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Afraid? Of What?

Fear and the Rise of the Security-Industrial Complex

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Bretton Woods II

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We are dedicated to renewing America by continuing the quest to realize our nation's highest ideals, honestly confronting the challenges caused by rapid technological and social change, and seizing the opportunities those changes create.

About Bretton Woods II

Bretton Woods II is engaging sovereign wealth funds, pension funds, endowments and family offices to build a new business model for social finance. The initiative is harnessing analytics, advocacy, and financial tools to channel part of the $25 trillion controlled by long-term asset holders into strategic investments in social impact that address the root causes of volatility. The effort aims to help close the gap in financing for the Sustainable Development Goals while increasing investors risk-adjusted returns.

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Foreword

Foreward by Tom Ridge, Chairman of Ridge Global, first U.S. Secretary for Homeland Security and the 43rd Governor of Pennsylvania

Since September 11, 2001, fear, risk and security have remained top of mind concerns for people, policy makers, private enterprise and public health officials. Yet, ironically, our world is a measurably safer and healthier place, but the 24-hour news media and the so called "security-industrial complex," who have a lot to gain from fear, do not grasp this reality.

Fear has always influenced the human psyche. Those who have conquered fear have gone on to master their lives, lead their countries and make great progress in all walks of life. Tragically, the events of September 11, 2001 and the seemingly endless public anxiety associated with reporting of subsequent terrorist attacks has compounded global apprehension. Multiple sources of fear have taken the upper hand in modern times.

The human, economic, psychological, and emotional toll of a world in fear is a heavy burden obstructing progress, collaboration and risk taking. Many of our worst fears are irrational and not anchored in statistical likelihood. These irrational fears are themselves a great cause of concern, as public health officials grapple with depression, over-medication, anxiety, suicide and a general malaise. From the business and policy maker's perspective, fear is either an inhibitor or a source of advantage and control.

This great Nation will endure as it has endured, will revive and will prosper. So, first of all, let me assert my firm belief that the only thing we have to fear is fear itself—nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance. (FDR Inaugural Address March 4, 1933)

Who gains from this fear? What are we afraid of? How can we change the tide and begin overcoming apprehension and fear? This fascinating report delves into these questions and challenges conventional wisdom about the so called "security-industrial complex" and the culture of fear that is paralyzing us. The 24-hour fear mongering that occupies our popular culture and media fans the embers of anxiety.

There are many insidious consequences stemming from the era of fear. The first and least obvious is that being afraid of everything is in fact making the world a truly unsafe place, especially when it comes to coordinating global capabilities on bio-defense, pandemic risk, climate change and deepening societal polarization. When we fear one another, our neighbors become the "other" and their problems are allowed to fester.

In a time where ideologies and invisible threats like cyber risk, commercialized public influence campaigns and vector-borne diseases disregard walls and national borders, deeper global engagement is the answer.

We need to overcome our many fears, for the world we live in is in many ways a safer place than at any time in human history. Our obsession with fear is making us callous and it is creeping into our politics and polity in some dangerous ways. I hope this report sheds light on the many ironies and the many ways out of our global fear trap.

II. Afraid? Of What?

What are we afraid of exactly? Global mortality and morbidity rates are at their lowest rates in history.[1] This is true the world over, but particularly so for affluent countries like the United States, the United Kingdom, France, Germany, Japan, and other wealthy nations. Paradoxically, fear increasingly looks like a malady of affluence, for the better off we are in terms of overall health and safety, the more susceptible we are to worrying about our health and safety. Materially, we are also obsessed with loss aversion, home burglary, identity theft, cyber risk and other scourges that can affect our assets. Indeed, millions of people are medically treating their fears with prescription drugs, whose side effects often create new ailments.[2] It seems we have a hard time accepting the progress we have made. But, as we discuss in this report, it is also possible that our modern state of fear is a joint product of our own often irrational tendencies, reinforced and manipulated by the security industrial complex for political and financial gain.

We will show how both fear and risk have evolved to put us in our present state. We will look at the broad spectrum of fear from its positive function as a survival tool, to the opposite end where fear becomes a paralyzing and destructive panic. Finally, we will show how for both business and government fear and risk can at once be a problem and an opportunity. For example, leading life insurance firms are contending with a very real business risk, which produces a shortfall in cash reserves, known as longevity risk.[3] Longevity risk occurs when those pesky life insurance customers outlive the actuarial models on which premium reserves are calculated. People living longer—albeit in fear of their own mortality and morbidity—is a business problem for the global insurance industry. For the rising security-industrial complex, which does a brisk business keeping us "safe," the myriad fears we face, or believe we face, create business opportunities.

III. A Brief History of Fear

Origins of Fear – The past

Fear has a survival function, it evolved to protect us. When faced with a physical threat our bodies undergo changes that prepare us to fight or run (the "fight or flight" response). If you recognize a threat before it reaches you, obviously, you are more likely to survive. If you see a snake with yellow and brown stripes and know that it has killed five people, then you recognize that snake as dangerous and avoid it. When we lived in caves with mastodons and other wild beasts roaming outside—we fought them or we ran.

Early humans could not control much of their lives. Life was precarious and insecure for everyone. And besides wild beasts that could be seen, and which could in fact harm you, there were many other things to be afraid of that were not so easy to understand or see, some of which could not possibly harm anyone. The phases of the moon were mysteries, and some people were afraid of a full moon, culminating with maddening connections between the moon and lunacy.[4] A solar eclipse was terrifying. Thunder and lightning could be heard and seen, but not understood. They were frightening. If you lived on a plain near a high snow-covered and impassable mountain, that too could be a source of fear—a border between the known and the unknown.

Other people who spoke a different language might make one afraid; some were dangerous, but some were not. Thus, otherness was born. There were countless things to be afraid of and beliefs and rituals evolved to make sense of these dangers, and to mitigate their effects. Whether these rituals had anything to do with reality did not matter, they helped. If primitive people (which we all were back then) felt that the evil eye could harm them, and developed magical ways to avert its gaze, that was all to the good. The biggest threat of course was death—the only certainty (other than in our day, taxes)—and despite the fact that eventually everyone dies, hundreds of beliefs and rituals have arisen to explain it, and to prolong life, albeit a fretful one.

Again, in the past, there were things one feared for good reason: Medieval cities were attacked by invaders and plundered, highway robbers could and did waylay travelers. Some dangers were seen for what they were—a highway robber was not believed to be the result of a witch, but other dangers lent themselves to such magnified superstitious beliefs.

The witch trials in Northern Europe and America in the late sixteenth and early seventeenth century resulted in an estimated 40,000 to 60,000 people executed as witches, the majority women. Witches (and witchcraft) were blamed for everything from diseases to crop failures and famine, to economic dislocation.[5]

One can argue that this "war on women" pervades many of the inequities visited on them until this day.

Are we so different today? In the highlands of New Guinea, members of the Tifalmin tribe believe that a person's death is caused by a "bis" sorcerer, an evil person with the power to kill by magic. But a "bis" sorcerer can only kill a person if that person is alone. Therefore, the best way to prevent this from happening is never to be alone.[6] And from Maine to California many of us avoid doing much on Friday the 13th, we do not walk under ladders, we cross our fingers and avoid black cats.

