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Financial security

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Editors' note

This essay was originally published in *The Routledge Handbook of New Security Studies* (Burgess, 2010), and has since become a key reference point in debates on the finance-security nexus. It is reproduced here as a starting point for the present forum, which aims to further advance efforts to conceptualise the relations between finance and security.

Introduction: Security and economy

During the 2008 US Presidential campaign, the Republicans raised substantial questions about Obama's capacity to deal with imminent terrorist threats and to command the national security apparatus. Obama's strategy to counter this line of attack was to draw the economy in general, and the credit crisis in particular, into the domain of security. "We often hear about two debates – one on national security and one on the economy – but that is a false distinction", said Obama in an October 2008 speech in Virginia. Obama rephrased finance as one of the greatest national security "challenges facing our nation", concluding: "We are in the midst of the greatest economic crisis since the Great Depression … To succeed, we need leadership that understands the connection between our economy and our strength in the world" (Obama, 2008: n.p.). The news media picked up on Obama's reformulation of security, and, increasingly, the language of war became used to understand the credit crisis. Even one of the War on Terror's most central and controversial concepts – *preemption* – was redeployed to the financial domain, so that by early 2009 new Treasury Secretary Geithner could encourage G20 finance ministers to move "*preemptively* to get ahead of the intensifying pressures … across national financial systems" (Geithner, 2009: n.p., emphasis added).

Obama's campaign move can be understood as a process of 'securitization' as described by literatures in critical security studies. Securitization, in this sense, refers to the discursive and political processes through which societal phenomena become understood and addressed as security issues (Buzan, Waever and de Wilde, 1998; Williams, 2003). "Before an event can mobilize security policies and rhetoric", Jef Huysmans (2006: 7) has pointed out, "it needs to be conceived of as a question of insecurity and this conception needs to be

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sustained by discursively reiterating its threatening qualities". Obama's securitization of the financial crisis seems to have been effective on two levels. By rephrasing security as *financial* security, Obama was able to divert attention away from doubt and discussion concerning his abilities and agenda regarding the War on Terror. Simultaneously, Obama was working to garner support for his ambitious but costly economic bail-out plans by phrasing these as an issue of national security, requiring bold and immediate, yes even preemptive, action. Thus, it is clear that the new links drawn between finance and security in the midst of the credit crisis work to legitimate unpopular and, until recently, unthinkable political agendas, including the effective nationalization of banks and mortgage providers across the European Union (EU).

Recent developments suggest that there is no more pressing time to explore finance as a security concept than in the midst of the credit crisis and the political agendas surrounding it. As the security of citizens' everyday financial lives seems to evaporate in the wake of practices of securitization gone wrong (Langley, 2008), it is important to raise questions concerning the conceptual and empirical relations between 'finance' and 'security'. With some exceptions, the discipline of International Relations (IR) has traditionally worked with a division of labor in which questions of national security, sovereignty and war are addressed within a different set of literatures than questions of economy and finance, which have come to belong to the domain of International Political Economy (IPE). Simply put, finance and security have been relegated to different conceptual and professional domains both within and beyond IR. That this is a relatively recent development, however, will be shown in this essay. As Randy Martin (2007: 17) has recently put it, "pressing on the political meaning of security" inevitably brings "its economic double to the surface".

This essay places our understandings of finance and security into historical and theoretical perspective. It explores three avenues for thinking about security's economic double. The first avenue understands the relation between finance and security to be an *instrumental* one, where finance is deployed in the service of security, war or foreign policy. The second avenue understands the relationship between finance and security to be a *causal* one, where finance produces societal (in)securities. A third avenue of study emphasizes the history of *conceptual* finance/security entanglements. Here, it becomes clear that finance and security are virtually inextricable as techniques acting in the name of the uncertain future. In conclusion, the article assesses to what extent financial security is to be understood as a *new* security concept.

