

Financialisation

Political Science

The growing weight of finance in the economy and in politics.

Features and consequences debated.

Features

Financial sector growth relative to GDP

Shareholder value as the corporate objective

Household debt and asset-based welfare

Non-financial firms earning financial income

Debated consequences

Shorter corporate time horizons

Higher inequality through asset ownership

Greater exposure to financial crises

Political influence of the sector

Educational reference. This is a contested analytical framework rather than a settled description. Definitions vary between authors.