

Controversies Surrounding the Financialization of Enterprises*

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Abstract

This study investigates the financialization of non-financial enterprises, a phenomenon where financial activities overshadow core operational functions. The research aims to analyze the causes, manifestations, and implications of financialization, focusing on the Polish context. The intent is to clarify inconsistencies in terminologies and perspectives in existing literature and evaluate the scope of financialization in Polish enterprises over 2006–2022.

While extensive research exists on financialization, ambiguities remain regarding its drivers, outcomes, and the interplay of these factors. Previous studies often present overlapping or conflicting interpretations, particularly concerning its causes, effects, and indicators. Moreover, the empirical exploration of financialization among Polish non-financial enterprises is limited, creating a critical gap that this study addresses.

The research adopts a two-pronged approach: a comprehensive literature review to synthesize theoretical perspectives on financialization and empirical analysis based on data from Statistics Poland (GUS). Indicators derived from balance sheets and income statements measure investment activities, financing sources, and financial outcomes of Polish enterprises, providing a quantitative lens on financialization trends.

The study reveals a low degree of financialization among Polish enterprises, with minimal growth over the 17-year period. Key findings include a slight rise in financial assets and overall indebtedness, but limited reliance on financial activities. Despite a gradual decline in tangible assets, operational revenue remains the dominant income source, underscoring the marginal role of financialization in the Polish corporate landscape. These insights highlight the nuanced implications of financialization and its limited impact on enterprise performance.

Keywords: financialization, non-financial enterprises, operational activities, shareholder value, Poland