



Toward a Criminological Understanding of Financialization

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Abstract

This article weaves together the ascendancy of financial markets and the field of critical criminology. It argues that critical perspectives such as crimes of the powerful and crimes of globalization may benefit from analyzing financialization as a key economic and cultural transformation in today's capitalism. The analysis of financialization is made through the literature that addresses the economic transformations of capitalist accumulation, thus framing finance capital in the post-Fordist regime of production. By using this perspective, this article develops the argument that the cyclical speculative waves of finance are not a congenital pathology of capitalism but its very mode of governmentality. Overall, this article claims the analytic potential of financialization studies to deepen our understanding of the social and environmental harms produced by powerful corporations and financial institutions.

Keywords

Financialization; speculation; crimes of the powerful; crimes of globalization; post-Fordism.

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Introduction

Vincenzo Ruggiero has often repeated that economists paid several visits to the field of criminology and that it is time for criminologists to return such visits (Ruggiero 2009, 2012, 2013). This article is an attempt to return them through an excursion into the field of “financialization” studies. Since the 1970s, the exorbitant growth of financial markets has triggered a well-recognized scholarly interest in the ascendancy of finance capitalism and its impact on the economy and society (Mader et al. 2020; van der Zwan 2014). It has been argued that the realm of finance constitutes an autopoietic power since it is an increasingly autonomous force that shapes the world in its own image (Vogl 2017). The notion of financialization has been widely employed to describe the shift from industrial Fordist capitalism to the rise of finance as an organizing feature of post-Fordism. Gerald Epstein’s seminal definition of financialization as “the increasing role of financial motives, financial markets, financial actors and financial institutions in the operation of the domestic and international economies” (2005: 5) has offered a general formulation that links three levels of analysis: financialization as a new regime of capital accumulation, as a new rationality for corporate management, and as a novel representation of the human condition.

The advent of the 2008 financial crisis strengthened scholars’ interest in financialization. Anthropologists, sociologists, geographers, and practitioners of other disciplines have critically analyzed this socioeconomic transformation and its social impact in the aftermath of the global financial crisis. Yet, few criminologists have paid due heed to this task. This article contributes to this academic endeavor by setting a dialogue between criminology and financialization. Critical criminology may benefit from an excavation into the literature of financialization to connect the vast production of social and environmental harm with the dynamics of financial markets. This article claims the analytic potential of financialization studies to deepen our understanding of the social and environmental harms produced by powerful corporations and financial institutions.

In building the dialogue between criminology and financialization, this article starts with a brief review of the existing criminological literature that has addressed finance capitalism as a crucial source to understanding the harmful consequences of the economy. Section two moves beyond the confines of criminology to define the notion of financialization and to introduce three different theoretical analyses underlying financialization studies. Section three frames financialization in the post-Fordist regime of production using the lens of Italian Autonomist Marxism. Section four outlines the harmful logic of finance capital by analyzing speculation as the very mode of governmentality of financial markets and is followed by a conclusion.

Critical Criminology and the Rise of Finance

Financial crises are followed by critical waves of scholars researching corporate, economic, and financial crimes. As such, Edwin Sutherland’s analysis of the need for criminology to focus on white-collar crime after the Great Depression was no coincidence. Nor was it an accident that in the aftermath of the 1980s US savings and loan crisis, a group of critical criminologists, including Kitty Calavita, Henry Pontell, and Robert Tillman (1997), began studying the proliferation of white-collar crimes under a different perspective. In fact, Calavita and her colleagues were the first criminologists who framed the crimes committed by the savings and loan insurance industries under the new regime of production, namely the emergence of financialized capitalism (Calavita and Pontell 1991). Using their own words: “it seems likely that the qualitatively different ‘production’ process in finance capitalism will generate new forms of corporate crime in response to new sets of organizational pressures” (ibid: 96).

