Shaping Entrepreneurial Subjects: How Structural Changes and Institutional Fixes Shape Financial Strategies in Daily Life

Abstract

The notion of a 'financial subjectivity' is fast becoming an important way of understanding how people rationalize the need to take risks in daily life as crucial to personal success. This paper therefore traces the structural changes and institutional fixes – that is, the institutional stabilisation of crisis tendencies in capitalism – to understand how individual strategies for making ends meet have been shaped by finance. In particular, I look at Regulation theory's depictions of the 'ideology of shareholder value' as partially responsible for the flourishing business sector in which competition and the threat of takeover led to the prioritsation of corporate performance over job security and workers' benefits. However, it is also necessary to understand the particular mechanisms that enable independence from the welfare state at the level of the household, in the form of expanded borrowing and financial services, which I explore further in this paper.

Keywords

Finance; subjectivity; risk; structure; strategy

Introduction

The late 1970s mark a period in the United Kingdom in which discourses began to shift from the politics of the Keynesian national welfare state, to the need for privatisation, market liberalisation and greater individual freedom and responsibility. This set the tone for a period of flourishing finance, alongside the global deregulation of markets, with the United Kingdom becoming a major centre of finance: as growth in productive industries fell, accumulation was increasingly recorded in the financial sector (Lapavitsas, 2009b; 2013). The financialised growth regime, characterised by 'giant mergers, capital mobility between countries, pressures on corporate governance, [and] diffusion of equity among a larger fraction of population' (Boyer, 2000: 116), represents a new period of capitalist development, where finance predominates. As Lapavitsas (2011; 2013) points out, however, structural changes in markets and institutions also occur alongside the financialisation of workers' wages and household finances, so that the emergence of financialisation is characterised as much by the integration of UK households into financial markets as it is by the expansion of financial trading among firms and the provision of financial services by banks. Consequently, it is important to understand the ways in which finance-led growth and its institutional fixes cultivate entrepreneurial subjectivity among people.

Financial subjectivity is the constitution of self-reliant subjects, who internalise entrepreneurial attitudes toward risk-taking that may earn rewards in financial markets as the most efficient way of managing household money and measuring personal success (Langley, 2008a; Mulcahy, forthcoming). Individuals have become less risk-averse as wages are increasingly integrated into financial markets, through a reliance on pensions and personal investment, as well as through credit and borrowing. This paper thus situates the emergence of financial subjects within changes at the level of the market in the United Kingdom, which include the integration of household revenue into finance markets as a result of the restructuring of banks, and a growing business sector fostered by market liberalisation. This configuration of institutions contributes to the rationalisation of risk and financial sensibilities in everyday choices and decisions. I therefore focus on the causal mechanisms that give rise to financial subjectivity. The study of financialisation as a period of growth and development provides crucial insight into the material mechanisms of subjectivation, since a 'key feature' of the periodisation of capitalism is its 'concern with the strategic possibilities any given period provides for different actors, different identities, different interests, different coalition possibilities, different horizons of action, different strategies, different tactics' (Jessop, 2001: 285 – 86). Consequently, the 'transfer of risk' from employers (Cutler and Waine, 2001: 105) to the workforce (Amoore, 2004) and households (Langley,

2008a) through private pensions and the need for personal investment over occupational welfare; or the 'democratisation' of credit and the integration of many households into credit markets as borrowers, promote entrepreneurial strategies among working individuals for looking after themselves and their futures. Taking risks to earn rewards in everyday life is therefore not only encouraged as a form of individual self-improvement, but is inscribed within the structural framework in which subjects work and live.

Explaining financial subjectivity: Changing structures and strategies

Financial subjectivity is a set of practices undertaken in daily life that reorient the relationship of individuals and their households to the notion of risk as necessary to success. Self-sufficiency is also seen as crucial to achieving goals, rather than relying on the provisions of a welfare state. The period during the 1970s, both in the United Kingdom and abroad, provides a useful marker of change in accumulation strategies and subjective sensibilities, with the decline of the Keynesian national welfare state triggered by stagnating or decreasing profits in production and tensions between unions and employers. The Conservative government under Thatcher notoriously framed the problems plaguing the British economy in terms of industry held hostage by trade unions and government regulations, so that the privatisation of national industries and the deregulation of markets became a

crucial way of encouraging innovation and investment. Market liberalisation subsequently led to a flourishing financial sector in London, which did not entirely resolve the issues in the productive, or 'real' sectors (Jessop, Bonnet and Bromley, 1990), but instead inaugurated the beginning of a new, 'financialised' growth regime in the United Kingdom.

