# The Constitution

Weibe People mestic Tranquisticy. Emiltie for the cummon Defence, phonore the general Weifare, and secure the Electrings of Liberty to ourselves and our Posterity, do ordain and establish this CONSTITUTION for the United States of America.

SECTION 1. All legislative Powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

SECTIO nach Star nach Star and uno and uno Representatives shall be composed of Members chosen every second Year by the People of the several States, and the Electors of the Qualifications requisite for Electors of the most numerous Branch of the State Legislature. If he a Representative who shall not have attained to the Age of twenty-five Years, and here Source Children Children Control of the United State in which he shall be chosen. If he an inhabitant of that State in which he shall be chosen. If these and direct Taxes shall be apportioned among the several States which may be influence that the the several State which may be influence that the shall be chosen.

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by determined by adding to the whole Number of free Persons, including the all other Persons.] The actual Enumeration shall be made within develop ent Term of ten Years, in such Namer as they shall be failed to the shall have at Least one Representative; and until such helper the Representation from any State, the Persons one, Cont the Representation from any State, the Persons on Cristian and the representation from any State, the Persons of Cont the Representation from any State, the Persons of Cont the shall chuse their Spectrum to the Category of the state shall chuse their Spectrum to the Category of the shall be contended on the contended of the state of the Spectrum to t

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The Sel the United Stat Judgma Crisis, crisis-management and state restructuring: what future for the state?

**Bob Jessop** 

# Outline

- Challenges to the state
- What is the state? What is state power?
- Government and governmentality
- The reference point for challenges
- Crisis and crisis construals
- Crises of crisis management
- Crises in and of the state
- Current and future trends
- Conclusions

## **Challenges to the State**

- New and unprecedented pressures on the State due to:
  - volatility and uncertainty of global finance and institutions
  - reconfiguration of the global political economy
  - civic unrest and heightened religious tensions
  - risks posed by climate change and new technologies
- Deciphering current changes in politics and policy:
  - challenges of post-crisis state management
  - reframing the welfare state
  - blurring of public-private boundaries
  - managing large scale public reforms
  - the rescaling of state authority
  - public expectations and the implications for social justice

### So what exactly is the State?

- Statehood involves territorialization of political power:
  - a territory controlled by the state,
  - an apparatus that makes collectively binding decisions, for
  - a resident *population* subject to state authority
- There is no state in general, hence no challenge to the state: different forms of state rest on different forms of territorialization (plus apparatuses and populations)
- Major forms of political power today are non-territorial
- World market (or world society and spaceship earth) generate crisis-tendencies and poses problems that exceed the capacities of many territorial states

#### **State or State Power?**

- The state is *not* a thing or a subject: it is a social relation
- State power involves a shifting, unstable balance of forces oriented to exercise of state powers and capacities and shaped, in part, by forms of the state, whose powers and capacities they seek to transform, exercise, or resist
- Powers and capacities involve different selectivities: discursive, structural, technological (understood in Foucauldian as well as conventional terms), and agential
- A strategic-relational approach to state power (Jessop, Hay, others) is useful but it should be linked to the distinctions among polity, politics, policy

#### **Practices Shaping the Polity, Politics, and Policy**

Level	Key Process	Primary Modes
POLITY A distinct site of specific (political) relations and action	<ul> <li>Institutional separation and articulation of the polity</li> <li>Different forms of polity inclusion and exclusion</li> <li>Structuring the world of states</li> </ul>	Politization Drawing and redrawing the lines of demarcation between "the polity" and its other(s)
POLITICS A complex ensemble of contingent, contestable, and contentious political practices	<ul> <li>Front versus back-stage of political scene</li> <li>Altering forms and modes of political action and/or political lexicon and semantics</li> </ul>	Politicalization Defining some problems or issues as proper, others as improper, themes of political mobilization. NB: identifying and naming themes is itself a political act
POLICY A specific mode of political action, mediated by state and governance	<ul> <li>Government, governance, collibration as sites of policy and its co-ordination</li> <li>Altering forms and modes of policy- making and changing their policy lexicons and semantics</li> </ul>	Politicization Construing problems or issues as proper (or improper) targets of official policy and, given this, seeking to shape, implement, or block these policies