It seems, nonetheless, that little criminological attention has been paid to the epochal shift advanced by Calavita, Pontell, and others. Interestingly enough, the twenty-first century opened with one of the worst financial debacles in the world as well as one of the biggest waves of white-collar criminality. Scholars have certainly examined the frauds perpetrated within the financial industry (see, among others, Barak 2015; Shichor 2015; Tillman 2015; Will et al. 2013). However, few criminologists have addressed the rise of financialization and the rationality distinctive of financial markets as the crucial process that enables such

reckless behaviors and their devastating social effects on society (cf. Beizsley 2020). My claim is that a wide range of critical criminological perspectives may strengthen its theoretical framework through a detailed understanding of finance's speculative rationality, as discussed below.

Of great significance here is the literature on “crimes of the powerful” and “crimes of globalization.” At the end of the twentieth century, some criminologists started paying attention to the phenomenon of globalization as the new context within which criminology should frame its analyses. The emergence of international financial institutions—the World Trade Organization, the International Monetary Fund, and the World Bank—as central economic agents in the new global order raised criminological interest. The first empirical research addressing the criminogenic setting of such institutions was provided by Friedrichs and Friedrichs (2002), who introduced the category of crimes of globalization to explain the harm caused by the World Bank's financing of a dam in Thailand.¹ Since then, the concept has been deployed in a number of studies that connect globalization to the production of grave human rights violations and social and environmental harms through policies and practices of financial institutions (cf. among others, Aas 2013; Böhm 2020; Ezeonu 2008; Rothe et al. 2006; Wright and Muzzatti 2007).

The financialization of the economy is a process that may be understood under the canopy of globalization. Scholars studying crimes of globalization have overtly recognized financialization as a striking development in the recent era by emphasizing the dramatic expansion of the financial sector in the global economy. As Friedrichs (2016) noted, within the financial sector, there are powerful entities and actors whose illegal and unethical activities have a profound impact on societies and have been relatively neglected by criminologists. The definition of crimes of globalization has been provided by Rothe and Friedrichs (2015), who defined it as “those demonstrably harmful policies and practices of institutions and entities that are specifically a product of the forces of globalization, and that by their very nature occur within a global context” (2015: 26). This definition is appealing for at least two different, though complementary, reasons. First, beyond emphasizing the criminal activities developed mainly by financial institutions, such a definition aims to challenge the meta-narratives of orthodox criminologists based on the legalistic definition of crime (Ezeonu 2008; Friedrichs and Friedrichs 2002; Mackenzie 2006), and it does so without necessarily moving beyond the field of criminology. This reason, in turn, leads to the second reason: such work provides a powerful bridge with the zemiological enterprise that strategically allocates the concept of “social harm” in the very core of its analyses (Canning and Tombs 2021; Hillyard et al. 2004). Broadening the concept of crimes of globalization to cover the harmful consequences of neoliberal globalization, Ezeonu has made the argument for a “market criminology,” which he has defined as the criminology of “preventable market-generated harms” (2015: 95).²

Wilson (2012) has offered similar powerful insights that we can exploit to overstep the narrow bounds of orthodox criminology. Like Ezeonu and others, Wilson's contribution has focused on the criminogenic forces underlying globalization and the capitalist world economy. However, by borrowing Paul Virilio's critical theoretical framework, Wilson has creatively examined the global financial crisis as an inherently criminogenic event, arguing that “power crime is ‘the accident’ of the substance of cyber-capitalism” (ibid: 271). Wilson employed the concept of “cyber-capitalism” to emphasize the abstract and high-speed functioning of finance capital. By operating in cyberspace and using space-age technology, the financial sector created complex speculative instruments such as credit default swaps or collateralized debt obligations, which were among the causes of the 2008 financial meltdown.

