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## Globalization and the National State

### Bob Jessop

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Poulantzas wrote well before the current hype about globalization took off and before claims about the death of the nation-state had become common. But his work during the 1970s did address some key issues involved in a serious Marxist analysis of the relation between (a) changes in the capitalist economy on a world scale and (b) the basic form and functions of the contemporary capitalist national state. These issues were first broached in a lengthy and important essay on 'The Internationalization of Capitalist Relations and the Nation State' (1973b in French, 1974b in English, but cited below from 1975, 37-88). They were further discussed in three books, *Classes in Contemporary Capitalism* (1975), *Crisis of the Dictatorships* (1976), and *State, Power, Socialism* (1978). My contribution to this volume will review Poulantzas's overall argument in the 1970s, noting how it changed in some key respects during this period, and distinguishing between his general theoretical approach and its particular application to Europe (especially France, Greece, Portugal, and Spain) in a specific phase of imperialism. I argue that Poulantzas's general approach is theoretically more sophisticated and strategically more relevant to the left than much of the current 'globaloney' over the future of the national state in an era of globalization. However, I also suggest that his



general approach was marred by class reductionism and that he also failed to anticipate future changes in the internationalization of capital. This in turn meant that his specific prognoses were, in key respects, mistaken. Nonetheless his analyses can be improved by introducing additional theoretical considerations which are consistent with the overall Poulantzasian approach as well as by noting certain novel features of the current phase of imperialism. Accordingly, my paper is divided into two main parts: first, a critical appreciation of Poulantzas's arguments and, second, an account of current changes in the national state from a modified Poulantzasian stance. It concludes with some more general comments on the relevance of Poulantzas's work and my own remarks to possible changes in the European Union considered in state-theoretical terms.

### **Poulantzas: Marxist Theory and Political Strategy**

I have noted elsewhere (Jessop 1985) that Poulantzas's work, for all its oft-criticized 'hyper-abstractionism' and theoretical obscurities, was primarily motivated by his deep-felt political commitments to working class and popular-democratic struggles in contemporary Europe. Thus, in addition to his concern with the theoretical positions advanced in classic texts by Marx, Engels, and Lenin, Poulantzas consistently engaged in trenchant critiques of alternative contemporary Marxist analyses of imperialism: these include theories of state monopoly capitalism, an ultra-imperialism organized under the hegemony of a US super-state or the domination of stateless monopoly capital, an alleged continuity of contradictions among national states mobilized in defense of their own national bourgeoisies, and the view that the European Economic Community was becoming a supra-national political apparatus to serve European capital in its struggle against the hegemony of American capital (1975, 38-40). This concern with political strategy is especially clear in his analyses of then current changes in imperialism and their implications for national states and class struggles in Europe.

Re-reading his work after some twenty years of further discussion on changes in the world economy reveals the importance for Poulantzas of situating his analyses in terms of a careful periodization of the 'imperialist chain' and of the class struggles with which it is inevitably linked. For he insisted on posing the question of internationalization in terms of imperialism. Although the latter is something that is all too often neglected in recent work on 'globalization', concern with its changing forms is essential to an adequate understanding of changes in the national state and much else besides. Accordingly Poulantzas examined changes in the international division of social labor which connects different imperialist metropolises and dominated social formations in a complicated matrix marked by uneven and combined development. He related such changes in turn to the changing rhythms of class struggle (especially in regard to the principal contradiction between bourgeoisie and working class) which both prompt shifts in bourgeois strategies and result from changes in the 'imperialist chain'. And he explored how these changes are reflected in the reorganization of the institutional materiality of the national state, the relationship between its economic and other functions, and the nature of its crisis-tendencies.

It was in grappling with these issues that Poulantzas integrated his long-standing interests in state theory and political strategy more closely and more coherently with traditional Marxist economic themes. These latter had largely been ignored in his early state-theoretical work on the grounds that the capitalist economy was not only separate from the capitalist state but also largely capable of self-valorization once the 'external' political and ideological framework for accumulation is secured through the state (1973a, 32-3, 55-6; for his own subsequent critique of this classic error in liberal political economy, see Poulantzas 1975, 100-101; 1978, 15-20). Substantive concern with economic themes first became prominent in Poulantzas's work on the internationalization of capital (1973b) and on *Classes in Contemporary Capitalism* (1975). They were later integrated relatively effectively with his own state theory in *State, Power, Socialism* (1978). But Poulantzas had also brought new insights to the traditional Marxist critique of political economy. In particular, he analyzed the labor process in terms of a complex economic, political, and intellectual division of labor in which the constitutive effects and actions of the state were always present; and, in similar vein, he studied social classes from the viewpoint of their "extended reproduction" rather than from the "narrow" economic perspective of their place in production, distribution, and consumption. This extended reproduction encompassed economic, political, and ideological relations and



involved the state and the mental-manual division as well as the circuit of capital and non-capitalist relations of production. Indeed, Poulantzas always placed the social relations of production *in this expanded, or integral*, sense at the heart of his analysis of class struggle. And he came to analyze social reproduction in terms of the reproduction of the inter-related economic, political, and ideological conditions bearing on accumulation (1973b, 1975, and 1978). These were important advances (see below).

This said, Poulantzas remained trapped within classical Marxist political economy. For his analyses were premised on the ultimately determining role of the mode of production for all aspects of societal organization, on the primacy of the fundamental contradiction between capital and labor, and on the driving power of proletarian class struggle in the transition to socialism. Only in his last year did he begin seriously to question these fundamental tenets of Marxism and try to move beyond them (Poulantzas 1979a, 1979b).

### Imperialism

It is in this overall theoretical and strategic context that Poulantzas's 1973 extended essay on internationalization focused on the latest phase of imperialism and the upsurge of class struggle in the key imperialist metropolises, namely, Japan, USA, Europe (1975, 38). In particular, Poulantzas asked:

Is it still possible today to speak of a *national* state in the imperialist metropolises? What connections are there between these states and the internationalization of capital or the multinational firms? Are new super-state institutional forms tending to replace the national states, or alternatively, what modifications are these states undergoing to enable them to fulfil the new functions required by the extended reproduction of capital on the international level? (1973b/1975, 38).

To answer these questions Poulantzas proposed to analyze 'the contemporary modifications in the imperialist chain and their effects on relations between the metropolises, and on the national states in particular' (1975, 40-41).

Poulantzas divided capitalist development on a world scale along Marxist-Leninist lines into three main stages: a transitional phase, competitive capitalism, and monopoly capitalism (or imperialism). These stages overlap in the sense that pre-capitalist social relations as well as capitalist class relations corresponding to each stage of capitalism are subject to complex modes of conservation-dissolution as capitalism continues to develop in each social formation and in the imperialist chain as a whole (1975, 44). According to Poulantzas, monopoly capitalism is marked by: (i) a relative dissociation of economic ownership and legal ownership (seen in the rise of joint-stock companies); (ii) the fundamental and determinant role of export of capital rather than export of commodities; (iii) the displacement of dominance (both within social formations and within the imperialist chain as a whole) from the economic (i.e., market forces) to the political (the state); and (iv) the displacement of dominance among the state's particular functions from the narrowly political (i.e., a juridico-political or 'nightwatchman' role) to the (now transformed and much expanded) economic function (1973a, 55-6; 1975, 42, 118-19). Each stage of capitalism can be divided in turn into phases: an unstable transitional phase, a consolidating phase, and a phase marked by the final consolidation of the typical features of that stage. Different phases of imperialism correspond to specific forms of capital accumulation and to specific forms of the global relations of production and the international division of labor. They are also linked to different types of various 'conservation-dissolution' effects on pre-capitalist, competitive capitalist, and other social relations of production and their respective social classes (1975, 43-44, 72, 142, 166-7).