In our response to perceived risk and threat, do we not mix our own brand of sorcery and magic, rationality and irrationality? Do we not move back and forth between sensible fears of "real" danger and mild anxiety, between anxiety and phobia, between paranoia and panic? Surely, despite an enviable safety record that makes flying the safest mode of mass transit, the fear of flying falls into this category. However irrational, for some the prospect of hurtling through the sky in a cylindrical tube is a nightmarish death trap scenario despite all the evidence to the contrary. Whereas in the past fear may have kept primitive man alive and driven human adaptation, today it may be modern man's greatest inner struggle.

Some Societal Responses to Fears

Probably the most common response to large scale threats was akin to closing the barn door after the horses had escaped. If an invasion by another people had taken place, the obvious response was a barrier or wall (The Great Wall of China, the Maginot Line). Walls keep people out but they also keep people in, and can be ways of protecting against invasion of ideas as well as people. The Berlin wall kept East Germans in, but it also tried to keep out the "bad influences" of the West.

→ BOX 1

Real Walls[7]

Walls of Jericho

Great Wall of China

Maginot Line

Siegfried Line

Berlin wall – 61-89

Korean DMZ – 38th Parallel

Israeli West Bank wall

India Kashmir “Line of control” 340 miles long

Trump’s Wall

Even today, historical walls—real or virtual—are great flashpoints and very likely to be the causes of armed conflict and war. The 38th parallel on the Korean Peninsula, which separates North and South Korea, is oxymoronically called a demilitarized zone (DMZ), when in fact it is one of the most fearfully armed places on the planet. Similarly, the Trump administration’s promised wall spanning over 1,000 miles along the U.S.-Mexico border, is not likely to make the United States safer, but rather will serve to vilify an important trading partner and its people.

→ BOX 2

Virtual Walls

Visa rules

Immigration laws / quotas

Laws against transgender bathroom rights

Laws against same sex marriage

Anti-miscegenation laws

Color lines / segregation

Apartheid

Religious boundaries

Despite the era of globalization, which appears to be coming up against some severe challenges with the return of economic nationalism, the world is in many ways larger, not smaller. This is so because for every country that "comes in from the cold," such as Myanmar or Cuba, others slide backwards, such as Iraq, Afghanistan, and Syria. A more interconnected, but remote world is one that breeds the fear of otherness. This societal polarization is fueled by cultural fears, nativism and a nostalgia for a time and a way of life perceived as lost.

The irrational fear of others manifests itself in some pernicious ways. Erecting many insurmountable yet invisible walls with visa requirements, immigration laws and quotas, income inequality and the chasms that still separate us by race, gender identity, religion and any other discernible differences remain the tools of choice of the fearful.

Origins of fear: The present - The Deeper Contest Between Populism and Pluralism Behind our Current State of Fear

During most of the post-World War II period the principal forces shaping the world were economic. Trade growth, GDP, global integration were among the preoccupations of policy makers, governments and board rooms, interspersed with the occasional conflict or political setback. Today, however, these post-war forces are being pushed aside. Populism, fanned by a combination of urbanization, technological innovation, and the loss of manufacturing jobs, as well as a deep resentment of traditional authority is now in a bitter contest with pluralism. The best place to see this tension is in a few recent ballot box surprises. From Britain's Brexit, which won in the polls by a narrow margin, to Colombia's rejection of a hard-fought peace deal with the FARC, to Donald Trump's surprising persistence as a presidential candidate, followed by his win, voters are increasingly hard to read and emergent forces shaping the world are just as vexing. Historical patterns no longer seem to apply.

Where we used to count on globalization, communication technology and the spread of material and popular culture to bring the world together, these changes are pulling us apart. The rise of populism is a revolt against globalism, against diversity, and against the immigration-fueled melting pot that cities represent. Deeper down it is a revolt against openness—the openness to others, to free trade, and to cultural change. For too many people things happened too fast—they feel left out culturally, left behind economically. They are resentful, and deeper down, afraid.

While it would be naïve to believe that pluralists and burgeoning populists were ever comfortable with each other, there had been at least an implied compact of mutual acceptance, however grudging, between different political and social classes, between urban and rural, between one race and another. But the lid has come off these often-uneasy compromises, the compact has broken down and almost everyone is now aware of the fragility of arrangements we thought once to be lasting, even if they were not robust. Almost all of us now, on all sides, feel that things have been falling apart, and that sense of a fragile and unpredictable world is at the core of our present state of fear, the engine that drives most of our other fears.

The embers of populism have been glowing more and more vigorously around the world for at least a decade now (stoked by the financial crisis of 2008). But populism is not a standard ideological or political movement—indeed it manifests in enough contradictory ways to prevent it fitting into any neat box. Obviously, it is not merely a right-wing phenomenon, as evidenced by the Occupy Wall Street movement and the rise to prominence of Bernie Sanders and his strident supporters, many of whom are calling for radical reform of the social compact. Indeed, it is telling that the oldest candidate in the 2016 U.S. presidential election enjoyed the support of many young voters who perceive they have the most to lose in the long term. What is clear is that the Trump vs. Clinton contest represented two points of view that were being fed by complex societal changes that crept up on our world over many decades.

Urbanization

In 1950, there were two megacities on the planet, New York and Tokyo, each home to at least 10 million inhabitants. Today there are 37 megacities all over the world, and 301 cities comprise more than half of all global economic output.[8] By 2025, these same cities are expected to account for two thirds of the world's GDP. In short, these cities are not only the linchpins of world history, they are themselves the protagonists of yet untold stories of how we thrive or decline in the next century. This trend has not only shifted the balance of global trade and economic output eastward towards emerging markets, it has shifted the character of nation-states making many countries a patchwork of cities, rather than a patchwork of states or counties. This shift has not only changed the course of humanity, giving rise to urban man (*homo urbanus*), it has also changed the political landscape. Where Europe's post-war solidarity is fraying under the weight of a migration crisis combined with financial resentment and a return to nationalism, the historically red and blue U.S. electoral map is increasingly the color purple, in no small measure because of the force of cosmopolitan cities dotting the country (two-thirds of the states contain at least one of the 50 largest U.S. cities).[9]

Cities are imperfect places in our turbulent world. What unites them are the common hopes and aspirations of city dwellers, who in large part have forsaken their origins—whether in small towns and villages or other countries—in search of economic and social progress. This inexorable attraction to the city has tilted the balance away from rural life and for the first time in human history the majority of the world's people live in an urban environment. These environments are inherently plural. The urban dweller cannot easily escape people who are fundamentally different from them, whether in color, economic and political strata, or religious and personal inclinations. At the same time, an urban environment can also be a cauldron of lost hopes and aspirations, which can quickly turn on the elite class who lose touch with the people. Just ask Zine el-Abidine Ben Ali in Tunis, where the spark that set off the Arab Spring was ignited when Muhamed Bouazizi, an urban street vendor, set himself alight, or deposed Hosni Mubarak, Egypt's erstwhile ruler.

A World-historical Shift in the Nature of Production

The world has moved steadily and inexorably from primary modes of production (extractive industries and agriculture) in which most people were engaged to secondary ones (making and selling things and the management of those functions), to tertiary occupations (services), to today's mix of tertiary and quaternary modes of production in which the key commodity is knowledge and technological innovation. Urban centers house the highest concentration of these drivers in the new economy, further widening the gap between populism and pluralism.

Harvard Business School's U.S. Competitiveness Project asserts that a country's competitiveness is measured by the extent to which its companies can compete in the global economy while simultaneously raising the living standards of the middle class.[10] If the middle class are the leading actors in this drama, cities are the stage. But the dilemma of our age is that as populism and pluralism join urbanization in the tableau of dominant global forces, raising the living standards of the middle class is no longer a matter of going back to earlier modes of production, but of bringing people forward to the knowledge-based economy. To do that will mean finding creative ways to overcome the deep-seated fears of this very different future.