An obligatory reference when thinking about crimes of the powerful is the work of Vincenzo Ruggiero. The Italian criminologist is a central author in the field of economic and financial crimes. Although Ruggiero's work on the crimes of the powerful is extensive (cf Ruggiero 2007, 2009, 2012, 2017), it is perhaps his account of the crimes of the economy that is more interesting for my purposes. Two of his books deserve to be highlighted. First, Ruggiero's *The Crimes of the Economy* (2013) advanced the argument that the very nature of the free-market economy is inherently criminogenic in the sense that it generates much demonstrable harm; simultaneously, Ruggiero unraveled the rationales that classical and modern economists have provided to justify harmful business-related policies. Second, Ruggiero's *Dirty Money: On Financial Delinquency* (2017) addressed how money and finance become powerful instruments to produce

harm and victimization, through a genealogical examination of how philosophers, theologians, and criminologists shape our discourse and understanding of the causes and consequences of financial harms. Ruggiero has provided criminologists with a theoretical toolkit to start thinking about how the economy becomes disembedded from society, resulting in constant socially harmful consequences. Echoing Foucault and Le Goff's historical methodology, Ruggiero has suggested engaging in an archaeological investigation to understand how harmful behavior becomes neutralized in the dominant sensibility and is justified by economic axioms (cf 2007, 2021).

The Financial Revolution

If critical perspectives such as crimes of the powerful and crimes of globalization are to pay due heed to the production of crimes and harms under the stranglehold of financial capitalism, the analysis of financialization cannot be surmounted. Over the last quarter of “the long twentieth century,” something radically changed in how capitalism works (Arrighi 1994). The collapse of the international monetary system established at Bretton Woods in 1944, the dismantling of the welfare state, and the concurrent rise of financial markets marked a turning point in the history of the political economy of capitalist democracies (Arrighi 1994; Krippner 2011). This break has been largely explained through the concept of financialization and the accompanying rise of neoliberal ideas.

It is crucial to understand what we mean by “financialization.” This notion has been deployed with impetus in social sciences to capture the precise nature of the economic changes of the past five decades (1970–2020). It has been employed to explain the exponential growth of the financial sector and its impact on the economy and society (van der Zwan 2014). The traumatic consequences of the 2008 financial crisis fueled further scholarly interest in the extraordinary rise of finance and the unbridled activities of financial institutions. However, despite the various efforts in analyzing financial markets, there is no settled agreement on the meaning of financialization. According to Martin, it is a term that tends to get “stretched and pulled in myriad directions” (2002: 9). For Blackburn, it “can most simply be defined as the growing and systemic power of finance and financial engineering” (2006: 39). In a similar vein, Gerald Epstein defined it as “the increasing role of financial motives, financial markets, financial actors, and financial institutions in the operation of the domestic and international economics” (2005: 3). Perhaps the most widely cited definition is one proposed by Greta Krippner, who defined financialization as “a pattern of accumulation in which profits accrue primarily through financial channels rather than through trade and commodity production” (2011: 174). Conceptual differences notwithstanding, the notion of financialization denotes a fundamental change in the economy unaccountable through either the notion of “globalization” or “neoliberalism,” even though they are tightly interwoven.³ It is also relevant to stress that such conceptual disarray partly stems from financialization's heterogeneous spatial dimension. Human geographers have pointed out the uneven geographies of financialization through comparative inquiry, arguing that it is an unfolding process that depends crucially upon national political economies and their rooted institutions (Engelen et al. 2010; Engelen 2012).

Although the general understanding of financialization is grounded in the larger dynamics of capitalist accumulation, critical analyses have moved beyond this approach to include broad examinations of the effects of finance. As Lapavitsas argued, financialization can also be understood as “a systemic transformation of advanced capitalist economies pivoting on changes in the underlying conduct of non-financial enterprises, banks, and households” (2013: 20). Along similar lines, Davis has described financialization as a Copernican revolution. He noted that although the economies of the old Fordist regime revolved around industrial companies that relied on the internal accumulation of production capacities for prosperity, “we have moved to a market-centered system in which the corporations themselves—along with households and governments—are guided by the gravitational pull of financial markets” (2009: 5). Financialization must be studied not only as a new systemic cycle of accumulation (Arrighi 1994) but also as a specific rationality that allows deep internal penetration both at organizational and anthropological levels. Specifically, cultural studies have deepened the understanding of financialization as a cultural process pervading every sphere of society by setting its own narrative and mode of governmentality (cf Hansen 2014).

