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The European Union and Recent Transformations in Statehood

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This chapter adopts a resolutely state-theoretical but not state-centred approach to the emerging Europolity and its role in economic and political restructuring.¹ It argues that an adequate account of these topics must relate it to more general changes in the political economy of capitalism and the political economy of the modern state – in part because the European Union is itself an integral moment therein. It also argues that recent changes in the economic and political organization of the EU point to the development of a relatively novel form of political regime. The previously dominant but competing state-centred and governance-centred paradigms cannot grasp the distinctiveness of this emerging regime. I therefore introduce an alternative approach based on the strategic-relational approach to the



state before summarizing recent changes in the capitalist type of state and describing some more general changes in the modern state. I then consider the EU as an emerging form of statehood.

The Strategic-Relational Approach

The strategic-relational approach (or SRA) treats the state as a relatively unified ensemble of socially embedded, socially regularized, and strategically selective institutions, organizations, social forces and activities organized around (or involved in) making binding decisions for an imagined political community. While there are significant material and discursive lines of demarcation between the state *qua* institutional ensemble and other institutional orders and the lifeworld, the SRA emphasizes that its apparatuses and practices are materially interdependent with other institutional orders and social practices. Similar material and discursive borders divide the globe into *different* states and societies, creating a more or less complex segmented inter-state system within an emerging world society. How these divisions are drawn, reproduced, and change influences political processes and state capacities. These are always strategically selective. For state structures have a specific, differential impact on the ability of various political forces to pursue particular interests and strategies in specific contexts through their control over and/or (in)direct access to given state capacities – capacities whose effectiveness also depends on links to forces and powers that exist and operate beyond the state's formal boundaries. Putting states in their place like this does not exclude (indeed, it presupposes) specifically state-engendered and state-mediated processes. It does require that these be related to their broader social context and to the strategic choices and conduct of particular actors in and beyond states (Jessop 1990, 2002).

There are many ways to study the state with this approach. Three are pursued below. The first studies the state's role in reproducing the economic and extra-economic conditions for capital accumulation. The second examines the distinctive material, social, and spatio-temporal features of the state and its relations to the wider political system and lifeworld. The third considers the relations between the state as a complex and heterogeneous organ of government and governance within the wider social formation.

First, regarding capital accumulation, I consider the state's role in facilitating profitable economic activities by private capital; its role in securing the overall economic and social reproduction of the labour force as workers and citizens; the primary and secondary scales on which economic and social policies are decided and implemented; and the governance adopted by states to compensate for the inevitable failures of private markets. We can compare states in all four respects.

Second, regarding its institutional materiality, discursive features, and spatio-temporal matrices, I consider six interrelated dimensions of the state: modes of political representation and their articulation; the vertical, horizontal, and transversal articulation of the state as an institutional ensemble and its demarcation from, and relation to, other states; mechanisms and modes of state intervention and their overall articulation; the political projects and demands advanced by different social forces within and beyond the state system; the prevailing state project with its *raison d'état* and statecraft that seeks to impose some relative unity on state activities and regulates the state's boundaries as a precondition for such efforts; and the hegemonic projects that seek to reconcile the particular and the universal by linking the state's purposes into a broader – but always selective – political, intellectual and moral vision of the public interest.

Third, states enact various forms of 'governance in the shadow of hierarchy'. Governance refers to mechanisms and strategies of co-ordination in the face of complex reciprocal interdependence among operationally autonomous actors, organizations, and functional systems. Three forms are relevant here: *ex post* coordination based on the formally rational pursuit of self-interest by individual agents (anarchic market exchange); *ex ante* imperative coordination for the pursuit of substantive collective goals established from above (hierarchical command); and continuing self-organization based on networks, negotiation, and deliberation to redefine objectives in the light of changing circumstances (heterarchic coordination). This last form is especially suited for systems (non-political as well as political) that are resistant to top-down internal and/or external command but cannot be left to the market's invisible hand. States themselves directly employ all three forms of governance (they



are not self-restricted to hierarchical command) and combine them in different ways. They also monitor how these mechanisms work in other institutional orders and the wider society.