A key feature of the 'present' phase of imperialism (with Poulantzas writing, of course, in the early 70s) was said to be the emergence of a 'new dividing line within the metropolitan camp, between the United States on the one hand, and the other imperialist metropolises, in particular Europe, on the other' (1975, 47). All metropolises were still struggling to exploit and dominate dependent formations, of course, but there was also a much sharper struggle for exploitation and domination within Europe (1975, 47-8). This struggle was conducted not only through foreign direct investment (especially by American capital) but also through American mergers with European capital and the more general establishment of the dominance of technical standards, know-how, and social relations of production typical of American



monopoly capital inside European metropolises. A few years later, Poulantzas's analysis could easily have been rephrased in terms of the diffusion to Western Europe of the postwar American mode of growth, its social mode of economic regulation, and its more general mode of (mass) societalization to Western Europe to produce the phenomenon of Atlantic Fordism (cf. Jessop 1992; van der Pijl 1984). But there have since been events and emergent trends that he did not always fully anticipate that have changed the nature of imperialism. These include the crisis of Atlantic Fordism (albeit not of US hegemony), the continued expansion of distinctive forms of East Asian capitalism (albeit under US hegemony), the diffusion of 'Japanization', and, something which he did expect, the collapse of the Soviet Bloc. My chapter refers to some of these issues in section II.

### **Internationalization and Class Relations**

Poulantzas linked the then current phase of imperialism to the international socialization of the labor process -- a process, he suggested, that affects especially 'global relations of production' (1975: 58-9). This process was allegedly prompted by the tendency of the rate of profit to fall (hereafter the TRPF) and the search by capital for enhanced profit through continued indirect exploitation in dependent formations and increased foreign direct investment in other metropolises (1975, 62-63, 62n). Later, Poulantzas would also argue that the Southern European dictatorships (Greece, Portugal, and Spain) were also subject to American foreign direct investment (1976). They were thereby increasingly integrated into the circuit of Atlantic Fordism through their developing role as what Lipietz called 'peripheral Fordist economies' (Lipietz 1987). In general, the principal counter-tendency to the TRPF was, according to Poulantzas, the intensified exploitation of labor-power -- extending beyond the labor process proper to include training, education, technical innovation, town planning, and forms of collective consumption (1975, 1976, and 1978).

This 'current' phase is associated with the reorganization of class relations within the bourgeoisie as well as with changes in capital-labor relations. Above all Poulantzas was concerned to show both theoretically and empirically that the traditional Marxist categories of national and comprador bourgeoisie are no longer adequate to grasp the specificities of relations among different fractions of capital in the current phase of imperialism. As is usual for Poulantzas, the structural determination of class position was referred not only to economic relations but also to a class's place in the ideological and political structures (1975, 71). Thus, whereas comprador bourgeoisies have no autonomous domestic base for accumulation and are thereby triply subordinated (economically, politically and ideologically) to foreign capital, national bourgeoisies are involved in economic contradictions with foreign imperialist capital and occupies a relatively autonomous place in the ideological and political structure (which facilitates alliances with popular masses) (1975, 71). Poulantzas was particularly interested in how the current phase of imperialism undermined the position of the national bourgeoisie. It is being dissolved in favor of the interior (or domestic) bourgeoisie. The latter is neither a simple comprador class (it has its own bases of accumulation at home and abroad) nor a national bourgeoisie (it is multiply locked into the international division of social labor and into an international concentration and centralization of capital under American domination and thereby tends to lose rather than conserve its political and ideological autonomy vis-à-vis American capital) (1975, 72). Nonetheless there are still significant contradictions between the internal bourgeoisie and American capital and these are reflected in turn in European states in their relations with the American state (1975, 72).

One effect of this is that power blocs, i.e., long-term, structurally consolidated, class or class fraction alliances, are no longer (sic) located purely on the national level. In addition to an alleged general sharpening of internal contradictions within national power blocs, European bourgeoisies have been increasingly polarized in terms of their structural and conjunctural relations to US imperialist capital. As a result inter-imperialist contradictions are reproduced within each 'national' European power bloc, national state, and wider social formation (1975, 171). At the same time, each imperialist state is now involved in managing the process of internationalization among imperialist metropolises. Imperialist states 'must take charge not only of the interests of their domestic bourgeoisies, but just as much of the interests of the dominant (sc. American) imperialist capital and those of the other imperialist capitals, as these are articulated within the process of internationalization' (1975, 75). This does not



mean, however, that 'foreign' capitals directly participate as autonomous forces in power blocs: instead they are represented by certain fractions of the interior bourgeoisie within the power bloc and also have access, through various channels, to the state apparatus (1975, 75).

### **Internationalization and the National State**

Although the terms of the debate in the 1970s differed from those that are prevalent today, Poulantzas made important points about the future of the national state in an era of increasing internationalization of capital. Above all, he insisted on the continued importance of the national state in spite (and, indeed, exactly because) of this increasing internationalization. Thus he argued that the national state will neither wither away in favor of some 'super-state' standing over and above national states nor in favor of a borderless and stateless world organized by multinational firms. His critique of the 'super-state' was directed against forecasts of a 'world state' organized under US domination rather than at the prospects of an emergent European super-state. But the six criticisms he directed at the possibility of such a 'world state' (detailed below) would also seem to apply to a European super-state. Indeed Poulantzas firmly denied that every step that capital took towards internationalization would automatically induce a parallel 'supranationalization' of states (1975, 78). Such a *pari passu* claim would involve an unacceptable economism which denied the crucial political mediations of the internationalization process and the political overdetermination of the state's techno-economic functions (Poulantzas 1975; 1978). Similar arguments inform his rejection of what has subsequently been labeled a 'borderless world' (e.g., Ohmae 1990). For he claimed that 'every process of internationalization is effected under the dominance of the capital of a definite country' (1975, 73) because national states remain central to the extended reproduction of their bourgeoisies (1978, 117). In criticizing these two complementary (and still widespread) errors, Poulantzas was certainly not trying to suggest that nothing had changed as a result of internationalization. On the contrary, he argued that there were major modifications occurring in the form and functions of the national state (1975, 84; 1978, *passim*). These called into question the legal concept of national sovereignty and were also linked to ruptures in the unity of national states, leading to nationalist revivals and institutional fragmentation (1975, 70, 80).

It was in this context that Poulantzas argued:

The current internationalization of capital neither suppresses nor by-passes the nation states, either in the direction of a peaceful integration of capitals 'above' the state level (since every process of internationalization is effected under the dominance of the capital of a definite country), or in the direction of their extinction by the American super-state, as if American capital purely and simply directed the other imperialist bourgeoisies. This internationalization, on the other hand, deeply affects the politics and institutional forms of these states by including them in a system of interconnections which is in no way confined to the play of external and mutual pressures between juxtaposed states and capitals (1975, 73).