Thus, an alternative approach to financialization examines the rise of “shareholder value” as a guiding principle of corporate practices (Davis 2009; van der Zwan 2014). Two main characteristics may define this approach. One considers how financial markets pressure non-financial corporations and their managers to implement business practices promoting shareholder value. The other interrogates how these corporations adopt shareholder value by diverting financial market pressure onto other constituents of the firm, especially employees. In this manner, shareholder value functions as a waterfall that permeates every conduct within the organization of an enterprise, which allows deep internal penetration of the financial logic concerning functioning and investment. Anthropological studies have demonstrated how the dreary imperatives of shareholder value have shaped the culture of professionals working at financial corporations and how the concept of value has become an object of study itself (Ho 2009; Ortiz 2013). For instance, the financialization of US corporations has been empirically examined, showing how shareholder value has contributed either to deficient investment or downsizing policies (Ho 2009; Lapavitsas 2013). It is crucial to underscore that financialization has also transformed corporate craft. As Karen Ho noted, “the mission (of all corporations) is always to create shareholder value” (2009: 122).

Finally, the expansion of the financial rationale among broad layers of the population has given rise to several studies analyzing the “financialization of daily life,” to borrow Randy Martin’s title (2002). It has been suggested that the ascendancy of finance has also shaped the social aspects of everyday life, to the extent of modifying human conduct. Ethnographic studies have provided important analyses of how finance infiltrates the world of communities (cf Allon 2010). Specifically, studies on governmentality—leaning on Foucault’s lectures (2004) on *The Birth of Biopolitics* (1978–1979)—have explained the modification of human behavior. They have linked the macroeconomic aspects of the financialized economy to the governmental techniques that produce processes of subjectivization (Lazzarato 2012). What they suggest is that the motivation of the *Homo oeconomicus* is no longer governed through a liberal governmentality but through a financialized rationality. This rationality promotes a different type of capitalist subjectivity, in which individuals manage their human capital as a financial enterprise. As Michel Feher (2017) has argued, this rationale entices everyone to think and behave like portfolio managers. Various perspectives have been theorized to understand the governmentality of this new subjectivity. Lazzarato (2012) examined debt as a mechanism of subjection producing the indebted man (*Homo debitor*), whereas Ascher (2016) described the financialized mode of prediction that depends on the existence of a probable man (*Homo probabilis*). Financialization adds a cultural blueprint where everything is rated according to pecuniary value, and the citizen is transformed into an investor (Hansen 2014).⁴ Extending Feher’s (2017) hypothesis, Adkins (2018) has argued that the logic of speculation is the one that has taken control over the postmodern subject.

Framing Financialization in the post-Fordist Regime of Production

I can now claim that this transformation—namely, the fact that financial markets now appear as a force of their own while simultaneously mediating an increasing range of social relations—is hardly questionable. Bearing this in mind, further theoretical tools are required if we are to deepen our knowledge of the nature of finance capital. The following analysis frames financialization in the post-Fordist regime of production through the lens of “Autonomist Marxism,” also known as *Italian theory*.⁵ This perspective offers a suggestive analysis of the role of financialization in the economic transformation that occurred after the 1970s. The Autonomist hypothesis stated that the expansion of finance is the other face of extending the process of extracting and appropriating value over society (Marazzi 2010). Two complementary aspects need to be addressed to defend this hypothesis: the crisis of the law of value and the becoming rent of profit.