From KWNS to SWPR

Adopting the first perspective, I identify the Keynesian Welfare National State (or 'KWNS') as a useful benchmark for assessing the transformation of European statehood. It became dominant in North Western Europe, North America, Australia, and New Zealand in the 1950s to 1970s and was closely linked with a Fordist growth dynamic based on mass production and mass consumption. As the semi-peripheral economies of Southern Europe were integrated into Atlantic Fordism, the KWNS model also became an aspiration. Each term in this ideal type refers to one of the four dimensions noted above. Thus, first, in promoting profitable economic growth, it was distinctively *Keynesian* insofar as it aimed to secure full employment in a relatively closed national economy and did so mainly through demand-side management and national infrastructural provision. Second, in contributing to the daily, lifetime, and intergenerational reproduction of the population, social policy had a distinctive *welfare* orientation insofar as all citizens were granted economic and social rights so that they could all share in growing postwar prosperity (and contribute to high levels of demand and forms of collective consumption were promoted that favoured the Fordist growth dynamic. Third, it was *national* insofar as these economic and social policies were pursued within the historically specific (and socially constructed) matrix of a national economy, a national state, and a society comprised of national citizens. Thus the national territorial state was the dominant node within the scalar division of political labour, with local and regional states serving largely as relays for policies framed at the national level and postwar international regimes mainly providing the framework for national economic recovery and national political stability. And, fourth, it was *statist* insofar as state institutions (on different levels) were the chief supplement and corrective to market forces in a 'mixed economy' concerned with economic growth and social integration.

The KWNS took different, and always hybrid, national forms and not all were affected to the same extent by the crisis of Atlantic Fordism. But they all faced similar economic pressures beginning in the mid-1970s and worsening in the 1980s as that crisis unfolded. The structured coherence of the institutional matrix of national economy-national state-national society was also reduced by changes associated with globalization, internationalization, the rise of multi-tiered global city networks, the formation of triad economies (such as European Economic Space), and the re-emergence of regional and local economies. A further problem was the weakening of the unity of nation-states by the (admittedly uneven) growth of multiethnic and multicultural societies and divided political loyalties within and across national states.

For reasons developed more fully in Jessop (2002), I suggest that a new state form is emerging in the former homelands of Atlantic Fordism and elsewhere. This is a Schumpeterian workfare postnational regime (SWPR), which can also be described in the same terms. First, it is *Schumpeterian* insofar as it tries to promote permanent innovation and flexibility in relatively open economies by intervening on the supply-side and to strengthen as far as possible their structural and/or systemic competitiveness. Second, as a *workfare* regime, the SWPR subordinates social policy to the demands of labour market flexibility, employability, and economic competition. Downward pressure is exerted on the social wage *qua* cost of international production but, given the real economic and political limits to welfare cuts, efforts are also made to re-functionalize the welfare state for economic ends. These are accompanied by attempts to create subjects to serve as partners in the innovative, knowledge-driven, entrepreneurial, flexible economy and its accompanying self-reliant, autonomous, empowered workfare regime. Third, the SWPR is '*postnational*' insofar as the national territory has become less important as an economic, political, and cultural 'power container'. This is associated with a transfer of economic and social policy-making functions upwards, downwards, and sideways and the development of many multilevel government and/or multilevel governance regimes to coordinate such functions. Fourth, the SWPR develops governance *regimes* that rely on decentralized steering and networked partnerships to compensate for the market *and state* failures that became evident in the 1970s and 1980s.

Six Trends and Counter-trends in the Restructuring of Statehood



Taking the KWNS as our historical benchmark and the SWPR as a potential future state form, the current reorganization of state power can be summarised in terms of several overlapping trends and countertrends. These do not correspond directly to the six dimensions of institutional materiality listed above. Instead they mainly concern the middle four; a more detailed study should also consider the other two dimensions.

The denationalization of statehood involves the transfer of state powers previously exercised at the national territorial level up to supra-regional or international bodies, down to regional or local states, or out to relatively autonomous cross-national networks of local, metropolitan or regional states with complementary interests. New state powers have also been allocated to these scales. This de- and re-territorialization of specific state powers weakens national states *qua* mutually exclusive, formally sovereign, spatially segmented instantiations of the modern interstate system. But it may enhance states' operational autonomies and strategic capacities through the pooling and/or redistribution of formal sovereignty. Not all states are equal in this regard, of course; within each regional bloc there is usually one hegemon and, on a global scale, the USA is the key political force in the rescaling of politics.

