Anthropology in the Age of Securitization

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This talk is about two processes that have the same name. Their most obvious common property is that they are currently having negative effects on the welfare of ordinary people around the world. What I want to do here is ask whether there is any value in thinking about them together, and what kind of anthropological perspectives might help us to do that. But before I get to that point, I need to say quite a lot more about the two forms of "securitization" in their own right.

The first and rather easier to digest meaning is in the field of international relations, whose so-called global security subfield is now one of the most fundable branches of social sciences. Indeed, this is such a big and inclusive feast that even anthropologists are still being actively encouraged to join it in the UK, despite the fact that we didn't much like the look of the original menu that was drawn up for the Economic and Social Research Council by some officials from the Foreign Office. In fairness to the latter, I should point out that I subsequently discovered that they had expected academics to transform their strikingly direct prose of counter-insurgency into a more appropriate dish for our delicate stomachs before the call for proposals went out. In any event, the good thing about securitization in international relations is that we know where we are with the concept. The term was coined in the mid-1990s by Ole Wæver and his colleagues at the University of Copenhagen School of International Relations. Their approach is constructivist. When an issue is "securitized" it passes from the realm of ordinary politicized questions into an issue that threatens the very survival of states and their citizens. Object to securitization and you will be told that you are an irresponsible citizen who doesn't recognize the risk that your loved ones might be killed or maimed by terrorists. Because this is a constructivist theory, the Copenhagen school pay attention to the problem of who has the power to define an issue as one of security. Although they argue that in principle anyone can do this through an appropriate discursive strategy, if related issues are already perceived in securitized terms in the public sphere, they reach the reasonable conclusion that some actors have rather more power to do this than others. State actors have to be high on the list, at least in countries where the public retains some confidence in the ability of their government to defend their country and its citizens from attack or more everyday kinds of threats to individuals' ability to go about their daily lives in peace. And it is fairly apparent that at the global level, the governments of the North Atlantic powers and their allies have been especially active in promoting the securitization process. But we should remember that China proved supportive of the post-9/11 agenda for its own reasons, such as the repression of the Falun Gong movement. This brings me to some of the areas in which securitization in the international relations sense seems problematic.

Firstly, we have problems that arise from the kinds of actions that the successful securitization of an issue justifies. Military action and occupation of foreign countries that legitimates further non-military actions of an economic and political nature is evident enough. More broadly, securitization generates sovereignty in Giorgio Agamben's sense (Agamben 2005). On the domestic front, states of emergency are declared and extraordinary powers justified. Amongst the normal liberties that may disappear in a context of securitization are those of academic research and public debate. Politicians get into trouble for saying that we should try to understand what motivates people to become suicide bombers. Academics or students get into trouble for downloading "extremist material" from the Internet even when it is clearly intended for study for a dissertation, and university authorities forbid their employees to take such risks in the future. On the global front, a whole range of new intervention strategies by countries setting the securitization agenda become necessary and legitimate. Northern governments renew the Cold War dreams of Project Camelot and the Thai Tribal Research Center. In the UK, the Foreign Office asked academics to help it "change the environment in which terrorists operate" by "identifying the individuals, organizations and ideas that foster radicalization" and by contributing knowledge that could help in the formulation of counter-measures, including more effective means for implanting other kinds of ideas in the heads of people who might turn to "extremism" at home and abroad.

The "at home" is important here, since there is some official recognition in the UK that we need to understand why people who were born and brought up in the country might participate in violent acts. Nevertheless, in the world securitization constructs, the biggest risks still tend to be located in a foreign elsewhere in which dangerous ideas and images circulate to entrap the suggestible minds that this approach to understanding what is called “radicalization” assumes. If “we” in the North can just pin these risky things down, then “we” can engineer a safer world *for everyone*. This vision seems to have at least an elective affinity with that of some transnational neo-Pentecostalist churches. What they construct is a world of individuals threatened by malevolent spirits that spring from the old pagan cultures that a new global universalism of dedication to God and self-improvement can exorcize, providing the faithful pay their dues to the Church. But at a more mundane level, securitization has penetrated other spheres of international intervention, in particular the international development industry.