Overall, Poulantzas appears to reject the thesis of a supra-national state on six grounds:

- Internationalization is no longer limited primarily to purely external relations between autocratic national economies and states -- relations which could perhaps have been coordinated from outside and above individual states in the manner of a nightwatchman state. Instead it also involves the endogenization (internalization) of the contradictory relations among different metropolitan capitals and especially the induced reproduction of the dominance of US capital (1975, 73). Arguments for a super-state imply that the now dominant economic function of the capitalist state could be largely dissociated from its articulation with the maintenance of political class domination and social cohesion in national states and transferred as such to some superordinate apparatus. At most what one finds is a partial and conditional delegation of such functions in order to improve economic policy 'coordination' across different states as part and parcel of each national state's new responsibilities for managing the process of internationalization (Poulantzas 1975, 81-2).





- National states play a major role in the competitive positioning of their respective economic spaces vis-à-vis foreign capitals (including attracting FDI and securing other advantages of foreign penetration) and they also promote the concentration and international expansion of their own indigenous capital in its competition with such capitals. This task could not be delegated to a supra-national state since it pits different national power blocs and states against each other (1975, 73).
- As inter-imperialist contradictions also remain on many other points, national states will still support their own nationally based (interior, national, comprador) bourgeoisies (1975, 74) and, indeed, the 'modern nation remains for the bourgeoisie the focal point of its own reproduction' (1978, 117). Together with the two preceding points this seems to imply that supra-national regimes or institutions will only be supported by national states to the extent that they are consistent with national interests (as modified by the process of internationalization).
- The (national) state is never a simple instrument of the dominant classes (in which case, suggests Poulantzas, certain functions might, indeed, be passed up to a supranational apparatus step by step with each successive stage of internationalization) but is shot through with many class antagonisms and struggles. Thus the national state remains responsible for maintaining social cohesion in a class-divided national formation which is now increasingly subject to uneven development due to its insertion into the imperialist chain (1975, 78).
- Indeed, each national state has its own distinctive, path-dependent, national balance of class forces, its own institutional and organizational specificities, its own strategically selective impact on the 'national forms' of class struggle. This suggests in turn that, in so far as supra-national politics is always already inter-governmental politics, it would reflect national specificities.
- Finally, in each national state there are 'social categories' (i.e., personnel divided perhaps by their place in class relations but unified by their common function) employed in the state apparatuses (e.g., civil servants, the police and military personnel, professionals, or intellectuals) that therefore have vested interests in the survival of the national state -- which implies that they would resist the loss of the various capacities, prerogatives, and powers off which they live (1975, 78-9).

Given that Poulantzas rejects the idea of a supranational state as well as a borderless, stateless world dominated by multinational firms, how did he see the then 'current' role of national states? His account is carefully located within his more general approach to the form and functions of the capitalist type of state. There are three key arguments relevant to this issue. First, a distinctive form of institutional separation from the capitalist economy marks the capitalist type of state and this separation limits the state's capacity to intervene effectively into the heart of the production process. Second, while this state's institutional materiality facilitates its role in politically organizing the dominant classes and disorganizing subordinate classes, it can never completely contain and domesticate the class struggle. And, third, the state's three particular functions (i.e., techno-economic, more narrowly political, and ideological) are always performed in the light of their broader implications and repercussions on its general (or 'global') political function of maintaining social cohesion in a class-divided social formation (1973b, passim; 1978, 160, 191-2). According to Poulantzas, the changing forms of internationalization have had major effects in each of these three respects.

Thus, first, the forms of internationalization associated with the 'current' phase of imperialism have transformed the forms of separation of state and economy -- redefining their respective social spaces and structural coupling. Competitive capitalism allegedly involved a distinction between the state's intervention in the extended reproduction of the general conditions of production and its direct economic interventions (1975, 167-8). However, in monopoly capitalism (or imperialism), the various political and ideological 'conditions' of production have come to belong directly to the valorization and extended reproduction of capital (1975, 101, 168). This is reflected in a characteristic politicization of formerly (and still formally) extra-economic domains and increased state involvement therein to promote valorization and extended reproduction (1975, 101). In competitive capitalism the strictly economic functions of



the state were subordinate to its more general repressive and ideological functions and were easily adapted to fit the changing exigencies of accumulation. But, in monopoly capitalism, the state's political and ideological functions have themselves gained direct economic significance for the reproduction of the relations of production. Thus it has become increasingly difficult for the state to reconcile its responses to ever more insistent economic imperatives with the more general demands of securing political class domination and social cohesion (1975; 1978, 178).

Second, they have transformed the balance of class forces -- notably through the emergence of an interior bourgeoisie which is itself internally divided according to its differential insertion into the imperialist chain. This means that national states now assume responsibility not only for their own nationally-based capitals (comprador, national, or interior) but also serve the interests of other capitals with which they are affiliated in one way or another. This results in the dis-articulation and heterogeneity of the power bloc and, according to Poulantzas, 'explains the weak resistance, limited to fits and starts, that the European states have put up to American capital' (1975, 74-5).

And, third, they involve tighter subordination of the state's three particular functions to the mobilization of counter-tendencies to the tendency of the rate of profit to fall. This makes the successful pursuit of the state's general function in maintaining social cohesion more difficult, politicizes its economic functions so that it can longer present itself successfully as a neutral arbiter above social classes, and intensifies generic crisis-tendencies in the capitalist state to produce a permanent crisis of political instability and declining legitimacy (1978, 213, 244-5).

### **'The Ideology of Globalization'**

In this last section on Poulantzas's own arguments, I want to consider his response to the idea of globalization. For he critiqued the ideological term 'globalization' (admittedly before its current popularity) on the grounds that it treats contemporary capitalism as if there were a single 'world capitalist mode of production'. This in turn prompts treatment of social formations as mere spatial concretizations of the 'world capitalist mode of production' with differences among them being regarded as insignificant or reducible to a temporary uneven development. Against this approach, Poulantzas argued that 'the ideology of globalization' (sic) tends to conceal the existence of the imperialist chain (1975, 50) and added that 'uneven development ... is the constitutive form of the reproduction of the CMP [capitalist mode of production]' (1975, 49, cf. 78).

This general critique is reflected in turn in three particular lines of argument that could be redirected against current myths of globalization. The first concerns the alleged decline in power of nation-states in the face of globalization or the world market. This is one area where Poulantzas's unjustifiably notorious claim (first advanced in *Political Power and Social Classes*) that the state has no power of its own has a real cutting edge. For Poulantzas proposed that state power is necessarily tied to class power through at least two crucial mechanisms. Class-bias is always inscribed in the state's own institutional form and its insertion into the capitalist mode of production. And its powers (in the plural) are never exercised (or, due to 'non-decision making', not exercised) by state managers in isolation. They are always activated in a determinate but variable conjuncture of class struggles within, over, and at a distance from the state. And these struggles inevitably affect the manner in which the particular and global functions of the state are exercised. It follows that, if, within the limits established by its separation from the core of the production process, the state seems powerless in the face of this or that class (fraction), this is due to the class contradictions reproduced within the state apparatus itself. Thus, for Poulantzas, the inability of national states to control world markets would have far less to do with any alleged inherent 'ungovernability' of footloose global capital than with real class contradictions within national power blocs as these are increasingly shaped by the process of internationalization itself. If we ask why agreement has not been reached to impose a 'Tobin tax' to reduce the speculative flow of 'hot money' around the globe at the expense of stable conditions for production, for example, the answer will surely be found in the internal contradictions of capital itself rather than the simple incapacity of states to control financial capital.