De- and re-statization involve redrawing the boundaries between state and non-state apparatuses and activities within the political system, thereby altering the 'public-private' divide and modifying the relationship between organizations and tasks across this divide on whatever territorial scale(s) the state acts. Some of the *particular* functions (technical, economic, fisco-financial, juridico-political, ideological, etc.) performed by states (on any scale) get transferred entirely to, or shared with, parastatal, non-governmental, private or commercial actors, institutional arrangements or regimes. This traffic is not all one-way. States on different scales also gain new *particular* functions that were previously undertaken, if at all, by the market or civil society. Quite varied forms (and levels) of partnership develop between official bodies, parastatal organizations and NGOs to coordinate economic and social relations, with the state often only first among equals. This need not entail a loss in overall governmental capacities however, as if power were a zero-sum resource. For resort to governance could enable states project their influence further and secure their objectives by mobilizing knowledge and power resources from influential non-governmental partners or stakeholders.

The retreat of the state involves the weakening of territorial 'power containers' on any scale relative to non-territorial forms of political power that are formally independent of state borders, even if re-scaled. This trend differs from the preceding one in dissociating the exercise of political power from imagined political communities whose interests are tied to territorialized states. Thus, whereas de- and re-statization involve public-private partnerships in which the state devolves responsibilities to the private sphere but attempts to remain *primus inter pares*, state retreat involves functionally-oriented forms of power based on self-organization that by-passes or circumvents state power. The increasing importance of international regimes in the globalizing economy and the rise of cybernetworks in an extra-territorial, telematic space allegedly beyond state control are two contrasting examples of third process. Note, again, that state managers can connive in the state's rollback.

Re-articulating the economic and extra-economic occurs as the scope of the economy is discursively and materially expanded to include many additional factors, deemed 'non-economic' in the heyday of Atlantic Fordism and the KWNS, which allegedly directly affect economic performance and competitiveness. These factors include a growing range of social practices, institutions, functional systems, and domains of civil society. This has two interesting and paradoxical effects on states and politics. First, whilst it expands the potential scope of state economic intervention, the resulting complexity undermines the typical postwar forms of top-down intervention. This requires institutional redesign and strategic reorientation of the state as well as de-statization and state retreat as efforts are made to secure these new conditions for competitiveness. And, second, whilst it increases the range of stakeholders whose cooperation is required for successful state intervention, it also increases pressures on and within the state to create new subjects to act as its partners in pursuing more entrepreneurial and collaborative strategies in the new globalizing, knowledge-based economy.

A re-ordering of political hierarchies also occurs. Postwar West Europe was reconstructed on the assumptions that there would be formal equality among territorially exclusive sovereign states and a nested hierarchy of political powers within them. Many of the changes discussed



above have undermined these assumptions. Different scales of economic and political organization have proliferated and interpenetrated to produce tangled hierarchies and different strategies are pursued to link them. The international context of domestic state action (whether national, regional or local) has therefore expanded to include a widening range of extraterritorial or transnational factors and processes. This is also linked to an increasing role for in domestic policy-making for foreign agents and institutions as sources of policy ideas, policy design and implementation. This trend affects local and regional states and supranational state formations and is also evident in growing interregional and cross-border linkages and multilateral governance regimes.

The political communities (or publics) to which political forces orient their actions are being re-imagined. They include new 'imagined nations' seeking autonomy within and/or control of a defined territory below, above, or transversal to existing national states; a global civil society based on cosmopolitan patriotism, the primacy of human rights over national citizenship, or some other global identity; new 'communities of fate' defined by shared risks regardless of specific territorial location and, perhaps, global in scope (e.g., global warming); and new communities of interest defined by shared identities, interests, and values regardless of specific territorial location (e.g., cybercommunities). These new conceptions of political community are linked to struggles to redefine the nature and purposes of the state, find alternatives to territorialized forms of political power, and redefine the imagined general interest that should be served by political power, whether territorial or not.

We can also identify some major countertrends that can be interpreted as reactions, albeit not on a strict one-to-one basis, to the trends just outlined. Responding to the denationalization of statehood and the re-ordering of political hierarchies are attempts by national states to engage in interscalar articulation across a growing number of significant scales of action. The lost primacy of the national scale in the KWNS introduces two major discontinuities here. First, it enhances the need for supranational coordination and opens the space for subnational resurgence. And, second, it extends the scope for states to influence the transfer of powers between scales and to mediate between them. Although not all states can be hegemonic or dominant in this respect, of course, all are seeking to shape the strategic selectivities of different scales of government and governance. This is reflected in such areas as producing regulating extra-territorial spaces, such as offshore financial centres, export-processing zones, and tax havens; developing and institutionalizing the new *lex mercatoria* and the emerging *lex cybertoria* in the effort to secure economic benefits (or reduce economic losses); and, of course, the creation of supranational political regimes and the management of their relations with other such regimes and other states.

