

## Call for Papers

Irmgard Coninx Foundation / 14<sup>th</sup> Berlin Roundtables on Transnationality

### FINANCIALIZATION AND EVERYDAY LIFE

*The financial crisis of 2008 and the enduring recession continue to reveal the multitude of ways in which new financial markets and the investment culture have come to shape social life, across the range from consumer/household budgeting to sovereign and corporate debt. Even before the crisis, a sense of novelty in the relationship between finance and society had generated a range of responses, from shareholder activism to the corporate social responsibility movement. Theorists, such as Randy Martin have described the comprehensive effects of these decades-long processes as the ‘financialization of everyday life’ (Martin, 2002; Langley, 2009), which is apparently producing increased volatility in daily life, a decreased sense of democratic participation and a declining comprehension of financial institutions and broader social differentiation. People are more exposed to impoverishment, in the face of reduced social protection from welfare policy, and attempts at mobility in the world have apparently expanded in geographical scope and existential risk (Harvey, 2003; Sassen, 2010). While this newly apparent configuration has provoked an avalanche of analysis and commentary, there is still a great deal of detailed empirical work to be done to explore the ways in which key features of financialization – particularly around the power of credit systems and corporate practices – affect everyday lives, social relationships and cultural imaginations across the globe (Bourdieu, 1991, 2005; Lefebvre, 2005). As the crisis moves into its third year, we become aware of national and local variations in its aggregate effects, without yet having excavated in detail the dynamics that account for them. Historicization is crucial here, as we trace out the historical roots on ongoing processes in all their heterogeneity.*

*The main aim of this conference is to bring together scholars and practitioners from academic disciplines, the fields of policymaking and civil society organizations to present research, to debate and to discuss critically the implications of financialization for everyday life: through debt and the credit systems on the one hand, and through forms of corporate social responsibility and shareholder activism (e.g., socially responsible investing) on the other (Soederberg, 2010). Legal innovations mediate both processes, from changes in the bankruptcy laws to challenges to shareholder voting systems and the framing of philanthropy. The legally-engineered potential of different assets for securitization also affects processes as fundamental to society and subjectivity as ethnic identity (Comaroff and Comaroff, 2009) and intellectual property rights.*

*We are interested in papers that address financialization broadly and inclusively: as a social, political and cultural process in the advanced industrial countries, transitional and developing countries and at a variety of levels – local, national, and regional. We aim to focus particularly on theoretically informed empirical studies of financialization*

(Ertürk et al., 2008) as it relates to the following two broad themes, each of which will comprise a separate session.

## **1. Deconstructing Credit and Money in Neoliberalism: Power, Culture, and History**

Chairs: Jane Guyer (Anthropology, John Hopkins University) and Susanne Soederberg (Global Development & Political Studies, Queen's University, Canada)

Credit and debt relations, along with their attendant institutions, practices, and norms, have existed for millennia. The dominant neoliberal paradigm, which rests on market fundamentalist principles espoused by Hayek and Friedman, portrays the increased indebtedness of countries, consumers and corporations as a weakness in rational fortitude and discipline. That is, through economic growth and savings, sovereign and private debt can be reduced to calculable and thereby manageable levels ('Repent at Leisure: A Special Report on Debt,' *The Economist* 26 June 2010). There has been a rich, albeit still relatively small, literature on the everyday implications of these principles, although the topic is central to the social power of debt, credit and the role of money in the global North (Rock, 1973; Strange, 1988; Hudson, 1996; Williams, 2004;) and global South (Ferguson, 1994; Soederberg, 2004; Bracking, 2009).

We seek papers that address the portrayal of debt and credit as mere economic concepts devoid of questions of power, class, culture, politics, and history and of their original features in the new millennium:

- How can we begin to theorize and study the present relations between debt and credit?
- What role has the state played in the coercion and consent surrounding new technologies and practices (e.g., measurement of good credit scores to debt collection)?
- Relatedly, what role has the demise of social welfare and rise of corporate welfare programs played in the social power configurations of debt and credit in the new millennium?
- How and why have the credit and debt structures come to play a vital role in global affairs and everyday life, with that "paying back tomorrow" increasingly amenable in some domains to postponement, restructuring and further implication in financial instruments crafted for risk management and increasingly threatening in other domains?