The emergence of a structure of financial accumulation can, following Lapavitsas, be traced to changes in trading and financial activities on the part of non-financial corporations, in addition to the concurrent restructuring of banks, which help to facilitate the financialisation of household wages and income: 'non-financial enterprises have become increasingly involved in financial processes on an independent basis, often undertaking financial market transactions on their own account'. They 'have become relatively more remote from banks', which have 'turned toward individual and household income as a source of profit', rendering individuals more reliant 'on the formal financial system to facilitate access to vital goods and services' (2013: 794). In short, a newly liberalised, competitive business sector means that firms are progressively developing their own capacities in trading, leading banks to develop a wider range of financial services and products outside the commercial realm and targeted at households. The following section looks at the increasing financialisation of firms and the rise of market-based finance in work done by the regulation school and their studies of the emergence of a new, finance-

led growth regime, before focusing in later sections on the integration of individuals and households into finance markets.

I argue for the necessity of returning to the analysis of how structures and institutions subjectivate (Foucault, 1988; 1994) individuals, or subject them to social norms and conventions of stratification while they internalise and freely act on the practices of entrepreneurialism associated with financial liberalisation (Althusser, 1971). The creation of subjects is a crucial complement to the regulationists' adherence to the notion of a 'process without a subject' (Nadel, 2005: 31), originally advanced by Althusser (1972; 1976) to explain the progression of history in the absence of an essentialised subject. In place of individuals as teleological drivers of history, Althusser emphasises the role of class struggle in Marx as 'the motor of history' (1976: 51), precisely because 'society is not composed of individuals', but of 'social relations in which *its* individuals live, work and struggle' (Marx, cited in Althusser, 1976: 53). The nature of individuals is therefore specific to the conditions in which they live, and the kinds of limitations or difficulties they face are derived from contradictions and inequality produced by broader structures and institutions of a growth regime.

It is important to understand how these conditions disproportionately affect individuals and households in the transfer of risk. In spite of discourse on risk-taking and entrepreneurialism in recent decades as solutions to everything from

corporate takeovers to planning for retirement, the regularising effects of the institutional fixes of finance-led growth are still class-based, since workers are encouraged to become self-sufficient through the acquisition of debt as a supplement to wages; they do not have substantial control over any wealth itself, with worker 'ownership' referring primarily to any indirect ownership of equities a small number of workers incur through unit trusts or pensions (cf. Martin, 2002). In the next section, then, I trace the development of the financialised subject through institutional changes beyond the rise of shareholder value.

Hilferding's approach to finance, and the class-based stratification of subjects

in order to understand how working individuals and households can internalise the necessity of taking risks in everyday life, it is important to illustrate how the reorganisation of financial markets and institutions actually renders financial risk accessible to people as a feasible path to potential reward. I turn to Lapavitsas' work on the permeating effects of financialisation, to parse out the implications of financial liberalisation on everyday life. Returning to the earlier systematic development of finance in the Marxist tradition, Lapavitsas follows Hilferding by asserting that the 'roots' of financialisation as a 'structural transformation of advanced capitalist economies' are found in the expansion of financial activity across financial and non-financial enterprises, rather than focusing on 'the escape of

capital to the realm of finance' and away from production (Lapavitsas, 2013: 798; Lapavitsas, 2011). However, in contrast to Hilferding, who holds that corporations become financialised the more they rely on banks for investment (1981), Lapavitsas suggests that the modern firm has 'been able to finance investment without relying heavily on banks. The primary mechanism has been retention of own profits', with external finance derived from trading in markets at a lower cost (2011: 620). As firms developed their own financial capacities, banks have also restructured themselves by 'mediating in open markets to earn fees, commissions and profits from trading', as well as those to be earned in lending to individuals and households, or 'handling savings and financial assets' (2013: 800). The result is the integration of wages and incomes into finance markets, as households begin to invest their savings in insurance, pensions, or unit trusts, while obtaining credit and loans with which to make purchases.