The shift from *government* to *governance* linked to destatization and deterritorialization does not make states redundant – they gain new importance precisely because of these trends. Not only are they key actors in many individual governance arrangements but they also attempt to steer them individually and together in the light of the overall balance of forces and their mutual interactions and effects. This countertrend can be described as a shift *from government to metagovernance*. States are getting more involved in facilitating collective learning about functional linkages and material interdependencies among different sites and spheres of action. And politicians are developing the shared visions that can link complementary forms of governance and maximize their contribution to particular tasks and functions. A further motive for metagovernance is to monitor and guide the effects of governance arrangements on political stability and social cohesion.

As economic competitiveness becomes a major and comprehensive objective, states (on whatever scale) get involved in redefining the relations between the economic and extra-economic, steering the (re-)commodification of social relations, and dealing with the repercussions of the increasing dominance of economic logic in the wider society. Moreover, whereas promoting micro-social conditions for economic competitiveness may be better handled now at subnational or crossborder levels, large national states are still better equipped in principle to deal with problems of territorial integration, social cohesion, and social exclusion because of their fisco-financial powers and redistributive capacities.

The emergence of new imagined political communities has led states to introduce policies to counteract the newly perceived problem of social exclusion and to seek new bases of legitimation to counteract growing political disenchantment with the prevailing forms of state. The 'war on terrorism' has also prompted a re-imagination of the political communities around



which states organize their policies. With new discourses about threats to geo-economic, geo-political, and societal security, there is intense political work to redefine state boundaries both externally and internally with complex regional or continental 'fortresses' being built with a series of outer economic, political, and social 'defense works' and privileged internal strongholds. These and other policies are being pursued across different scales and involve multiple agencies but national states exercise key governmental and metagovernance role in these areas.

The Case of European Statehood

Studies of the emerging Europolity reflect its historical and institutional peculiarities and often appear very muddled when interpreted from a state-theoretical but non-state-centered perspective. In the hope of clarifying matters, I first distinguish state- and governance-centred approaches and then suggest how to link them in terms of the notion of 'multilevel metagovernance'.

State-centred approaches

These tend to adopt the ideal-typical sovereign national state as their benchmark and examine the EU in one of two ways. Some observers identify a tendential, emergent, upward *re-scaling* of the traditional form of the sovereign state from the national to the supra-national level. This is currently reflected in the development of multilevel government based on joint decision-making among different tiers of government under the overall authority of a set of supranational agencies. Other observers interpret the same events and processes as evidence of the rise of a *new supranational arena* for the pursuit of national interests by sovereign national states. This arena is a site of intergovernmental (here, international) relations rather than one to which sovereign powers have been transferred. In the former case, then, we have multilevel government that could lead to a federal United States of Europe; in the latter case, we have multi-arena government, leading at most to a confederal United Europe of States or *Europe des patries*.

Whatever the respective merits of these alternatives, the statist approach as a whole errs on three main grounds: it adopts a restricted account of the state as a sovereign territorial apparatus, employs an anachronistic benchmark, and is marred by its very state-centrism. First, although political power can be territorialized in different ways, these analyses focus on three key features of the state. These are: its monopoly of organized coercion; the constitutionalization of state power through the rule of law and a clear allocation of authority; and control over its own money, taxes, and state budget. Thus the most significant criteria for assessing whether a European superstate has emerged become, first, the development of a federal European *Kriegs- und Friedensgemeinschaft*; second, an explicit European constitution that locates sovereign power at the apex of a multi-tiered political system, defines the relationship between a jointly sovereign European executive, legislature, and judicial system, and determines the division of powers and competencies between the different tiers of government; and, third, a European monetary system, fisco-financial system, and a large, centralized budget. Supranationalists and anti-federalists claim that the EU is developing in this direction. Liberal intergovernmentalists note the absence of all or most of these same features and conclude that the EU is primarily an arena for the pursuit of traditional politics by national, territorial, and still sovereign states. But both sides fetishize formal constitutional and juridical features and ignore *de facto* state capacities and the modalities of the exercise of state power. They also focus excessively on territoriality at the expense of extra-territorial and non-territorial features.