The second argument concerns the relative autonomy (to purloin a phrase) of the nation. Thus Poulantzas argues that national social formations are still important because they remain 'the basic sites of reproduction and uneven development ... in so far as neither the nation nor the relation between the state and nation are reducible to simple economic ties. The nation, in the full complexity of its determination -- a unity that is at the same time economic, territorial, linguistic, and one of ideology and symbolism tied to "tradition" -- retains its specific identity as far as the "national forms" of class struggle are concerned, and in this way the relation of state and nation is maintained' (1975, 79). Although there is a clear risk of class reductionism in certain features of Poulantzas's arguments on the nation, it is nonetheless salutary to consider the extent to which nationalism remains a focal point in economic, political, and ideological struggles. As Poulantzas himself noted, this not only affects the position of the national state in relation to internationalization and any potential 'super-state', but also shapes forms of popular resistance to internationalization and the increasing tendency to authoritarian statism.

The third argument concerns those analyses of 'strong' and 'weak' economies which 'pose the question of inter-imperialist contradictions in terms of the "competitiveness" and actual "competition" between "national economies"' (1975, 86-7). Although Poulantzas discussed this discourse in largely macro-economic terms (e.g., rates of growth) rather than in relation to the more supply-side oriented measures that are now in vogue, his criticism of their 'futurological' tendency to extrapolate from short-term trends and their neglect of the effects of class struggle is still valid (ibid.). He implied that the real problem was not so much a whole series of particular crises of national competitiveness as a general crisis of imperialism (admittedly under US hegemony) (1975, 87). This crisis of imperialism as a whole is by no means restricted to a crisis of US hegemony over an otherwise stable system and so cannot be restricted to US capital. If this were so, other national capitals might feel encouraged to lead popular struggles against US imperialism to advance their own interests in the inter-imperialist conflict. According to Poulantzas, however, the principal contradiction in Europe is not one between specific national economies and American domination; instead it involves the popular masses against their own bourgeoisies and their own states (1975, 86-8; 155). This argument has interesting resonances with the current emphasis on 'international competitiveness' and its deployment to justify the rolling back of past economic and social concessions to dominated classes (see below).

### **Some Critical Comments**

One can criticize Poulantzas's views on internationalization and the national state on at least three main lines: a) the adequacy of his general approach to the critique of political economy; b) the adequacy of his general analysis of the relation between political power and social classes in contemporary capitalism; and c) the adequacy of his particular account of the 'present' phase of imperialism and its implications for the national state in Europe.

Regarding the critique of political economy, Poulantzas argued, in my view correctly, for the primacy of the capitalist production process in determining the overall dynamic of capitalism. He took the problematic valorization of capital seriously and linked it to the extended reproduction of social classes. In this context he emphasized the need to link analysis of the 'needs' of capital to the nature of class relations and class struggles -- a lesson as valid today as ever (see below). Thus changes in state intervention in the economy were always mediated through the balance of class forces and the problems of maintaining political class domination. He likewise offered some important theoretical observations on the changing separation of the economic and the political; and on the complexities of the 'presence-action' of the state within the economic. And he emphasized the importance of the nation form and national states to the process of accumulation in so far as the extension of the capital relation on a world scale necessarily took the form of the uneven development of the inter- or trans-nationalization of capital. In practice, however, Poulantzas paid scant attention to the labor process itself, focusing instead on the changing relationship between the powers of economic ownership and possession within and across different units of production and economic decision-making centers. Likewise, despite his critique of a narrow conception of the economy or class relations, Poulantzas remained committed to residual forms of economism and class reductionism (for more details, see Jessop 1985).





Regarding political power and social classes, Poulantzas correctly saw the state as a social relation, as a form-determined condensation of a changing balance of class forces. This implies that the state does not have its own independent power which can either be fused with that of capital (in 'state monopoly capitalism' or a Galbraithian 'technostructure') or eliminated due to the growing counter-power of global capital (1978, 160). This approach permitted a novel and interesting account both of the relative unity of the state apparatus(es) and of the basic limits of its capacity to function in a rational, coherent, and systematic manner on behalf of the power bloc. This is especially useful, as noted above, in dealing with the state's activities in relation to internationalization and its alleged loss of sovereignty in the face of globalization. However, in discussing the relative autonomy of the capitalist type of state, Poulantzas inclined towards a functionalist approach, limiting the state's relative autonomy to the twin tasks of organizing the dominant class(es) and disorganizing subordinate classes, and deriving its real power from the changing balance of political class forces. He also tended to ignore aspects of the state other than those attributable to capitalism and to downplay the significance of social forces other than class forces (e.g., 1975, 98).

Regarding the 'present' phase of imperialism, Poulantzas's empirical analysis was largely shaped by contemporary developments and conflicts within Atlantic Fordism. Thus he was pre-occupied with establishing the primacy inside Europe of the inter-imperialist division between American and other capitals and with showing how the hegemony of American capital was being reproduced within each and every national economy, power bloc, and state in Europe. Whilst I do not deny the continued domination of US capital and the American state in an allegedly 'triadic' world, it is noteworthy that European and East Asian capitals have continued to catch up with American capital. Furthermore, the internal contradictions and conflicts within Europe's national power blocs now reflect structural and conjunctural links to East Asian as well as American and other European capitals. For the forms in and through which the relative closure of the gap between economic power and possession is being realized are now more complex, more flexible, more network-like, and more international than could have been anticipated by Poulantzas during the emerging crisis of Atlantic Fordism. In part this failure could be linked to his analysis of this crisis as an enduring crisis of imperialism as a whole (rather than as a possibly temporary crisis in imperialism due to the crisis of Atlantic Fordism as its primary mode of growth).

Moreover, in so far as the emerging dynamic of capital accumulation on a world scale has begun to shift from the Atlantic Fordist mode of growth (and its extension through 'peripheral Fordism') to the search for a sustainable 'post-Fordist' regime in a triadic system, the manner in which the national state gets involved in managing the process of internationalization will also change. This is related in turn in a series of challenges to the continued dominance of the national state both as a national state and as a national state in managing this process. On the former point, indeed, interesting questions are being posed about the relative primacy, if any nowadays, of different scales of economic and political organization -- thereby casting doubt on the continued dominance of the national level. In this regard Poulantzas did not anticipate the growing integration within each triad region (North America, Europe, and East Asia) even though he correctly anticipated the continued importance of their interdependence under the hegemony (or at least dominance) of US capitalism. And, on the latter point, there is increasing interest in the changing balance between government and governance in the overall organization of political class domination (see below).

## **II. The Future of the National State: Twenty-five Years On**

Having summarized and briefly critiqued Poulantzas's account, I now turn to the second task of this contribution. This is to consider the changing form and functions of the national state in relation to the most recent phase of imperialism. In undertaking this task I propose, in line with Poulantzas, to treat internationalization (or globalization) as a process that involves the uneven development of the imperialist chain. But I will also depart from his approach by paying more attention than he did to the complex and tangled interplay of the different spatial scales on which accumulation can occur. In particular, as compared to Poulantzas's overwhelming interest in the national and the primacy he accorded to division between the USA and all other imperialist powers, I will give more consideration to local and regional



spaces below the national level, to cross-border and inter-regional linkages at the sub-national level, and to the emerging supra-national blocs. Likewise, whilst subscribing wholeheartedly to Poulantzas's claim that the state is a social relation, I want to explore, in more detail than he himself managed, the division between 'public' and 'private' in the state's organization and operations and its implications for parallel power networks. In addition, albeit for different reasons, I will focus, as did Poulantzas, on current changes in the organization of European national states. Finally, also in his spirit, I will consider all these topics from the viewpoints of the re-articulation of the economic and political spaces of accumulation, the transformation of the state apparatus, and the continued significance of the national state.