#### The Polity and (De-)/(Re-)Politization

Nature	Modes	Structural paradoxes	Strategic paradoxes
Institutional separation and articulation	Primary mode: Drawing and redrawing lines of demarcation	The always contingent separation of the political from non-political sphere implies there are constitutive	Self-limitation on redrawing lines of demarcation and redesigning the political sphere occurs via
Different forms of political inclusion and	between the polity and its other(s) Secondary modes	outside(s) (unmarked or marked) that are a necessary condition of political practice	(temporarily depoliticalized) constitutions that paradoxically provide for their own suspension or transformation.
exclusion Structuring	Relocating functions and tasks in a given polity (e.g., forum shifting, rescaling,	The political sphere is never completely closed because political struggles overflow its	Key strategic questions are who has the <i>right</i> to declare
the world of states	de- and re- territorialization) to alter the forms and stakes of politics and their strategic selectivities	boundaries and because its operations are materially interdependent with those of various non-political spheres	a state of emergency and which forces, if any, have the <i>power</i> to demand, resist, or block exercise of this right?

#### Politics and (De-)/(Re-)Politicalization

Nature	Modes	Structural paradoxes	Strategic paradoxes
A complex ensemble of contingent, contestable, contentious political practices	Primary mode: Defining some problems or issues as proper, others as improper, themes of political mobilization. NB: identifying and naming them is itself a political act	Politics depends on separation between front and back-stages of politics. This enables movement between open and covert political action as one form of re- and de-politicalization	Mutual self-restraint as a necessary condition for an agonistic politics versus contingent political benefits of controversialization, polarization, partisanship, theatricality, and so forth
	Secondary modes Wide range of ways to steer inherently open- ended, contingent subjects and objects of antagonistic and/or agonistic politics	Political forces cannot deal with all conceivable political issues in same place-time: issues must be allocated to diverse political spaces with different capacities and/or prioritized and sequenced. This is a political process.	Oriented to the impossible reconciliation of particular interests with the general interest: this depends on hegemonic practices that necessarily exclude some particular interests and that are open to contention

#### Policy and (De-)/(Re-)Politicization

Nature	Modes	Structural paradoxes	Strategic paradoxes
A specific mode of political action, mediated by state and governance	Primary mode Construing problems or issues as proper or improper targets of official policy and, hence, seeking to shape, implement, or block these policies Secondary modes Diverse ways to shape policy-making, from framing issues as political or politically relevant, agenda-setting, advocacy coalitions, log-rolling, force-fraud-corruption	Decision-making includes the decision not to make a decision Policy-making includes policy of not having a policy, i.e., policy of indifference. Indifference can be benign if it expands freedom for the exercise of legal, political, and social rights without harm to others. It can be malign where it ignores the crisis- tendencies and negative externalities (harms) that are naturally necessary effects of unregulated systems	Policies have manifest and/or latent substantive and symbolic objectives but they are also typically formed, adopted, or modified in the light of their implications for overall balance of forces and societal cohesion Limiting politics to restricted choice of policies (ignoring links of policy problems to wider structural or strategic problems, including basic contradictions or potential blowbacks) can de-politicalize and de-politicize them – at risk of eventual policy failure