Second, these theorists overlook the successive transformations of modern territorial state forms since the mid-to-late nineteenth century. They therefore adopt an *anachronistic* model of the national state to judge whether and how far a European superstate has emerged. Willke (1992) has usefully distinguished four stages of the modern state: the *Sicherheitsstaat*, concerned to defend its territorial integrity at home and abroad through the use of *Gewalt* (force); the *Rechtsstaat*, ensuring legal security for its subjects through *Recht* (law); the *Sozialstaat* that extends welfare rights through its use of national money and state budgets (*Geld*); and the *Risikostaat*, protecting its citizens from a wide range of unexpected and uncontrollable risks through its relative monopoly of organized intelligence (*Wissen*). Whatever the merits of this definition of the fourth stage, Willke's approach does suggest that



the appropriate model for analyzing EU state building is not an idealized 19th century liberal state but the actually existing state. Thus the absence of a European army-police, constitution, and massive budgets may matter less than the EU's current ability to mobilize organized intelligence and other forms of soft intervention to shape the activities of national and regional states (cf. Sbragia 2000). For the key resources in today's *Staatenwelt* – at least for relations among bourgeois democratic states – are not so much coercion or money but soft law and intelligence.

This also suggests that we should compare the still emergent Europolity with actually existing national democracies rather than earlier democratic systems – whether nineteenth-century liberal nightwatchman states, interwar interventionist states, or postwar Keynesian welfare national states with catchall governing parties. Contemporary western states tend to towards authoritarian statism, with strong executives, mass-mediatised plebiscitary democracy, and authoritarian mass parties (Poulantzas 1979). Thus, if the EU has a democratic deficit, it may be linked to contemporary forms of statehood more generally, with deficits on different scales reinforcing each other. This has obvious implications for how to remedy the deficit (or deficits).

Third, state-centric analyses tend to naturalize the state-society distinction. Yet the boundary between state and society is socially constructed, internal to the political system, and liable to change. Thus, adequately to interpret changes in the EU as moments in the reorganization and reorientation of contemporary statehood, we must consider how the wider political system is organized and how changes in its territorial boundaries may contribute to the more general reorganization of state power. The latter must also be related to the changing patterns of strategic selectivity linked to a changing institutional architecture and new forms of political mobilization. This implies in turn that the European Union is not a fixed form of state (apparatus) but an integral aspect, a path-shaping as well as path-dependent institutional materialization, of a new balance of forces that is expressed, *inter alia*, in state building.

Governance-centred approaches

These focus on the de-statization of politics rather than the de-nationalization of statehood and stress the superiority of heterarchic, reflexive self-organization over hierarchical, top-down state command in solving complex coordination problems. This approach distinguishes government from governance in two ways. First, while the sovereign state is essentially the political unit that governs but is not itself governed; self-organization (networks, negotiation, negative coordination) is the essence of governance. Second, while the sovereign state primarily governs activities on its own territorial domain and defends its territorial integrity against other states and intrusive forces, governance is concerned to manage functional interdependencies, whatever their (often variable) territorial scope. Thus the governance approach would see the EU as an emerging centre of governance that involves a plurality of state *and non-state actors* on different levels who are concerned to coordinate activities around particular functional problems with a variable territorial geometry. Without reference to non-state as well as state actors and to the primacy of functional issues, the governance-centred approach would be hard to distinguish from intergovernmentalism.

The key question then becomes how state and non-state actors attempt to organize their common interests across several territorial levels and/or across a range of functional domains. There are two main approaches. Multilevel governance (MLG) stresses the vertical dimension of coordination; and the network polity approach prioritizes the horizontal dimension. For both, the EU has become a major nodal point in an extensive and tangled web of governance operations – operations that are concerned to orchestrate economic and social policy in and across many different scales of action and with participation from a wide range of official, quasi-official, private economic interests, and representatives of civil society.

Multilevel governance institutionalizes reflexive self-organization among multiple stakeholders across several scales of state territorial organization. State actors operate at best as *primus inter pares* in a complex, heterogeneous, and multilevel network rather than as immediate holders of sovereign authority in a single hierarchical command structure. Their formal sovereignty is therefore better seen as a series of symbolic and material state capacities than as one overarching, and dominant, resource. Other stakeholders contribute other symbolic and/or material resources (e.g., private money, legitimacy, information, expertise, organizational capacities, or power of numbers) to be combined with states' sovereign and



other capacities to advance collectively agreed aims and objectives. Thus states' involvement in MLG becomes less hierarchical, less centralized, and less directive and, compared to the clear hierarchy of territorial powers theoretically with sovereign states, MLG typically involves tangled hierarchies and complex interdependence.