The Crisis of the Law of Value

It is crucial to comprehend the crisis of the law of value if we are to understand the exponential growth of financial logic. In traditional pre-capitalist economies, the value of a commodity was mainly linked to the relationship between resources and social needs. However, this relation was modified by the advent of capitalism as a new mode of production. Henceforth, the value of a commodity was defined through a process that was objectively commensurable: the quantity of time socially necessary to produce a commodity (Marx [1867] 1976). Modern capitalism was, thus, based on the measurability between the relation of work and value. Time provided an objective variable to explain the fluctuations in prices, salaries, and profits. This relation was famously explained by Marx: value is time, accumulation of time, time objectified that has been transformed into things, commodities, and value (ibid.). The “law of value” became the criterion for the capitalist rationale of production, capable of transforming abstract labor—namely the human capacity to work, as measured by a time unit of simple work—into the instrument of control and growth of social productivity. The Fordist factory and the Taylorist paradigm were representatives of this capitalist mode of production.

This organization of time and labor was completely disrupted by the advent of post-Fordism.⁶ In post-Fordism, the process of valorization loses the quantitative unit of measure connected to the material production of commodities, theorized by Marx (De Giorgi 2006). The process of accumulation no longer accrues through the production and exchange of material commodities, but rather it is produced through abstract exchanges involving communication, signs, figures, images, and expectations. While in the Fordist era, the production of value was created from the physical manipulation of things and the physical interaction of workers—exemplified by the enclosure in factories—the post-Fordist regime of production is based on the pure linguistic and communicative sphere of the human being. This transformation does not mean that material commodities are no longer produced, but rather that post-Fordism puts to work the bare intellectual abilities: the essential site of economic exploitation is the human body and mind (ibid.). To define the labor that produces the informational and cultural content of the commodity, Autonomist thinkers coined the notion of “immaterial labor” (Hardt and Negri 2000).⁷ Similarly, the concept of “cognitive capitalism” aimed to highlight the central role of knowledge as the basic source of value in post-Fordism (Boutang 2007).

Through a re-reading of Marx’s *Grundrisse* on the *Fragments of the Machines*, Autonomist theorists have reformulated Marx’s concept of “general intellect” (Marx [1939] 1993: 706). In this concept, Marx aimed to describe the development of scientific and technical knowledge as a force of production (ibid.). Marx developed this notion as the knowledge that was crystallized on fixed capital, namely internalized on the machines. However, Autonomism redefined the concept’s meaning since, in the post-Fordist regime of production, the general intellect became the mere cooperation of the linguistic capacities of the labor power (Virno 2003). Immaterial labor produces ideas, data, images, and styles, all of which are productive in the sense that capital takes profit from them. In a post-Fordist economy, the general intellect is the engine of the current mode of production, which is knowledge embodied in any cognitive worker, the reason why Marazzi (2010) stated that there is a becoming machine of the body of labor power. In other words, the main functions of fixed capital have been transposed into the body of labor power. This point is important for it stresses that production has become spread across the social body. Labor-time cannot be reduced to a calculation and attempts to do so will always fail (Adkins 2009). Immaterial labor cannot be properly gauged under a simple unit of time because it is discontinuous and arbitrary. Franco Berardi has made this point clearly:

When you want to establish the average time that is needed to produce a material object, you just have to do a simple calculation: how much physical labour time is needed to turn matter into that good. It’s easy to state this, to decide how much time is needed to produce a material object. But try to decide how much time it takes to produce an idea. Try to decide how much time is necessary to produce a project, a style, an innovation. (2012: 75)

The case of domestic labor is significant for understanding the problems of measurement, where socially reproductive labor has challenged any attempt at a Marxist value theory (cf Adkins 2009). Hence the advent of post-Fordism jeopardizes the Marxian law of value: a theory of measure makes no sense regarding the incommensurable quality of social accumulation. Life has become a productive process for capital. The boundaries between work time and non-work time start blurring. The critical hallmark of Autonomist's theorists was to note the exhaustion of the mode of measurement in which classical political economy was founded (Vercellone 2010). More fundamentally, it means that value is no longer related to the time spent producing a specific material commodity.

