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Finance/security/life

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What is the contemporary relation between finance and security? In what ways has Marieke de Goede's (2010) distinctive and powerful formulation of this relation as 'finance/security' framed a new analytical terrain for social scientific research? Can the trajectory of research into finance/security be taken further and, if so, what might be the heading for this research? Framed by these questions, this short essay will suggest that the concept of finance/security can inform critical inquiry that addresses the dynamics of both the *financialization of security* (i.e., how financial logics and techniques come to feature in governance that renders uncertain social phenomenon as problems of security) and the *securitization of finance* (i.e., how uncertain financial market circulations come to figure in governance that securitizes a valued, neoliberal form of life). Specifically, the essay will encourage further research into the securitization of finance by developing the notion of 'finance/security/life'. A focus on the intersections of finance/security/life will be shown to prompt a broadened range of critical, cross-disciplinary concerns with the various ways in which financial markets are positioned as vital to securing wealth, welfare and wellbeing.

Providing a map for fellow travellers, Marieke de Goede (2010) sets out three 'avenues' for the pursuit of research into the relation between finance and security. Her purpose is to demarcate two existing research routes that are relatively well-travelled, and to signal the coalescence of a new, third way forward. De Goede first identifies a body of work, largely located at the intersection of Economic History, Historical Sociology and International Relations (IR), which attempts to elucidate how financial markets feature in state-building and national security. Attention is thus drawn to accounts of state power and security that address the constitutive importance of public credit (Carruthers, 1996; Knafo, 2013), and which go beyond and complement analyses that stress the significance of monetary sovereignty and taxation (Ingham, 2004). Second, de Goede (2010) draws attention to a trajectory of research that, developed primarily through the Marxist and institutional political economy traditions, explores how volatile and crisis-ridden financial markets produce insecurity in socio-economic life. As discussed below, this is an avenue for research that has become increasingly attractive for travellers in recent years, not least because of the global financial crisis. Third, de Goede's explicit intention is to specify the coordinates for an analytical route into the relation of finance and security that she terms 'finance/security'. Here, and consistent with broadening the

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disciplinary remit and critical credentials of mainstream IR and security studies, finance is held to loom large in the formulation and execution of the contemporary liberal government of social phenomena as security problems. This is in large part because finance and security share an ontological conundrum – how to confront the uncertain future – and an epistemology of risk that is manifest in the deployment of a panoply of risk management techniques and tools in order to render the future actionable in the present (Boy et al., 2011).

As articulated by de Geode (2010), the concept of finance/security has primarily served as an important reference point for research into security practices that draws, in particular, on the theoretical insights of Michel Foucault's (2007, 2008) later work on the emergence and operation of the rationality of biopolitical security. In effect, de Geode's (2010) concept of finance/security draws explicit attention to processes through which biopolitical security practices are 'financialized' in the contemporary period, processes that Foucault himself could not have perceived during his own time. The financialization of security has been revealed through research that highlights various ways in which an array of financial logics, techniques and markets – such as insurance and derivatives, for example – enter into governmental programmes that seek to securitize the future in the present (Aitken, 2011; Lobo-Guerrero, 2011; Martin, 2007).

Such research has played an important role in debates about the dynamic qualities of contemporary security practices, especially debates that centre on the growing prevalence of pre-emptive techniques which question and displace techniques operating on the premise of probabilistic risk calculation (Amoore, 2013). Wider controversies over risk and uncertainty are thus drawn into research on the financialization of security (e.g., O'Malley, 2009), including long-standing and hotly contested considerations of the relative significance of logics of uncertainty and risk in financial markets (e.g., Appadurai, 2011). The financialization of security has been shown to feature strongly in the proliferation of imaginative and anticipatory techniques that seek to secure air travel, terrorism, and migration, for example (see Adey, 2009; Amoore and de Goede, 2008; and Walters, 2006). Indeed, research in this vein also includes de Goede's (2012) own analysis of the governance of terrorist money and finance through practices that she aptly terms 'speculative security'.

In *Liquidity Lost* – my account of how the global financial crisis was governed in its Anglo-American heartland – I explicitly anchored an understanding of the financialization of security in a deeper appreciation of the power of economics in contemporary, neoliberal government (Langley, 2015; see also Best, 2017). My argument in this respect was that the intersections and resonances between the logics, calculations, and techniques of finance and security take place amidst a mode of liberal government in which economics 'at large' and 'in the wild' (Callon, 2007) provides the very means of administration. Crisis governance, put baldly, was not a matter of governing over the economy, but of the mobilization of a diverse array of theories, concepts and calculative devices which ensured governance through economy.

