



“Uncertainty makes us free”. Liberalism, risk and individual security

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Abstract

Security associated with ‘the state’ easily is imagined only in terms of a ‘Hobbesian’ problematic of the transfer of rights to a sovereign. Yet internal to liberal government is a ‘Benthamite’ concern with security as the provision of a calculable environment in which rational actors may plan. A central dilemma arises within liberalism over what are optimal levels and forms of calculability. Modernist government demands scientific predictability, universality and rationality. This clash with traditional liberal visions of individual freedom is envisaged as fundamentally incompatible with a future that is ‘excessively’ calculable and thus not open to enterprise. Through an historical analysis of insurance, the paper traces the contours of this struggle over security-calculability, and how this genealogy has shaped the current tension between risk and uncertainty in ways not readily grasped by the idea of a ‘risk society’.

Keywords: risk; uncertainty; freedom; governmentality; liberalism

Introduction: Bentham’s ‘Scales of Security’

In the post-9/11 world, we have become all too familiar with the arguments over an apparent opposition between freedom and security: that in a Hobbesian fashion, we must give up certain freedoms in order that security can be provided. Freedom in the form of certain rights is sacrificed in order that other rights may be exercised or protected more fully. While this doubtlessly has been a crucial model for much Enlightenment governance, it is also a foundation upon which other imaginaries of security were invented that have rather different foci than the trading of rights. In particular, in Bentham’s liberal vision ‘security’ guarantees to subjects a specific form of freedom: the political conditions that allow them to *plan* – a characteristic that for Bentham is definitive of the ‘free’ agent. Security is regarded as the prime function of law, one that ‘embraces the future’ by guaranteeing legal subjects’ possessions against future loss, by guaranteeing contracts, and in other ways rendering the future calculable.

“The idea of his security must be prolonged to him throughout the whole vista that his *imagination can measure*. This disposition to look forward, which has so marked an influence on the condition of man, may be called expectation – expectation of the future. It is by means of this that we are able to form a general plan of conduct.” (Bentham 1962, 308 emphasis added)

In this formulation, which I will argue has been a pivotal one for much of liberal governance, the question of security does not emerge in terms of the sacrifice of rights in order to create freedom. Bentham hardly thinks this way. Rather, security emerges as the attempt to render the future sufficiently calculable so that an imaginative yet rational freedom can be exercised. In the Hobbesian vision, freedom itself was barely formulated except as the absence of subjection. Clearly this ‘freedom from’ as Isaiah Berlin stresses, has been influential in liberalism. But in the Benthamite formulation security is formed

more in the sense of a 'freedom to', and more precisely as the condition of a certain kind of freedom: a *calculating freedom that imagines possible futures*. In this sense, it is a rational freedom but one not restricted to repeating the past.

Social theorists have not given Bentham the credit he deserves in this respect. Of course, his 'free' individual is the rational choice actor. His 'free' subject calculates the pains and pleasures of future courses of actions, weights them up in the 'felicity calculus', and proceeds accordingly. For Marx (Marx 1976, 758–59), famously, this earned Bentham the sobriquet of "a genius in the ways of bourgeois stupidity". But at least his subjects were 'free' to imagine futures. Foucault, on the other hand, has tended to reduce Bentham to the figure of the Panopticon. Its disciplinary gaze creates 'docile' and 'obedient' subjects. Bentham's intended subjects planned and created their futures in a way scarcely consistent with the creatures of habit that supposedly were intended to emerge from the Panopticon. His subjects looked to the future in two ways. First, was a conservative 'risk managing' way that is best summed up in the idea of 'prudence'. But second was a more imaginative way that "embraces risk" (Baker/Simon 2002) in the sense of seeking out opportunities and 'taking' risks – summed up in the idea of 'enterprise'.

This specific liberal imaginary of security and its correlative freedom(s) created a new problem for government. Foucault (Foucault 1991) mapped out liberalism's central characteristic as an ongoing concern with the problem of when have we governed "too much" (Burchell 1991, 140). This is not quite what Bentham is concerned with. It does share with Foucault's construction the centring of self-governing entities that are in turn the subject of governance, and whose 'freedom' is a pivotal resource mobilised by government tactics. But its emphasis was more specific. In the Foucaultian image, new relations are created with expertise. Experts guide government through their knowledge of the self-governing properties of that, which is to be governed (the 'economy', the 'population', 'unemployment' etc). The emergent problematic of Benthamite security, however, focused on a different question: *to what degree and by what techniques should the world be made calculable* in order that rational planning by free individuals is optimised. Planning must be possible, and a calculable environment is essential to this. But on the other hand, security should not create an environment so calculable and predictable, so free of uncertainty, that individuals could abandon the need to exercise calculative foresight on their own behalf. It must also be sufficiently open that subjects can be *enterprising* – that is, to imaginatively construct a possible future through the use of foresight. Among other things, this posed potential difficulties with the reliance on governing through expert knowledge where a scientifically constituted future could be imagined as creating a 'cage'.

