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Book summary

The Digitalized Finance: financial capitalism and informational revolution

Leaning over the current development stage of the capitalist mode of production, defined by some authors as “finance-led regime of accumulation and “flexible regime of accumulation” this book discusses the relationship between the development of Information and Communication Technologies (ICT) and the process of financialization of economies on a global scale, particularly in Brazil. The goal is to explain the influence of ICT in the emergence and consolidation, especially from the 1980s, of new forms of operation and management of the globalized financial system, highly connected, operated in “real time” with intensive use of technological features, and how these advances are related with the economic changes in question.

Based on reports and financial data, in-depth interviews with information technology and financial system experts, representatives of the technology industry, investors and various actors in the Brazilian capital market, it is draw an overview of the *Digitalized Finance*, here understood as the technical-operational complex of circulation, accumulation and valuation of financial capital through automated technology resources, which accelerate the compression of space-time flows in search of speculative gains. It also brings public for the first time data on penetration of automated trading in Brazil and the social history of Brazilian capital markets’ digitalization – its most important actors, interests, goals, etc.

Central arguments

- In the wake of financial globalization, the accelerated development of Information and Communication Technologies (ICT) has deepened and strengthen the process of financialization of the world economy.

- The development of ICT in the last decades, by enabling the compression of space-time flows in a neoliberal regulation of markets framework, has contributed to subordinate the logic of productive accumulation to the logic of financial accumulation.
- It is true that such a process does not only exist because of the development of ICT, but at the same time, it could not, in that context, be managed as such without the support of these technologies. Without the aid of such mechanisms, various assets and instruments would not exist or could simply not be traded as such on 21st century markets (relative autonomy of fictitious capital valorization circuits).
- The application of modern information and communication technologies has supported the emergence of new forms of economic spoliation.

Main evidence

- The book demonstrates and describes how contemporary capital markets works, where the search for earnings is leveraged by sophisticated mathematical models, robots and automated trading software that seek financial gains in the milliseconds (30 times faster than the blink of a human eye). Evidence regarding the Brazilian scenario is gathered in market data and numerous interviews with investors, stockbrokers, programmers, technology entrepreneurs, financial institutions, etc.
- *Digitalized Finance* inaugurates a whole set of new events, risks and problems linked to this new logic of functioning. “Electronification” and increasing automation of Brazilian capital market, for example, which goes on at a rapid pace, is clearly accompanied by acceleration of processes, in the number and speed of trades carried out, concentration at different levels (investors, stock exchange listed companies, brokers), increased prominence of foreign investors and brokers, and a decline in the participation of small/individual investors in the market.

Detailed explanation; further data, references, and information can be found here:
<https://edemilsonparana.info/artigos-academicospapers/conferenciasconferences/>