Liquidity Lost also drew attention to the ways in which crisis management ultimately heralded something of a step-change in the security logics and practices that prevail in financial governance. Previously nascent or marginal techniques of governance were brought to the fore and became mainstream in global finance, techniques that govern through, rather than against, uncertainty. Indeed, one of the principal ways in which the crisis was rendered and governed was precisely as a crisis of probabilistic risk (Langley, 2013). Subsequent to the crisis, then, anticipatory techniques such as stress testing have been corralled into governmental programmes designed to advance the 'resilience' of banks and banking systems, and to offer a 'macro-prudential' approach to financial stability and regulation.

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The principal arguments of *Liquidity Lost* sought, however, to hold together critical concerns with both the financialization of security (i.e., how financial logics and techniques come to feature in governance that renders uncertain social phenomenon as problems of security) and the securitization of finance (i.e., how uncertain financial market circulations come to figure in governance that securitizes a valued, neoliberal form of life). The bequest of crisis management has been a will to put in place new technical and anticipatory fixes for the destructive vicissitudes of financial market circulations. At the same time, however, such fixes are to be reconciled with the productive prospects that financial market circulations seemingly hold for wealth creation and popular security. Put more broadly, economizing and financializing logics and techniques are certainly constitutive in the contemporary biopolitical security rationality that prevails across a host of governmental domains, but the uncertain circulations of the financial markets are also rendered and governed as a dilemma of biopolitical security, as a relation of finance/security/life.

The avenue of finance/security, then, is not a singular route for research into the relation between finance and security. Rather, to continue de Goede's (2010) road map analogy, it is perhaps better thought of as a junction point from where two closely intertwined but relatively distinct research trajectories begin. To date, most researchers setting forth from this junction have pursued journeys that push at the disciplinary boundaries of mainstream IR and security studies and work towards furthering understanding of the financialization of security. Meanwhile, those preoccupied with the securitization of finance – departing from the junction of finance/security to travel along a somewhat more cross-disciplinary research arc, which I would signpost as finance/security/life – are likely to be critically concerned with the various ways in which financial markets come to figure in governance that securitizes a valued, neoliberal form of life.

A concern with finance/security/life is a critical preoccupation with how uncertain financial market circulations are positioned as crucial to securing wealth, welfare and wellbeing, especially (although not exclusively) in the USA and UK (Langley, 2008). Over the last four decades or so, transformations in saving and borrowing routines in Anglo-America have resulted in close and intense ties between everyday investors and debtors and the uncertain circulations of wholesale financial markets. As such, when the global financial crisis hit, the severe dislocations in financial market circulations were not rendered and governed as strictly monetary, market and banking issues that threatened to spill over into the 'real economy' of production and employment. Rather, how to keep up even those financial circulations deemed to be speculative in character was prefigured by a wider predicament of providing opportunities for wealth, welfare and wellbeing through the financial markets (Langley, 2017a). Uncertain and relatively free flowing financial market circulations had to be restored and re-opened for business because the security of life itself turns on their ostensibly productive capacities.

Researchers explicitly concerned with finance/security/life are likely to encounter fellow travellers who in the wake of the global financial crisis have also arrived, so to speak, at the analysis of this relation, but not necessarily as a result of setting out along the avenue that de Goede (2010) terms finance/security. For example, Autonomist Marxists such as Christian Marazzi (2010) and Maurizio Lazzarato (2012, 2015) integrate theoretical insights taken from Foucault, Deleuze and other poststructural writers into the political economy of Marx and, in effect, position finance/security/life at the heart of their accounts of the insecurities produced by contemporary capitalism. Favouring theoretical abstraction over the analytical nuances that come with detailed fieldwork, the powerful core argument of Autonomist Marxism is that the extraction of financial rent and accompanying violence of accumulation by dispossession

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should no longer be understood to occupy a secondary, parasitical role in the capitalist mode of production. Rather, given the various ways in which the credit-debt relation funds the meeting of basic needs, propels consumerism and makes possible value-production through the exchanges and circulations of social reproduction, it is held to have displaced the wage-labour relation and become foundational to the contemporary mode of capitalism. For the Autonomists, the intensification of socio-economic insecurity that accompanies the current pre-eminence of financial markets is therefore experienced not merely as sudden and periodic – wrought by the inevitable and occasional outbreak of crises – but as an ever-present, structural condition of life under present day capitalism. The result, as Lazzarato (2012: 94) has it, is that the struggle with debt – alongside grudging acceptance of growing inequalities, the management of precarious employability, falls in real wages, and the shrinking availability of public services – characterizes the lived experience of insecurity for the majority.