In key respects, as Bentham illustrates, this problem may be seen as internal to liberalism, with its constitution of good government as facilitating the activity of rational and agentive subjects. Yet clearly enough, other forms of government have also imagined security as the process of rendering the future as rationally calculable as possible, notably through such mechanisms as state planning and the so-called 'command economy'. Under state socialist regimes, for example, life is optimised where security/calculability is maximised and the 'free market' subordinated to rational planning in the name of efficiency and social justice.

In the Benthamite liberal problematic, such interventions were not imagined as part of security. Rather, they were examples of government pursuing the maximisation of some other end of law, such as 'abundance' or 'equality'. For Bentham, governing to create equality and abundance disturbed the 'correct' balance of security by rendering the future *too calculable*. Individuals would have no longer have the spur of insecurity, the fear of

the unknown but imaginable threat of destitution that made planning necessary. They would no longer have the rewards of profit and wealth needed to motivate them to exploit the uncertain ‘free’ market to their advantage. In this liberal problematic, in short, there could be *too much security*, not because this would involve the Hobbesian sacrifice of rights, but because uncertainty was vital to the exercise of a certain kind of freedom.

In the past twenty years, the spectacular collapse of ‘socialist’ regimes, and the ascendancy of global capitalism, has been associated with a recalibration of the relationship between security and calculability in liberal political imaginaries. In current polemic and analytic constructions of this spectacular collapse, the attempt to maximise security through the maximisation of calculability has signally failed. By direct analogy, the project of social security, which was envisaged by many liberals as following the same political agenda, represented a lethal excess of security. Individuals were imagined to have become ‘dependent’ and ‘half free’ because an excess of security had robbed them of the self reliance and enterprise necessitated by the uncertainty of free, competitive markets.

Liberalism, modernism, and risk

The contours of this ‘neo-liberal’ shift in economic and social governance are now too familiar to require much elaboration. However, one of the key aspects of this has been the downgrading of trust in expert or technocratic governance. At the same time, risk, as a statistically calculative technique, has been valorised. This encompasses risk in almost all spheres of life: crime prevention, health management, the governance of traffic in the air and on the roads, the care of children, the new salience of insurance, and so on. For many social theorists, notably of course Ulrich Beck (Beck 1992, 2002), much of this can be regarded as the effect of the rise of risk consciousness. On the one hand is a frenzied, paradoxical and fruitless resort to probabilistic frameworks of government in a world of radically uncertain global threats. Governments are pictured as sustaining these technocratic approaches even though they do not work. On the other hand, experts and technocratic governance have been discredited as they disagree and fail to predict catastrophes, and this supposedly is rendering uncertainty the ‘incalculable’ alternative that we much fall back upon. Yet this fails to capture what seem to be important features of current liberal government. In particular, Beck’s vision takes little account of the fashion in which in the economic arena contemporary liberal governments have been deeply ambivalent about risk and government through expertise, and the ways in which they positively *embrace* uncertainty.

Such ambivalence is nicely expressed in by Peter Bernstein (Bernstein 1998) when he suggests that (statistical) risk creates a ‘prison’ that consigns us to an endless repetition of past statistical patterns over which we have no control – “this is, in short, a story of the inevitable. Where everything works according to the laws of probability nothing we can do, no judgement that we make, no response to our animal spirits, is going to have the slightest influence on the final result” (Bernstein 1998, 229). In this view risk is a profoundly problematic technology because to the extent that risk does render the future calculable it renders us unfree. Bernstein therefore celebrates uncertainty while also remarking that in many domains of life such as the stock market and politics uncertainty is inescapable. Quoting Maynard Keynes, he announces about such vital matters “there is no scientific basis on which to form any calculable probability whatsoever. We simply do not know!” (quoted by Bernstein 1998, 229). Bernstein concludes that “a tremendous idea lies buried in the conclusion that we simply do not know. Rather than frightening us,

Keynes' words bring great news: we are not prisoners of an inevitable future. Uncertainty makes us free. [...] Our decisions matter: we can change the world" (Bernstein 1998, 229–30).

While currently engaging much attention, these are not at all novel concerns. For many years liberals have regarded statistical probability and government through predictive techniques as compromising freedom. In the 19th century, concerns were voiced about the implications of statistical prediction for the sanctity of free will. As Theodore Porter (Porter 1995, 164–65) argues, after the publication of Buckle's quantitative *History of Civilisation* in 1847, debates on this issue became at least as prominent and urgent as those generated by Darwin's *The Origin of Species*. Porter quotes an outraged commentator from 1860 protesting against this "modern superstition of arithmetic" that threatened mankind with a "worse blight than any it has yet suffered – not so much a fixed destiny, as a fate falling upon us, not personally, but in averages". If the future can be predicted, even only in probabilities, the suggestion is that liberals are in that degree unfree.