This is most obvious in the case of Afghanistan, where the British Department for International Development toils constructing projects such as parks with swings and slides that remain too unsafe for local people to use, even assuming that they would consider them a high priority in terms of their own ideas about what development assistance should be doing. There may be other projects underway in Afghanistan that conform more closely to the “pro-poor” commitment to “local knowledge” and “participation” that has been DFID’s policy mantra for the past decade, but the instrumental intention to use development assistance as an arm of the struggle against the Taliban is in no way disguised in this particular context. In other contexts, however, there seems to be a growing confusion between making life and livelihoods more secure for the locals and the interests of Northern donor powers. These include hopes of reducing undocumented international migration as well as promoting local economic transformations that will create new trade and investment opportunities for Northern capital. It is, of course, true that many of the regions to which development assistance is targeted do suffer from very real problems of insecurity resulting from civil war or the predations of organized crime that is often integrated into the local political system. “Peace-keeping” and “humanitarian” missions have accordingly become increasingly securitized in a way that can create quite serious conflicts over goals, priorities and the treatment appropriate for different groups even within the international teams charged with such missions. There may not be any easy answers to those dilemmas, since development project and aid workers do need protection in conflict situations in which they are likely targets, but the more the securitization agenda dominates, the more likely it is that events will be shaped by broader geopolitical and other agendas in which thinking about the long-term welfare of local people is secondary. Securitization therefore further complicates the contradictory processes that already existed *within* development project teams that include a hierarchy of foreign and local "experts", and in the interfaces between the development agents and local societies. The latter are equally socially differentiated and play out their own politics in relation to what they learn about the opportunities for manipulating the perceived agendas of the far from omnipotent experts, as ethnographies such as David Mosse's work in India have demonstrated (Mosse 2005). But because securitization also represents a change of policy model at the top of the international development apparatus, it also transforms the criteria according to which the "success" or "failure" of projects is evaluated in the audit process, a process which, as Maia Green has shown, has always tended to be more concerned with producing "manageable realities" on paper than with concrete socio-economic changes on the ground (Green 2003).

This is a problem precisely because security is so often a real issue for real people, but we need to understand precisely how they relate it to other aspects of their situations and *think holistically*. The slum dwellers I am currently working with in Brazil put lack of physical security towards the top of *their own* definition of their problems. They do so, however, in a way that entangles rather than separates the police and the criminals. Hooded gunmen sent by the traffickers competing for control of the business in the slum shoot randomly selected young men dead on the main street. The next month police who have been denounced on the anonymous hotline by a resident for abusing their powers, and quite often being in the pockets of the traffickers, come back and blow away the nearest convenient target. Few of the vast majority of residents who have nothing to do with drug trafficking do not think it is a major social problem, nor do they deny that there are people who are involved in trafficking within the slum. But they do have different ideas about what should be done to prevent their children throwing away their lives from addiction or gang membership to those espoused by many of the NGO and government workers who intervene in their lives. Moves to end child labour are unpopular, for example, because work is seen as a way of keeping kids off the street and away from the morally corrupting influence of the television, while everyone understands that the local traffickers are tiny and not very well remunerated cogs in a vast industry whose principal centres of consumption and organizational commanding heights are a long way from the slums. Once again securitization reduces the prospects for effective dialogue over workable solutions to real social problems, especially where the security of the locals is not the primary concern in the way that issues are defined.