The Becoming Rent of Profit

If I have engaged with the Autonomist critique of the Marxist law of value, it is because the metamorphosis in the process of value is important to understand the new regime of accumulation under the financial logic. The *crisis of the law of value* led to the conclusion that capital is no longer organized under the same parameters as the Fordist regime of production. If the production of value has now spread across the social body, it means that capital does not play a central role in determining value during the process of production. Profit increasingly depends on mechanisms of value expropriation that proceed from a position of exteriority in respect to the organization of production. Vercellone (2010) has termed this as the "becoming rent of profit," which I consider fundamental to understanding the logic of financial capitalism.

As Marazzi (2010) argued, financialization should be analyzed as the other side of the post-Fordist process of production. The precise hypothesis that the Italian economist forwarded was that "financialization is not an unproductive/parasitic deviation of growing quotas of surplus-value and collective saving, but rather the form of capital accumulation symmetrical with new processes of value production" (2010: 48). The Italian economist stressed that the global financial crisis should be read as a new regime of capital accumulation rather than an implosive result of a process lacking capital accumulation. From this perspective, the latest financial crisis must be understood as the entrenchment of finance capital command rather than a speculative cycle that is exploited irrationally. However, the very concept of "capital accumulation" does not have the same meaning in orthodox Marxism. It no longer consists, as in industrial times, of investment in fixed capital (machines) and variable capital (wages). Rather, it consists of investments in the apparatus of capturing value produced outside directly productive spaces (ibid.). In the post-Fordist regime of production, as we have just seen, the main source of value resides in creativity and knowledge mobilized by living labor rather than fixed capital and the industrial routine of labor execution (Vercellone 2010). This, in turn, means that the source of the "wealth of the nations" rests on productive cooperation external to the company grounds (ibid.). Capital now is constrained to exercise a command outside the sphere of production, able to capture the social production of cognitive workers. Such command requires more repressive violence; although the capitalist valorization of the general intellect demands that living labor enjoys some autonomy, it also needs to prevent the transformation of this autonomy into political conflict (De Giorgi 2006).

The end of industry as the main place of control opened the transition to the "society of control," as theorized by Deleuze (1992). The post-Fordist regime determines a transition to a smooth space that no longer aims to discipline individuals but rather to arrange an apparatus of capture that controls the flows of social productivity generated by the social body. In this sense, Marazzi (2010) argued that it is difficult today to make a distinction between profit and rent; there is a blurring of their boundaries: the "becoming rent of profit." This is not because capital is no longer accumulating but because a new mode of production emerges by transforming the relationship between capital and labor. Capital tends to transform profit into a "rentier mechanism" of drawing surplus value from a position of exteriority in respect to production (Vercellone 2010: 108). This is a process of "desocialization of the economy," for it depends on the expropriation of elements of the common (ibid: 95).

In financial capitalism, the transformation of the production process based on the profits becoming rent is essential to analyzing corporations guided by the paradigm of shareholder value. On this basis, it can be

argued that financialization entails a new biopolitical regime of control, which is in a completely external position regarding productive labor. The object is the productive multitude—namely, the general intellect—which cannot be regulated and normalized: it must be governed in its autonomy.

Governing through Speculation: The Harmful Logic of Finance Capital

At this point, one may wonder what the significance of this transformation is for our understanding of the harms of the economy. More specifically, what are the implications of financialization for a critique of the economy and are they complementary to the discussion of crimes of globalization and crimes of the powerful. After framing financialization in the post-Fordist regime of production, I can outline the following argument: the disembeddedness of financial markets from their social foundations and the cyclical speculative waves of finance are not a congenital pathology of finance capital but its very mode of governmentality. My claim is that this speculative rationality is the ground on which critical criminology may develop further analyses on crimes of the powerful and crimes of globalization, extending and amplifying the criminological literature that analyzes the criminogenic effects of financial capitalism.