The Autonomist Marxists have certainly made significant strides along the research avenue of finance and insecurity. However, there remain important and critical analytical payoffs that follow from foregrounding the relation of finance/security/life, and from not subsuming it within an account of the structural insecurities of financialized capitalism. This is especially the case given that the most notable feature of contemporary, post-crisis neoliberal government is indeed that it continues to operate on the basis that uncertain financial circulations are indeed vital to securing life itself. Three sets of recent research can be read as providing important insights for beginning to understand how this is possible, thereby providing further illustration of the current range of critical concerns that are opened up by following a trajectory for research that centres on the intersections of finance/security/life.

First, the rationalities and logics of money and finance loom large in the literature that turns its analytical attention to the paradoxical significance of intimate faith, embodied emotions and affective attachments in the production of order, cohesion and legitimacy in the governance of contemporary neoliberal life (e.g., Anderson, 2012; Konings, 2015; Massumi, 2014). If we take terms from Lauren Berlant (2010), for example, it becomes apparent that individuals and households seeking to secure their own futures through uncertain financial market circulations are bound by a relation of 'cruel optimism'. As Autonomist Marxists would have it, that which promises future wealth, welfare and wellbeing actually produces insecurity for the vast majority in the here and now, but this does not seem to weaken the popular hold of hopeful attachments to the neoliberal 'good life' (see Langley, 2014). Not dissimilarly, drawing on David Bissell (2014), the intersections of finance/security/life might be further interrogated as they are made present in the complex habits of daily practices and manifest in anxious, stressed and depressed bodies.

Second, a diverse body of literature can be read as suggesting that financial market circulations are being figured in the securitization of a valued, neoliberal form of life in ways that extend well beyond their apparent contribution to personal wealth and material welfare and wellbeing. Consider, for example, how the growth of a range of green financial markets – helpfully categorized by Sian Sullivan (2012) as including 'nature finance', 'nature banking', and 'nature derivatives' – is increasingly central to governmental programmes that attempt to secure the ecological conditions of contemporary life (see also Cooper, 2010). Not dissimilarly, harnessing financial markets is also increasingly regarded as crucial to governmental programmes that seek to secure the urban infrastructures (e.g., energy, transportation, digital) that enable the exchanges and flows of contemporary life (Langley, 2017b). Rather than retrenching under the weight of its own contradictions, then, processes that securitize finance may actually be extending their reach across the governance of contemporary life.

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Finally, research by Nina Boy (2015) and Jacqueline Best (2017) provides a very timely reminder that the relation of finance/security/life is not solely a consequence of the programmes, techniques and affective forces of biopolitical security, but also involves the re-articulation and repurposing of rationalities and techniques of sovereignty. As the global financial crisis so starkly revealed, sovereign debt has undergone a hugely significant transformation over the last three centuries or so: from a high-risk investment typically implicated in state warfare and subject to sovereign whims over repayment and default, to a highly liquid and ostensibly risk-free investment that today routinely collateralizes global money market circulations and provides a safe-haven during financial market crises. It follows that critical accounts of the finance/security/life relation should consider the diverse ways in which sovereign techniques and practices contribute to the routine and emergency stabilizations of financial markets.

Put bluntly, the finance/security/life relation has been held together in Anglo-America over the last decade through the consolidation of a wide range of initially and supposedly exceptional measures: crisis-relieving actions that mobilize monetary, fiscal and regulatory sovereignty have become the new normal. While a full account of these developments lies beyond the scope of this short essay (see Langley, 2015), consider, by way of closing, the post-crisis consolidation of the 'unconventional policies' now being pursued by central banks. Working on the atmospheric conditions of confidence that affectively charge the uncertain circulations of finance, central banks have consistently signalled that they are prepared to act at all costs to keep the markets in motion and to enact new responsibilities to ensure that banks will be more resilient when the next crisis comes. Related, pre-crisis anti-inflationary concerns have been somewhat relaxed in favour of considerations of economic growth and stability, and interest rates have been kept at low levels which remain historically unprecedented. And, often under the rubric of 'quantitative easing' and long after the high-point of the crisis, central banks have minted vast quantities of digital money which, literally counting as liabilities on their balance sheets, has been used to purchase vast quantities of financial market assets. Cheap and magic money has, in sum, continuously boosted the asset prices and flows of credit that are crucial to sustaining cruel optimism across the population, upholding hope that ostensibly productive relationships between the financial markets and wealth, welfare and wellbeing will ultimately deliver the neoliberal good life.

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