Fear of the 'overly' calculable future is also something that profoundly concerned Max Weber, both as a liberal politician and sociologist. For Weber, the development of modernity was characterised by increasing rationalisation. Through scientific, legal, bureaucratic and economic changes, the process of rendering the future more rationally calculable diminished freedom and consigned us to an "iron cage". In this sense, for Weber, modernity appears to confront liberalism's core visions of freedom, even while liberalism acts as one of its principal promoters and beneficiaries.

More recently, a new wave of sociologists have renewed such concerns. For James Scott (Scott 1997), picking up on Weber's fears of the 'axiomatisation' of modern life, 'high modernism' represents a governmental rationality in its own right – a "map that when allied to state power would enable much of the reality they depict to be remade" (Scott 1997, 3–4). High modernity is characterised by "the rational design of social order commensurate with the scientific understanding of natural laws", a world "regimented and orderly in a geometrical sense" (Scott 1997, 4). In Scott's view this is based on the discovery or invention of 'the social' as a scientifically discoverable 'system' with its own laws of motion. We must recognise this, and govern through its 'natural laws' that are understood only by scientific experts. High modernity, accordingly, aims to produce "an artificial, engineered society designed, not by custom and historical accident, but according to conscious, rational, scientific planning. Every nook and cranny of the social order might be improved upon: social hygiene. Diet, child rearing, housing, posture, recreation, family structure and, most infamously, the genetic inheritance of the population" (Scott 1997, 92).

Scott's concern about this arises from his observation that the major social schemes developed along these lines have failed, often catastrophically. Thus the German attempt to create orderly mono-species forests ended with the forests dying; the experiment in collective farming in the USSR created mass starvation; the rational design of cities such as Brasilia creates places where people do not wish to live. Letting high modernity have its head, in short, creates catastrophes.

Perhaps equally interesting is that Scott identifies key 'obstacles' to high modernism as "the existence and belief in a private sphere of life in which the state and its agencies may not legitimately interfere" – and in particular of "the private sector in liberal political economy". For Scott, problems emerge, in short, when "high modernism (is) unimpeded by liberal political economy" (Scott 1997, 101–102).

Likewise in the neo-liberal and ‘new management’ literature, enterprise is equated with uncertainty and eulogised. Tom Peters, of *Thriving on Chaos* fame, pays tribute to the entrepreneur and promotes a new market-based liberalism. “Entrepreneurs sustain the world”, he proclaims, and in their activities “there is little of the optimizing calculation, nothing of the delicate balance of markets” that characterises economic modelling. Indeed, “with its circular flows of purchasing power, its invisible handed markets, its intricate plays of goods and moneys, all modern economics, in fact, resembles a vast mathematical drama, on an elaborate stage of theory, without a protagonist to animate the play” (Peters 1987, 245). In place of a scientifically calculated future epitomised by risk, entrepreneurial exploitation of uncertainty provides the creative art of the possible that will drive prosperity and innovation. For Peters, more clearly perhaps than any other, ‘chaos’ is not catastrophe – uncertainty is an opportunity to thrive.

This neo-liberal imaginary of uncertainty involves techniques of flexibility and adaptability, requires a certain kind of ‘vision’ explicated at great length by other gurus such as Osborne and Gaebler in their iconic book *Reinventing Government*. Dispensing with technocracy, they promote “anticipatory government” and “governing with foresight” (Osborne/Gaebler 1993, 229). Such governance they see as more inventive and creative than technocratic government, driven by its fixed theories rather than creative speculation. They also promote ‘communities’ over experts in the governance of local problems because theory-driven government creates a kind of learned helplessness, a dependency that must be overcome by ordinary people taking back the reins of power from experts by exercising foresight.

As such diverse liberal writings make clear, there is to be a *re-subordination of technocratic modernity* to the uncertain direction of enterprise and ‘popular’ preferences. In this way, they line up superficially with Ulrich Beck, who also calls for the democratisation of risk and subordination of experts. For Beck too, risk is a highly problematic technique for by increasing consciousness of the vicissitudes of life it is paralysing action and thus compromising freedom. “To the extent that risks become the all embracing background for perceiving the world, the alarm they provoke creates an atmosphere of powerlessness and paralysis” (Beck 1997, 141). Risk, and the experts who deploy it to govern life itself, must be brought to heel and subjected to a popular politics.

Of course, despite the obvious parallels with Osborne and Gaebler, Bernstein, Peters and others, it is not my intention here to accuse Beck of being a closet neo-liberal. Rather, I wish to draw attention to the particular turn that this Benthamite problematic of security has taken since the 1970s – toward the view that there is ‘too much calculability in government’ – and the fact that in diverse ways it shapes the thinking of all sides of contemporary politics. But I wish to argue that ironically, Beck’s theoretical challenge to risk and expertise in the name of a new security, suffers from a problem that is not shared with his neo-liberal nemeses: he ignores the long-term and *troubled* relationship between modernity and liberalism, a relationship to which his own work is related. He overlooks the extent to which uncertainty is positively embraced. And he ignores the extent to which uncertainty as associated with some very specific ways of governing – ways that Osborne and Gaebler refer to as ‘governing with foresight’.