IV. Risk Perception vs. Actual Risk

As philosopher Lars Svendsen points out in his book *A Philosophy of Fear,* "a paradoxical trait of the culture of fear is that it emerges at a time when by all accounts, we are living more securely than ever before in human history."[11]

Today we live longer and more safely than ever before. Auto safety, air travel safety, food and drug safety, longevity, and cancer survival rates are all on the rise. Death from bubonic plaque is unheard of; deaths from gout or scarlet fever are so rare that the terms themselves seem archaic. The last U.S. polio case was in 1979. Whereas the 1918 flu epidemic affected 20 percent of the entire population of the world, and led to about 50 million deaths, the 2014 Ebola virus affected 11 Americans of which two died. Still Ebola caused much fear. People were afraid to travel. In Nigeria, even in the months after it was declared Ebola free, major hotels experienced an occupancy rate drop of about 50 percent. During the SARS epidemic, travel to the Far East waned. After the November 2015 Bataclan attacks in Paris that killed 130 people, travel to Paris dropped and has still not fully recovered.

A CATO Institute study on the risk of immigrants becoming terrorists found that the chance of an American being murdered in a terrorist attack by a refugee is 1 in 3,640,000,000 billion per year.[12]

In fact, the total of all deaths from terrorist acts on U.S. soil is 71 in the years between 2005 and 2015, an average of seven per year. Compare this to other causes of death.

Another way to put this in perspective is to say your chances of dying by your own hand are 12,222 times greater than being killed in a terrorist act.

Many of our current fears arise out of what we choose to believe, rather than what is actually dangerous. Not only does this fake fear fail to protect us, it is in itself dangerous. Many of these dysfunctional fears today put things at risk that are more important than the things we are afraid of. Unwarranted fear (such as fear of bacteria) leads to decisions that make one more vulnerable rather than less (constant hand-wiping and germ avoidance reduces our immune capacity). Over-protection of our children—padded playgrounds that prevent knee scrapes, not allowing unsupervised play outside—can stunt the resilience that comes from learning from small failures and minor pain. Fears that spread (call them crowd-sourced fears) can lead to panic, which can lead to bad decisions, which can lead to the erosion of trust, social capital, our core values, our democracy and our freedoms. Most importantly they blind us to the fact that there are still some wild beasts around—ones we should be afraid of, but are not.

Indeed, looking at some of the medical side effects of many drugs, the potential harm of over-medication seems to outweigh the symptoms. In many ways, modern fear comes with our general affluence; it is a luxury, as is loss avoidance. You have to have something to lose in the first place to be constantly preoccupied with the fear of loss. While much of the world's population is still struggling with getting onto the lowest levels of Maslow's Pyramid, wealthy countries are busy erecting real, virtual and psychological barriers to entry. Ironically, we are the real prisoners of fear.

→ BOX 3

What should we really be afraid of?

The rise of antibiotic resistant microbes

Vector-borne diseases

Nuclear war

Extreme weather events

Cyber risks to our infrastructure

Rising sea levels

Oroville dam type failures

Second hand smoke

Obesity

Lack of coherent policies to deal with mental health

Financial collapse

"Fear itself"

Fascism

Under-education

The Escalation of Fear to Moral Panic

British sociologist Stanley Cohen, who coined the term "moral panic," says that a moral panic occurs when a "...condition, episode, person or group of persons emerges to become defined as a threat to societal values or interests."[13] Interestingly those who start the panic have been called "moral entrepreneurs."

→ BOX 4

Eisenhower and the Cold War – A Case Study in Resisting Fear

The Soviet launch of Sputnik 1 on October 4, 1957 crystalized the fears of nuclear war that had been building since the beginning of the atomic age a dozen years earlier. Tellingly, scientists accept that the atomic age, also corresponds with the opening act of the Anthropocene—a new geologic age where man's impact on the world left a permanent marker, known as a "golden spike." The launch, and the failure on December 6, 1957 of the first U.S. attempt to put a satellite into space, presented a conundrum to President Eisenhower. He knew what most Americans did not—that the Soviets were not capable of pre-emptive nuclear attack, though they were working on it. He also knew that they had far fewer long-range bombers and missiles than the United States. But he could not disclose this without putting our intelligence operations at risk. For several years the fear of nuclear attack had been growing, leading to the famous "duck and cover" film which demonstrated the proper posture in a nuclear attack, and the growth in the bomb shelter building industry. Sputnik put new urgency behind the view that the United States had to invest unprecedented amounts of money in the military and in civil defense. Eisenhower, who knew something about war and defense spending, felt strongly that to spend too much money in this way would weaken rather than strengthen the nation.

He believed in what he called the "great equation," balancing the cost of security against the cost of freedom and felt that losing that balance would lead to a "garrison state." The debate for the last few years had been about passive defense (shelters) versus active defense (conventional arms and nuclear warheads). Now, with Sputnik, the pressure was on for both, and in November 1957 the secret Gaither Commission report to the National Security Council called for $44 billion in new defense spending over five years (more than the entire defense budget for 1958), to be split between active and passive defense. The report was leaked and a month later the *Washington Post*'s headline read

"Enormous Arms Outlay Is Held Vital for Survival." The text began: "The still top secret Gaither report portrays a United States in the gravest danger in its history. It pictures the Nation moving in frightening course to the status of a second-class power. It shows an America exposed to an almost immediate threat by the missile-bristling Soviet Union."

Eisenhower said little, his approval ratings plunged; he was seen as distracted, vague, passive. He did not want to act for the sake of action, knowing that this would cost him politically, and so he resisted the calls for increased military spending, downplayed the "missile gap" and told his aides "to be on guard against 'useless things' proposed in the name of national security."[14]

Historian Stephen Ambrose wrote "Eisenhower's calm, common-sense deliberate response to Sputnik may have been his finest gift to the nation, if only because he was the only man who could have given it."[15]

V. Inside the Fearful Mind

Cavemen had enough to do just contending with the mysteries of the sun and the moon, thunder storms, wind, wild beasts, which plants to eat and which to avoid, sickness and sudden death. We in the twenty-first century have so much more to deal with. The last few decades have seen an exponential growth both in information and the variety of paths that information and ideas can take. To keep all these stimuli from driving us crazy, we have an existential need to make sense of the seeming chaos of so many outside stimuli. The fastest and most efficient way to reduce the noise around us is to take mental short-cuts:

GENERALIZATION

When it comes to danger, it is efficient to generalize. Rather than take the time and the energy to learn the characteristics of 200 varieties of snakes, it is more efficient to fear all snakes. Recently a woman of South Asian descent, who happened to have been born in Indiana, was verbally abused on the NYC subway as an Arab and told to "go back to Lebanon." The United States is home to millions of people whose origins, or those of their parents or grandparents, are in every country of the world. It is easy to generalize and see any single one of them as an "other," as someone who ought to go back to "Lebanon." Indeed, the plight of the Sikh community in the U.S. since 9/11 underscores the combustible mix of fear and generalizations, as every turban-wearing person with a beard must be a threat according to popular culture.[16]

CONFIRMATION BIAS

The tendency to listen only to information that corroborates what we already believe is an efficient short-cut. To look at all points of view carefully would mean sorting through a lot more information, and use up more of our time and energy. Since we want comfort, and want it fast, we take the confirmation bias short-cut.