There are three variants of the network polity approach to the emerging Europolity. These comprise Castells' ambiguous claims about the emergence of a 'European network state' (2000); a Foucauldian account of recent patterns of European governance as a shift to an advanced (neo-)liberal form of governmentality (Larner and Wallace 2002; Haahr 2002); and broader governance-theoretical accounts of the networked polity. The third variant is the most widespread and has been well summarized by Ansell:

... the networked polity is a structure of governance in which both state and societal organization is vertically and horizontally disaggregated (as in pluralism) but linked together by cooperative exchange (as in corporatism). Organizational structures in the networked polity are organic rather than mechanistic, which means that both knowledge and initiative are decentralized and widely distributed. Horizontal relationships within and across organizations are at least as important as vertical relationships, and organizational relationships in general follow a pattern of many-to-many (heterarchy) rather than many-to-one (hierarchy). Exchange is diffuse and/or social rather [than] discrete and/or impersonal. The logic of governance emphasizes the bringing together of unique configurations of actors around specific projects oriented toward integrative solutions rather than dedicated programs. These project teams will criss-cross organizational turf and the boundary between public and private. State actors with a high degree of centrality in the web of interorganizational linkages ... provide facilitative leadership in constructing or steering these project teams' (2000: 311).

Governance-centred approaches have three problems. First, reflecting their different disciplinary roots and divergent applications, the meaning and scope of 'governance' is unclear. Having shown that the EU political system does not fit traditional conceptions of government, early analyses of MLG failed to explain exactly how it operated to produce the Europolity, how its objects of governance were established, and how stakeholders were selected. Later work on MLG and the networked polity has begun to address these problems but usually only for specific policy areas or policy networks, leaving open how different multilevel governance regimes and/or networks are connected and how, if at all, they may acquire a relative unity. In addition, all four concepts (MLG, network state, liberal governance, and networked polity) capture several trends in the contemporary state – the de-nationalization of statehood, the de-statization of politics, and the re-articulation of territorial and functional powers. Using them to describe three analytically distinct trends or, at least, to characterize their combined impact, suggests that the concept may obscure as much as it clarifies about recent changes – especially when their countertrends are ignored.

Second, governance approaches tend to highlight how governance can contribute effective problem-solving and crisis-management here. But this can easily lead to neglect of governance failure and its repercussions. In focusing on specific problem fields or objects of governance, these approaches tend to ignore questions of the relative (in)compatibility of different governance regimes and their implications for the global unity of the Europolity. Many empirical studies have also overlooked (or, at least, failed to theorize) the existence of meta-steering. This complicated process, which Dunsire (1996) has aptly termed 'collibration', involves attempts to modify the relative weight and targets of exchange, hierarchy, and networking in the overall effort to coordinate relations of complex interdependence. Yet such meta-steering is central to many of the disputes over European integration and/or state formation and has long been a key issue on the EU agenda, especially regarding different steps in integration (see next section).

Third, work on MLG and the network polity poses fundamental issues about the extent to which a multilevel governance regime and/or a network polity can remain tightly anchored in territorial terms (as opposed to being territorially relevant) given its highly pluralistic functional concerns and equally variable geometries (cf. Schmitter 1992). It suggests, first, that studies of MLG and/or network forms of political organization should not ignore territorial organization; and, second, that, once both sets of issues are posed together, the role of multilevel *metagovernance* becomes central in practice and theory. It also poses the question of how far



political actors in the EU are confined territorially to its member states (and, perhaps, candidate states) and functionally to organized interests and movements that are anchored primarily within the political space directly organized and controlled by the European Union and its member states. For the forms, speed, and extent of European integration are also relevant to other states (notably the USA and USSR) and to a wide range of non-state forces with strong roots outside the European Union. This in turn suggests that the Europolity is not the summit of multilevel governance but merely one nodal point in a more complex, more global, and set of multilevel governance regimes.

These confusions and lacunae have resulted in 'too many case studies, *ad hoc* lessons from limited experiences and organizational description [and] too little theoretical mediation' (Weiler and Wessels 1998: 230n). In part, this *ad hoc*ness reflects the real and unsurprising complexities of the emerging European polity. Indeed, national states also involve heterogeneous patterns of government and governance, with variations by objects of state intervention, policy fields, changing balances of force, etc. Perhaps, then, we are witnessing a re-scaling of these complexities rather than a re-scaling of the sovereign state or the emergence of another arena of contestation for national states. I now turn to these complexities to shed a different light on the emerging EU polity.