The securitization of the international development agenda brings me to my second point, which is the way securitization spreads out to connect diverse issues together and change the way we might otherwise think about them. Iraq's place in the world became securitized because it was presented as a military threat to other countries in and beyond its region, through the weapons of mass destruction issue. The case for securitizing Iraq's military capacity was constructed by getting the leaders of a series of national governments to endorse the claim that Saddam Hussein possessed such weapons. It was reinforced by appeals to "expert" evidence and certain kinds of truth-confirming visual artefacts, such as satellite surveillance photographs. The production of truth about weapons of mass destruction was enhanced by the fact that only experts could really make sense of the evidence, but subsequently undermined by the fact that some experts as well as investigative journalists decided to question its veracity. This takes us a bit beyond the normal bounds of constructivism and its tendency to focus on speech acts, because of the kinds of pressures and sanctions that were applied by government to actors who were threats to the establishment of the desired kind of truths via words and visual images.

In the UK a government expert committed suicide and the BBC was subsequently subject to an unprecedented process of intimidation that has inhibited it from screening some programmes about Iraq that top-level management considered judged too risky. Despite these measures, the case for legitimating the invasion of Iraq on the grounds on which the problem of that country had originally been securitized did cease to be credible. So the securitization case had to shift to the terrain of Iraqi society and the people's suffering under Saddam. With this argument, the United States and its allies became the arbiters of what should count as security for Iraqis themselves, arguing that the long-term social benefits of the regime change produced by military conquest outweighed the deaths of more than 600,000 civilians and the creation of a kind of security problem that they were now forced to concede had not actually existed under Saddam, the presence of groups linked to the Al-Qaida network within the competing insurgent forces that the foreign occupation of Iraq and take-over of its oil fields created. Other issues, such as the unleashing of religious sectarianism in a previously secular if dictatorial society, have been largely excluded from this justificatory framework, and often been presented as difficulties rooted in an atavistic Iraqi culture and society.

The discursive framework of securitization therefore links issues in a selective way that reflects an underlying political rationality. Oil was clearly at least part of that rationality in Iraq, and even from the standpoint of private interests within the Bush administration that are equally relevant for understanding the sleazier side of the reconstruction programme. But a further point I want to make about linkage is its potential promiscuousness, even where there is actually something to be said in favour of more joined-up thinking. This is aptly illustrated by the call for a recent cross-Research Council fellowships programme in the UK entitled *Global Uncertainties: Security for All in a Changing World*.

This programme focuses on "the nature and interactions of five global issues: conflict, crime, environmental degradation, poverty and terrorism, and their implications for various concepts and contexts of security and insecurity". I should stress that the call includes the statement that: "Proposals addressing the interaction between these questions/areas and applications which challenge existing policy or practice assumptions and/or consider alternative framing or approaches to addressing these priority research areas will be welcomed". Nevertheless, it poses questions that are clearly central to current UK government thinking such as "Why do some ideas and beliefs lead to conflict, violence or criminal activity?" Researchers are asked to draw lessons from their analyses of the formation of ideas and beliefs about security and insecurity that could "provide the basis for countering those ideas and beliefs that reinforce conflict, violence and crime". The call also asks for ideas about how "issues around the cycle of knowledge production and use interact with the creation, management and resolution of insecurities" and about how specific cultural forms influence the communication, construction, representation and reception of risks and threats for different audiences. This frames a series of increasingly practical looking questions. Is there is an acceptable balance between national security needs and the protection of civil liberties and human rights, and if so how might it be secured? How can we balance local needs "against global responsibilities within a security framework"? How should institutions, including the security forces, evolve to meet new risks and threats?

Migration only figures marginally in this particular call, principally in relation to environmental impacts, but securitization has figured prominently in the redefinition of international migration issues. Arrive on a plane from abroad at Manchester airport and you now confront what seems an exact replica of a US immigration facility, complete with a sign announcing that you have reached a "border" accompanied by a logo that could have been made in the USA if only it had an eagle on it. There is more to this transformation than simply a stronger regulatory regime. To the extent to which international migrants become associated, via securitization, with transnational criminal and terrorist networks, harsher rules for economic migrants become much easier to legitimate. Indeed, in the case of the US-Mexico border, the weight of historical evidence suggests that the regulatory regime has never been about stopping undocumented migrants but simply about progressively diminishing their rights as workers and perpetuating a kind of differentiation that even divides the Mexican-American community against itself. But this brings me to way securitization in the international relations sense of the term seems to push a large number of issues that relate to economic security or its absence out of the frame of connections, in particular those that to transformations in capitalism which were consistently discounted in the past as major risks to the security of our societies and citizens.

