy stigma literature by examining whether all debtors are created equal or whether a segment of the American population does or should view indebtedness differently based upon social class. As the data from the GSS suggest, individuals with higher incomes, occupational prestige scores, and levels of education are more likely to agree with the survey question that an individual has a right to commit suicide upon "going bankrupt." This same observation holds true based upon an individual's self-identified social class, with those identifying as middle- or upper-class having greater odds of agreeing with the debt–stigma question.

Not only do these findings add to the social psychology literature on self-esteem and personal identity based upon class, but the findings remain relevant to consumer and bankruptcy law scholars alike in arguing for and against policy changes to the Bankruptcy Code. As measured by specific points over the past thirty years, the data indicate that debt stigma remains a viable area of study and that the stigma surrounding indebtedness still has salience for individuals' everyday lives. In addition, the GSS data suggest that debt stigma has increased rather than decreased over the past thirty years, another potential finding of interest to bankruptcy and consumer law scholars.[152]

The findings of this study suggest at least three avenues for future research. First, to the extent that other datasets exist with the same variable measures, similar statistical analyses can be done to test the findings of this study. Second, qualitative and interpretive research designs can be developed to explore this study's initial findings by conducting in-depth interviews with individuals (debtors and non-debtors alike) to explore whether responses to indebtedness shift by objective and subjective indicators of social class. This can be accomplished by purposefully sampling for different social classes and by attempting to find "disconfirming evidence"[153] of this study's general findings. Third, based upon the results of the logistic regression models, age remained statistically significant across all years, whereby increasing one's age

152. *See* Sousa, *supra* note 110.

153. John W. Creswell & Dana L. Miller, *Determining Validity in Qualitative Inquiry*, 39 THEORY INTO PRAC. 124, 125 (2000) (noting that disconfirming evidence "is the process where investigators first establish the preliminary themes or categories in a study and then search through the data for evidence that is consistent with or disconfirms these themes").

decreased the odds of agreeing with the debt–stigma question.[154] Future researchers can explore this apparent association between age and debt stigma both quantitatively and qualitatively.[155]

For the moment, based upon this initial study, it appears that systematic patterns exist regarding notions of debt stigma in American society and that individuals may view the phenomenon of grave indebtedness quite differently based upon their relative positions in social life. Further research in this area may tell us much more about debt, class, and identity in American social life.

154. The same may be suggested with respect to race, as this variable proved to be statistically significant at least in Model 2 and Model 3.

155. Indeed, such studies have already taken place. *See, e.g.*, Patricia Drentea, *Age, Debt and Anxiety*, 41 J. HEALTH & SOC. BEHAV. 437 (2000) (finding that financial strain is a potential daily stressor, which falls more heavily upon younger adults starting careers and beginning families).