ARTICULATION OF ECONOMY AND STATE IN CAPITALISM	IMPLICATIONS FOR THE ECONOMY AND CLASS RELATIONS	IMPLICATIONS FOR THE STATE AND POLITICS
Institutional separation of market	The economy is dominated by	Raison d'État (a specialized political
economy, sovereign state, and a	capitalist law of value as mediated	rationality) distinct from profit-and-
public sphere (civil society) that is	via competition between capitals	loss market logic and from religious,
located beyond market and state	and economic class struggle.	moral, or ethical principles.
Legitimate claim to monopoly of	Coercion excluded from immediate	Specialized military-police organs
organized force in state territory.	organization of labour process.	are subject to constitutional control.
Role of legality in legitimation of the	The value form and market forces	Subject to law, state may counter
state and its activities.	shape differential accumulation.	market failure in national interest.
Specialized administrative staff with its own channels of recruitment, training, and <i>ésprit de corps</i> . This staff is subject to authority of political executive. It forms a social category internally divided by market and status position.	State has specific place in division between manual and mental labour. Political class and officials specialize in mental labour and their power is linked to specialist knowledge 'Supervision-state'	Official discourse has key role in state power. intellectuals formulate state and hegemonic projects State legitimacy based on national or 'national-popular' interest.

#### ARTICULATION OF ECONOMY AND STATE IN CAPITALISM

IMPLICATIONS FOR THE ECONOMY AND CLASS RELATIONS

#### IMPLICATIONS FOR THE STATE AND POLITICS

'Tax State': its revenues derive mainly from taxes on economic actors and their activities PLUS loans advanced by market actors

State does not own property with which to produce goods and services for its own use and/or for sale to generate revenue to reproduce state and finance its activities

Tax capacity depends on legal authority and coercive power: involves *Steuermonopol* and *Gewaltmonopol* 

Private agents must earn money: state can tax or borrow Taxes may be used to produce public goods deemed essential to market economy and/or for social cohesion

Bourgeois tax form linked to the constitutionalization of the state:

Taxes are

- a general contribution to state revenue,
- levied on continuing basis
- state can apply them freely to any legitimate tasks

They should not be extraordinary, ad hoc, irregular, short-term, levied for specific tasks , and/or secured through negotiation Subjects in state territory have a general duty to pay taxes to state, whether or not they approve of specific state activities

State *fiat* money is means of payment for state taxes and so circulates more widely in state space (and, perhaps, beyond)

Taxation capacity acts as security for sovereign debt.

Tax as early form of class struggle

#### ARTICULATION OF ECONOMY AND STATE IN CAPITALISM

IMPLICATIONS FOR THE ECONOMY AND CLASS RELATIONS

#### IMPLICATIONS FOR THE STATE AND POLITICS

The state is based on the rule of law. This involves division between private law, administrative law, and public law.

No formal monopoly of political power in hands of dominant economic class(es) but 'equality before the law'.

International law governs relations between states.

Economic agents are formally free and equal owners of 'commodities', including labour-power.

Private law evolved on the basis of property rights and contract law.

State has key role in securing external conditions for economic exchange and the realization of private profit.

Formal subjects of state are individuals with citizenship rights, not feudal estates or collectively organized producer groups or classes. Struggles to extend these rights play a key role in the expansion of state activities.

Public law is organized around individual-state, public-private, and national-international distinctions.

Formally sovereign state with a distinct and exclusive territorial domain in which it is formally free to act without interference from other states.

Substantively, states are constrained in exercise of sovereignty by balance of international forces.

Tension between economy as abstract 'space of flows' in world market and as sum of localized activities, with politically-overdetermined character.

Particular capitals may seek support in world competition from their respective states

Ideally, the state is recognized as sovereign in this territory by other states but it may need to defend its territorial integrity by force.

Political and military rivalry is conditioned by strength of national economy.

# Policy Fields, Spatiality, Temporality

- Go beyond generic analysis of state or state power to consider specificities of substantive policy fields (noting how they are socially and technically constituted) and their associated forms of government and governance
- Go beyond naturalization of national territorial state to include complex inter-state relations, scalar division of political labour, political networks, and place
- Question the temporal sovereignty of states and political regimes to consider how time affects state capacities

## "Capital and the State"

- Do not fetishize the separation between economy and politics, market and state
- State power is an integral to the improbable reproduction of the capital relation (but not reducible to its role here)
- Accumulation depends on strategic use of economic *and extra-economic* resources for differential accumulation
- State is never absent from the process of capital accumulation, whether in stability or crisis
- State is active not only in general and particular material policies but also in organizing capitalist power blocs and disorganizing subordinate classes and forces