In what follows I want to explore the historical nexus between liberalism and modernist governmentality, the politics and genealogy of the specific configuration of security that might be termed Benthamite, and some of the implications of this understanding security and freedom in a liberal polity. I will do this in part through a somewhat cursory analysis of changes in certain forms of insurance. This is not simply because insurance is one of the central institutionalisations of risk and security in liberal societies. Equally it is

because insurance has been at the centre both of thinking about the 'risk society' and of the braided genealogies of liberalism and modernity with which I am concerned.

Security, independence and uncertainty

In Britain, insurance for the working classes emerged during the late 18th century with the activities of the Friendly Societies – fraternal and benevolent insurance arrangements formed among skilled artisans. Despite some liberal suspicions of the Friendly Societies as a form of combination in restraint of market relations, during the early part of the 19th century, successive political administrations legislated to encourage the Societies' role in providing life, burial and sickness insurance for the working class. This was regarded not only as fostering self-help and industry but also as alleviating pressure on the poor rates. Fraternal societies were characterised by "intentionally organising themselves around notions of 'friendship, brotherly-love, charity'" in which "any self-understanding in terms of 'risk' or 'insurance' (was) largely absent" (Doran 1994, 134). It was clear at the time that the frequent failures of these funds followed from an inability of fund managers to predict liabilities and to balance these against contributions and funds in hand. The reason for this lay in the benevolent principles of the early Societies, which distributed payment of benefits to members according to their need rather than in proportion to their premiums or levels of risk.

In order to facilitate thrift and self-help, legislation 'encouraged' the societies to replace their traditional emphasis on fraternalism and benevolence with actuarially-based principles of fund management. From 1819 onward statutes required that the data tables and distribution guidelines of societies applying for registration be approved by two persons at least, known to be professional actuaries or persons skilled in calculation. The uneven contest between the representatives of these competing principles – the workers on the one hand, and on the other the government and the actuaries – resulted in the displacement of a horizontal, fraternally-based and essentially amateur organisation by a hierarchical, actuarial and managerial form of insurance which distanced the rank and file members from the professionals who operated the funds.

More than that, the principles of actuarial methods that were set in place further eroded benevolent and fraternal ideals. In particular, graduated contributions were imposed, so that members became divided and ordered according to their levels of risk and thus the amount of the premium they would have to pay. Likewise, the help in kind that had characterised early mutual societies – for example through the provision of food or work on allotments by fellow members – disappeared. The solidarity of Fraternal Orders was thus fragmented and transformed. While the resulting insurance arrangements were still collective, this collectivity was increasingly abstract, individuated, fiscal and mediated by third parties. By the early part of the 20th century, such 'industrial life insurance' had become the principal institution for governing working class thrift, and few households were not enlisted in this regime (O'Malley 2002).

While in some ways this represented the triumph of statistical risk over subjective calculations of uncertainty it may be more important to note that risk was valued and promoted as a technology that promoted thrift and foresight. For this reason liberals did not find the 'triumph' of risk as problematic for freedom – quite to the contrary. Risk facilitated liberal freedom. It was an instrument that promoted a certain kind of freedom and security associated with economic independence. Actuarial risk calculation made insurance funds more financially stable, and thus rewarded workers with protection when

trouble struck. Conversely, by reducing the ‘wasted thrift’ and the assumed demoralizing experience that went with the failure of each little insurance fund, risk technologies encouraged the practices of foresight and prudence among working people. In this sense, risk appears as a *subordinate* technology to a liberal freedom that was characterised by the governance of uncertain conditions in the free market, and for this reason raised few liberal qualms. Risk in private insurance took its place as one of the voluntary techniques of prudence to be practiced by the free subjects who lived out their lives in the uncertain world of the free, laissez faire economy (O’Malley 2004).

In light of this, perhaps what we should attend to is that the transformation in insurance was the triumph of contract, for in this process formal contracts displaced informal mutuality. While the imagery of the contract has focused extensively on the figure of voluntary exchange between free individuals, we should attend to the ways in which contract was a liberal, disciplinary technique through which all subjects were made to be free in a specific fashion. Contract’s key role was to render the uncertain future less uncertain, by rendering some things directly calculable. Dates of delivery, qualities of goods, penalty rates for non-performance and so on were voluntarily agreed upon by parties, and then guaranteed by law. Employers took on employees at a mutually agreed wage, and both parties supposedly factored into account the potential cost of exposure to the *foreseeable* ‘risks’ of workplace injury.