Confirmation bias has its analog in the way many people live in relatively homogeneous small towns or villages, or the way some people choose to live in gated communities. But mutual isolation makes it easier to imagine others as different, or even as enemies. In effect isolation reinforces confirmation bias. It makes short-cuts easier. If you have never met an Arab immigrant it is easier to believe he poses a threat. What you do not know is easier to fear than what you do know. Sociologist Richard Sennett, writing about life in big cities refers to the "diffusion of hostility" that comes from proximity to others unlike ourselves:

"In these dense, diverse communities, the process of making multiple contacts for survival burst the boundaries of thinking couched in homogeneous small-group terms."[17]

CONFLATING CAUSE AND EFFECT GIVES US AGENCY

There is an old joke about the man who kept ripping up newspapers and throwing the shreds out the window of a bus. When asked why, he explained that this was to keep the elephants away. "But there are no elephants," cried the other passengers. "See," he said, "it works." Believing that an act like this works is a short-cut to agency; it satisfies our need to have control over a perceived danger. We dislike feeling helpless. Americans especially like to take action to protect themselves, to "do something." In the twenty-first century we have much higher expectations than ever about human agency—we believe that we can "do something" about virtually every problem or danger; in part because technology has made so many advances, it seems like nothing is impossible. The irony is that as our expectation of agency has grown, so have our fears. The safer we are the more things we find to be afraid of, and the more we believe we can fend off these dangers.

Richard Reid, the failed "shoe bomber" tried to blow up an American Airlines flight from Paris to Miami on December 22, 2001 and ever since the traveling public willingly subject themselves to removing their shoes, belts, jackets and other attire en masse. Although falling tree branches or slippery sidewalks pose a greater public danger, we are willing to subject ourselves to great inconvenience and spend billions of dollars for the perception of increased safety. Similarly, "solving" last year's risk, only serves to amplify new ones. The German Wings tragedy of March 2015 underscores how hardened cockpit doors made airlines safer from unwanted cockpit entry, but amplified the risk of suicidal pilots commandeering a plane by locking their co-pilots out.

STICKING WITH THE FIRST THING THAT RESPONDS TO OUR CONCERN

When people arrive at a particular way of looking at a troublesome situation, and therefore think they know how to deal with it, the tendency to stick with this solution and look no further, is very strong.

LANGUAGE SHORTCUTS

We know that language matters, but we tend not to think of the subtle ways in which words and phrases can amplify our fears. Take the seemingly innocent shorthand term "9/11." Virtually everyone refers to the events of September 11, 2001 this way. Yet December 7, 1941, which was a genuine act of war by one nation on another, has never been referred to as "12/7." What is the difference? By saying "9/11" we tend to take the event out of context and make it perpetual—it becomes less a single event and instead something (terrorism) that is likely to keep on happening.

In contrast, in 1995, the bombing of the Alfred P. Murrah Federal Building is remembered as the "Timothy McVeigh bombing," and not as the "Oklahoma City Terrorism Incident," even though that is what it was.

In early February 2017, there was a headline on the front page of the *Wall Street Journal* that read "Machete-wielding Attacker Puts Paris on Edge." In another time, a man wielding a knife in Paris would not make even the back pages of a U.S. newspaper, and would no more put Paris "on edge" than a robber with a gun would put the entire city of New York on edge. Indeed, when a bobcat went missing from the Washington, D.C. National Zoo, we saw no headline like "Predatory wild animal loose on D.C.'s streets." Had the incident been reported that way it would certainly have put the city "on edge." But the context of previous Paris attacks and the overall terrorism fear made the machete wielding man at the Louvre an "attacker," and because of the potential terrorist act subtext, it made headlines. This self-feeding news cycle has certainly contributed to collective fears and paranoia, while at the same time serving as a ratings booster for the news media.

Surely the "machete wielding attacker" headline grabs attention, increases readership and makes more money. It is reasonable to be somewhat cynical about the role a 24-hour news cycle, general media and entertainment plays in fanning fears. There are entire shows—nay week-long programing—devoted to mostly innocuous ocean predators. Discovery Channel's Shark Week enjoyed 2.5 million viewers in 2015. Surely, more people die at the hands (and mouths) of household pets than from shark attacks, but week-long programming titled "When Fido Attacks" would contravene the popular myth of man's best friend.

PUTTING THE PAST IN TERMS OF THE PRESENT

Take the example of the "War in Yemen." Both the press and the public tend to see what is happening in Yemen as an example of Islamic State incursion; an interplay of Al Qaeda in the Arabian Peninsula (AQAP), the struggle between Sunni and Shia, between Saudi Arabia and Iran. Few see it for what it is, a continuation of intertribal rivalry for power going back at least a century or more, a situation that was kept relatively quiet during the four decades of Ali Abdullah Saleh's rule. Once he was deposed, the lid came off the old tensions. This is what happened in Libya post Qaddafi, and in Iraq post Saddam Hussein. To see the "War in Yemen" as part of the Islamist threat is efficient. It is a short-cut to take what is happening in Yemen and fit it in with the present "crowd-sourced" view of the Islamist Middle East as the major source of disarray in the world today. Short-cuts like this save us the time and energy it would take to understand the specifics of Yemen's or any other country's particular history, or to consider that what is happening in the Middle East is not a single or monolithic phenomenon.

USING THE FAMILIAR TO FRAME THE UNFAMILIAR

If something comes along that is unfamiliar, the first thing we do is search for familiar images, associations, and metaphors in order to frame the situation. A white person walking down a street in Harlem does not see anything strange in seeing black men walking along, some of whom may have dreadlocks. But when one or more of those black men is walking on a street in a white neighborhood, they are "out-of-place," the familiar becomes unfamiliar and thus something is "wrong."

Similarly, a man speaking Arabic to his partner in a restaurant might not be noticed. The same man alone, speaking Arabic on his cell phone on a plane before it takes off, may in that context make some passengers fearful. They transposed their knowledge of events they read about in the media to this new situation, and began to worry that this too was a potential terrorist event on a plane.

VI. Feeding Fear and Hysteria

Clearly our own human nature is at play in our fears. Our tendencies to transpose, to engage in confirmation bias and generalizations, make us worry about going to Paris or London even though the chances of being hurt there are no greater than at home. But fears like these can also be deliberately fed and manipulated. Our natural human flaws can be taken advantage of in intentional ways. Underscoring our susceptibility to authority, the now infamous Milgram experiment carried out at Yale in the 1960s, wherein subjects where "tortured" by willing study participants, highlights the dangers of fear, authority and obedience.[18]

When fear is fed with enough fuel it can become hysteria—excessive out-of-control fear that can be contagious, and obviously dangerous. A human stampede triggered by a fire in a nightclub is an example of hysteria where the instinct for one's own survival trumps the instinct to help others—people lose control.