Let me turn now, then, to the financial sense of securitization. There are two basic paradoxes we need to grasp here. One is that the systemic failure represented by the current global credit crunch is a product of developments that appeared to be means of reducing and spreading risks within ever more globally integrated capitalist markets. How did this get us to a situation in which the kind of "global uncertainty" represented by the prospects of another terrorist attack on a Northern target seem to be dwarfed by the scale of uncertainty amongst governments and pundits alike about how long and how deep the current recession will prove? Our second paradox is that belief in the wisdom of freeing new kinds of financial markets from regulation seems to have been based, as Bill Maurer has pointed out, following Joan Robinson, on assumptions that are theological, but may yet prove more difficult to exorcize than the demons of the other kind of securitization, religious or secular (Maurer 2002).

In the financial sense a security is a contract that can be assigned a market value and, crucially, can be *traded*. Stocks and shares are securities that give the buyer part ownership of a company, and in principle this ownership is perpetual. Bonds are a security through which the issuer or borrower raises capital over the long term by agreeing to repay the lender or bond holder the principal plus interest at a later date, i.e. on the date on which the bond comes to maturity. Bonds therefore do not provide ownership, nor are they usually perpetual. A third type of security is the derivative. I am going to have to spend a bit more time on this type.

Modern derivatives have their origins in the mid-19th century Chicago commodity futures market (Tickell 2000). Traders could sell their grain at an agreed price and deliver it later, so what the buyer of such a contract got was future rights of ownership over a physical asset. By making such contracts farmers could hedge against the risk that prices would move against them, as could traders by making multiple contracts. But from the start, for the futures traders buying and selling these securities was a way of making money by *speculating* on the future direction of prices. Since it was only necessary to pay up the full value of assets in the future, the costs of trading in the contracts themselves was relatively low. In the 1970s, Chicago began to trade in currency futures, laying the foundations for a rapid evolution of derivatives markets that were not based on physical products, including markets in which gains and losses were based on guessing the movements of other financial markets, such as stock exchanges. New kinds of derivatives emerged to complement the original futures contracts, including *swaps*, where traders exchange particular liabilities in a series of futures contracts, and *options*, where the trader pays a premium for the right to trade assets at a particular price in the future without being obliged to buy.

At first sight, derivatives should add to the stability of market systems, since they enable risk spreading. Even when traders made disastrous miscalculations that led their companies into financial meltdown, as happened in the case of Barings, neoliberals argued that the markets would rapidly adjust because the underlying prices of the assets being traded should not be affected, since they were theoretically determined in other markets by supply and demand processes that would adjust production to consumption over time. But time is crucial in the operation of all markets. As the trading of derivatives became ever more sophisticated, it became possible to make money by buying and selling the same asset at the same time in two different markets where its price differed *in the short term*. Such *arbitrage trading* also seems to reduce risk both for the traders and for the wider system. But as Hirokazu Miyazaki has pointed out, following George Soros, this is only if we assume that markets "naturally" tend towards equilibrium over time to reach a "correct" price in terms of supply and demand and the value of the underlying assets (Miyazaki 2003). The same theory tells us that the actions of arbitrage traders should actually promote reduction of price differences and convergence towards an equilibrium in which there are no longer any arbitrage opportunities.