Contract became a general model for governing many aspects of life in the 19th century – in many ways the liberal ‘telos’ of government. In this process, *foresight* became a legally enforceable duty owed to others. In contract law this expectation was developed primarily in relation to the requirement that subjects take into account the foreseeable impact of a breach of contract on contractual partners. The converse of this was that none should be accountable for outcomes that were not ‘reasonably’ foreseeable. Much contract law in the 19th century, and beyond, thus came to focus on the elaboration of exactly what ‘reasonable foresight’ entailed. What kinds of eventuality should be foreseen? How unlikely should a possible event appear in order that it can be ignored? What should parties tell each other so that each can make ‘reasonable’ forecasts of the future? What should count as the level of prudence and foresight that can be expected of reasonable people? (O’Malley 2000)

The generalisation of contractual models across social relations also meant that such standards of foresight – such techniques of governing ‘through’ uncertainty – were to be applied with respect to ‘accidents’. In tort law, negligence emerged during the 19th century as a key requirement for attributing responsibility and liability in relation to accidental harm. People should be held responsible for those events they could foresee, but are responsible *only* for these events. This is expressed in the core idea of ‘negligence’ defined in common law as “the omission to do something that a reasonable man, guided by those considerations which ordinarily regulate the prudent conduct of affairs, would do, or doing something which a prudent and reasonable man would not do” (*Blyth v. Birmingham Waterworks*, 1856). In short, negligence is a failure to exercise foresight in a fashion that is the duty of a new liberal subject.

Consider the field of workplace injury. An injured worker would only be able to sue the employer for compensation if he or she could prove that the employer had been negligent. But in turn if the employer could prove that the worker’s own negligence had contributed to the accident, then this ‘contributory negligence’ would limit or remove the right to compensation. Likewise, if it could be shown that the accident resulted from the negligence of another employee, then the so-called ‘fellow servant rule’ cut in, again

limiting or removing the responsibility of the employer. Instead, an action would lie against the fellow worker, who of course was usually too poor to be worth pursuing.

Rather than imposing a 'paternalistic' relationship between employer and employee, this legal imaginary assumed that the worker, or the fellow worker, was a responsible adult who acted as a free subject, and thus should have exercised foresight and prevented the accident. Not only did this appear 'just', but it also appeared efficient and effective because as the workers were the ones on the scene, they were the ones best placed to act preventatively. Even in work known to be dangerous, recovery of compensation for injured workers was likely only where employer negligence could be demonstrated. Following along the same assumptions of foresight and independence, it was assumed that the worker would have checked to see if the work was dangerous, and if so would have negotiated a higher wage to reflect this risk. Having made this 'voluntary assumption of risk', and having been paid a higher wage for it (which of course rarely happened in reality), then the worker could not double dip by claiming compensation if injured (O'Malley 2000).

For the Marxist Horwitz (Horwitz 1977), this represented a huge subsidy to developing capitalism. Compared to what had previously been the case – where those harmed had a right to compensation – now only a small class of the injured would be compensated. Doubtlessly Horwitz is right, but it is not how things were understood at the time. Nineteenth century civil law did not focus primarily on compensation, but on punishment (White 2003). The law was being used primarily as a way of promoting a new kind of subject, with new duties and obligations consistent with a liberally 'free' society of self-governing individuals. This is why, despite the narrowing of eligibility for recompense, this appeared reasonable and just: it embodied a specific vision of freedom in a free and thus uncertain world. In this sense, contract was a characteristic invention of the classical liberal era: a way of rendering the future more calculable, while at the same time creating a space within which independence was required to be exercised. At the core of this form of freedom is *foresight*, the critical attribute of liberal subjects that Benthamite security was to foster because like security it "necessarily embraces the future" (Bentham 1962, 302).

Security would be provided through the guarantees of property law and contract law, and through control of predation through crime. Equally it would be provided by minimising the drain on resources created by relief to the poor. The principal solution to both crime and poverty was to train these problematic segments of the population in the ways of independence or 'self reliance' – a theme that became almost the defining characteristic of classical liberal problematics. In Bentham's view a vital task was to impart to all a particular kind of rationality: the 'disposition to look forward'. Discipline was not only (and perhaps not even) intended to create habits of blind obedience. Even more importantly it was to "accustom men to submit to the yoke of foresight, at first painful to be borne, but afterwards agreeable and mild: it alone could encourage them in labour – superfluous at present, and [the benefits of] which they are not to enjoy till the future" (Bentham 1962, 307).

Foresight involved an attitude to the future that, inter alia, took account of the possible calamities there were a corollary of being free. It was closely linked with the application of prudent techniques for governing this uncertain future. Foresight – by aligning labour with frugality and thrift – secured the means to relief "from accident, from the revolutions of commerce, from natural calamities and especially from disease" (Bentham 1962, 316). At the same time, it created abundance as individuals planned and pursued wealth in their own self-interest. Insecurity in the face of uncertainty was the spur to action that secured

the independence of the subject. Foresight, as a practical and moral duty of every citizen, was a form of calculative attitude that was to pervade the everyday life of liberal subjects.