### **The Re-Articulation of the Economic and the Political**

In this section I deal with the re-articulation of the economic and political spaces of accumulation and extended reproduction by referring to changes in the so-called 'welfare state'. Poulantzas had already argued in *Political Power and Social Classes* that this was 'a term which in fact merely disguises the form of the "social policy" of a capitalist state at the stage of state monopoly capitalism' (1973, 193). He had likewise claimed that the welfare state illustrated a more general phenomenon in which 'the capitalist state undertakes massive interventions in order to adapt and adjust the system in the face of the socialization of productive forces' (1973, 272, italicized in original). He later emphasized that the welfare state is not intelligible purely as social policy nor simply in terms of concessions to working class and/or popular struggles. For it plays a part in the state's general task of organizing the balance of forces in favor of the expanded reproduction of capital (1975, 184-5).

Two unstated assumptions behind these general claims about the nature of social policy in contemporary capitalism were the continued dominance of 'Atlantic Fordism' and the existence of the Keynesian welfare national state. Poulantzas's account of the 'current' phase of imperialism was marked by these closely related phenomena. Here I want to suggest that the crisis of Atlantic Fordism and the continuing search for a stable 'post-Fordist' accumulation regime has been associated with a crisis of the 'welfare state' as Poulantzas knew it and the tendential emergence of a new welfare regime. With the benefit of a hindsight not available to Poulantzas, it would appear that there has been a further re-articulation of the economic and political spaces of capitalism's extended reproduction. This transformation in the separation of the economic and political can be summarized in terms of a tendential transition from a Keynesian welfare national state (hereafter KWNS) to an emergent Schumpeterian workfare postnational regime (hereafter SWPR). The significance of these contrasting forms for extended reproduction can be expressed in terms of their respective functions in the valorization of capital and the reproduction of labor power (the following remarks draw on Jessop 1993, 1994, and 1995).

As Poulantzas himself noted, during the postwar consolidation of imperialism, the metropolitan capitalist states sought to organize circulation and consumption as well as the production cycle. Their aim in so doing was to mobilize counter-tendencies to the TRPF and to reproduce labor-power. He noted how the state intervened not only through the provision of infrastructure but also through monetary management (1978, 178-9); and how its intervention in the field of consumption was concerned more with collective than individual consumption (1978, 178-9). These roles correspond to the Keynesian and welfare aspects of the KWNS respectively. We can link these functions to the nature of Atlantic Fordism as follows. Economically, the KWNS aimed to secure full employment in relatively closed national economies mainly through demand-side management and regulation of collective bargaining. And, socially, it aimed to promote forms of collective consumption that supported a Fordist growth dynamic and to generalize norms of mass consumption. This in turn would enable all citizens to share the fruits of economic growth and thereby contribute to effective domestic demand within the national economy.

A third key feature of the KWNS was its organization primarily in and through the national state. For the international level was essentially a support for the virtuous circles of Fordist accumulation whilst local and regional states acted as relays for policies determined at national level. In particular, while macro-economic policy was mainly determined and implemented at national level, local states assumed an increasingly important role in infrastructural and social policy within parameters largely decided at national level. In this



sense Poulantzas was quite justified in insisting on the central role of the national state during the then 'current' phase of imperialism: for this was precisely the period of expansion of the Atlantic Fordist system under US hegemony and its subsequent crisis -- a crisis which the national state was initially expected to resolve through the stepping up of its typical forms of intervention. Finally, although Poulantzas himself did not explicitly highlight this feature, it is important to emphasize the primacy of formal or public state apparatuses in securing the extra-economic conditions for the Atlantic Fordist mode of growth. This is reflected in the concept of the 'mixed economy' in which the state corrects for market failures and introduces elements of imperative or indicative planning to guide the overall development of the national economy. It is this fourth feature that justifies the term 'state' in the KWNS concept.

The emerging 'Schumpeterian workfare postnational regime' involves quite different state activities and a shift in the sites, scales, and modalities of their delivery. Thus, economically, the SWPR tries to promote flexibility and permanent innovation in open economies by intervening on the supply-side and tries to strengthen as far as possible the competitiveness of the relevant economic spaces. This involves a fundamental redefinition of the 'economic sphere' in so far as 'structural' or 'systemic' competitiveness is held to depend not only on an extensive range of long-acknowledged economic factors but also on a broad range of extra-economic factors. This is linked to the growth of new technologies based on more complex national and regional systems of innovation, to the paradigm shift from Fordism with its emphasis on productivity growth rooted in economies of scale to post-Fordism with its emphasis on mobilizing social as well as economic sources of flexibility and entrepreneurialism, and to more general attempts to penetrate the micro-social level in the interests of valorization. Competitiveness is now widely believed to depend far more than hitherto on formally extra-economic institutional forms, relations, resources, and values; and this belief is leading in turn to increased pressure to subsume these factors under the logic of capital. Indeed this valorization of the extra-economic is a key dimension of current accumulation strategies oriented to so-called 'strong' competition based on flexibility and innovation. Poulantzas had already hinted at this in his remarks on changing forms of state intervention in the economy in the 1970s (e.g., 1978, 167). Since then the process and pace of the re-articulation of the economic and extra-economic have been reinforced and economic strategies have become more concerned with the social and cultural embeddedness of innovation and competitiveness as well as more reflexive about how to promote accumulation. It is in this sense that we can describe the new mode of regulation as tendentially Schumpeterian.

Social policy is also affected by these changes. Although 'conservation-dissolution' effects on past KWNS institutions and measures vary by national formation (as Poulantzas would have predicted), there is a clear trend among states at all levels to subordinate social policy to the discursively constructed 'needs' of structural competitiveness and labor market flexibility (see Jessop 1993, 1994, 1995). This is reflected in the increasing importance of 'workfare' policies -- which should not be understood in purely neo-liberal terms but embrace all forms of subordination of social policy to alleged economic imperatives. This policy reorientation is evident in new forms of labor market policy, vocational training, the 'learning society', housing policies, and so on. In addition, the social wage is now more and more seen as an international cost of production rather than a source of domestic demand. This leads to attempts to reduce social expenditure where it is not directly related to enhanced flexibility and competitiveness within the circuits of capital. It also involves attempts to reduce or roll back the welfare rights that were established under the postwar class compromises associated with Atlantic Fordism.

Such changes also have major implications for the role of local and regional governments and governance mechanisms in so far as supply-side policies are supposedly more effectively handled at these levels and through public-private partnerships than at the national level through traditional legislative, bureaucratic, and administrative techniques. At the same time the continuing internationalization of American capital (including in and through NAFTA) and the emergence of countervailing imperialist strategies in Europe and East Asia mean that the supranational has gained in significance both as a site for mobilizing counter-tendencies to the TRPF and for building strategic alliances and re-organizing power blocs. The increased importance of other scales of intervention and regulation justify the emphasis on the post-



national character of the emerging system (see also the next paragraph). Finally, reflecting both the crisis in the mixed economy associated with the KWNS -- which is linked to the perceived need to find ways to correct state as well as market failure -- and the increased importance of extra-economic conditions for the valorization of capital, there is an increasing role for modalities of policy formation and implementation based on networking, public-private partnership, regulated self-regulation, etc.. The term 'regime' in the SWPR concept serves to highlight this shift from the market-state couplet associated with the mixed economy of Atlantic Fordism to the more complex forms of governance associated with the search for a stable post-Fordist order.