Miyazaki demonstrates ethnographically that a group of Japanese arbitrage traders did indeed act on that belief, but were also driven by other considerations, in particular the idea that Japan was behind the Americans in this field of economic enterprise and that they needed to pursue the same kind of "strategy of refinement" that had been the secret of Japan's past competitive success in production. This led them to embrace ever more complex modelling and computer simulations whose results in the game of making money ultimately left most of them disappointed. Nevertheless, some did not abandon their beliefs in the virtues of markets and the arbitrage principle, but left the financial sector to pursue other projects in Japanese society that would make it a better society by using their arbitrage skills to "help people". One dedicated himself to founding a new religion that would deliver its spiritual services through the Internet at a more economic cost to the faithful.

I give this example simply to underscore the point that ethnographic studies show that even if traders firmly adopt the article of faith constituted by the theory of market equilibrium, their actual conduct will be shaped by additional substantive rationalities grounded in their historical social context. (Note that for reasons Joel has eloquently expounded (Kahn 1989), I am deliberately *not* saying *cultural* here!) And this is, of course, one reason why real markets do not behave like the theoretical perfect markets of neoclassical economics. Others, as Adam Tickell has pointed out, are that some players have greater knowledge and skill than others, while risk management by institutions has been fighting a losing battle against the growing complexity and inter-connection of these new financial markets. Barings was a comparatively small fish, but the failure of one or more *major* institutions heavily invested in the derivatives market could provoke systemic crisis, and the entire system of markets could find itself unable to make obligations balance receipts if derivative prices shifted suddenly.

The wisdom of Tickell's fears is now only too apparent. Hedge fund speculation made a contribution to producing the present crisis, precisely because the assumptions that justified the contention that they contributed to the stabilization of the overall system of markets proved to be unfounded. But what is perhaps most interesting is how long it took for doubts and fears to be generalized. In 1973, economists Myron Scholes, Fischer Black and Robert Merton devised a mathematical formula for pricing stock options in derivatives trading (Maurer 2002). In 1997, Scholes and Merton received the Nobel Prize for economics for this work, Black having died in the interim. The following year the hedge fund company that they had founded on the unquestioned prestige of their formula amongst both academics and traders, Long Term Capital Management, collapsed, its 1.25 trillion US dollar portfolio reduced to junk bond status. The Federal Reserve was forced to agree a $3.65 billion dollar bailout.

As Bill Maurer shows, the celebrated formula was based on the assumption that all markets tend to equilibrium over time, so that the outcome of random movements of stock prices would be a normal distribution, the bell curve. Since markets were deemed efficient, market prices at any moment of time had to be "correct", so all traders needed to do was to relate the price of the stock at time t, factor in the time interval over which the price could change, and lo and behold, there was the value of the option at time t+1. It wouldn't matter if some trader made a mistake or even if there was a rogue trader somewhere engaged in manic speculations, because this would just create a few price point outliers departing from the correct, normal distribution that would be guaranteed by the invisible hand of the market. There have long been alternative theories about how markets work. As a student of economics at the end of the 1960s, I was particularly impressed by Axel Leijonhuvud's re-reading of Keynesian theory (Leijonhufvud 1968), which was a key text in macro-economics in the 1970s, and is now being revisited by financial journalists, but almost disappeared from view as the neoclassical paradigm returned to government favour and academic hegemony in the neoliberal era. What the celebrated Scholes-Black formula refused to recognize is that financial securities trading "makes" prices: it is not a question of there being some independent "real" economy underneath these markets that has an independent dynamic so that traders merely have to calculate its objective movements correctly. Derivatives are themselves signs within the informational systems of the market, or perhaps better signs that refer only to other signs, i.e. prices. They *make the future* as other traders act on what they think the values established in these markets tell them. Their power is, as Maurer puts it, *indexical*, but dependent entirely on the unwillingness of the entire market system to look into the "black box" of what actually shapes the calculation of future states of the economy and the expectations of market agents.

