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# **Financialisation and sustainability: general issues**

**discussion by**  
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## The speakers

- Eric Clark (University of Lund) On the compatibility of financialisation and sustainability
- Alessandro Vercelli (University of Siena) Financialisation and sustainability: a long-run perspective
- Elisa Ticci (University of Siena) Implications of the Second financialisation for sustainability

## Eric Clark On the compatibility of financialisation and sustainability

### Financialisation as a single dimension within a multidimensional phenomenon:

- Commodification
- Privatisation
- Monetisation / Marketisation
- Securitisation / financial instruments
- Accumulation by dispossession
- Exchange value moves into the driver's seat (Harvey: what neoliberalisation is all about)
- Accumulation by dispossession: i) Carbon Offset Trading → dispossession of the atmosphere; ii) Rights Based Fishing → dispossession of oceans/seas; iii) 'Sustainable' biofuel → global land-grab; iv) 'Revitalization' of 'green' cities → gentrification, domocide, topocide; v) Privatization of municipal housing, schools and healthcare → dispossession of urban commons
- Financialized environmental governance

**Any way out? : Catastrophe? Ethics? ...**

## A. Vercelli Financialisation & sustainability: a long-run perspective

### Financialisation in the history of capitalism: An evolutionary view

- What is it?: i) Specific episode; ii) Recurring phenomenon; iii) Stage in a long-run tendency (preferred “encompassing” view)
- Links to other dimensions: i) globalisation; ii) technological innovation
- The economists’ views: i) orthodox; ii) open-minded orthodox; iii) heterodox
- Threats to sustainability: i) economic (unemployment); ii) social (poverty and inequality); iii) environmental ... and i) democracy

### Some observations/remarks:

- What is it? – long-run tendency ... a useful framework
- Links to other dimensions – maybe more attention to political/governance aspects
- The economists’ views – more on the feedback structure-theory (Fisher Black)
- Threats to sustainability – back to a way out? : Catastrophe? Ethics? A new Pecora Commission? (the joke of teaching mathematical finance in High schools) ...

## Elisa Ticci Implications of the 2<sup>nd</sup> financialisation for sustainability

### Financialisation broadly transforming society

- More complex financial systems: i) Financialisation of non-financial businesses; ii) and of households; iii) Financialisation of commodity market and of natural resources
- Financialisation & threats to sustainability: i) financial systems; ii) non-financial businesses; iii) households and social classes; iv) environmental sustainability

### Some observations/remarks:

- More complex financial systems – OTD vs. OTH banking model; self-regulation; maybe more on the role of 'circumventing' innovations
- Financialisation & threats to sustainability – maybe more reference to emerging and developing countries