Security and finance

The first avenue for studying 'financial security', or the relationships between finance and security, is to look at the instrumental deployment of financial instruments in the service of national security and foreign policy. One example is provided in Emily Rosenberg's study of early twentieth-century 'dollar diplomacy' as a way in which the US tried to leverage (mainly South American) governments it considered unstable. Dollar diplomacy involved close cooperation between government officials, private bankers and financial experts, in order to arrange loans in exchange for financial supervision. This process was regarded as a "cornerstone of progressive foreign policy": in the words of then-US President Taft, the policy entailed a substitution of "dollars for bullets". Taft continued, "It is [a policy] that appeals alike to idealistic humanitarian sentiments, to the dictates of sound policy and strategy, and to legitimate commercial aims" (quoted in Rosenberg, 1999: 1). However, as Rosenberg demonstrates, this deployment of finance as foreign policy entailed specific operations of power that advanced a New York-centred global financial order, while establishing “control” without “outright colonial possession” in the countries affected (Rosenberg, 1999: 32). Dollar diplomacy, then, is an early incarnation of International Monetary Fund (IMF) conditionality in development processes which is further discussed below.

A different example of the harnessing of finance in the service of war and security is provided in the study of war bonds, which, as Rob Aitken has convincingly argued, do *more* than pursue the population to part with their savings for the sake of the national war effort. They also visualize the nation and its enemies in order to cast the investor as a responsible patriot. Thus, writes Aitken (2003: 306), “mass investment comes both to serve the national war project and to assume a kind of national security function by constituting the nation in distinction to the dangerous ‘other’”. More generally, the financial profit to be had by war has been an important strand of analysis in the literature, with acute political relevance in light of subcontracting practices in the War on Terror in general and the Iraqi war in particular – even if these authors do not necessarily identify an outright instrumental relationship between war and finance (Avant, 2005; Leander, 2005; Rosén, 2008).

These themes point to a much larger historical and political interweaving of finance, sovereignty and security. One of the starting points for IPE as a field of research in the 1970s was an increased interest in finance and economics as sites of power in the service of, but also exceeding national sovereignty. Early work in this domain researched the relationship between the investment positions and foreign policy interests of national states, in order to understand the dynamic interactions between security and property in world affairs (as in Frieden, 1993). Marxist readings of this research agenda have emphasized the deployment of military violence in defence of financial interests and the expansion of colonial possessions (see van der Pijl, 2006; Hilferding, 1981). More recent readings point to the presumed financial capitalist class interests behind the development of contemporary information and surveillance technologies (e.g. Gill, 1995).

Thus, from an exploration of finance as an instrument of sovereign states, this axis of study has frequently reconceived finance as ‘master’ of international affairs (Helleiner 1994; Sinclair 2005). It has become widely observed that the end of the Bretton Woods agreement and the liberalisation of capital flows from the 1970s onward changed the landscape of global power to the extent that sovereign states now had to operate under structural constraints caused by globalized capital markets (Helleiner, 1994; Strange, 1986; Gill and Law, 1993; Pauly, 1997). An important author in these debates was Susan Strange, whose *Casino Capitalism* (1986) emphasized the active role played by key states, notably the US, in fostering financial liberalization and globalization. Others ascribe a more autonomous self-expanding logic to contemporary financial markets, and conceptualise it as a ‘Phoenix’ rising from the ashes of Bretton Woods (Cohen, 1996). According to Hardt and Negri’s (2000: 345) influential discussion of Empire, moreover, money operates as one of three “global and absolute means” of “imperial control”. Where historically, capital has relied on the sovereign and security structures of national states for its expansion, in the current age of Empire, capital operates as transnational disciplinary power: “capital sweeps clear the fixed barriers of the precapitalist society – and even the boundaries of the nation-state tend to fade into the background as capital realizes itself in the world market" (Hardt and Negri, 2000: 327).

Furthermore, the deployment of financial conditionality in development processes illustrates this first axis along which the contemporary finance-security conjunction can be studied. Such conditionality has been widely criticised as a manifestation of new imperialism, whereby intervention in domestic policies of debtor states serves the neoliberal ideological agendas of the West (Strange, 1998; George and Sabelli, 1994). Increasingly, it is emphasized that development policy and debt conditionality are now being securitized, in the sense that they are understood and conducted in the name of security policy and may serve the security aims of donor states more than the development aims of receiving states (Duffield, 2007; Harrison, 2004: 117-27). Here, according to Duffield (2001: 312), “the security concerns of metropolitan states’ and the ‘social concerns of aid agencies … have become one and the same thing”. “This security paradigm”, Duffield (2001: 310) concludes, “is not based upon the accumulation of arms and external political alliances between states, but on changing the conduct of populations within them”. Here, Duffield points us in the direction of more fundamental, conceptual links between security and finance as techniques of governing through the unknown future that will be explored in the third section of this essay. The first broad set of relations between finance and security identifiable in existing literatures, then, is an instrumental one, whereby financial instruments are deployed to enable (post-) colonial governing of countries and populations.