Propaganda can feed fear and convert it to hysteria. The Rwanda genocide, where people of different tribes (Tutsi and Hutu) who were used to living with each other peacefully, were made to turn against each other violently by political agitators. The result was a period of just a little over three months in 1994 when about 800,000 people were killed.[19]

In fact, history is filled with examples of underlying tensions being manipulated first into widespread fear and then hysterical violence; genocides, mass killings, and massacres. The Armenian genocide in 1915, the Katyn massacres in 1940, the Holocaust, the Bangladesh genocide in 1971, the killing fields in Cambodia, the Bosnian genocide, are well-known instances. And some examples of hysteria-related violence have a surprisingly long arc. The conflict between Catholics and Protestants in Northern Ireland known as The Troubles lasted almost 40 years. And like others it had a mix of political, ethnic and sectarian elements, fed by underlying fears. Likewise, the long decades of lynching in the American south had in each instance the earmarks of mass hysteria, fed by underlying attitudes and fears about race and miscegenation. Certainly, the internment of more than 110,000 people of Japanese origin during World War II was a sad example of fear-driven hysteria on a national scale. The intractable Arab-Israeli conflict smacks of these forces as it continues to be fueled by fear and political gain on both sides.

Again, language can be used to feed fear and hysteria. A neighbor can be made to seem like an enemy, a threatening one at that, by changing the language—he or she can become a symbol of all that is wrong—a scapegoat.

It is telling that the word for scapegoat in French is "bouc-emissaire," an emissary goat, suggesting that the goat is on a mission to represent something it is not; a stand-in for something else, even a vague fear or worry. The scapegoat

then is fraught with the imagery and symbolism of blame, resentment, evasion of responsibility, projection, frustration and fear.

Trade-offs in the Face of Terrorism and Other Forms of Violence: "Freedom To" And "Freedom From"

There is an important distinction between "freedom to" and "freedom from;" the freedom **to** congregate in public places, attend school, ride a train, enjoy a concert or travel in safety are all in an increasingly tense relationship with the freedom **from** being a soft target of a terrorist attack, or other forms of violence that may be caused by armed individuals who are disgruntled or mentally unstable. As more and more fear of these events creates a push for tighter physical security and public safety, the tension between these two freedoms grows, and not just our everyday values, but our societal norms are at stake. A series of political, societal and business tradeoffs must be made.

As a society and culture, we need to look outside the standard boxes of solutions (more arms to fight more arms; more checkpoints to check more people, more invasive examination of our phone calls and emails, and in general throwing more money than is necessary or useful at the perceived problems) and get smarter about new kinds of security and resilience. We need to educate ourselves in ways to reduce fear by gaining perspective and understanding proportionality (e.g. comparing in percentage terms deaths by terrorist attacks to potential deaths by new disease vectors). We need to enlist the social, entertainment and news media in creative ways to diffuse the most irrational fears. We need to invent and promote new kinds of insurance products, and of course enlist technology in more effective, less costly, less invasive forms of physical security in public places. Above all, as a society we need to catch up to the realities and challenges of a far more complex world than we have been used to.

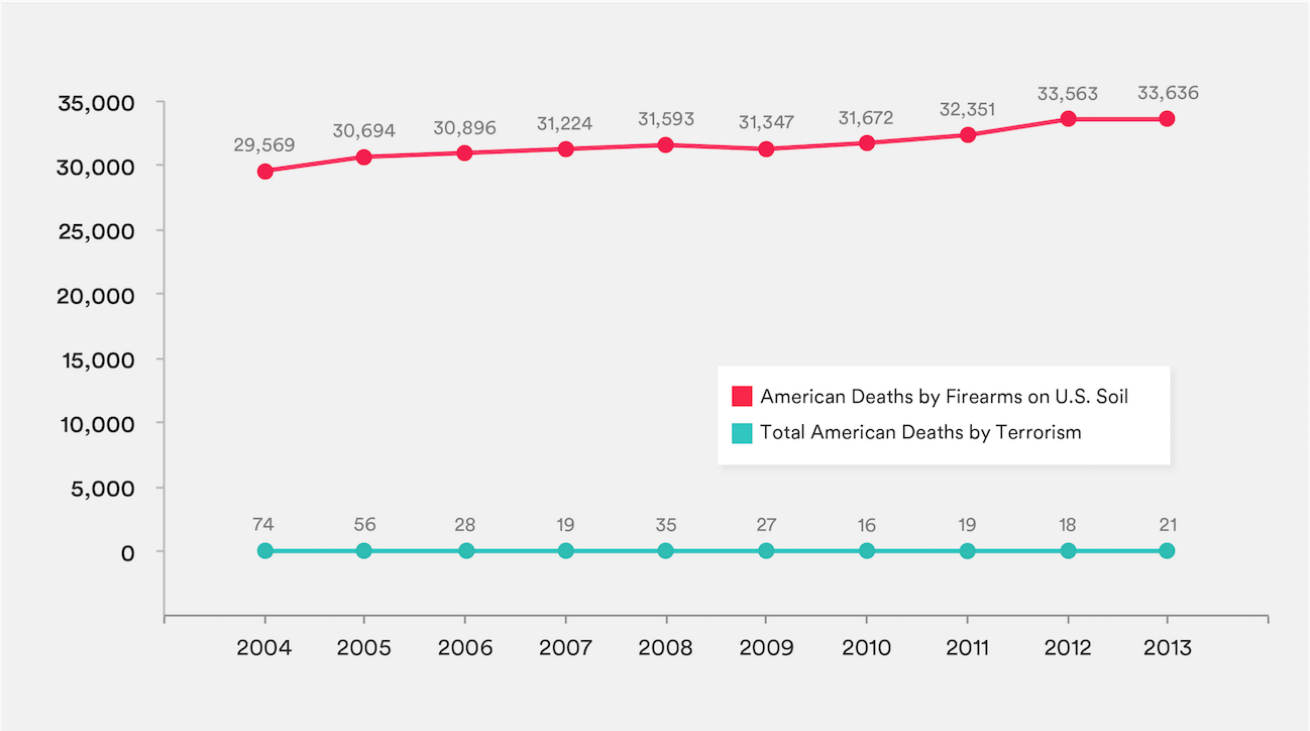
Guns

In the United States for example, 301,797 lives were claimed by gun violence from 2005 to 2015. In the same period, 71 Americans were killed on U.S. soil in terrorist attacks. Paradoxically, we seem to be as a society more accepting of gun violence than terrorist attacks. Proportionality and perspective have not been enlisted enough in thinking about these different forms of violence.

In the wave of "low-grade" terror attacks in Europe, the axe attack on a passenger train in Germany, an attack on a passenger train in Switzerland, while appalling in their violence, it was the comparative difficulty in obtaining firearms that led to a low overall casualty count. While the difficulty in obtaining firearms in Europe has triggered the use of alternative weapons of mass violence, such as the truck used in Nice during Bastille Day celebrations or the vehicle in the Berlin Christmas Market incident, or the Westminster attack in London in March of

2017, there is no question public safety is enhanced due to gun control measures. When active shooter events, which will be difficult but not impossible to contain, no longer trigger a gun buying spree, the United States will be on the right track.

Number of Americans' Deaths Caused by Terrorism and Gun Violence



Source: Centers for Disease Control and Prevention, U.S. State Department

As for terrorist attacks, contrary to what most people believe, both in the United States and Europe these incidents are largely homegrown and not part of a concerted terror export strategy from ISIS or its sympathizers, reminding us that hateful ideologies and hate in general are not always imports from elsewhere. The majority of perpetrators of Europe's wave of terrorist incidents, which began with the January 7, 2015 Charlie Hebdo attacks in Paris and have increased in audacity, frequency, and geographic scope ever since, are in fact European nationals. Similar attacks in the United States, have been carried out by U.S. citizens. And in almost all the cases, the attackers range from individuals who felt marginalized, to those who are plainly unstable, to those who have identified with a cause they believe to be that of ISIS, and often a cause they have not fully understood.

