



Parallel session 3A-2.4

Finance, Financialisation

Tuesday 12 November, 16.00 – 17.30

IAS Room 11

Chair: **Dr Aris Komporozos-Athanasίου**, Lecturer in Social Theory and Social Policy, UCL

The financialised representation of space

Fernando Toro Cano, PhD candidate, The Bartlett Development Planning Unit, UCL

In a context of financialisation of housing, this research contributes to developing a deeper understanding of its nature and characteristics in Santiago de Chile. Empirical studies have traditionally analysed this process through the examination of the level of debt and capital flows. However, the aim of this article is to understand how the financial institutions and the investment funds conceived and represent space. Through the lens of Lefebvre's representation of space theory and implementing a qualitative methodology, three investment funds were analysed through annual reports, investment plans, news, public documents and unstructured interviews. The main findings across the interpreted information are ordered in concerns, products and codes that these institutions consider fundamental. In that sense, most of the narrative of space is related to a financial approach and numerical values, where space, as a commodity, is understood and represented by numbers, code and particular pictures, generating new geographies of the city from relative and relational perspectives, and developing new approaches to the field of financialisation and its nature.

Pious Developers: Actually Existing Financialization of Land in a Neighborhood of Beirut

Abir Zaatari, Researcher, Beirut Urban Lab, American University of Beirut

A lot has been written about what Neil Brenner has termed the utopia of unlimited exploitation and its ensuing imagination of open, competitive and unregulated markets (Brenner and Theodore, 2002). The consequence of these utopias on urban housing in the form of financialisation trends have been shown to generate severe inequalities in cities (Harvey, 2007). This study is part of a larger work conducted in the Beirut Urban Lab which departs from the assumption that financialisation has penetrated Beirut's market (Krijnen, 2016; Marot, 2018), but challenges the assumptions of a seamless circulation of capital flows across contexts or the replicability of unedited versions of the same housing scenarios. Taking as a case study Aicha Bakkar, one of Beirut's low-middle income neighbourhoods that was historically organized around the highest Sunni Religious Authority, this study looks into the complex social, religious/sectarian and land ownership factors that determine today's housing production in the neighbourhood. Drawing on detailed mapping of buildings in the post-war period and on qualitative interviews with developers, this work will argue

that the neighbourhood's eminent religious-institutional role in the city has allowed a web of Sunni Islamic organizations to serve as a platform for developers to control the housing market. Developers are managing housing production in the neighbourhood through a dual-track activity: a steady-going activity operated by a small number of professionals; and a disorganized, irregular activity operated by a larger number of amateur developers. While recognising the increasing commercialisation of land, the study relocates financialisation within a thick web of social forces (e.g. religious, sectarian, associational, kin) governing the development market in this neighbourhood. More generally, the presentation argues for the necessity to inscribe market dynamics within the specific forces organising cities and their neighbourhoods, consequently unravelling the "actually-existing" patterns of financialisation (Fawaz, forthcoming).

Notes about the distribution of pension funds in the Brazilian territory: the prominence and influence in São Paulo, Rio de Janeiro and Brasilia

Caio Zarino Jorge Alves, PhD candidate, University of São Paulo / Vrije Universiteit Brussel

As part of the processes that underpin "finance-led capitalism" as the current configuration of the capitalist mode of production, we can highlight economic liberalisation and deregulation, the development of information and communication technologies, and the growing role of institutional investors. The institutional investors tend to be spatially concentrated in advanced producer service complexes, because their action depends on the synergy with legal and accounting services, technical advisory, financial institutions, investment managers and others. The spatial concentration of the decision-making process on investments of large amounts of capital gives these centralities the function of command and control of the territory. Based on these assumptions of the current period, we will present an initial analysis about the distribution of the pension funds in the Brazilian territory. Composed of 308 pension funds which control a total investment equivalent to 12.2% of the Gross Domestic Product, the sector stands out for its: I) high concentration: top 10 funds control 58% of the total investment of the sector; II) prominence of pension funds sponsored by public companies: although they account for 27.9% of the number of funds, they control 60.7% of the investments (and the three largest concentrating 40% of the total sector) – all data refer to the year 2015. These particularities of pension funds in Brazil also manifest themselves in the territory in a specific way: I) São Paulo, the main financial metropolis of the territory, concentrates the largest amount of funds; II) however, it is the city of Rio de Janeiro (former capital of the country, where headquarters of many major state-owned companies are located) that controls most of the sector's investments; III) Brazil's current capital, Brasilia, is the third most important city in terms of controlling pension fund investments.