Finance and security

A second avenue for exploring financial security would emphasize not the financial elements in security policy, but the security aspects of finance. Here, the relationship is broadly thought to be a *causal* one, where the sphere of finance produces societal (in)securities. Security, of course, is a properly financial term – one that emerged prior to, and in conjunction with, our current understandings of (national) security and safety. The *Oxford English Dictionary* (OED) notes the usage of ‘security’ as a pledge or a property deposited to secure the fulfillment of an obligation as far back as the fifteenth century. ‘Security’ as a pledge or property guaranteeing the repayment of debt emerges in the late sixteenth century, with the OED offering the following entry from 1592: “Without good securitie they will lend Nobody mony”. Here, then, we have one of the first usages of security as a bond or credit document, which became current in the nineteenth and twentieth centuries. For our purposes, it is important to note that the meaning of *security* as “the safety or safeguarding of (the interests of) a state [or] organization” on the one hand (OED, §1b), and that of *securities* as “stock, shares” or other forms of credit documents on the other (OED, §10), was not stabilized until into the twentieth century.

Remarkable as it may seem in the midst of the credit crisis, then, finance regards itself primarily as a *security technology*: one that seeks to secure a fickle future, tame uncertainty and insure against disaster. As any introductory finance textbook will affirm, the rationale of complex financial instruments, including futures and options, is to offer certainty and security to business participants. Thus, the international trader can insure himself against the risk of currency fluctuation by buying currency futures; the citizen can insure his financial future by pension investment; and the speculator himself can hedge his bets with index futures. The work of financial instruments, in this reading, is to provide stability and predictability within uncertain business environments.

Rather than economic logic however, this rationale is an historical and political construct, in need of continuous rearticulation and reaffirmation – especially in times of financial crisis. For example, Aitken (2007) has explored the visual and discursive histories through which finance and investment became cast as techniques through which responsible individuals (most often gendered male) were able to secure their family’s financial futures. Moreover, and as I have argued elsewhere, such articulations countered the historically durable criticism of speculation as nothing but mere gambling. From the early twentieth century onwards, investors and speculators were cast as rational providers of secure futures, rather than reckless gamblers. In this argument, speculators are cast as “responsible men who anticipate the wants to the market and take the risks on their own shoulders” (de Goede, 2005: 83), thus facilitating the day-to-day operation of business practice.

Securitization, of course, is also a financial term, as well as a term deployed to refer to processes by which social phenomena become regarded as security issues. In the financial sense, securitization refers to the process by which financial assets, for example loans, mortgages and credit card receivables, are repackaged and resold in the financial markets – thus, turned into tradeable securities. This practice became increasingly important in the financial markets from the 1980s onward, driven by a twinned rationale of profit and security: the bundling and resale of risky assets from small banks and mortgage companies to large financial institutions was supposed to mitigate risk as well as yield handsome profits. If premised on the promise of ‘real’ protection against uncertainties for each individual participant, Adam Tickell (2000: 88) has argued that “the aggregate impact of derivatives for the financial system is to increase [risk]”. Securitization has been analyzed from the perspective of the concomitant importance of new financial practices such as credit rating in rendering these new financial products liquid (Sinclair, 2005).

At the same time, securitization has been widely understood to foster the primacy of the ‘virtual’ over the ‘real’ in financial capitalism, in the sense that repackaged and reassembled financial promises, that were *themselves* based on promises to repay, have become the drivers of growth in the financial markets. Derivatives, as Martin (2007: 31, 33) has pointed out, not only “remove reference” from the underlying commodity, but also have “delocalized debt” in the sense that it no longer depends on a (personal) creditor-debtor relation localized in time and space. According to LiPuma and Lee (2005: 412) moreover, “the speculative capital devoted to financial derivatives” here has developed a “directional dynamic towards an autonomous and self-expanding form” that is increasingly divorced from the ‘real’ economy of production and trade (see also Arnoldi, 2004). Generally, the 1973 abandonment of the dollar-gold standard is seen as the starting point of this new age of virtual capital. In the words of Mark C. Taylor (2004: 6), “going off the gold standard was the economic equivalent of the death of God”, as it pertains to human certainty and security.