In this way uncertainty came to represent to liberals not simply ‘incalculable’, as Beck (Beck 1992) sometimes puts it. Rather, uncertainty is governed by a specific set of techniques centred upon foresight: particularly contract¹, prudence and enterprise. For such liberals, in this way these practices of economic uncertainty made them free. In the socio-economic domain of the 19th century, modes of scientific calculation needed to be subordinate to such modes of everyday foresight in order that the ‘right’ degree and form and degree of calculability be achieved.

Enter modernism: socialising insurance

Various commentators on the development of social insurance have focused on its status as a *social* technology: that is, as a technology that operates at the level of the entire society or more precisely of the nation state. One effect of this kind of analysis is that it overlooks important continuities with the liberalism of the 19th century, via insurance. It was not at all the case that social insurance, even compulsory social insurance, was alien. Bentham, to take a foundational argument, had argued for a form of insurance paid for by all from taxation, on the grounds that private insurance was

“imperfect in itself because it is always necessary to pay the premium, which is a certain loss, in order to guarantee one’s self against an uncertain loss. In this point of view it is to be desired that all *unforeseen losses that can fall upon individuals without their fault*, were covered at the public expense. The greater the number of contributors, the less sensible is the loss to each one”. (Bentham 1962, 579 emphasis added)

For Bentham it was clear that this insurance would be ‘founded on the calculation of probabilities’, so risk technology itself was not objectionable, with the proviso that such insurance had to be subject to foresight in the form of negligence. Fault-linked insurance in other words retained the subordination of expert calculations of risk to foresight as the key technology of uncertainty. What was emerging, as will be generally recognised, began to cut clean across this. The development of Worker’s Compensation insurance, for example, largely dissolved the questions of fault and negligence, and provided compensation for workplace injury however caused.

In some measure this shift was based on a sense of injustice where compensation was denied to a ‘negligent’ worker harmed in the course of duty. But in at least equal measure it was based on the observation that industries had constant rates of accidents year after year. In practice, it appeared that the focus on fault merely assigned harms to unlucky individuals, because the overall distribution of harms in an industry was a property of the industry itself (O’Malley 2004). Likewise, in fields such as joblessness, the focus on distinguishing the culpable and feckless ‘idle poor’ from the deserving poor came under attack from those whose examination of statistics suggested to them that unemployment

1 Contract is a technique for risk assignment. In other words, by entering a contract one provides certain guarantees – for example with respect to when delivery of goods will occur. This puts the risk of losses created by late delivery onto one of the contracting parties, and relieves the other party of this burden of risk.

was not a characteristic of individuals but a property of another entity, the 'economy' (Walters 2000).

In both instances, scientific investigation had discovered (or invented) meta-individual entities such as 'industries', 'economies', 'societies' and 'populations' that appeared to obey their own quasi-natural laws of motion. The social sciences, in their turn, were to attempt to render these observations scientifically real. With reference to Germany, for example, Eghigian (Eghigian 2000, 43–44) argues that statistics were mobilised in order to verify and establish "a self-consciously social science of social motion" that revealed the scientific laws underlying a changing society. Yet equally important, he stresses, were its political implications, for "statisticians of the early nineteenth century saw their science as an attempt to bring a measure of expertise to social questions, to replace the contradictory preconceptions of the interested parties by the certainty of careful empirical observation. They believed that the confusion of politics could be replaced by an orderly reign of facts" (Eghigian 2000, 43–44).

In light of my earlier comments we are seeing here the foundations of a political struggle between two rationalities of security. One, a socio-technical, *modernist* rationality in which society and economy are to be managed efficiently through scientific knowledge of entities that operate according to quasi-natural laws 'revealed' in probability and risk. The other, a *liberal* rationality in which security and freedom are founded (and morally founded) in techniques of individual foresight and agency. In modernism the future was in principle knowable and predictable at least stochastically, with some degree of precision. The exploitation of this scientific knowledge of society would create a greater freedom liberated from a perfidious economic and social order governed by irrational politics. For the liberal imaginary, freedom was registered precisely by the uncertainty of the future, a future that could not be predicted accurately if indeed subjects were (liberally) free to invent it anew. Liberal politics emphasis on uncertainty in this view was not evidence of the failure of unscientific government to provide a calculable world, but both the precondition of freedom and its necessary corollary. The struggle was registered in many sites, and was to persist more or less unabated throughout the 20th century.

Most significantly, the struggle between modernism and liberalism was etched into the form of that principal technology of so much 20th century government: social insurance itself. Private insurance's contractual form provided a legal right of benefit to the insured party in the event of specified harms occurring – whether or not these were actuarially calculated. A relation of mutual obligation is established, a legally enforceable right rather than a relationship of dependence. In most of these respects there was a marked contrast with the operation of poor laws and charitable relief. Private insurance had nestled in a prudential diagram of freedom, risk and security that takes the form of 'freedom of contract' and prudential 'independence'. Hence the early social insurances, for example in Britain, Germany and Australia were contributory: the members of the scheme paid regular premiums from their wages (O'Malley 2004; Ogus 1982, 182). It was what Beveridge (Beveridge 1942) was later to refer to as 'compulsory thrift'. This was a key reason why social insurance appealed to so many liberals.

