

The ‘world risk society’ and the policing of terror: notes on insurance, internationalism, and democracy

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“Understanding Terror: What is War? What is Peace?”

Of all the stories that emerged after the horrifying day of September 11, surely the most *boring*, on the surface of it, are those about the insurance industry, and the colossal financial hit that insurers are facing. But I want to begin by saying a few words about insurance anyway, so bear with me, because I think that the insurance crisis actually reflects something more about the *risks* that we are all living with now, including terrorism: namely, that in a society forced increasingly to *share* risks that are, in a sense, *uninsurable*, the political questions of how we choose to deal with these risks become absolutely vital to pay attention to, and potentially, a source of progressive change. Risk sharing, in other words, can become the basis for new forms of collective decision making and democratic politics (Beck 1999). But whether we live with the risks of terrorism as a threat dealt with unilaterally, as a military problem for the US government, or multilaterally, and as a problem of law and policing on an international scale, is precisely what is at stake at this political moment, if not decisively in the short term, then certainly for the medium and long term future.

So, insurance. As one industry analyst put it, “The World Trade Center attack is unquestionably the most significant event in the history of the insurance industry.”¹ Overall losses may exceed the 20 billion dollar record from Hurricane Andrew, constituted mainly in the areas of aviation, property, workers comp, and business interruption insurance (and claims, of course, will be much higher). Airlines in particular now face becoming “uninsurable” – in other words, there is no profit to be made in this industry because the potential losses are too great – leading insurers already to move towards excluding terrorism risks from aviation policies.² Quite possibly, the airlines will have to do what the nuclear power industry did when faced with a similar predicament, which is to band together and pool resources to provide their own insurance.

Why is this important, in the face of the recent carnage from the attacks, and the possibility of more carnage in the future as a result of military actions? Because living with the threat of terrorism becomes another important way that social life is essentially “uninsurable” – we live in what the German sociologist Ulrich Beck calls the “world risk society” – where private insurance “does not cover nuclear disasters, nor climate change, nor breakdown in Asian economies” – nor North American ones, for that matter. Genetically engineered foods is yet another important area that private insurance won’t cover – from an insurance standpoint, it’s simply too risky. But the idea of the risk society is actually an optimistic one: with the inevitability of risk-sharing as a basis for community, there is the possibility and the necessity to open up new spheres for democratic politics in areas that have previously been closed to public participation – for example, we can point to modest successes in science and technology, medicine, environmental policy, and corporate decision making. Beck (1999: 5) puts it this way:

Risk society demands an opening up of the decision-making process, not only of the state but of private corporations and the sciences as well. It calls for institutional reform of [the] relations of definition, the hidden power structure of risk conflicts. This could ...

help to construct a better developed public sphere in which the crucial questions of value that underpin risk conflicts can be debated and judged.

I think these arguments can be extended to questions of security. Terrorism, and the problem of security from terror, are risks that we should be able to respond to, at least in some ways, collectively, and we need new political and institutional arrangements for doing this. And this has to be based on a principle of the “division of powers” – so, on one hand, this means new institutions for international cooperation in the policing and prosecution of terrorism, contra American unilateralism (which, to be fair, has at least not fully been the case *so far* in my opinion); but on the other hand, and more complexly, we also need a juridical division of powers to assure some public and international monitoring of this policing and prosecution of terrorism. It is not too early—for progressives and liberals especially—to start imagining viable alternatives to the *war* on terrorism, and in this regard, I think the language of policing, international law, and justice, provides an obvious starting point. But what kind of police work should this be? Is violence permissible, and under what conditions? What rules must they follow, and who sets these rules? To whom will they be accountable? How can this international policing be carried out in a manner consistent with human rights, and – perhaps most importantly at the moment – without disrupting the flows of humanitarian aid? These are difficult questions that have to be addressed, or they will simply be addressed for us.

It is absolutely essential that we try to understand the regional and global contexts that have given rise to the current state of affairs, and I hope that this evening is a useful part of that process. And, though I am somewhat pessimistic that it will influence American policy in the short run, I agree with many here that a *sustained* peace movement is essential as well, and that this movement will constitute a growing force nationally and internationally in the years ahead. At the same time though, I feel compelled to argue that new global knowledges and peace movements will not, by themselves, make the very real dangers – the world risks – of terrorism go away, and that we have to search for ways to respond to these risks intelligently, cooperatively, and democratically.

The idea of the world risk society stems mainly from environmental politics, not the politics of war and peace that we are now facing. But the questions that it raises are very relevant, or at least they need to be made relevant for any new, internationalist approaches for the policing of terrorism to work. Beck argues (1999: 91-92) that, “under the pressure of changed challenges and fundamental convictions, ... alternative lines of action become thinkable.” We need to start thinking about and creating alternatives.

¹ Morgan Stanley analyst Alice Schroder, quoted in M. Calvey, “Huge N.Y. losses will pressure insurers,” *East Bay Business Times*, September 21, 2001 (print edn available online:

<http://eastbay.bcentral.com/eastbay/stories/2001/09/24/story8.html>.

² S. Kemp, “Big insurers taking flight from airlines,” September 28, 2001,

<http://www.theage.com.au/business/2001/09/29/FFXVHX5G3SC.html>.

Reference

Beck, Ulrich. 1999. *World Risk Society*. London: Polity Press.