Arguably, Germany's public safety challenges with migrants have as much to do with the fact that Germany has been overwhelmed with asylum seekers. Germany remained steadfast to its humanitarian commitments, while other EU

countries erected barriers to entry heavily straining the more than 30-year-old Schengen Agreement, which allows for more open borders for people, goods and services across Europe. Comparatively fewer migrants or refugees have arrived in Belgium and yet it has been the scene of some of the most appalling attacks in continental Europe, including the March 22, 2016 suicide bombings on the Brussels airport—carried out in a well-coordinated manner by a sleeper cell largely comprised of EU nationals. Many of these attacks may be inspired by ISIS and its deft use of social media which aggrandize barbaric acts, yet the public safety challenges in Europe remain largely a domestic affair. Greater coordination and a true pan-European approach must replace retrenchment and nationalistic sentiments, which are sweeping across the continent. If history is any guide, xenophobic political movements have posed greater threats to public safety than anything we are seeing today and we should not wager that their modern variants will be any less dangerous if they rise to power.

Virtual Privacy and Physical Security

On both sides of the Atlantic, officials and the public are finding it harder than ever to find equilibrium between the right to privacy and security, which are increasingly at odds as more cases emerge challenging conventional wisdom. Here too we cannot blithely accept an incursion in either direction. Instead we need sensible anticipatory policies to modernize existing laws, many of which predate the current era of ubiquitous smart devices capable of registering every movement of both the innocent and criminal. Apple's stance against the FBI over Syed Farook's locked iPhone garnered more news coverage than the San Bernardino attack itself, which claimed 14 lives.[20]

This case brought the dilemma of modern privacy versus security to light and demonstrated Apple's stubborn adherence to its business model, even at the risk of eroding shareholder value. Yet it is hard to say whether the right process or outcomes prevailed in this case, as privacy and security are not clear tradeoffs, but linked together precisely because of new technologies. If the location of a ticking bomb were hidden in a locked iPhone, the public, Apple, and the FBI would surely feel a great sense of urgency about forcibly unlocking the device in question. How to navigate the intersection of digital security and physical security remains largely unresolved and will require new and at times uncomfortable approaches to public-private collaboration.

→ BOX 5

Augmented Reality, Augmented Risk

It may seem trivial so far, but there are cases where seemingly innocuous augmented reality video games cross into the fear territory and augment risk in a real way. The advent of Pokémon Go underscores that intersection of virtual security and physical security. At the Holocaust Museum in Washington, D.C. one misplaced Pokémon, for example, resulted in the premises being raided by Pokémon hunters causing museum officials to implore them to search elsewhere. Already, lawsuits against Niantic, Inc. and Nintendo, Pokémon Go's creators, are in the works claiming physical security risks and incursions on private property. Cases like this against augmented reality firms will push both the boundaries of vicarious liability and legal absurdity. It would not be surprising if one day fictional creatures like Pokémon's Pikachu are named as defendants in a terrorist conspiracy.

Physical Security as Competitive Advantage

So-called "soft targets" like pedestrians on a bridge near Parliament, exist in no small measure because other more desirable targets (Parliament itself) have been hardened. While the concept is unpalatable, investing in physical security for obvious targets is not only prudent, it is a source of competitive advantage for businesses and other organizations. But again, the question of proportionality needs to be raised. The physical, emotional, and economic toll from many recent violent events have bankrupted many organizations and communities. Sandy Hook Elementary School re-emerging from the ashes for example, took an unprecedented investment from all of the stakeholders in Newtown, Conn. The mass shooting on Virginia Tech's campus, cost nearly $50 million, not to mention the incalculable emotional and physical toll levied on the victims and their families.[21] Some events trigger a heavy indirect toll on cities, communities and businesses.

A citywide shutdown of Brussels during the 10-day manhunt for the plotters of the Bataclan massacre in Paris, levied a heavy indirect economic toll on the city—the risk to the GDP of the veritable capital of Europe. In December 2015, Los Angeles cancelled classes for approximately 1 million students in an unprecedented shutdown of its school system following a bomb threat, which later turned out to be a hoax.[22] The same threat was issued against New York City's schools, though in that case the comparatively hardened New York security officials called the bluff of those who made the threat. The direct and indirect costs of these events, when uninsured, are borne by businesses, public funds and ultimately taxpayers.

Sadly, until there is broader political and public will to more sensibly deal with safety and security through policy, private sector firms will continue playing a vital role, giving rise to the Security-Industrial Complex. Again, the first line of defense in any public safety and physical security strategy is a public that is capable of understanding today's complex environment, including being able to put things in perspective, beginning with our own fears.

VII. The Security-Industrial Complex

When Eisenhower in his farewell speech of January 1961 warned against the rise of a "military-industrial complex," he was warning the country about a system that was rigged in favor of inside deal-making between private industry and the government—where both sides have a vested interest in maintaining the system. Instead of a simple supply and demand, buyer/seller transaction, where the military gets the arms it wants and the companies that supply them get business from the military—the system distorts supply and demand; retired military and others work for arms suppliers, become lobbyists for the industry, influence policy. Thus, demand is created and prices inflated. More worrisome is that to keep the industry growing requires keeping up the perception of threat and menace. It is in the interest of the security-industrial complex to focus on those fears that are most melodramatic—usually ones associated with physical violence. This "sells" better than focusing on dangers that are long range and whose effects may be gradual, but which are more consequential.

→ BOX 6

Stakeholders who Gain in the Security-Industrial Complex

These are firms or businesses constituting "new security" largely post-9/11:

Guard and patrol service firms

Makers of guard clothing and protective gear

Military contractors (builders of planes, ships, armaments)

Security consultants

Airport security organizations, employees

Alarm system services

Security training

Cyber security firms

Pre-employment screening firms

Intelligence sub-contractors

The cost of overestimating risks is of course hard to determine, but to put things in perspective well over $1 trillion has been spent on homeland security since 9/11. The 2016 budget of the Department of Homeland Security (which did not exist before 9/11) was $41.6 billion. Under the Trump administration's budget, DHS stands to gain a 7 percent increase over 2016, in no small measure to make good on the campaign promise of building a wall between the U.S. and Mexico.[23]

There is of course a spectrum of costs related to security. At the more reasonable end, the cost of street corner cameras in cities has proven to be a good investment, even though this may erode civil rights and the right to privacy. Further along the spectrum there are some routine costs such as the militarization of local and city police forces requiring more and more expensive equipment, the maintenance of that equipment, and training officers in their use. On a case by case basis some of these costs may be justifiable, some not.

At the other end of the spectrum, there are obviously costs in the security apparatus that are close to a complete waste of money and time. For example, the thousands of personnel at hundreds of airports who ask travelers "Did you pack your bags yourself? Have your bags been out of your sight since you packed them? Did anyone give you anything to take with you?" Once a silly mechanism like this is put in place, no one asks "Why do we keep doing this?" even though it should be obvious that any halfway intelligent potential attacker would know enough to answer such questions correctly. Yet there is a cost in personnel, training, and consumer inconvenience and time associated with this hard-to-break habit.

Some costs are related to single events; the 2013 Boston Marathon bombing resulted in three immediate deaths and over 250 injured. During the manhunt that followed, a police officer was killed and there were additional injuries. The city responded by asking people in one large neighborhood to shelter in place. Boston public transit, train service, schools, and universities closed. The costs are hard to determine, but they would seem to be out of proportion to what happened. Former congressman Ron Paul called this a "military style takeover of parts of Boston," and said that "this unprecedented move should frighten us as much or more than the attack itself." In any case, while this was purely a terrorist attack, it was not part of a conspiracy, nor related to ISIS or Al Qaeda. In the public mind, however, reinforced by officials, it became part of the Islamic terrorism phenomenon, and thus bolsters the security-industrial complex.