The major benefit to this approach is the ability to examine the subjectivation of middle and working classes under financialisation as a necessary component to the emergence, maintenance, and reproduction of a finance-led growth regime, rather than studying decreasing working conditions, such as job insecurity and lower pay, as mere consequences of the domination of the ideology of shareholder value and indicators of household struggles. To be sure, stagnant or declining wages and a climate of insecurity likely contribute to the reliance on

credit by households at given times as they attempt to make ends meet. However, an explanation of how working individuals internalise the objectives of entrepreneurialism and self-sufficiency requires the elaboration of the financialisation of everyday life as a result of financial deregulation within markets and restructuring at the level of banks. What will become apparent is that, individual subjectivation at the level of the household is not simply an offshoot of the financialisation of managerial classes through efficiency and competition, but is instead predicated on a sense of independence from the welfare state, rendering it a related, but crucial aspect of financialisation itself.

The ascendance of finance

The account provided by Lapavitsas (2009a; 2009b; 2011; 2013) is particularly compelling in its outline of the global emergence of finance as historically and institutionally mediated, so that any general tendencies that might be shared at an international level refer to the extent to which the logic of finance has permeated non-financial institutions, rather than to the rates at which profit has declined across individual national economies. The development of the business sector out of the drive to maximise share prices has led to a climate of takeovers, but it also enables the growth of corporate skills in financial trading, as corporations are increasingly involved in stock markets (Lapavitsas, 2013). As a result,

> Large multinational corporations are typically able to finance the bulk of their investment without relying heavily on banks and mostly by drawing on retained profits. In so far as they require external finance, they are able to obtain significant volumes in open financial markets, relatively independently of banks. Even the wage bill of large non-financial corporations is frequently financed through the issuing of commercial paper in open markets (ibid., 799 – 800).

The consequence of this, for employees, has been the spread of the logic of finance across operations in the workforce which were previously non-financial, which introduces a level of instability associated with finance market fluctuation into the lives of working individuals.

On one hand, there appears to be indifference on the part of finance to stagnant or declining wages, and employees' reduced purchasing power (Duménil and Lévy, 2011) in the pursuit of shareholder value at the level of corporate management. This engenders the deterioration of labour conditions for some of the workforce and the attenuation of employee benefits at work such as, in the United Kingdom, collective insurance and occupational welfare encompassing pensions and insurance, or the provision of healthcare, childcare, housing or education (Cutler and Waine, 2001; Langley, 2008a). However, the decline of occupational

welfare in the United Kingdom and its replacement with private occupational pensions reflects what Cutler and Waine describe as the 'transfer of risk to the workforce' in the 'pursuit of shareholder value' (2001: 105), which, as much as anything else, shifts the dependence of the households from the volatility of job markets to that of finance markets: while occupational welfare was previously viewed as providing insufficient coverage to workers, who were 'vulnerable to changes in levels and patterns of employment' (Cutler and Waine, 2001: 97; Pfaller, 1991), workers are now dependent on the fluctuations of equity markets, as well as relying on stable employment prospects. Occupational welfare, which encompassed flat rate state pensions, was grounded in 'the employer's guarantee that, on retirement, the scheme member would receive a proportion of earnings with entitlements determined by the accrual rate […], the salary level, and the length of service with the company' (Cutler and Waine, 104), while private occupational pensions with defined contributions 'involve an obligation on the employer to make only a definite contribution to an employee's pension plan. In defined contribution schemes the pension is determined by the contributions made and the investment performance of the plan concerned' (ibid., 107). Where occupational welfare was premised on the 'social right to retirement income' in which 'society as a whole has a liability towards the holder of such a claim' (Aglietta, 2000: 157), private pension plans underscore the 'ageing society' and the 'pensions crisis' facing the UK

(Langley, 2008a) as a result of the slowdown in growth relative to, during the 1970s, escalating wages and the subsequent increase in state scheme liabilities (Cutler and Waine, 2001).

The encouragement of private pensions dependent on the performance of a pension fund is thus, as Langley (2008a) has it, a question of 'disciplinary disincentives that discourage the reliance upon state insurance', evidenced by the Thatcher government's indexation of basic state pension benefits to prices aimed at eroding pensioners' incomes (cf. Blackburn, 2002). It is, then, possible to categorise a shift in attitudes about the provision for future retirement from an obligation collectively borne by society for staving off potential future risks, to an individualised concern for generating an income in the 'popular capitalism' and 'individual ownership' promoted by the Conservative Party during its reform of pension policy in 1985 (Waine, 1995). As financial subjects, success partially depends on the competent navigation of finance markets in the act of personal investment, insomuch as people are required to take risks as 'individual owners' of equity capital. Framed relative to wages and employment, 'individual ownership' retains a distinctly class character, since the growth of pension funds has resulted in the concentration of wealth among their managers and corporate CEOs, rather than working individuals and households. Indeed, at the other end of the spectrum among households characterised by low weekly earnings and few or no