Paradoxically, then, it is the securitization of finance that has helped introduce spectacular *in*security in economic life, according to many observers. Increasingly built on faith in algorithmic models too complex for even financial managers to understand, the edifices of securitization come tumbling down with some regularity. These regular financial market crises wreak havoc in the seemingly secure lives of pension holders, stock purchasers and, most recently, home owners (Galbraith, 1993; Chancellor, 1999; Langley, 2008; Sassen, 2008). As Susan Strange put it as far back as 1986 in *Casino Capitalism*: “[T]he great difference between an ordinary casino which you can go into or stay away from, and the global casino of high finance, is that in the latter all of us are involuntarily engaged in the day’s play” (Strange, 1986: 109-10). However, signalling a new era of virtual money – or alternatively, casino capitalism – starting with the end of the gold standard is unsatisfactory for a number of reasons. First, such readings cast the gold standard retrospectively as a ‘golden era’ of financial certitude and stability. Nothing could be further from the truth: even if popular financial participation was less widespread during earlier phases of financial crisis, the questions raised concerning the in/securities of finance, the justness of financial profit and the morality of speculation and were no less pressing in earlier crises. Second, it is easily forgotten that gold, as much as paper money, requires faith and social affirmation for its effective functioning *as money* (Carruthers and Babb, 1996). Third, even if it were the case that financial markets have become more volatile since the 1970s, it is still important to analyse the precise socio-cultural histories of each phase of securitization (see MacKenzie, 2007b).

Instead of locating a breaking-point in the 1970s, then, it could be more fruitful to say that a dynamic of *security/insecurity* runs as a red thread through the history of modern financial markets. Simply put, if financial technologies and profit are premised on the provision of security, the commercial logic of the markets is to identify *more and more* insecurities to be hedged. This goes for the commodifying logic of early insurance, which offered fire and life insurance alongside bets on the longevity of kings and captives, or protection against losing at the lottery (Clark, 1999; Daston, 1988). Indeed, one early modern objection to paper credit and speculative instruments was their ability to unsettle the secure social orders of the time (Dickson, 1967). And it goes for more recent financial market theory. For example, the vision of financial market innovator and founder of the hedge fund Long-Term Capital Management (LTCM) Robert Merton entailed the ideal of continuous and complete markets in which every thinkable uncertainty can be bought and sold at an intrinsic fair price (Merton, 1998; cf. de Goede, 2001). Such complete market utopia had been earlier proposed by Stanford economist and Nobel laureate Kenneth Arrow who, as one journalist put it, "had a vision of a world in which everything was assigned a value on a market. In this utopia, every possible state of the world, past, present and future, from a stormy July evening in Patagonia to England winning the World Cup had a financial payoff associated with it" (Dunbar, 2000: 42). Financial calculative models, in particular the infamous Black-Scholes formula, enable this transformation of life's contingencies into calculable and, most importantly, *tradable* risk (MacKenzie 2007a).

The current credit crisis illustrates this logic of commodification in the markets. The securitization of consumer credit and family mortgages took place in the name of a redistribution and reallocation of risk in the markets: from small mortgage companies and building societies toward large reinsurers and investment banks. Theoretically, as small loans were bundled and resold in the markets, risk was redistributed to those financial parties better able to bear it. However, as Saskia Sassen explains, this logic of financialization acquired its own dynamic: "Whether people pay the mortgage or the credit-card matters less than securing a certain number of loans that can be bundled up into 'investment products'", she writes (Sassen, 2009: para. 5). This process transformed the modest debts and 'meagre savings' of ordinary households into investment vehicles for the financial markets (Sassen, 2009 para. 5; see also Aitken, 2006; Froud, Johal et al., 2006). As Paul Langley (2008: 233) has put it, the crisis is "profoundly related" to the ways in which "unprecedented relationships between Anglo-American everyday borrowing, on the one hand, and the capital markets of global finance, on the other", have developed. For Sassen, the process of financialization eventually runs against its natural limits. "When everything has become financialised", she writes, "finance can no longer extract value. It needs non-financialised sectors to build on" (Sassen, 2009: para. 8). However, the boom and bust histories of modern markets suggest that the limits of financialization are not easily reached. A socio-cultural perspective would be required in order to understand *which* contingencies become commodified and securitized at different moments in history (as in Langley, 2008; Aitken, 2006).