The changes in economic and social policy associated with the shift from the KWNS to the SWPR serve to undermine the primacy of the national state as the site on which particular techno-economic, narrowly political, and ideological functions are undertaken in the interests of capital accumulation. They also reinforce the problems faced by national states in reconciling the increasing pressure to take measures directly and visibly beneficial to capital with the need to maintain political legitimacy and the overall cohesion of a class-divided social formation (cf. Poulantzas 1975, 1978). One response to this dilemma is the displacement of crisis through the re-allocation of functions to different levels of economic and political organization (the post-national moment of the SWPR) and/or to other modalities of intervention (the regime moment of the SWPR). Another is the strengthening of 'authoritarian statism' and the concentration of power at the center (Poulantzas 1978). Nonetheless, in comparison with the Keynesian welfare national state, the Schumpeterian workfare postnational regime appears to give less direct support to Poulantzas's claims about the continued primacy of the national state in contemporary capitalism. Whether his thesis can be rescued in other ways remains to be discussed in the next two sections.

### **The Transformation of the State**

This section advances three inter-related propositions about emerging trends in the organization of the state in the light of the re-articulation of the economic and political spaces of valorization and extended reproduction (for a more detailed and nuanced treatment, see Jessop 1997). In presenting these trends I do not want to detract from Poulantzas's inspired analysis of the growth of authoritarian statism -- which seems more relevant than ever for understanding the transformation of the national state in the economic and political spaces once dominated by Atlantic Fordism (see Poulantzas 1978). My aim is simply to highlight certain related changes that complicate his view of authoritarian statism and qualify his implied claim that the national state in its postwar guise has become a permanent feature of capitalism. At the same time I want to subject my own earlier arguments to a Poulantzasian critique by noting in turn their limitations from his particular perspective on the dynamic of internationalization and the national state.

First, there is a general trend towards *the de-nationalization of the state* (or, better, statehood). This structural trend is reflected empirically in the 'hollowing out' of the national state apparatus with old and new state capacities being reorganized territorially and functionally on subnational, national, supra-national, and trans-local levels. There is a continuing movement of state power upwards, downwards, and sideways as attempts are made by state managers on different territorial scales to enhance their respective operational autonomies and strategic capacities. One aspect of this is the loss of the de jure sovereignty of national states in certain respects as rule- and/or decision-making powers are transferred upwards to supranational bodies and the resulting rules and decisions bind national states. This trend is most apparent in the European Union but also affects NAFTA and other intergovernmental regional blocs. Another aspect is devolution of authority to subordinate levels of territorial organization and the development of transnational but inter-local policy-making.

This trend should certainly not be mistaken for the rise of a 'global state' -- at least if the concept of the state is to retain its core meaning of the territorialization of a centralized political authority -- such that a 'global state' would become equivalent to a single 'world state'. Poulantzas himself gave sound reasons to reject such an interpretation. To these we could add that, even were a world state to be established, it would inevitably be subject to a tension between its juridico-political claim to unicity (sovereignty) and the harsh reality of plurality





(particularistic competition among other states for influence in its counsels). It is for this reason that inter-state politics on a global scale is often marked by the international hegemony of a national state which seeks to develop a hegemonic political strategy for the global system -- with that hegemony armored, of course, by various forms of coercion and resting on a complex articulation of governmental powers and other forms of governance. This has been evidenced in the postwar period, of course, by the continuing hegemony of the USA within the inter-state system. But there is also more to this trend to de-nationalization than changes at the supra-national level. For we are witnessing a complex re-constitution and re-articulation of various scales of the territorial organization of power within the global political system. Thus de-nationalization involves more than the delegation of powers to supranational bodies and the resurgence of a reinvigorated and relatively unchallenged American 'super-state' with re-vitalized capacities to project its power on a global scale. It also involves the delegation of authority to subordinate levels of territorial organization and/or the development of so-called 'intermestic' (or interlocal but trans-nationalized) policy-making regimes.

Second, there is a trend towards *the de-statization of the political system*. This is reflected in a shift from *government* to *governance* on various territorial scales and across various functional domains. There is a movement from the central role of the official state apparatus in securing state-sponsored economic and social projects and political hegemony towards an emphasis on partnerships between governmental, para-governmental, and non-governmental organizations in which the state apparatus is often only first among equals. This involves the complex art of steering multiple agencies, institutions, and systems that are both operationally autonomous from one another and structurally coupled through various forms of reciprocal interdependence. Governments have always relied on other agencies to aid them in realizing state objectives or projecting state power beyond the formal state apparatus. And, as Poulantzas notes, there is nothing new about parallel power networks which cross-cut and unify the state apparatus and connect it to other social forces (1974a, 1975, 1976, and 1978). But this reliance has been re-ordered and increased. The relative weight of governance has increased on all levels -- including not only at the supra-national and local or regional levels but also in the trans-territorial and inter-local fields. This increase in governance need not entail a loss in the power of government, however, as if power was a zero-sum resource rather than a social relation. Thus resort to governance could enhance the state's capacity to project its influence and secure its objectives by mobilizing knowledge and power resources from influential non-governmental partners or stakeholders. Moreover, in the light of shifts in the balance of class forces, the turn to governance could also be part of a more complex power struggle to protect key decisions from popular-democratic control (cf. Poulantzas 1973a, 1978). In both respects it is important to resist the idealistic and erroneous impression that expansion of non-governmental regimes implies that the state is no longer necessary. Indeed, the state retains an important role precisely because of the development of such regimes. For it is not only an important actor in many individual governance mechanisms but also retains responsibility for their oversight in the light of the overall balance of class forces and the maintenance of social cohesion (see below).

Third, there is a complex trend towards *the internationalization of policy regimes*. The international context of domestic state action has extended to include a widening range of extra-territorial or transnational factors and processes; and it has also become more significant strategically for domestic policy. The key players in policy regimes have also expanded to include foreign agents and institutions as sources of policy ideas, policy design, and implementation (cf. Gourevitch 1978; Doern, Pal and Tomlin 1996). This trend is reflected in economic and social policies as the state becomes more concerned with 'international competitiveness' in the widest sense (cf. my earlier comments on Schumpeterian workfare postnational regimes). Neo-liberalism pursued in the name of globalization is the most obvious and vocal manifestation of this trend; but its long-term social impact is also proving to be the most disastrous. This trend would not surprise Poulantzas, of course; it is an excellent illustration of his own arguments about the interior bourgeoisie and the increasing importance of the national state in managing the process of internationalization. But it should be noted that this trend also affects local and regional states below the national level and is also evident in the above-mentioned development of inter-regional and cross-border linkages that





connect local and regional authorities and governance regimes in different national formations.

These trends have been presented above in a one-sided and undialectical manner. Each of them is linked to a counter-trend that both qualifies and transforms its significance for political class domination and accumulation. This involves more than a simple reference to what Poulantzas described as the complex 'conservation-dissolution' effects associated with successive stages in the development of capitalism. Such effects certainly exist in so far as past forms and functions of the state are conserved and/or dissolved as the state is transformed. Thus the tendential emergence of the SWPR is linked with different types of conservation-dissolution effects on the KWNS across different spheres of state intervention as well as across different national formations. The counter-trends referred to here can be interpreted as reactions to the new trends rather than as survivals of earlier patterns. This is also why they should be seen as counter-trends to the trends rather than vice versa. Let me now briefly present these counter-trends.