The number of full-time security workers is between 1.9 million and 2.1 million competing in a $350 billion "market" as of 2013, according to a market report by ASIS International. If this figure is right, it dwarfs U.S. foreign aid (2017 projection $34 billion) by a factor of ten.

There are other costs incurred by our sometimes irrational or heavy-handed approaches to security which are not quantifiable. In April 2016, an enormous

convoy of vehicles and guards was carrying Samantha Power, who was then the U.S. ambassador to the UN, to a rural Cameroonian village to see a poverty alleviation project. Proceeding at high speed, for "security reasons," one of the vehicles killed a child on the roadside. The head of security deemed it a risk to stop and so the convoy continued.[24] It would be easy to believe that once pro-American people suddenly became quite anti-American as a result. A cookie-cutter approach to the security of overseas personnel—specifying numbers of armed guards and vehicles in all circumstances regardless of relative dangers, while benefitting the suppliers of guards and vehicles, can have indeterminate costs to the reputation of the U.S. abroad; can result in the subsequent potential loss of better intelligence gathering by putting a proverbial wall between our human intelligence sources. Just as important, a fortress mentality in our diplomatic and aid posts overseas can result in a longer-term loss of "intelligence" in the largest sense—that is to our understanding of the world outside our borders.

VIII. Shall We Overcome?

How can we direct our resources in smarter ways to meet our security challenges and at the same time bring our fears back to a "normal" level?

GDP@Risk and the City Risk Index: An Example of a More Sober Approach to Resilience in the Face of Real Future Risks

While cities in developed economies often groan under the strain of congestion, they are generally orderly places with vibrant economic activity. By contrast, cities in emerging economies often struggle to supply basic services to their densely-packed inhabitants and even basic infrastructure, such as roads, utilities and other public works struggle to keep pace with demand. This strain is projected to grow exponentially through 2030, where our relentless drive towards urbanization will see no less than 41 megacities around the world—each home to more than 10 million people. Of these, 90 percent will be in developing and emerging countries. Large cities with 5 to 10 million inhabitants will continue to proliferate, tilting the scale of not only urbanization, but market demand away from advanced economies. While urbanization will continue to strain resources, it will also be the crucible in which human ingenuity builds a more resilient future. This resilience depends on enduring public-sector leadership combined with market-driven private sector solutions. As seen at the conclusion of climate talks in Paris, COP21, a rare act of unanimity among the world's political leaders, people are recognizing the urgent need for greater resilience. Different from risk, resilience is something we must pay for in advance, rather than treat like an economic surprise. For this resilience dividend to be cashed, people must first invest in overcoming their fears.

Cities in the Crosshairs

An in-depth analysis of 18 city-level threats recently carried out by Cambridge on behalf of Lloyd's, led to the City Risk Index. Globally the chief peril identified in this research is economic risk resulting from an interconnected, high-speed global economy. Beyond economic shocks, like those still reverberating from the 2008 crisis (aka the Great Deleveraging), other threats are beginning to surface with increasing frequency. Cambridge researchers coined the term GDP@Risk to capture the share of economic value at risk should any one of the 18 threats emerge in a particular city. Similar to the concept of value at risk (VaR) seen in banking, this metric reduces often complex and amorphous "not in my lifetime" risks to an understandable measure of what economic value is at stake. Beyond measuring economic losses should a certain threat emerge, GDP@Risk establishes a benchmark for what type of capital reserves may be required of the system in order to create more resilience.

The 18 threats identified in the City Risk Index fall into three categories—natural, man-made, and emerging risks. Overall, the Index offers a taxonomy of how to think about emerging threats. Of these, climate change emerges as a real and present danger. From hurricane Katrina, which inundated New Orleans, to the first ever smog red alert that shutdown Beijing, city managers need more and more to respond to natural events exacerbated by man that are out of our control. Record snowfall in Boston exceeding 108 inches in the winter of 2014, for example, brought this usually winter-ready city to its knees. On September 27, 2015 Paris halted all vehicle traffic in the city due to a lingering high level of air pollution. Some city-level events occur because of under-investment in infrastructure, as we saw in the 2003 blackout, which was the largest such event in North America and triggered by accident.

Looking at the 35 North American cities in the City Risk Index, the top five threats were market crash, oil price shock, cyber-attack, flood and human pandemic. Taken together the index estimated that $616 billion in GDP would be imperiled. It is characteristic of these types of complex risks that they often interact with one another. For example, a terrorist attack or cyber warfare against critical financial systems can trigger economic shock, just as natural hazards can have spillover effects into other domains. Moreover, the threats highlighted in the Index should be thought of as being both acute and attritional in nature—some sudden catastrophes are the result of long slow-burn phenomena. The complexity of these emerging threats, along with others that are not in the Index, such as war, requires the development of new solutions to increase resilience. Through a patchwork of resilient cities, a resilient country and in turn a more resilient world can emerge.

A Roadmap to Resilience

Of the risks threatening North American cities and, indeed, cities in diverse regions of the world, the majority fall into the man-made domain. Man-made risks contribute 62 percent of the GDP@Risk in North America, and nearly 50% of the risk contribution for the 301 cities in the Index. This confirms that the twenty-first century is in every way the era of man-made risk.

Looking at the United States, for example, the challenge is our national readiness in the face of critical risks. However, the last decade of partisanship has reduced the impetus for a national consensus on how (and whether) to respond to a changing world—let alone act with the type of leadership these emerging threats require. Instead, power and the ability to respond to risk has in many ways devolved to the state and city level, where individual roadmaps to resilience are being charted.

Resilience is an outcome not an aspiration. A critical first step is recognizing real risks, and separating them from ephemeral ones. Second it requires concerted

action to build redundancy in critical systems, while at the same time building the financial reserves to absorb shocks. Insurance has an unglamorous but crucial role to play. Lloyd's research found that a 1 percent rise in insurance penetration corresponds to a 22 percent decrease in the financial burden passed on to taxpayers following a loss. Once an insurer's reserves are exhausted, a rare but not unlikely event, the next tier of liquidity in heavily regulated financial markets like the United States are the state insurance guarantees. These funds are pooled in each state and generally administered by state-level insurance regulators. Looking at the types of city-level threats highlighted in the City Risk Index, the liquidity of state insurance guarantees would quickly evaporate, as would have been the case in post-Katrina New Orleans had federal assistance not been granted. While solutions exist to harness the capital markets in response to catastrophic losses, such as catastrophe bonds, these instruments are generally attached to single risk domains, such as wind storms, and not a broad basket of city-level perils.

From cyber risk to climate change, building resilience in our more complex world will require more innovations in the science and technology of risk analysis as much as policy changes and the choices individuals make. More cities with cyclists, for example, translates into lower CO_2 emissions and faster egress from a city under threat. The City Risk Index is a call for greater integration of financial solutions, of which insurance is a part, along with better and more sophisticated analysis of what is at stake.

Conclusion

Our aim in this paper has been to put our fears into perspective, as well to call for closer attention to proportion—some dangers are exaggerated at the expense of others that ought to receive more attention. All of us, even the calmest and coolest among us, have been so jostled and battered by the unrelenting barrage of imminent dangers, to our bodies, to our property, to our way of life, to our countries, that it has become hard to stop and ask ourselves: Afraid? Really? Of what exactly?