It is not the case, then, that financial technology renders the uncertain future fully calculable and predictable. Put bluntly, the tamed future is not commercially profitable. Rather than an eradication of risk in the markets, financial instruments are more properly understood as a modern *embracing* of risk, whereby the identification of uncertain futures enables commodification in the present. It is this embracing of risk that allows and fosters business practice (Baker and Simon, 2002; Lobo-Guerrero, 2007). Strange (1986: 111) herself was aware of this paradox of in/security in finance, and concluded: “A speculative market therefore actually *requires* uncertainty”. Indeed, Ulrich Beck (1992: 56) has called risk a “bottomless barrel of demands”, “unsatisfiable, infinite”. He continues: “Demands, and thus markets, of a completely new type can be *created* by varying the definition of risk, especially demand for the avoidance of risk” (Beck, 1992: 56, emphasis in original). Thus, there is a circular argument propping up the financial sphere: while professing to provide security for an uncertain future, the financial industry invents more and more uncertainties to be hedged. Financial markets simultaneously celebrate uncertainty and seek to redistribute it; simultaneously profess to effect security and multiply insecurities. The second broad relation between finance and security that we distinguish here, then, is a causal one. One the one hand, in mainstream economic/financial reasoning, financial instruments are thought to enable long-term investment stability and hedging. On the other hand, in critical literatures, financial securitization is thought to cause profound insecurity and volatility. Taken together, these divergent approaches show the dynamic of in/security at the heart of modern finance.

Finance/security

A third avenue for studying finance and security now follows logically. This avenue emphasizes that the domains of finance and security are connected not just in an instrumental sense (where finance is put in the service of security or vice versa), or a causal sense (where finance causes societal (in)security), but demonstrate a much more profound conceptual entanglement. Finance is security’s economic double, as is evidenced in the etymological affiliations between security as safety and securities as tradable debt that have been briefly discussed above. Here, it becomes clear that finance and security demonstrate conceptual and historical interrelations that would make the one unthinkable without the other in modernity. For example, it would be difficult to disentangle historically the domains of security and finance as technologies of dealing with the uncertain future. The histories of colonial conquest and financial innovation are inextricable, and jointly premised on novel time horizons and commodifications of the future that had been unthinkable in the Middle Ages (Campbell and Dillon, 1993: 6-7). As financial historian Larry Neal (1990: 9-10) has observed, the origins of financial instruments like tradeable shares derive from “overseas discoveries and the emergence of long-distance trade” (see also Leyshon and Thrift, 1997; Burch, 1998). Stocks and shares as we now know them were first issued by joint-stock companies such as the VOC in Holland and the East India Company in England in the seventeenth and eighteenth centuries. It would be an anachronism to understand these companies as *private* enterprises: they operated in conjunction with the nascent European national states. On the one hand, joint-stock companies were authorized to act in the name of the national state, for example in establishing forts and settlements, monopolizing trade routes and combating colonial competitors (Burch, 1998: 107-35). The ‘security’ of the early modern state, then, was defended and expanded through one of the first organizational forms of modern finance. On the other hand, the emergence of the modern national state would be unthinkable without the institution of the national debt (Germain, 2004). If the national state, in Hobbes’ famous metaphor, is like a body (Campbell, 1992), then the circulation of money has been envisioned as its blood.

