Anaemic Geographies of Financialisation

A new article by Brett Christophers, New Political Economy


Abstract
This paper offers a critique of the increasingly prevalent argument that the late twentieth century saw a “financialisation” of capitalism anchored in the USA, the UK, and other leading Western economies. The objective of the paper is not to claim that there has been no such structural mutation, but that the studies which allegedly demonstrate this mutation are compromised by the anaemic geographies that structure and animate them. Such studies, the paper argues, fetishise the national scale and, in doing so, offer a restricted and potentially misleading reading of trends such as, most notably, historic growth in the share of corporate profits accruing to “finance” within individual countries. Examining empirical data for the UK, but explicitly incorporating the international perspective typically missing from existing studies of financialisation, the paper points to the vital role of international expansion by UK financial institutions in growing the financial sector’s share of profits, Whether so-called “financialisation” has also contributed to this growth remains, the paper submits, open to question.

Keywords: financialisation, scale, geography, profit, globalisation