Semi-peripheral Financialisation: the case of Portugal

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A context-specific approach to the analysis financialisation processes in semi-peripheral countries, focusing on the social relations between finance and domestic and external economic agents:

• State
• International Financial sector
• Non-Financial Sector
• Households

=> The role of loanable capital provided by banks
Financial sector & the State

The role of the State in leading the process of European integration

- Accelerated the processes of privatisation, liberalisation, deregulation of the banking sector
- Promoted the development of capital markets (liberalisation of capital flows, privatisation of non-financial public firms, securitisation of public debt, growing recourse to bank debt to finance public deficits)
- The creation of the EMU
Domestic finance & the international financial sector

Bank liabilities (red) and assets (blue) with the rest of the world (BdP, million euro)
Finance & non-financial corporations

Business bank debt total and by sector (BdP, million euro)
Finance & Households

Ratio of loans to individuals vs loans to non-financial companies
Composition of HH debt: Mortgage and consumer loans

UK

DE

PT

PL

Fonte: ECRI

- Mortgages
- Consumer loans
HH debt and wealth to GDP (Eurostat)
Semi-peripheral financialisation

1. The historical and context specific international insertion of semi-peripheral countries in international financial markets, as external agents are the main driving force in promoting financialisation therein;

2. The impacts of financial international integration on the economy through changing the incentives of national (financial and non-financial) agents;

3. The impacts of financial international integration on individuals and households, taking due account of how finance interacts with relevant systems of provision; and

4. The role of the State in shaping these processes: European integration, monetary policy, public investment, housing policy, etc.
Thank you!