Writing more than a quarter of a century later Beveridge, the architect of the post-war British welfare state, was still adamant that his scheme should represent "benefit in return for contributions rather than free allowances from the state". In his eyes such increasingly prevalent non-contributory schemes as unemployment relief introduced in the 1930s created asymmetrical relations of dependence and penalised those who had "come to regard as the duty and pleasure of thrift, of putting pennies away for a rainy day" (Beveridge

1942, 182–85). Beveridge the liberal here surely is giving voice to Bentham: social insurance is not to displace foresight, only to augment it.

Set against this was the more ‘systematic’, *modernist* imaginary in which problems generated at the level of the social or the economic were to be addressed at that level, and where the individualising procedures of graduated contributions and all manner of exemptions and exceptions would be replaced by a universal, axiomatic principle. What mattered was not individual thrift and diligence, but membership of a social collectivity or distribution whose motions – generating rates of unemployment, rates of mortality and morbidity and so on were to be known and governed by scientific expertise wielding universal and abstract knowledge. In all of this, it was not so much that risk had moved to the fore. Private insurance was still valorised. Rather, it was that as these insurances became simultaneously compulsory and non-contributory, so the place for foresight was obliterated: technocratic government had replaced liberalism.

Risk and statistical calculability came to dominate the techniques of individual foresight and prudence that governed liberal uncertainty. In practice, the result was rarely if ever the complete victory of modernism over liberalism or vice versa. In the United States, the emphasis on individual enterprise and foresight remained very prominent, in Scandinavia and countries such as New Zealand technocratic governance through the social became dominant. Most often there was a patchwork of uneasy compromises, of contributory and non-contributory schemes, of ‘earned’ versus universal benefits where the latter followed simply from membership of the social distribution. It was the latter that were to become the principal target of neo-liberals.

Reasserting uncertainty: freedom of choice and advanced liberalism

Bernstein’s view that freedom lies in uncertainty, and the uncertainty-championing of Tom Peters, Osborne and Gaebler, and others (e.g. Giddens 2000), clearly do not simply resurrect the liberalism of the 19th century. As many have pointed out, there are multiple and significant differences ways in which uncertainty now is mobilised. To begin with, the market has ceased to be an economic domain that should be left alone by the state. Rather the market is a competitive technique for governing a multitude of problems and processes regardless of whether they are within or outside of the state. States themselves had to become enterprising through competition with private providers (Considine 2001). Even professions came under the sway of markets when ‘freedom of choice’ is used to insist – for example – that formerly deviant health regimes, from chiropractic to aromatherapy, become available competitors to professional medicine.

We should recognise, of course, that the emergent liberalism was not merely the re-birth of classical liberalism, but an assertion and revision of liberalism against the impact of a modernist rationality and its technologies of certainty. It has been, in certain key respects anti-modernist in its expectation that open-ended competition would through its own uncertain processes produce the maximally efficient, optimal outcome.

This new rationality of security and freedom has reshaped areas of insurance. In the name of increasing the autonomy of subjects, and of expanding their ‘freedom of choice’, defined-benefit actuarially-based life insurance policies have been challenged by market-based policies. In these ‘uncertain’ insurances, benefits depend upon the performance of the individual investment portfolio. This insurance is not about ‘the taming of chance’ and the maximisation of scientific calculability. Rather, market risk and speculation – key

techniques of uncertainty – are to be given their head (Ericson et al 2004; Bougen 2005). Insurance itself has begun to come unravelled in this process. Distinctions between insurance and other forms of 'financial product' such as gambling and financial speculation are blurring. For example, in Britain it is now possible to gamble in a betting shop on whether or not the stock market will rise or fall. Or again, in the US it is possible to purchase the life insurance policy of an AIDS sufferer, taking over payment of the premiums, in the expectation (hope) that the victim will die before the value of the policy is exceeded by the amount paid in purchase price and premiums (Kreitner 2000). Like these, an insurance policy based on stock market performance readily appears as a speculative investment little distinct from shares themselves, or from backing a racehorse. To this extent uncertainty has become not merely the resort of insurers under pressure, as Beck might have it, deployed where actuarial data are not effective or available. Increasingly, with the blessing of neo-liberal governance, uncertainty has become a front-rank technology of preference for the industry.

Even in the domain of civil law, this shift in the register of security and freedom is being felt (O'Malley 2009). The development of workers' compensation insurance back at the turn of the 20th century provided a model whereby 'rational' insurance models progressively displaced tort law with its stress on fault, negligence, 'reasonable foreseeability' and so on. By the early 1970s, tort law had been largely displaced by a comprehensive accident scheme in New Zealand, a model that was being closely examined in Australia, Britain and the US. In the United States, where such direct social insurance schemes had not taken such a hold, tort law itself had been revised along such lines as 'enterprise liability' that effectively did away with many of the issues of foresight and created a system of no-fault law intimately connected to the liability insurance industry.