qualifications (ONS, 2014b), 24 percent of UK households hold no wealth in private pensions at all (ONS, 2014c). For those who do have pensions, stagnating wages and the rising cost of bills and utility fees, in addition to childcare and housing costs, make it difficult for lower income households to actively contribute to pensions and save for retirement from a young age (Cumbo, 2015). The benefits gained from personal investment in private pensions are therefore primarily enjoyed by the upper and middle classes rather than the working class. Additional 'financial disengagement' on the part of low-income working households means that few households have investment products or savings accounts, and have little understanding of economic and financial indicators (Joseph Rowntree Foundation, 2015) so that their engagement with finance markets is largely through the use of credit and the acquisition of debt.

The construction of financial illiteracy and minimal or no investments as social problems plaguing older, lower income households in planning for their futures (ibid.) indicates the extent to which the welfare state has ceded to financialisation by illustrating the kinds of options and choices subjects have planning and structuring their livelihoods. Thus, as private pensions eclipse occupational welfare and the provision for one's future becomes a private responsibility rather than a social right, personal investment in unit trusts and

portfolios with greater returns than interest accrued through savings accounts becomes an important fixture in planning for retirement or supplementing income.

Owing to the effects that corporate restructuring has on the workforce itself, and in creating a space for the need and provision of new personal financial services, it is also necessary to take Lapavitsas' concern with the reorganisation of banks into account. The restructuring of banks is, in part, related to 'the enormous growth of open financial markets in recent decades', so that in response to 'the altered conduct of non-financial enterprises' they have 'moved toward mediating in open markets to earn fees, commissions and profits from trading' (ibid., 2013: 800). Crucial in the development of financial subjectivity is the way banks have also 'turned toward individuals (and households in general) to obtain profits from lending but also from handling savings and financial assets' (ibid.), meaning that household income and wages become a source of profit (ibid., 2011). There is a change in the kinds of services provided by banks, and the way in which they are handled, stemming largely from the re-regulation of the financial system in the United Kingdom during the year 1986, in which the Financial Services Act and the Building Societies Act dissolved institutional divides and encouraged competition among financial enterprises (Leyshon and Pollard, 2000; Wainwright, 2012).

Leyshon and Pollard (2000) conclude that there has been a regulatory convergence in the provision of financial services between American and British

banks, as ‘a traditional and largely informal system of regulation was swept away [in Britain] and replaced with a more codified US-style system of statutory regulation’ (2000: 208). As a result, retail banking in the United Kingdom has undergone a process of centralisation, designed to concentrate operations and provide services, more efficiently, to a larger population. While bank branches previously served as sources of information about their local customers, as well as the site for the provision of services, retail banking now focuses on the generation of fees by offering services to large, diverse populations, which are better understood through databases and rating techniques (Langley, 2008a; 2008b), than in face-to-face interaction (Leyshon and Pollard, 2000). The upshot is that branches now focus primarily on the generation of income through fees, by providing a range of personal investment products.

The rise in technologies of personal investment, and with it the financialisation of household income made possible by re-regulation, has additionally been accompanied by increased borrowing, as the Financial Services and Building Societies Acts opened British markets to restructuring at the level of investment banks. Prominent in this respect was the arrival of the process of securitisation to the United Kingdom in 1986, which was re-engineered from its American origins to channel international capital into the United Kingdom (Wainwright, 2009). Securitisation is ‘the process of “bundling” together a stream

of future obligations arising from mortgage repayments to provide the basis for the issue of, and payment of principle and interest on securities' (Langley, 2006: 283). This can include asset-backed securities, or the 'repayments arising from everyday borrowing' (Langley, 2008b: 136) for 'credit cards, consumer loans, car finance and infrastructure' (Wainwright, 2009: 374), as well as mortgage-backed securities in which residential mortgages are bundled together (Langley, 2006; 2008b; Wainwright, 2009).