How can we understand this refusal? The answer does not, I suggest, lie in economics. The neoclassical revival and all of the rest of the bubble economies that the neoliberal restructuring process created were embedded in a broader *social project* that aimed to sell a millennial form of capitalist progress in societies in which social inequalities were becoming increasingly dramatic, by reworking and extending the idea of market society far beyond its limits within classical liberalism. It is no surprise that centre-left politicians who now argue for the need for market regulation did not do so earlier in their careers, since they were fully enrolled in this project as a means of re-expanding an electoral base narrowed by the initial success of the neoliberal/neo-conservative right. As Anna Tsing remarks, the bubbles created by millennial capitalism involved a tremendous amount of "dramatic conjuring" of economic performance: investors had to be convinced that profit could be made in all kinds of areas that required *leaps of faith* (Tsing 2000). The alchemy through which finance capital generated money through the creation of new "tradeables" was a central part of the buzz that diffused into Northern middle class homes as a result of this insistent promotion of hyper-fetishized forms of wealth creation. But the magical creation of wealth became important to people other than investors, because of the widespread promotion of new models of achieving social value in market society through the practice of technologies of the self. We do not need to conclude that these models have become globally *hegemonic* to conclude that they are *important* in the sense that the Comaroffs have underscored in their writings about the efforts of the poor to "conjure wealth" in the occult economies of southern Africa (Comaroff & Comaroff 2000), or that we might contemplate at a more mundane level simply by considering the role of low income customers in the global market for mobile phones.

This brings me from securities to *securitization* in the strict sense. Financial securitization is indeed a form of alchemy: it transforms an illiquid group of assets into a security that can be traded. All kinds of different assets have been securitized, ranging from loans to buy cars and credit card debt to student loans and even corporate debt, but we have mostly become conscious of securitization because of the securitization of mortgages, so let me take that as my example. It is an example that has further advantages, since what happens to people when things go wrong in this market is that they face increased risks of losing their homes. This not only raises the social and moral issue of what should and shouldn't become an asset backing secondary market activities. It also strikes at a central component of a vision of market society based on property ownership. One of the things that has made the Hurricane Katrina disaster in New Orleans such an enduringly politicized issue is precisely that the less affluent and mostly black residents who faced permanent dispossession thanks to the refusal of their insurance companies to pay up were mostly home owners.

Mortgages are initially offered by financial institutions, backed by the property value. Obviously the risk is related to the borrowers' ability to pay and the movement of houses prices. So the extension of lending operations to the sub-prime market greatly increased risks for obvious reasons. Securitization involves creating a mortgage-backed security (MBS) based on pooling individual mortgages as collateral, i.e. the assets behind the security. All kinds of institutions began to issue such securities, including ordinary banks responsible for the loans in the first place but also investment banks and institutions like Freddie Mac and Fannie Mae in the United States, which were supposed to channel credit to the housing market rather than to create new tradable assets on the basis of loans already made. But that's what an MBS is, and so it can be sold to third parties on the secondary mortgage market. To reduce risk, the mortgage pool can be broken up into different *tranches*, the riskier assets offering potentially higher returns to those who buy them. Pension funds tended to buy the lower risk securities, whereas hedge funds often bought the riskier ones. But for a while every actor in the system had plenty of capital to invest and was looking to make profit at the margin.

As we now know, once the subprime market went into its nosedive, the assets backing the securities based on it were worthless. As the crisis spread through a raft of once respectable financial institutions, and the number of houses without buyers increased, the bubble of securitization burst. The financial institutions that have survived have now greatly increased their estimates of the risks of lending to each other as well as their customers, creating the global credit crunch. The most important guarantor of the asset value of securities that are still traded and the institutions that trade them is now the state. Yet governments have no opportunities to practice alchemy. The money behind this guarantee is the money of taxpayers who still have a job. Given that raising taxes in a global recession would be political as well as economic suicide for governments, they themselves will have to borrow. This will create further burdens on taxpayers in the future, and the whole strategy will only make sense on the assumption that the crisis will pass and the assets that governments have acquired as a result of the bank bailouts will recover and exceed their current values in the future.