We are accustomed to thinking about *finance* as the first modern domain squarely oriented to the uncertain future as both a source of threat and an opportunity. As discussed above, financial speculation rationalizes itself as a security technology that tames the uncertain future. We are less accustomed to understanding the domain of *security* as a technology of the future; one that works through a probabilistic comprehension, calculation and colonization of uncertain futures. However, this is precisely how the apparatus of security under liberalism ought to be understood, according to Michel Foucault's recently transcribed 1978 lectures at the Collège de France. Security, for Foucault (2007: 19), is a technology of *risk*: "one that works on probabilities" in order to "[maximize] the positive elements…and [minimize] what is risky and inconvenient". It is in this sense that the "specific space of security" *works on the future* and "refers to a series of possible events; … to the temporal and the uncertain" (Foucault, 2007: 20). Akin to the domain of finance, then, security as a practice of government pivots not so much on a forbidding or enclosing of phenomena, but on an 'embracing' of the uncertain future, by acting on its variations and circulations through a series of probabilistic interventions (see also Burke, 2007; Dillon, 2007; Lobo-Guerrero, 2007). I do not mean to argue here that finance and security – or even less so, capital and empire – have historically worked in flawless conjunction. Instead, it is my purpose to draw attention to the joint histories, philosophies and technologies of governing through uncertain futures in what are often thought to be the separate domains of finance and security.

What new or rephrased questions arise if we understand both finance and security through the lens of their joint embracing of uncertain futures? One avenue of inquiry here could pursue the genealogy of disciplines and ask how, given their etymological and historical inextricability, finance and security became relegated to different conceptual, professional and political domains in late modernity. Studies are starting to appear on the shared technological histories of finance and security; for example, the algorithmic decision-models deployed both in war situations and in the financial markets (Martin, 2007; Der Derian, 2001; Taylor, 2004). Relatedly, we could enquire into the financial and economic work done to constitute the nation: not in the narrow sense of financing war, although that is important, but in the broad sense of the constitutive role that the economy played in imagining the nation (Miller and Rose, 1990; Helleiner and Gilbert, 1999). Indeed, Foucault has affirmed many times the centrality of economy to practices of security insofar as they act on the population, emphasizing that the statistical knowledge practices of political economy were central here (e.g. Foucault, 2007: 77; also 2003). Different conceptualizations of power come into focus here, calling not just for a determination of the primacy of market over state, or vice versa, but for an investigation into the making of the modern investment subject and the securing of the self through articulations of financial responsibility and rationality (Langley, 2007; Campbell, 2005). For example, Rosenberg shows how dollar diplomacy took place within a larger cultural context that associated financial discipline with civilization, control and manlihood. "Manly restraint", writes Rosenberg (1999: 33), "both in monetary and sexual matters, would bring capital accumulation and family (thus social) stability".

Furthermore, it is important to emphasize that rather than seeking to tame or reduce uncertainty in the world, finance/security technologies effect governing *in the present* in the name of the uncertain future (Dillon, 2008). Put differently, the imagination of the uncertain future shapes and constrains action in the present, both in the realm of finance and in the realm of security. As Jakob Arnoldi (2004: 37) explains, in the logic of financial markets, "randomness becomes accessible as a space of possibilities … and thus also becomes the object of practice: something that can be acted upon" (cf. Anderson, 2007; O'Malley, 2004). Such recognition would shift enquiry toward, for example, the contingent articulation of (un)imaginable futures and their disciplining effects (Salter, 2008; de Goede, 2008a). Here, I would not be the first to emphasise that *risk* comes into focus as a technique that bridges finance and security (Baker and Simon, 2002; O'Malley, 2000; Aradau et al., 2008). However, current developments, both in finance and security, have begun to exceed the logic of risk-calculation and have turned to non-actuarial technologies for imagining the future, including scenario planning, stress testing, attack simulation and premediation (Bougen, 2003; Der Derian, 2001; Grusin, 2004). Scenario planning is one example of shared techniques whereby specific futures are actualized so that we may act upon them in the present (Harmes, 2009).

At the beginning of the twenty-first century, then, can we observe new incarnations of the historically durable finance/security relationship? Could we say that Obama's securitization of the credit crisis exceeds his own political agenda and is symptomatic of a larger tendency, in politics as well as academia, to explicitly recognize and theorize the mutual dependence of finance and security? Tentatively, we can answer affirmatively here. First, the deepening of the credit crisis leads not just to a securitization of the problem whereby its analysis and solution become considered a matter of (national) security. In addition, questions are being raised concerning the lasting geopolitical effects of the credit crisis. Will US indebtedness finally cause a decline of American hegemony (Nesvetailova and Palan, 2008)? Will high rates of savings coupled with low rates of consumer credit in China and other parts of Asia foster an Asian ascent (Ferguson 2008)? Does the highly leveraged and under-regulated Western financial systems, awash with 'toxic assets', demonstrate the corruptness of financial capitalism and predict its demise (Sassen, 2008)?