Rethinking the Europolity

I now comment directly on the changing forms of European Union statehood in terms of the arguments presented in the first half of this chapter. I argue that the emerging Europolity is important in the transition to the SWPR both as an active force in promoting it and as a major scale on which it is occurring. In addition, its changing institutional architecture and operations are integral moments in the (counter-)trends in state formation noted above. I now develop these arguments.

First, following Ziltener (1999), the initial steps towards Western European integration were oriented to integrating Western Europe into Atlantic Fordism; and the 'Monnet mode of integration' was concerned to create a 'Keynesian-corporatist' (*sic*) form of statehood on the European level favourable to different national Fordist modes of development. However, the emerging crises of national Fordism prompted a crisis in European integration and the search for a new mode of integration. This was the internal market project – with important conflicts between neo-liberal, neo-corporatist, and neo-statist currents. After experimentation with new modes of economic and political coordination, these conflicts have provisionally resulted in a new 'Schumpeterian workfare' mode of integration and coordination oriented to the structural competitiveness of Europe in a globalizing knowledge-based economy (Ziltener 1999; Jessop 2002; Telò 2002). Indeed, the EU can easily be fitted into the above-mentioned movement from the KWNS to the SWPR. For, first, it is actively pursuing Schumpeterian economies policies. Second, it is promoting the open method of coordination to pursue an active labour market policy and promote flexibility, and, albeit in more gradual and piecemeal fashion, to influence member states' social policies. Third, of course, it is a key factor in the rescaling of economic and social policies, both in its own name and as a driving force behind the Europe of the Regions, regional networks, and small-scale cross-border cooperation. And, fourth, as MLG and network polity scholars argue, it has been moving from the KWNS model of the mixed economy² towards greater reliance on networks, partnerships, and other forms of horizontal cooperation in the shadow of hierarchy.

Second, given the extent to which the European Union is a key element in the six trends and countertrends noted above, with the complex interweaving of changes in government and governance, it is important to transcend artificial oppositions between the state- and governance-centred approaches. Thus, I argue for an approach in terms of 'multilevel *metagovernance* conducted in the shadow of hierarchy'. Metagovernance refers initially to attempts to redesign diverse aspects of individual modes of coordination to improve their performance – modifying market rules and reordering the relations among markets, redesigning organizations, inter-organizational relations, and organizational ecologies, and reflexively re-organizing the conditions of self-organization through dialogue and deliberation. But, metagovernance also extends to 'collibration' (Dunsire 1996), i.e., the judicious mixing of market, hierarchy, and networks³ to improve overall outcomes for those engaged in such metagovernance. Metagovernance also involves taking account of their structurally-inscribed strategic selectivity. Unfortunately, since every practice is prone to failure, collibration is also



likely to fail. But this does not prevent continued attempts at collibration and increasing its chances of success by maintaining a repertoire of responses, promoting reflexivity, and seeking consent for new projects to maintain forward momentum.

While it is premature to predict the eventual outcome, the overall direction of recent changes in the EU is towards *multilevel metagovernance in the shadow of postnational statehood*. This can be contrasted to the usual stories of a rescaling of the traditional form of sovereign statehood or a revamping of the intergovernmentalism inherited from earlier integration rounds. As an institutionalized form of multilevel metagovernance, the emphasis is on efforts at continuing collibration in a changing equilibrium of compromise rather than on systematic, consistent resort to a single method of coordination to deal with a fixed pattern of complex interdependence. Effective collibration depends in turn on 'super-vision' and 'supervision', i.e., a relative monopoly of organized intelligence combined with overall monitoring of agreed governance procedures (Willke 1996). New methods of multilevel metagovernance are being developed and combined in a complex approach concerned to develop a long-term 'Grand Strategy' for Europe (Telò 2002: 266). Thus we see repeated rounds of meta-constitutional dialogue (Walker 2000: 17-21) about the overall design of the Europolity as well as increasing resort and expansion of comitology, social dialogue, public-private partnerships, mobilization of non-governmental organizations and social movements, etc., as integral elements in attempts to guide European integration and steer European Union policy-making and implementation (Scott and Trubek 2002).

