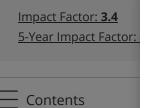
Competition & Change



Abstract

In this paper 'financ strictly financial infla of financial inflation increasingly financia By clicking "Accept Non-Essential Cookies", you agree to the storing of cookies on your device to enhance site navigation, analyze site usage, and assist in our marketing efforts. Privacy Policy Cookie Policy

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ets or more cal consequences s of an Is and firms, and

hence the character and dynamics of the capitalist economy and society. The first section of the paper explains the Kalecki–Steindl theory of enforced company indebtedness in a middle-class society. The second section shows how financial inflation makes companies over-capitalised, resulting in a decline in the trend of long-term investment. The third section shows how forced company indebtedness is modified as the middle classes extend their consumption financed through inflating asset markets. A conclusion sketches out some of the consequences of this financialisation for politics, social policy, and moral and cultural attitudes.



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