We welcome papers that attempt to rethink the current economic monopoly of the meaning(s) and significance(s) of credit, debt and repayment, and their interconnections, from a variety of disciplinary perspectives (Sociology, Geography, History, Anthropology, Political Science, and Economics) and sub-specializations (Gender Studies, Consumer Studies, Cultural Studies, Global Development Studies, Environmental Studies). We are particularly interested in papers that explore emerging and contentious areas in the credit system such as: consumer debt (credit card debt,

student loans, sub-prime housing loans), the role of credit rating and debt collection agencies, (asset) securitization, micro-finance, corporate debt, and ecological debt (Martinez-Alier, 2002). We encourage conceptual and theoretical critique and innovation as well as empirical studies.

We are interested in receiving papers from a variety of theoretical approaches, including attention to: class, gender and, race in social dynamics; new configurations of time and space in cultural forms such concepts of the life-course of rootedness and of implication in the non-human environment; and the rhetorical forms through which the public sphere and markets have been shaping, constructing and validating the meaning(s) of fear, panic, moral outrage as well as ongoing confidence and trust in 'the markets' (Guyer, 1995).

## **2. Financialization and Corporate Social Responsibility: Consumers and Investors as the New Policymakers?**

Chairs: Boris Holzer (Sociology, University of Bielefeld) and Bryane Michael (Economics, Stockholm School of Economics)

The recent economic crisis has once again highlighted the tremendous consequences that corporate decision-making can have on society. Yet rational profit-seeking rather than evil intention lies at the core of many corporate misdemeanours. From the perspective of owners and investors, the 'social responsibility' of the corporation first and foremost is to increase its profits (Friedman, 1970). This realistic if rather bleak perspective on the business-society relationship may be extended and modified in two directions: First, the belief that only shareholders matter and, as a corollary, profit-seeking is the only legitimate objective of firms is challenged by a more encompassing notion of corporate social responsibility (CSR) that includes various stakeholders such as governments, customers and generally anyone affected by the corporation's decisions (Crane et al., 2008; Vogel, 2005; Zadek, 2001). Second, certain kinds of profit-seeking may be considered more desirable than others, e.g. selling wheelchairs vs. producing landmines. Socially responsible investment (SRI) takes that into account by making investment decisions contingent on environmental and labour standards (Lewis, 2002). Similarly, consumers can boycott or 'buycott' particular products or brands and thereby promote their own ethical, environmental or political concerns by their purchasing choices (Friedman, 1999; Harrison, 2005; Micheletti, 2003).

SRI and political consumerism use the tools of the market to effect political and social changes. They are therefore as much an expression of financialization as instruments to translate societal concerns into the 'language of the market'. While CSR, SRI and political consumerism appear to reinforce the financialization of everyday life including political decision-making they also highlight the new roles for consumers and investors. Through his or her purchasing and investment decisions, today's citizen allegedly has more influence on policies that affect his or her life than ever before. In turn, corporations

– from manufacturing firms to investment houses – engage in costly social responsibility programs, claiming to increase revenues while helping society.

In this workshop, we will explore how ethical, political and socially responsible consumption and investment as well as extended notions of CSR have altered the way we think about – and make – politics and public policy. In particular, the workshop will examine the ambivalent relationship between market-oriented politics and the financialization of everyday life, i.e. to what extent making politics through the market reframes social and political affairs in monetary terms. We therefore invite contributions from scholars from various disciplines including management, political science and anthropology as well as from practitioners in the field of CSR, SRI and ethical consumption. Papers may provide empirical analyses, case studies from a specific company of industry, or critical examinations of concepts and practices.

Questions that may be addressed include:

- How do consumers perceive their influence on corporate decision-making and its consequences? How do they compare influence through the market with traditional ways of political participation?
- What difference do CSR programs make in people's lives? How are particular communities, especially in the Third World, affected and restructured by CSR initiatives?
- What (new) kinds of accountability emerge together with people buying and investing according to ethical and political criteria? How do companies perceive and evaluate such expectations?
- What is the role (if any) of national and international regulation? Can and should it support forms of policy-making beyond the state? To what extent can market-based policies supplement or even replace state policies?
- What is the role of socially responsible investment (SRI) in an increasingly difficult financial environment? How responsible can investment be that has to rely on evaluations and rating provided by financial agencies?

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