At the level of financial markets, the introduction of securitisation within the United Kingdom hinges on the re-regulation of financial markets to promote competition among enterprises, making them more compatible with American securitisation. According to Wainwright, the passing of the Financial Services Act 'opened the markets to a myriad of new financial institutions such as banks and centralized lenders, while the Building Societies Act (1986) allowed building societies to demutualize and become banks' (2009: 377; cf. 2012). Consequently, American investment banks established lending subsidiaries in the United Kingdom, while retail banks began to originate loans and mortgages (ibid.) as new financial products. For banks and lenders, securitisation represents 'a cheap way of borrowing, since a company or lender can realize its income streams early', while some 'lenders also benefit from the off-balance sheet nature of securitization, which has led some banks to originate profitable, high-risk mortgages as the credit risk is

shifted from their balance sheets to investors' (Wainwright, 2009: 374; cf. Leyshon and Thrift, 2007; Dymski, 2007). For borrowers, securitisation enabled the incorporation of larger populations, including riskier households, into financial markets. By providing structured finance services, investment banks could concentrate the risk of default into tranches or fractions of capital in order to isolate credit risk as a smaller proportion of securitised notes available to investors looking for higher returns by taking on more risk (Wainwright, 2009).

The result, as I have indicated in the earlier discussion of the democratisation of finance and credit, has been the expansion of services available even to higher risk individuals and households, which constitutes the main form of participation in financial activities for many working class households. For Pettifor (2006), the liberalisation of finance responsible for opening finance markets, removing caps on interest and the amount of credit advanced by financial institutions, is the root of the easy availability of money that has led to middle class indebtedness and low-income households borrowing beyond their means. The expansion of credit even to high-risk households therefore exacerbates a longstanding history between poverty and indebtedness, given the strong relationship 'between indebtedness and low relative income' (Parker, 1990: 201), by rendering credit a necessity in making ends meet and easy to obtain.

In sum, then, the conditions that give rise to the need to think about finance at the level of everyday household finances include the transfer of risk from employers to employees in the workforce, as a result of corporate restructuring in a financially liberal climate; as well as the concurrent restructuring of retail and investment banking which provided more scope for household investment and borrowing. These changes, overall, are indicative of a larger shift from provision for individuals and households through the Keynesian national welfare state, to financialised economies that are entwined with each other on a global scale, each with particular localised structures and institutions (Wainwright, 2012). Working-class households, in addition to the managerial classes which are forced to adapt to market competition, are increasingly subject to the fluctuations of finance markets in the course of adapting their circumstances to their conditions. It is commonplace in the literature on 'new' economies of 'late' and 'postmodernity' (e.g., Bauman, 2001; Giddens, 1991), 'postindustrial', 'information' societies (e.g., Bell, 1973; Lash and Urry, 1994), or neoliberalism (e.g. Harvey, 2005) to suggest that families, households and groups are increasingly individualised within contemporary capitalism, as a result of the declining welfare state and economic deregulation. However, since the process of subjectivation is, by definition, one of individualisation (Althusser, 1971; Foucault, 1994), it is necessary to specify the mechanisms through which the 'individual' is constituted: what requires emphasis

is the way the process of financialisation individualises people, as entrepreneurial risk-takers who learn to view finance markets as a means of subsistence and success. This stands in contrast with the subject which had previously been individualised through the expression of affluence as a product of hard work, in an era of mass production and mass consumption.

Indeed, this is a particular type of individualisation relative to the emerging prominence of finance markets within the workforce, through the financialisation of firms and management, and within daily life, in the withdrawal of welfare state provision and the rise of investment and borrowing in its place. It is a different form of individualisation than that promoted during Fordist mass production and consumption of the post-war years, when regulated wages and benefits sought through institutionalised collective bargaining solidified a certain level of stability for the working class; this enabled them to become consumers and, importantly, homeowners, who could live further away from work and cultivate comfortable lifestyles suited to their unique tastes, outside of their roles as wage-earning workers (Jessop, 2013; Wolff, 2005). In this respect, individualisation previously concerned the expression of success in the present in consumption, while financial subjects are individualised in the level of responsibility they are expected to take for their future success.