Despite the fact that both opponents and advocates of the strategy have sometimes described it as “socialism” revisited, we are really just talking about an effort to return to the managed capitalism that characterized the period between the end of the second world war and the oil and fiscal crises of the 1970s. It is already clear that the CEOs of Northern financial institutions still have some negotiating power, not to mention a high degree of shamelessness, so how much real systemic reform will be negotiated in Europe and the United States remains to be seen. So does the amount of money that governments will be able to borrow. There is still the possibility of deepening systemic crisis given the extent of the financialization of the entire process of capitalist accumulation, given that the values of the assets behind the securities in the system could still fall further. But although this means that the crisis will affect the entire world economy— and the fate of actors such as Russian oligarchs and China’s cadre-entrepreneurs as much as London or New York bankers—the responses to it are likely to be different in different regions and countries. This is the point at which we could start thinking about bringing the two meanings of securitization back into the same analytical frame.

One of the few British financial journalists to emerge from the credit crunch looking smart was Gillian Tett, assistant editor at the *Financial Times*. An expert on the arcane securitization topics of collateralized debt obligation and default credit swaps, she had been predicting problems for two years. Nobody was especially interested, since her topic was not exactly the sexiest in financial journalism. Gillian is, however, not your average financial journalist. She has a PhD from Cambridge in Social Anthropology, and did her fieldwork in a mountain village in Tajikistan, seeing her study community shattered by the violence of civil war. As she was eager to explain to *Guardian* journalist Laura Barton, Gillian has found her anthropology background of continuing value in her career as a financial journalist for a variety of reasons that are worth relating. The most obvious reason is that anthropology training helps you to understand that financial markets are peopled and that these people, in Tett's words, "have dressed up their activity with a whole bunch of rituals and cultural patterns" that an analyst needs to understand in order to understand how the market works. This is, of course, the conventional selling point of the anthropology of organizations, and its great strength over rational actor alternatives to the study of the world of business even in the social sciences.

But this isn't Gillian Tett's main point. What she thinks anthropology can bring to finance is a *holistic* vision of how societies operate, something that she sees as completely absent amongst the people who actually work in the financial sector. Buried within "their own little silos" of technical specialization, people fail to see how the bits fit together and interact with society. In asking herself that question, she also took another lesson from anthropology, that to understand how a society works, you need to understand the parts of the system that nobody talks about because they are not seen as important: it was the "silence" surrounding the less sexy parts of the financial system beyond the equity markets that attracted her to the idea of studying the systemic implications of the cogs in the wheel of securitization. Finally, despite the fact that she got a public dressing down from a senior member of the US administration at the 2007 Davos Economic Forum for being a doom monger, after she correctly predicted the impeding catastrophe that would be produced by the "innovative business model" of the Northern Rock Bank, she felt that the main lesson she learned in Tajikistan was that "extraordinarily unexpected things can happen".

This is, of course, precisely what *isn't* believed by people who think global security for all can be engineered, and by people who think future price movements in financial markets will map onto a bell curve. And what they do believe amounts to the propositions that God is good and certainly a white man. Their thought is systemic in a sense, but that sense is not holistic in Gillian Tett's sense. It segregates processes instead of looking at how they might interact with each other to produce unexpected connections and "friction" in Anna Tsing's sense (Tsing 2005), thereby producing unanticipated consequences as certainly as night follows day. In the current Human Terrain Systems approach to counter-insurgency operations, all kinds of assumptions are made about the *fixity* of local social and political divisions and the "cultural templates" that supposedly govern and motivate behaviour. Intervention strategies are based on the idea of sending in people who can "map" local society and culture and secure the knowledge that will make it possible to determine how and with whom alliances can be brokered and the enemy can be isolated and weakened. Leaving aside the obvious contradictions of trying to extract meaningful information in a militarized context, the best that could probably be hoped for is that the invaders might succeed in humanizing their approach a little. Another possible scenario is that someone higher up the military chain of command might decide to bomb a wedding on the basis of a tenuous identification of some individual guest as an insurgent suspect in a long-forgotten HTS team report.