It is perhaps the War on Terror, however, that has fostered the most worrying contemporary manifestations of the finance/security complex – in at least two ways. Firstly, as Jacqueline Best – among others – has pointed out, the US-led invasion of Iraq very clearly had an economic dimension as well as a self-professed security logic (see also Klein, 2008). This dimension was to "integrate Iraq into global financial markets", and to govern its space through the logic of the international financial institutions including the IMF and the World Bank (Best, 2008: 84). The moral discourses deployed by these institutions, Best (2008: 84) argues, mean that increasingly, "global economic institutions are policing the definition of political community" (also Best, 2003). If security is by definition a technology of community, regulating the boundaries of in- and exclusion, then the policing of community by financial institutions presents us with a remarkable new finance-security conjunction.

The war on terrorism financing, finally, fosters new spaces of governing within the finance-security complex, because it effectively draws the domain of mundane financial transactions into the sphere of security and preemptive security action. The objective of this domain of the War on Terror is, ostensibly, to cut off money flows to terrorists and thus disable violent groups and even preempt terrorist attacks (e.g. Levitt and Jacobson, 2008). Through freezing assets, blocking accounts, regulating financial transactions, discouraging financial business with particular clients or geographical areas, political adversaries are targeted, disabled and economically isolated. As Sue Eckert (2008: 103) has recently put it, "such non-military measures have become increasingly attractive and, in fact, the policy instrument of choice". The fight against terrorist financing is attracting considerable academic attention for its impact on the institutions of global governance and for its (lack of) effectiveness (Biersteker and Eckert, 2007; Biersteker, 2004; Heng and McDonagh, 2008). Less attention has been directed toward the ways in which this axis of the War on Terror draws everyday spaces of charitable donation, political affiliation and personal remittances into the domain of security (de Goede, 2008b). In effect, the identification of suspect financial spaces in the wake of 9/11, including – but not limited to – Islamic charitable giving, informal remittance networks and particular kinds of wire transfers, enables scrutiny, intervention and regulation of these spaces in the name of security (McCulloch and Pickering, 2005). A logic of transactions data mining and preemptive security intervention becomes legitimate here (Amoore and de Goede, 2008). In this sense, the 'war on terrorist finance' is not just, and perhaps not even primarily, about a global financial (re)bordering (Andreas and Biersteker, 2003), but more about enabling new domains of security that work through the spaces of everyday financial life. The third relation between finance and security that I distinguish, thus, entails a profound etymological, conceptual and historical interrelation. Here, finance and security are both understood as technologies of governing the uncertain future.

Conclusion

This essay has considered three avenues of studying 'financial security', or, more precisely, the empirical and conceptual conjunctions between 'finance' and 'security'. The first avenue prioritizes an instrumental relationship between these concepts, where finance is deployed in the service of national security and sovereignty, or, indeed, whereby the national security apparatus has become an instrument in the service of financial interests. The second avenue understand this relationship to be a causal one, whereby modern financial instruments are ascribed the ability to engender business security, or alternatively, to cause spectacular societal insecurity. The third avenue emphasizes the conceptual closeness of finance/security as historically and technologically related human practices of confronting the uncertain future. In this latter sense, it becomes clear that the relations between finance and security cannot be considered incidental or instrumental, but depend upon a conceptual and historical interweaving that makes the one unthinkable without the other.

In conclusion, then, finance cannot be understood to be a *new* security concept. From a realist perspective within security studies, recognizing economic and financial security as legitimate goals – above and beyond defending the nation – would certainly seem novel. But any enquiry into the constitution of the modern nation that functions as a given to realists would *have to* grapple with the role of the joint-stock company in national history and, more generally, the imagination of *currency* as the blood of the modern nation. Alternatively, from the perspective of economic finance, questions concerning national security would seem remote or even inappropriate: if there is any domain of human endeavor that works to challenge, transcend and overturn national boundaries, many would argue, it is modern finance. However, any enquiry into the rationale and purpose of modern financial instruments would inevitably lead to questions of security and risk management. The etymological history of security/securities serves to underscore this inextricability of finance/security in history. Rather than a new security concept then, finance may be one of the oldest security concepts around, with the finance/security double operating at the heart of modernity.

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