Indeed, as Ulrich Beck and Elisabeth Beck-Gernsheim have it, ‘individuals must be able to plan for the long term and adapt to change; they must organize and improvise, set goals, recognize obstacles, accept defeats and attempt new starts. They need initiative, tenacity, flexibility and tolerance of frustration’ (2002: 4). This is because, in contemporary Western societies, it is necessary to eke out a place and a use for oneself, as traditional social restrictions and limitations are lifted in favour of ‘incentives to action’: ‘One has to win, to know how to assert oneself in the competition for limited resources – and not only once, but day after day’ (ibid., 3). Consequently, the ‘normal biography thus becomes the “elective biography”, the “reflexive biography”, the “do-it-yourself biography”. This does not necessarily happen by choice, neither does it always succeed. The do-it-yourself biography is always a “risk biography” […] a state of permanent (partly overt, partly concealed) endangerment’ (ibid.; cf. Beck, 1992). Zygmunt Bauman therefore holds that ‘everything seems to conspire against […] lifelong projects, permanent bonds, eternal alliances, immutable identities. I cannot build for the long term on my job, my profession, or even my abilities’ (cited in Beck et al., 2002: 4). But it is not only the labour market that complicates things for individuals, inasmuch as they ‘may be more than ever before dependent on the play of market forces which s/he comes nowhere near being aware of, let alone understanding or anticipating, but s/he will have to pay for her/ his decisions individually, taken or not taken’ (Bauman,

2001b: 11; cf. Bauman, 2000). Financialisation, additionally, renders livelihoods susceptible to risk and change, as individuals and families bank on possessions as forms of investment that turn over, rather than as status markers of a comfortable, stable lifestyle.

While mass consumption is still a major driver of the economy, it is not always undertaken as an expression of household and economic wealth, so much as it is linked with indebtedness and the need for future repayment. Exemplary of this shift is, as Langley notes, the way in which homeownership has become an asset for the future, rather than a status symbol of current earnings: 'future autonomy and welfare for owner-occupiers and would-be owner-occupiers increasingly appears to turn less on the home as an individual space of shelter and refuge, and more on the financial returns achieved from house price rises. In short, liberal suburban subjects are now explicitly neo-liberal property investors' (2006: 290). Martin even considers that securitisation has functioned as a new form of dispossession for the working class, since '[p]ossession has been rendered liquid so that it can be revalued daily. The active pulse of money in motion is the medium through which occasions arise to move physically from place to place as a job or home can no longer bear the demand for increased value placed upon it. Expanded capacity for risk tolerance is crucial to […] the willingness to dispossess oneself in order to recombine with greater return elsewhere' (2002: 141 – 42). Financialisation therefore combines with

the precarious labour market to render contemporary subjects individualised on the basis of their ability or inability to cope with the fluctuation of financial and labour markets, which provide opportunities for some, and disadvantages for others. Hence, for Bauman, the idea of individualisation elucidates 'the emancipation of the individual from his or her ascribed, inherited and inborn determination of social character' (2001c: 124), so that individuals must create their own biographies rather than relying on pre-existing social structures to create an identity for them. As my own work has shown, additionally, this sense of identity turns on one's ability to handle and manage risk, and indeed internalise it as necessary to realising goals and aspirations. Thus, the combination of structures and institutions of any given period of accumulation is crucial to the understanding of the formation of subjectivity, as a range of knowledge about groups and individuals and actions that they can reasonably take within the context of their surroundings.

Conclusion

In this paper, I have examined the emergence of finance-led growth in the United Kingdom as a means of understanding the advent of a financialised subject, for whom risk and precariousness are features of everyday life. As Beck (1992), Beck and Beck-Gernsheim (2002), and Bauman (2001a; 2001b; 2001c) all similarly conclude, the traditional structures of society have given way to individualised

regulations, rules, and codes of practice, which require subjects to take on a newfound responsibility for their lives. I have therefore followed the work of Costas Lapavitsas to understand the effects that market liberalisation had on the restructuring of investment and retail banks, in order to understand how the reorganisation of firms and banks gave rise to the financialisation of household income, in the prevalence of personal investment and borrowing to account for declining welfare state provision in the United Kingdom. My contention is that this process has produced individualised subjects, although they are still oriented by their relation to employment and wages. Financialised subjects of the working class are not those whose entrepreneurialism results in control of value on the markets, but those who have internalised the mechanisms of risk from finance markets as most conducive to personal success and management of household finances. This means that risk taking in the course of personal investment is conditioned by the rise to prominence of financial institutions: the need to take risks is structurally inscribed within the arrangement of such institutions as a result of declining welfare provisions and market liberalisation, so that risk as a precursor to reward seems, in itself, a rational formula for making ends meet.

Funding Acknowledgement

This work was supported by the Social Sciences and Humanities Research Council of Canada [grant number 752-2014-611-A28]

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