The disembeddedness of finance capital from its social foundations is effectively appreciated by the community of investors that dwells in the financial sector. The globalized economy where finance flows freely has enabled a limitless proliferation of investments from any place of the globe. This activity, in turn, has facilitated a new deterritorialized class of investors geographically disconnected from the local context where their investments are placed. In contrast to the old bourgeois class that was embedded in a territory and a community, the so-called financial class is unmoored from its territory and from material production as its power and wealth stem from the total abstraction of digital finance. This deterritorialized financial class makes it more difficult to find a relation of personal responsibility with regards to the social and environmental impacts of their investments. It makes it possible for investors to invest in negative, harmful bets such as the provision of an industry closure, the massive downsizing of a workforce, or foreclosure in the wake of a bankruptcy, as happened in the 2008 financial crisis.

However, it would be misconceiving to only read finance capital as a mere speculative transcendental force disconnected from its social basis. The process of financialization also reveals itself as a practice of social control, which, in the lens of the Autonomist hypothesis, exercises command by subsuming the general intellect into the process of valorization. Finance and its speculative rationality must also be addressed as a regime of governmentality, namely as a power relationship. The global financial crisis was not a simple excess of speculation but the entrenchment of the existing accumulation regime. Instead of understanding speculation as a structural problem that resurfaces regularly and corrupts the normal functioning of the economy, my claim is that speculation is its very mode of functioning. The aftermath of the global financial crisis unraveled the reinforcement of a governmentality founded on the imperatives of financial institutions. Speculation is not a congenital pathology of finance capital but the very mode of economic government that functions to serve the interests of the financial class. It is from this perspective that we can understand how the 2008 financial collapse threw vast swathes of the population of the Western world into financial hardship while it extended social safety nets to a high-level financial sector that pursued dangerous investment strategies. Bringing such reasoning into the criminological field, we might recall Friedrichs's argument that: "the very architecture of the [financial] sector is such that it is inherently criminogenic, in the sense that it fosters vast and unwarranted transfers of the common wealth of society from a broad swath of citizens to a narrow band of financial sector insiders" (2016: 235).

Considering the deterritorialization of the financial class, I am faced with a framework often recurring in Ruggiero's analysis of crimes of the powerful. Ruggiero (2000, 2007, 2018) has provided us with theoretical insights to think within the "paradigm of abundance": the excess of resources and power available to investors in the financial class, who, at the same time, lack any responsibility. Such a combination is deemed as a prime enabler of illegal, illegitimate, or otherwise unethical entrepreneurial practices. Concepts such as hegemony, concealment, secrecy, and ostentation might orient criminologists to understand how social harm caused by financial capital and powerful actors is denied or neutralized, whereas, simultaneously, the victims of such harm become invisible (Ruggiero 2018). Criminological

efforts have also been made to connect the financial class with the proliferation of illegal economic institutions: offshore jurisdictions in which great layers of concealment are facilitated (Christensen 2011), novel schemes of money laundering, and sophisticated financial strategies for corporate tax evasion (Evertsson 2016), or widespread fraudulent investment vehicles such as the Ponzi scheme (Shapiro 2013; Will 2013). Criminology has reasons to make sense of the harmful expansion of complex speculative instruments such as asset-backed securities, collateralized debt obligations, credit default swaps, and other forms of securities against risk, which were identified as the sources of the latest credit crisis (cf MacKenzie 2011; Sassen 2013). The speculative, harmful rationality of such financial assets was inscribed in its very structure: profits were generated by investing in a negative bet. Banks were producing and selling financial instruments so that they could profit by betting that they were worthless (Platt 2015).

