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FINANCIAL PROFITS IN THE UNITED STATES IN THE NEOLIBERAL FINANCIALISATION

Theory and Empirics in a Marxist Approach

Sergio Cámara Izquierdo

scamara@correo.azc.uam.mx

www.sociedadyacumulacion-sergio.org

Área Sociedad y Acumulación Capitalista, Departamento de Economía
Universidad Autónoma Metropolitana-Azcapotzalco, Mexico City

Abstract

The neoliberal era of capitalism is characterized by an increase exploitation of labour, an intensification of the process of globalisation and a renewed hegemony of finance, which confer neoliberalism a contradictory nature. This latter feature of financialisation is conceived as a relative expansion and domination of the nonproductive forms of capital valorisation; specially, an expansion and domination of capital-property forms of valorisation (interest-bearing capital and shareholding capital) in the detriment of active-capital (industrial and commercial capital), and of speculative and parasitic forms of valorisation in the detriment of forms of valorisation that enhance directly or indirectly productive accumulation. The process of financialisation has taken place as a consequence of a radical change in the power structure of classes and institutions, developing a historically specific form of financial hegemony. The present research quantifies the effects of the neoliberal financialisation on the channels of financial profit appropriation in the United States employing a Marxian theoretical and empirical approach. First, the profitability of the different forms of capital valorisation –active-capital, capital that finances active-capital accumulation, capital that finances final consumption, speculative capital, etc.– is measured. It is concluded that the hegemony of the capital-property and parasitic forms of valorisation and capital accumulation during neoliberalism is corroborated in their higher profitability. Second, the effects of the financial activities are considered in order to arrive to a measure of the profit rate that takes into consideration the financial dimension of economic activity, both in the corporate nonfinancial and corporate financial sector. It is concluded that the financial activities have enjoyed higher levels of profitability during the neoliberal financialisation. Finally, it is put forward that the current structural crisis, starting in the 2001 cyclical crisis, evidences the unsustainability of this regime of accumulation.

KEYWORDS

Neoliberalism, Financialisation, Financial Profits, Marx, Rate of profit, Accumulation.