Countering the de-nationalization of statehood are the attempts of national states to retain control over the articulation of different spatial scales. However, whilst it might be thought that there is a simple continuity of function in this regard (cf. Poulantzas 1975), I would argue that a major discontinuity has been introduced through the 'relativization of scale' (cf. Collinge 1996) that is associated with the 'current' phase of imperialism. In Atlantic Fordism, the national level of economic and political organization was primary: the postwar international order was designed to support its national economies and states and local and regional states acted as relays of the national state (cf. Jessop 1997). The current period of globalization involves a proliferation of spatial scales (whether terrestrial, territorial, or telematic, cf. Luke 1994), their relative dissociation in complex tangled hierarchies (rather than a simple nesting of scales), and an increasingly convoluted mix of scale strategies as economic and political forces seek the most favorable conditions for insertion into a changing international order (cf. Jessop 1995). In this sense the national scale has lost the taken-for-granted primacy it held in the economic and political organization of Atlantic Fordism; but this does not mean that some other scale of economic and political organization (whether the 'global' or the 'local', the 'urban' or the 'triadic') has acquired a similar primacy. Indeed this relativization of scale could well be seen as a further factor contributing to the growing heterogeneity and dis-articulation of national power blocs that was noted by Poulantzas and, *a fortiori*, to the apparent loss of power by national states. Nonetheless, in the absence of a supranational state with equivalent powers to those of the national state, the de-nationalization of statehood is linked to attempts on the part of national states to re-claim power by managing the relationship among different scales of economic and political organization.

Countering the shift towards governance is government's increased role in *meta-governance*. Interestingly, Poulantzas identified one of the features of authoritarian statism as 'the massive development of parallel state networks of a public, semi-public or para-public character -- networks whose function is to cement, unify and control the nuclei of the state apparatus ... and whose creation is directly orchestrated by the commanding heights of the State in symbiosis with the dominant party' (1978, 239). This indicates both the expansion of governance but also the extent to which governance operates in the shadow of government. For governments (on various scales) are becoming more involved in organizing the self-organization of partnerships, networks, and governance regimes. They provide the ground rules for governance; ensure the compatibility of different governance mechanisms and regimes; deploy a relative monopoly of organizational intelligence and information with which to shape cognitive expectations; act as a 'court of appeal' for disputes arising within and over governance; seek to re-balance power differentials by strengthening weaker forces or systems in the interests of system integration and/or social cohesion; try to modify the self-understanding of identities, strategic capacities, and interests of individual and collective actors in different strategic contexts and hence alter their implications for preferred strategies and tactics; and also assume political responsibility in the event of governance failure. Although Poulantzas did not discuss such tasks in any detail (referring simply to the functions of parallel state networks), there are good reasons for taking seriously his more general argument that all such tasks will be conducted by the state not only in terms of their



contribution to particular state functions but also in terms of their implications for political class domination.

Somewhat ambiguously countering yet reinforcing the internationalization of policy regimes is the growing importance of national states in struggling to shape the development of international policy regimes in the interests of their respective national bourgeoisies. This phenomenon was emphasized, albeit in a different context, in Poulantzas's critique of the 'world state'. A second, and equally ambiguous countertrend, is the 'interiorization' of international constraints as the latter become integrated into the policy paradigms and cognitive models of domestic policy-makers. This phenomenon was also extensively discussed by Poulantzas (1975, 1976, and 1978). However, in line with my own remarks above, I would note here that '*interiorization*' is not confined to the level of the national state: it is also evident at the local, regional, cross-border, and inter-regional levels as well as in the activities of so-called 'entrepreneurial cities'. The relativization of scale makes such 'interiorization' significant at all levels of economic and political organization and, indeed, leads to concerns with the complex dialectics of spatial articulations that is reflected in such phenomena as 'glocalization'.

### **The Continued Significance of the National State**

This section deals with the principal question that exercised Poulantzas in his comments on internationalization: is it still possible today to speak of a national state in the imperialist metropolises? Poulantzas's own answer was that the national state was irreplaceable. Indeed one might argue that he saw the national state as, in a certain sense, 'self-substituting'. My remarks have been concerned to reveal some of the complexities in the transformation of the contemporary state; but they have been placed in a framework that is broadly consistent with Poulantzas's approach. It remains for me to suggest that the various changes, trends, and counter-trends that I have considered above do not amount to a fundamental challenge to the national state as such. Instead they seem to involve a transformation of the Keynesian welfare national state that was a key feature of the European social formations of most interest to Poulantzas in the postwar period. This does not exclude the transformation of state form and functions in ways that maintain the 'nation' as a matrix of political organization and safeguard a continuing and central political role for the national state.

There can surely be no doubt that the latter remains an important level of political mobilization despite (and, indeed, precisely because of) the de-nationalization that has followed the crisis of the Keynesian welfare national state. In this context I would like to suggest, in a quasi-Gramscian vein, that the state *in its integral sense* is reproduced in and through continuous changes in the articulation of government and governance. This reflects the 'part-whole' paradox which lies at the heart of the modern national state and which has fuelled so much debate about the nature and purposes of government. For, while the state is only one among several institutionally separated ensembles within a social formation, it is uniquely charged with overall responsibility for maintaining the cohesion of the class-divided social formation of which it is but a part (cf. Jessop 1990, 360). In exercising this responsibility it must continually look beyond its own limited strategic capacities to secure the institutional integration and social cohesion of the wider society to which it belongs. This paradox in turn generates the strategic dilemma that, if sharing power tends to diminish the distinctive unity and identity of the state, not sharing power threatens to undermine its effectiveness (cf. Offe 1987). This dilemma is presented in class-theoretical terms by Poulantzas in his comments on the growing complexity of forming a national power bloc and securing its hegemony over the popular masses (notably 1973a, 1975, and 1978). In this context it may be that the shift from government to governance reflects a reordering of the national state's general (or 'global') function: it has now become responsible for organizing the self-organization of social forces so that it reflects the 'general will' and/or serves the 'public interest'. This would represent a re-articulation of the state in its integral sense as 'political society + civil society'. Indeed, unless or until supra-national political organization acquires not only governmental powers but also some measure of popular-democratic legitimacy, based on an international or cosmopolitan form of citizenship, the national state will remain a key political factor as the highest instance of bourgeois democratic political accountability. How it plays this role will depend on the changing institutional matrix and shifts in the balance of forces as



globalization, triadization, regionalization, and the resurgence of local governance proceed apace.

### III. Concluding Remarks

Poulantzas's major theoretical contribution was to develop a view of state power as a social relation that is reproduced in and through the interplay between the state's institutional form and the changing nature of political forces. This was associated in turn with growing emphasis on the nature of the state as a system of *strategic selectivity* and on the nature of political struggle as a field of *competing strategies* to attain hegemony. He also tried to link these arguments to the changing forms of imperialism and the national state.