There is a synergetic division of metagovernance labour between the European Council, the specialized Councils, and the European Commission. The European Council is the political metagovernance network of prime ministers that decides on the overall political dynamic around economic and social objectives, providing a 'centripetal orientation of subsidiarity' (Telò 2002: 253), acting by qualified majority, and playing a key intergovernmental and monitoring role. The European Commission plays a key metagovernance role in organizing parallel power networks, providing expertise and recommendations, developing benchmarks, monitoring progress, exchanging best practice, promoting mutual learning, and ensuring continuity and coherence across Presidencies. This is associated with increasing networking across old and new policy fields at the European level as well as the drawing of a widening range of economic, political, and social forces into multilevel consultation, policy formulation, and policy implementation. Thus, overall, multilevel metagovernance is 'being made more precise and applied (with adaptations as for its intensity) to other fundamental policy fields, traditionally under the competence of national and sub-national authorities: education, structural reform and internal market, technological innovation and knowledge-based society, research and social protection' (Telò 2002: 253).⁴

In strategic-relational terms, this implies a shift in the strategic selectivities of governance and metagovernance in the European Union. For, while building on past patterns of liberal intergovernmentalism and neo-functionalist spillover, this new pattern has its own distinctive momentum and will weaken more hierarchical forms of coordination (whether intergovernmental or supranational). It also entails complementary changes in the strategic selectivities of national states and subordinate levels of government and governance, calling for new forms of strategic coordination and new forms (meta-)governance in and across a wide range of policy fields. Nonetheless, statehood in the European Union is still evolving and, given the tendencies towards failure inherent in all major forms of governance (market, hierarchy, network, etc.) as well as metagovernance itself, continuing experimentation, improvisation, and adaptation are highly probable.

Conclusions

One key issue for a research agenda into European statehood is the manner and extent to which the multiplying levels, arenas, and regimes of politics, policy-making, and policy-implementation can be endowed with a certain apparatus and operational unity horizontally and vertically. A second such issue is the form and outcome of struggles over the politics and the legitimacy of these multilevel metagovernance arrangements. This concerns what powers of government and are re-scaled and to which levels; the forms of metagovernance that shape the rules of the game and likely outcomes for different (non-)players; and the relative primacy of territorial and functional identities and interests in the se arrangements. What is at stake, in short, is the strategic use of interscalar articulation in and through multilevel



governance by states at one or more levels to realize their own aims and objectives. But, insofar as this involves new forms of economic and political self-organization, it also has consequences for the emergence of new levels as well as forms of statehood. Mario Telò has suggested that, if the Lisbon Strategy, which set the aim for the European Union of becoming the most competitive knowledge-based economy in the world compatible with maintaining the European social model and also aimed to overcome the EU's well-known 'democratic deficit', were successful, then:

'the perspective would be that of a new system of democratic legitimacy and governance: multilevel (international, national, supranational, transnational), multifaceted (territorial, functional, modern and post-modern) and with a multitude of actors (social, economic, political and cultural; institutional and extra-institutional), rather than that of a classical democratic normative model – federal/constitutional or democrat/republican' (2002: 266).

While less optimistic than Telò, especially on the democratic deficit, my own arguments nonetheless point in the same broad direction. I believe that the open method of coordination is a paradigm for the more general development of the Europolity. For, as Overdest (2002: 14-15) notes, through its combination of vertical (EU-led) and horizontal (member state-led) coordination, its strategically selective inclusion of a wide range of social partners, and its emphasis on 'super-vision', experimentation, and monitoring, it offers a potential exit from the political stalemate as well as a way 'to supercede the vicious cycle of state and market failure'. There is more metaconstitutional and metagovernance work to do before this emerging system becomes institutionalized and, as I have emphasized above and elsewhere, metagovernance as well as governance failure is an ever-present possibility – especially in a world market, interstate system, and world society subject to the (il)logic of a neoliberal global capitalism. Nonetheless my own medium-term perspective is that the emerging Europolity will develop as a complex, compromise-based, self-organizing system of multilevel metagovernance in the shadow of postnational statehood.

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Endnotes

¹ This chapter, deriving from a more extended published study and work in progress, has a truncated bibliography. For further references, see Jessop 2002.

² The mixed economy model provoked two sets of disputes. Its conflicting political poles were supranationalism and intergovernmentalism; and its conflicting economic poles were liberal, free market competition and Fordist oligopolies organized around economies of scale.

³ Collibration may also include other modes of coordination, too, such as self-help and solidarity.

⁴ Telò is discussing the OMC but his comment also applies to other forms of metagovernance, such as partnership, comitology, and social dialogue.