The HTS approach is an extreme case, but even the thinking behind the UK Foreign Office's model of intervention is haunted by some of the same logic. It is assumed that there are identifiable actors who push the buttons of "radicalization" and create terrorists by particular discursive and symbolic strategies, which can be countered by other discursive and symbolic strategies. Such a model dispenses entirely with any idea that processes develop in a context of social interaction and that the context changes as the processes unfold. Today's "moderates" become tomorrow's "radicals" and vice versa. The real substance and grounds of conflicts generally escape these naïve, externally imposed templates, as just about any historically and ethnographically conscientious anthropological study of particular conflict situations has always shown. Throw in an intervention team and the scenario changes again, as the local actors build their own models about their motives and interests and realign themselves accordingly. This is not just an argument about contingency and the need to understand conflict in a dynamic and relational way in relation to local and much wider processes. It is an argument about how ill considered actions can increase risks in ways that will make the future even more uncertain.

Both the kinds of securitization I have discussed theoretically represent efforts to reduce risks. But they seem to do the opposite. It is one thing to seek to produce knowledge that could reduce our uncertainty about global futures. But this is a pointless exercise if it leads to actions that create new, and unanticipated, problems. This remains true even if we accept the moral premise that actions abroad may legitimately put the interests of foreign powers above the interests of those who are the objects of their interventions, or the realist proposition that this is the way the world will always be and if it's not us it will be the Chinese doing the same thing. At the level of action, it seems to make better sense for states to focus on the variables that they can actually control, if there are any.

One variable is obviously the continuing politicization of security issues at home. The UK's internal security service is not generally considered a soft touch, not least because of the controversial role its agents played in the troubles in Northern Ireland. Yet one of its former heads recently attacked the political use of "war against terror" rhetoric and condemned the invasion of Iraq as probably the principal cause of Muslim radicalization, arguing, with some plausibility in terms of leaked memos, that the intelligence community had strongly advised the government against such a course before the invasion took place. Yet obsessed with the assumption that the key is to get "the right ideas" into people's heads, national and local government is giving generous funding through the Preventing Violent Extremism programme to the Quilliam Foundation, a Muslim group that argues that Islamic terrorism would exist without Western interventions because it is based on a prejudice against the "Western values" that should be adopted by all British born Muslims. This not only de-legitimizes groups that oppose government policy in the Islamic world through democratic public channels, but also convinces some British Muslims that the "radicals" are right to say that engagement with the British state is pointless.

Local councils are also getting lots of money from the Preventing Violent Extremism programme. There have already been complaints from far from radical Muslims that some of the money is being spent on "community mapping" activities that make people feel spied upon. Even if we accept that some intelligence gathering is justifiable, doing it in a way that alienates yet more people hardly seems a productive approach.

So government should perhaps start with a more thoroughgoing risk assessment of its own approaches to security issues and the dangers of securitization itself, rather than cling to the "right ideas" thesis, which seems little more rational than the assumption that prices set in free markets are always "correct" from the point of view of moving towards equilibrium.

We are now told that lessons have been learned from the financial crisis, and that new forms of regulation and coordinated international action to reduce the impact of global recession will be led by the very governments that presided over the changes that triggered the crisis. But once again, deeper reflection seems necessary on how all our insecurities might be related to the global inequalities that have been fostered over the past decades and to the processes that already consigned large parts of humanity to endemic crisis conditions. Those conditions are the result of unrestrained resource predation by Northern TNCs, structural adjustment policies that favoured Northern interests and destroyed entire local economic sectors, and, of course, the incorporation of actors in the Global South into crony capitalist networks orchestrated from the North, often with the participation of governments and multilateral agencies. However diverting and illuminating our cross-cultural ethnographies of the trading floor may be, it is perhaps to our understanding of the human consequences of that deeper and chronic systemic failing that anthropology still has most to contribute.

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