Building on Poulantzas's work I have suggested that the relation between internationalization and the national state has changed in several key respects since he wrote. First, some of the particular technical-economic, more narrowly political, and ideological functions of the national state are being relocated to other levels of state organization. I have referred to this as the de-nationalization of statehood. Second, some of the particular technical-economic, political, and ideological functions previously or newly performed by the national state have been increasingly shared with, or wholly shifted to, other (i.e., para-statal or private) political actors, institutional arrangements, or regimes. I have referred to this as the shift from government to governance. And, third, in line with Poulantzas's own arguments, the international context of domestic state action has become of greater significance to national, regional, and local states and their fields of action for domestic purposes have been expanded to include an extensive range of extra-territorial or transnational factors and processes. All three of these trends are associated with a partial redefinition of the particular functions of the state. Obviously more detailed studies of the restructuring and reorientation of the national state would need to look at each trend in more concrete and complex terms. It should be evident too that, if each of these three trends can vary, the manner and extent of their interaction must be even more varied. This said, it is important to consider all three trends in their interaction rather than focus on just one or consider each in isolation.

Overemphasis on the first trend runs the risk of confusing the particular functions or tasks of a particular form of the national state in a particular period with the generic (or 'global') functional activities of the capitalist type of state in any capitalist social formation. For the moment this latter function, as Poulantzas emphasized, remains firmly anchored in the national state. In this sense 'de-nationalization' should be seen as a partial and uneven process which leaves a re-articulated 'national state' still exercising the generic function of the capitalist type of state. It certainly does not imply that a full-fledged 'supra-national' state has already emerged to maintain institutional integration and social cohesion in an extended, class-divided supranational social formation. This is especially clear regarding the still limited development of the European Union's role in promoting 'social cohesion' in the face of the uneven development and discontinuities generated by regional economic integration and international competition.

A unilateral focus on the second trend runs the risk of confusing changes in the specific institutional arrangements associated with particular regimes with the erosion of the state in its integral sense. For the tendential shift from government to governance need not weaken the state apparatus as a whole or undermine its capacity to pursue specific state projects. Much will depend on the ways in which new governance mechanisms are linked to the pursuit of changed state goals in new contexts and to the state's capacities to project its power into the wider society. This is reflected ideologically in the neo-liberal claim that an over-extended state is a weak state -- which implies that, only by confining its activities to those which the state apparatus alone can (and must) do, can it be sure to perform even these effectively.

Too narrow a concern with the third trend runs the twofold risk of neglecting the ways in which the national state has previously managed the insertion of national economic space into the wider economy; and, alternatively, of minimizing the real discontinuities in the state's current concerns for the structural competitiveness of nationally-based capitals at home and abroad. American hegemony and intergovernmental cooperation in the postwar period rescued the 'national state' and, although the KWNS was particularly concerned with the macro-economic management of a relatively closed national economy, it did so in the context of a pluri-national



Atlantic Fordist economy. Even more telling, perhaps, is the fact that small open economies in this pluri-national system were committed to maintaining the structured coherence of their national economies despite their dependence on exports. They appeared to have managed their national economies and secured the unity of the power bloc and people despite levels of internationalization that would now be said to imply a loss of sovereignty. This reinforces the point made earlier (and drawn from Poulantzas) that the power of the national state in the face of internationalization depends critically on the cohesion of the power bloc. If national states now seem powerless in the face of financial capital and/or footloose industrial capital, therefore, it could well be due to the induced reproduction within these states of inter-imperialist and/or inter-fractional conflicts.

Finally, in relating these trends, whether individually or together, only to changes in the economy, one risks economically underestimating the importance of politics (Evers 1994, 117). This error could occur in at least two ways. From an economic viewpoint, even paying due attention to the social embeddedness and social regularization of capital accumulation, it would be wrong to explain these general trends in terms of economic changes without noting how these latter are first translated through struggles into political problems for state action and their solution is mediated through the specific, structurally inscribed, strategically selective nature of the state. This is an error that Poulantzas cautioned us against. Likewise, from a more state-centric viewpoint, it would be wrong to suggest that these trends are attributable solely to (politically mediated) economic changes. For there could also be *sui generis* political reasons prompting state actors and other political forces to engage in institutional redesign and strategic reorientation (cf. Jessop 1994). It is here that Poulantzas's Marxist emphasis on the primacy of political class struggle deserves further development.

My conclusion is that the 'extended reproduction' of capitalism and social classes in the erstwhile economic space of Atlantic Fordism is no longer linked politically to the Keynesian welfare national state with its local relays, corporatist bias, and international supports. It has been re-located in a more internationalized and localized Schumpeterian workfare postnational regime. The particular functions of the latter have been dispersed among several institutional levels of territorial organization and are shared with an extended range of functionally relevant (and politically and ideologically defined) stakeholders. Yet the generic political function of maintaining social cohesion is still exercised at the level of the national state within this restructured and re-oriented political ensemble. Hence the typical features and generic functions of this national state are quite different from those of the Keynesian welfare national state and the strategic context in which it operates has also been significantly transformed.

For the foreseeable future, the most one could expect to see in Europe is some movement towards an integral economic regime oriented to achieving structural competitiveness and social cohesion in a European economic space which it co-defines with other major economic and political actors in the international order. At the highest level this regime will involve a public power which combines features of a 'condominium' of key players in governance mechanisms and a confederation of national states. Thus, on the one hand, as governance mechanisms proliferate from below as well as being imposed from above and are to be found on various spatial scales and serving different functional purposes, the supranational public power will seek selectively to coordinate them to enhance its Schumpeterian workfare roles and to assist in projecting its power beyond its own organizational and institutional boundaries. This is especially important given the current restrictions on its resources and the limited nature of its own supranational state apparatus. For efforts to promote governance at the expense of government could succeed either in bypassing national states and/or securing their compliance in other ways. On the other hand, it should be evident that national states themselves are not only key players in many governance mechanisms (and thus inevitably drawn into European politics) but are also trying to coordinate these mechanisms at the national level in ways that may contradict European-level preferences (so that the Euro-polity is inevitably drawn into national politics).

Moreover, given the continued importance of the generic or 'global' political functions of national states and the continued 'democratic deficit' of Europe's public power, the latter must draw and lean heavily on national states both for legitimacy and for assistance in securing



compliance with Europe-wide policies (cf. Hirst and Thompson 1995). Even with the 'interiorization' of the interests of European and/or global capital in the accumulation strategies and hegemonic projects of national states (cf. Poulantzas 1973b/1975), there is still wide scope for conflicts over how to manage an inherently uneven national insertion into a changing international order. Likewise, even though European commitment to the principle of subsidiarity may enhance local and regional states and their cross-border linkages, it also enshrines a key role for national states - especially if they are unitary rather than federal. Thus, whether crisis- and erosion-prone or not in its integral economic Keynesian welfare features, the postwar national state remains significant as a general political force.

In short, the future of the European political system will reflect, in intensified form, the future of the national state. Both are subject to the three general trends outlined above. But the European political system, which many unrealistically hoped would prove to be an embryonic European national state, is now subject to growing pressures to move towards a future beyond the postwar national state. Indeed, lacking its own entrenched institutional legacies of a national state character, the European political system reveals more fully and transparently the current tendencies in the re-articulation of the economic and political moments of the capital relation. Yet, precisely because it lacks its own entrenched institutional legacies of a national state character, the European political system is also inclined to draw on real, if crisis-prone, national states to lend it legitimacy and to assist in policy implementation. Whether it can break out of such paradoxes, dilemmas, and contradictions by developing a new 'social contract' on a European scale remains to be seen. If it does, it will be as 'de-nationalized, governance-based, Schumpeterian workfare regime' on a European scale.

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