One may also wonder if this speculative governmentality is not precisely the logic underlying the crimes of globalization. Friedrichs and Friedrichs's (2002) study of a dam project financed by the World Bank unpacked the central role of the financial antagonism: the World Bank's investors versus the community of farmers and fishermen (the investees) heavily affected by the harmful impacts on their environment. The World Bank financed a project that destroyed the natural resources with which villagers sustained their lives. The mode of valuation of the World Bank appreciated the profits generated by the dam while depreciating the lives of the villagers. Moreover, the solution posed by the World Bank was imposed from a Western cultural framework: the thinking that villagers would improve their communities with an economic compensation. This is not an isolated case: similar cases related to the exploitation of natural resources have shown the relevance of the financial antagonism between the financial class and the communities undervalued by the mode of appreciation distinctive of finance. The harmful investments in the Dakota Access Pipeline or the Alpha Coal Mine in Australia have shown the relevance of community organizations to launching campaigns of disinvestment (Brisman and South 2018; Salama and Whyte 2017). Green criminology has reasons to include the rise of financialization and the financial class in its analysis. Instead of seeking to fit old Fordist categories into the crimes committed by the economy and the powerful, criminology should focus on the ascendancy of financialization as a new mode of governmentality based on the harmful logic of speculation.

Conclusion

This article has attempted to weave together the field of critical criminology and financialization studies. The notion of financialization offers a springboard to understand the rationality underlying a radical economic transformation since the 1970s. It is a rationality that bubbles up to the surface when scholars interested in crimes of the powerful and crimes of globalization examine the economic conducts of powerful institutions. This article has explored the ascendancy of finance as a new regime of capital accumulation, as a new form of corporate management, and as a novel representation of the human condition. The Autonomist hypothesis has been examined to frame the expansion of finance as the other face of extending the process of extracting and appropriating value over society. This thinking is relevant to understanding the dynamics of an apparatus of capture, with which the financial regime suffuses the general intellect through the mode of valuation distinctive of financial markets. The speculative rationality underpinning the financialization process is the ground on which critical criminology may develop further analyses on crimes of the powerful and crimes of globalization, extending and amplifying the criminological literature that examines the criminogenic effects of financial capitalism. In an age where finance presides over the productive economy, the focus of grievances shifts from the extraction of profit to the conditions under which the financial class allocates credit. It is in this new light that we may start testing out footing on a terrain where new grounds of critical criminological thought are possible. My claim is that crimes of the powerful and crimes of globalization have already started testing the challenges of financialization.

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- ¹ Friedrichs and Friedrichs (2002: 27) acknowledged that the concept of globalization is elusive and has become a buzzword to explain the transformations in our global economy, making an analysis of financialization particularly relevant.
- ² The work of Harvey A. Farberman (1975) is also remarkable, for he warned about the “criminogenic market structure” produced in the automobile industry while emphasising the need to study power elites shaping such industry and creating a vast network of illegalities.
- ³ For a discussion of the imbrication between these terms, see Lapavitsas (2013) and van der Zwan (2014).
- ⁴ Many debates around these ideas have nourished critical studies. Although it is not within the scope of this research to engage with such debates, I consider it essential for criminologists to start rethinking the transformation of human conduct under a financialized economy. Such debate may certainly start by contesting rational choice theories provided by Gary Becker and the “law and economics” perspective.
- ⁵ I am certainly not the first criminologist to use Autonomist Marxism in criminology. This perspective is indebted to the work of Alessandro De Giorgi (2006), who has re-thought the political economy of punishment under the lens of Italian *operaismo*.
- ⁶ For a discussion about “post-Fordism,” see Harvey (1989: 121–189).
- ⁷ Hardt and Negri (2000) elaborated the three primary aspects of immaterial labor in the contemporary economy, that is, the communicative labor of industrial production that has become linked in informational networks, the interactive labor of symbolic analysis and problem solving, and the labor of the production and manipulation of affects (cf Lazzarato 2006).

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