After the 1970s, however, a new regime began to be aggressively instituted across the common law world. Negligence and its allied concepts made a return, in the name of making those who created harm more individually responsible, and thereby to restore foresight as a key technology for governing accidents. New figures such as the 'responsible consumer', who took precautions against exposure to risky commodities, came to replace the image of the consumer as the victim of powerful corporations (Priest 1985; O'Malley 2009). While insurance remains vital to funding this area, pressures have grown to displace no-fault third-party schemes by privately funded first party insurance models that – through the impact on insurance premiums – would financially discipline those who created accidents (Atiyah 1999).

In all of these changes, it is not that actuarial expertise confronts new reflexive-modernity and the incalculable problems expertise cannot solve. The neo-liberal claim is simply that expertise creates dependency and usurps decision-making, stifling government by foresight. Thus in tort law individuals should be made responsible consumers both because this will release them from the paternalistic care of the state and because it will make them more prudent on their own behalf. A pension driven by a portfolio of shares is imagined to give the pensioner the ability to govern the level of risk and uncertainty that suits his or her taste, to render the pensioner more free – in the sense of freedom of choice – whereas a defined benefit pension handed over investment control to the insurer.

The market, that enduring but adaptable technology of uncertainty, is to give another freedom – freedom of choice – to which experts and risk itself are subordinated. In this way experts are not distrusted. They are still relied upon, for example to provide financial advice, information on health risks and so on. But because they work increasingly through market relations they are imagined to be 'on tap' rather than 'on top', to em-

power rather than to create dependency. Insecurity is to be revalorised through such governmental problematics of freedom, in order to create the ‘right’ state of calculability. In the last quarter of the 20th century this involved the reassertion of uncertainty over risk, of the freedom of the individual over domination by modernist experts: a recalibration of the apparatuses of governance in the direction of a newly configured optimal level of security.

Security, calculation, freedom

It is clear that under the same post-9/11, neo-liberal framework of government a Hobbesian security of the state, epitomised by Patriot Acts and the like, has become even more profoundly modernist, technocratic and illiberal in nature. At the same time, however, the socio-economic domain has manifested a profoundly Benthamite and liberal security that has attempted to subordinate expertise in the service of the uncertain techniques of market competition. While Hobbesian security currently develops a program that increasingly impinges on individual rights in order to optimise political security, the Benthamite governance of security-calculability has sought to reduce security and increase individual rights by creating or restoring the uncertainty of the ‘free market’ and ‘freedom of choice’. In each case security and freedom have been imagined and articulated with each other in distinct fashion. In such ways security does not protect freedom. Rather, specific regimes of security are part of diverse ways of constituting freedom – and thus of multiple and distinct regimes of freedom that coexist even in the same polity.

I would close by suggesting that for such reasons we need to untangle the diversity of governmentalities of security and freedom rather than collapsing them, for example, into one grand vision of the ‘risk society’. One way of reading the argument in this paper would be to suggest that Beck is expressing, in a revised form, a fairly well entrenched and now familiar anti-modernist position that seeks to bring scientific government to heel in the name of ‘freedom’. Beck’s desire to isolate yet another radical break in history has led him to collapse security into a single but all-embracing binary of risk and uncertainty. In his imagery, ‘government’ and ‘science’ are reduced to a uniform and mutually reinforcing entity. Like Scott and others Beck rather assumes that modernism in the form of risk triumphed, and thus disaster is upon us, plunging us into uncertainty. I would suggest that this is not so.

In post-9/11 politics, the valorisation of socio-economic uncertainty has been lauded for producing unprecedented prosperity for the past decade. Thus it is not at all that modernist experts have brought the global economy to its knees as Scott and Beck might argue. To the contrary, what we are now witnessing is the effect of three decades in which the foresight of entrepreneurial liberal government, government through uncertainty, has been privileged. Expertise has been vilified and often marginalised: uncertain and free markets have brought things to their present state. Perhaps now another politics – but on the same axes of risk and uncertainty – is emerging. It is too early yet to determine what long-term reconfigurations of freedom and security will be formulated. The new question is whether, after something like 30 years ascendancy, the global financial crisis and recession is witnessing a radical realignment of security and freedom in the socio-economic register of security. The selfsame practices of speculative maximisation that neo-liberalism trumpeted as the motor of a new enterprising and triumphant capitalism now are being condemned as ‘greed’. Indeed, they are now blamed for the global meltdown and ever deepening recession. Previously, ‘greed was good’, now greed is bad. We

should rethink this. Perhaps 'greed' is simply a code for the emerging belief that reliance on liberal uncertainty has gone 'too far'. A new 'correction' is being negotiated in favour of modernist calculability. However, as before, the only thing we can be sure of is that the new alignment of security-freedom will not last too long before yet another struggle erupts over how secure the future should be, just how calculable and by what means, and in order to create what specific configuration of 'freedom'. In short, how much of what kind of uncertainty makes us what kind of free.

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