The number of pathways to fear has increased in our new "wired" age. They have crept up on us so gradually that we have not noticed how many more dangers we seem to face than before. Even if you live in a leafy, quiet "nothing-much-happens-here" street, you are reminded by emails from the neighborhood crime watch of break-ins and assaults all around you. Though you personally did not see any of these, and probably would not know about them were it not for the emails, your system cannot help but absorb just one more small fear to add to the others.

In a similar sneak-up-on-you way, the 24-hour news cycle adds new fears to your system—a shooting, a "terrorist" attack on strolling pedestrians, a machete-wielding man in a museum. Sure, most of us bravely say "life must go on, they will not win, they will not stop us from walking on bridges, visiting museums, or sitting in an outdoor cafe." And of course, they will not, but there is an inner toll nonetheless, an insidious incremental buildup of tension, anxiety and fear inside us. What we have tried to show here is that this inner toll does not have to be paid, in part because there are fewer conspiratorial "theys" out there trying to beat us than we think. Of course, we need crime prevention, of course we need to strengthen our awareness and responses to mental illness, and in general remain vigilant about many things. But, we have (or could have) much more control of our fears than we realize. If we can gain that inner control, we will be safer for it. For besides the cost to our inner selves, excessive fear takes a toll on our deepest values as a society.

Magnifying these individual fears into societal ones has bled into the political process and informed ballot box outcomes, with often surprising consequences. Insidiously, fears are now being used against us in the political process and the deep partisanship that divides the United States, Europe and other advanced economies. A politically engaged and vigilant polity are the best defense to the truly frightening prospect of an all-powerful state.

Our message is this: If we all can calm down for a bit and gain some perspective on all that we are afraid of as well as a sense of proportionality, then we will have enough clarity to be able to distinguish between those dangers that truly threaten us and those that are relatively unimportant or passing, however melodramatic

they may seem. At that point, we will hopefully be in a position to take more intelligent action towards resilience.

Policy Directions

Given the state of fear we have presented in this paper, what can be done? There are some obvious policy implications, and they touch all sectors, from government, to the private sector, from civil society to education and the media. The right measures can begin turning the tide on our many apprehensions.

For government and political leaders perhaps the first and easiest policy step is to stop using fear as a tool for public influence and political gain, as we saw in elections all over the world including the 2016 U.S. presidential election. Additionally, governments and political leaders can take measures to reinforce levels of cooperation, engagement and understanding to turn back the tide on otherness and to turn up efforts on real societal challenges such as climate change, pandemic risk, biodefense, cybersecurity, among others, that we should genuinely be concerned about.

Looking inwardly a great measure of social polarization and otherness has affected social cohesion in the United States. The two-speed economic recovery since the Great Recession of 2008 saw the lion's share of economic value go to major cities and coastal states, while rural, southern and post-industrial parts of the country were left behind. This gap is a primary driver of fear in the United States. It has led to the rise of populism, economic nationalism and, perhaps most troublingly, the lack of caring for one another. Fear and its attendant consequences are zero-sum propositions; just as the economy and national security affects both sides of the aisle, fear-driven political tactics and social remoteness have long lasting consequences. Leaders from the city, state, and national levels have an obligation to look at themselves in the mirror and then hold that mirror up to their constituents to narrow this gap.

Striving for better financial equilibrium, balancing important priorities like national security, research and development, along with underfunded priorities such as education, infrastructure and the business commons can begin to balance our national economic priorities in meaningful ways. The United States spends more money on defense than the rest of the world combined. How badly are we really menaced, and by what and whom? This spending and the industrial base that benefits most from it, is part of the vicious cycle that needs to be looked at much more closely. Recalibrating national security priorities for a twenty-first century threat landscape that is largely comprised of man-made risks, will require that more money is spent tearing down walls, reeducating our workforce and preparing future generations for a more complex new world.

Civil society and policymakers in turn can devote more of their energy, research dollars, and considerable political clout to changing the narrative around public policies addressing these fears. Measures need to be implemented that can help the United States and the world put fears into proper perspective and address

them with proportionate responses. Emphasis on the public health consequences of fear and additional research into the impacts and power structures in the security-industrial complex can help unravel this network and lay deeper accountability at its doorstep. While many of these players are vital industries, how deeply interwoven they have become in the compliance framework and the "demand generation" engine for their services is a subject of grave concern. Additional research efforts around the consequences of fear, the consequences of mental health and the remediation efforts that can be taken to better understand these impacts should also be prioritized

It is in the private sector where perhaps the greatest gains can be made in tackling fear. Beginning with those organizations that participate in the security-industrial complex, such as global security firms, insurance companies, pharmaceuticals firms, and many others, the narrative must change. Fear has insidious economic consequences that in the long run will cost these industries more than the short term gains they get from fueling irrational fears. This should be a sober message and lead to a business proposition that is proportional to the things we should genuinely be afraid of.

In the private sector, the news media deserves special mention and special accountability for preying on fear. While this is driven in no small measure by a market demand for sensationalism, the recipe that many journalists, filmmakers, and TV producers have understood to be economically successful is one that not only plays on fears but in many respects, fabricates them. Fear fabrication can no longer drive public discourse, and deeper accountability and tools to fact-check and verify the accuracy of reports in public perception can and must be developed. Perhaps a "fear-o-meter" can accompany the stock ticker tape on live news broadcasts. Other creative approaches in using journalism to reduce fear can be experimented with, including a monthly newspaper column about fear, or a section juxtaposing say, "Best Fake Fear of the Month" with "Best Genuine Fear of the Month."

The role of humor should not be underestimated in combatting undue fear. Social media including Twitter, Pinterest, and Facebook, as well as streaming TV and YouTube can all be vehicles for anti-fear campaigns. Philanthropic foundations can be appealed to for funding that would be aimed at social marketing experiments using social media, and include possible funding of documentaries about the role of fear in history, or subsidizing a sitcom about a fearful family and what happens to them. In short, the same creativity that has driven the creation of the security-industrial complex, can be brought to bear in putting fear into perspective. More in the civil society realm, together with foundations a coalition or network of non-profits could be organized, that would put up media campaigns, organize citizens' groups, town hall meetings, debates, and blogs that appropriately (and soberly) inform public discourse.

Finally, at the very nucleus of these fears is how individual people in our society will evolve. Cities, which have been a central actor in this paper are crucibles of how humanity will evolve in an intensely urban and interconnected world. The plurality and cosmopolitanism that cities represent, however, can also become volatile places with enormous real and figurative walls dividing us unless we figure out long range ways of building bridges inside the cities and among them the world over. While city dwellers have a very different daily reality than their rural brothers and sisters the issue of individual fears can only be tackled at an individual level. For this the educational system must play a greater role in in changing generational perceptions, particularly as it relates to cultural misunderstanding, diversity and proportionality.

Notes

1 See www.who.int/healthinfo/global_burden_disease/estimates/en/index1.html

2 See www.APA.org/Monitor/2015/03/Fear.aspx; see also Elizabeth Bohorquez, "Anxiety and Panic: The New Epidemic," Feb.18, 2009 in www.Mental-Health-Matters.com

3 Thomas Crawford, Richard de Haan, Chad Runchey, "Longevity risk quantification and management: A review of relevant literature," The Society of Actuaries, March 2008.

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