#### **The Tax-State**

- Capitalist type of state is a tax-state, i.e., it gets revenue from its general power to levy taxes on activities and subjects of an essentially private economic order
- Revenue is from taxes or from loans guaranteed by power to levy taxes (backed by state monopoly of force)
- TS differs from private economic agents, individual or corporate, who must earn money through their own economic activities or valorize their own property before they can purchase goods and services in the market
- Differs from other state forms where state uses its own productive property to generate resources for use or sale

## **Bourgeois Form of Taxation**

- Only with rise of constitutional state that accompanied capitalist development were taxes transformed from:
  - Payments linked to precisely circumscribed tasks *into* general contributions to state revenue spendable on any legitimate task;
  - Extraordinary, irregular, and overwhelmingly short-term imposts into regular and permanently levied taxes;
  - Payments that the monarch had to get through negotiation to payments that effectively became compulsory [now in decline because of MNCs, TBTF banks, offshoring of wealth and income]
- 'idea of a general duty on part of each individual citizen to pay taxes to the state, which cannot be contested, whatever his (her) own judgement about state activities or the specific tasks to which they are applied, is a very modern one' (Krätke 1984: 57-8).

# World Market, World of States

- World market as presupposition/result of accumulation
- Uneven but tendential unification of the world market
- Accumulation occurs nonetheless in a world of states, not under aegis of a (tendentially unifying) world state
- Scope for states to pursue strategies
  - that transform state capacities with a view to
  - modifying position of economic spaces under their control in the changing world market, whether through
  - defensive or offensive protection or profit-oriented integration
- Many states act in this dual context but, obviously, success is not guaranteed (spectre of governance failure)

### **Rethinking State Power**

- State is government + governance in shadow of hierarchy
- Government is more than state as territory, apparatus, and population – state power always exceeds imperative coordination
- Government as social relation (hegemony armoured by coercion) involves *collibration*, i.e., rebalancing forms of governance in shadow of *hierarchy* and, as such, is linked to issues of domination
- Collibration is more than a technical, problem-solving fix: tied to wider "unstable equilibrium of compromise" and specific objects, techniques, and subjects of governance

#### Willke on Basic State Resources

Resource	State Form	Role in State Formation, State Form, State Functions
Zwang (Force)	Territorial state	Claim to monopoly of organized coercion in given territorial area to secure frontiers and create conditions for peace within national territory'
Recht (Law)	Constitutional state	Create constitution, establish conditions for peaceful transfer of executive authority, institute property rights, gradual extension of legal, political, social and economic rights
<i>Geld</i> (money)	Interventionist state	Consolidate bourgeois tax state with state revenues based on compulsory general taxation for legitimate purposes (and as basis for repaying loans) and use control over expanding state budget to extend state's "infrastructural power"
<i>Wissen</i> (knowledge)	Supervision and "super-vision" state	State seeks <i>relative</i> monopoly of organized intelligence (information, knowledge, expertise) as basis for its powers of guidance (governance and meta-governance, e.g., open method of coordination) and for surveillance of population and other social forces within (and beyond) state's frontiers

# Modes of Collibration by State

- Provide ground rules for governance
- Create forums and/or organize dialogue among partners
- Ensure coherence of regimes across scales and over time
- Re-balance power differentials and regime strategic bias
- Modify self-understandings on interests, identities, etc
- Subsidize production of public goods, organize sidepayments for those making sacrifices
- Exercise "super-vision" (seeing more, supervising), permitting expansion, shrinkage, or adjustment
- Identify final responsibility when governance fails

#### 'Normal' States as a Reference Point

- National territorial state
  - but extra-territoriality and the 'camp'
- Constitutional State (Rechtsstaat)
  - but temporary suspension of rule of law
- Liberal Bourgeois Democracy
  - but exceptional regimes
- Tax state (*Steuerstaat*)
  - but predatory kleptocracies, fiscal crisis and default
- Temporal sovereignty
  - but politics takes time without states of emergency

# **Temporal Sovereignty**

- Temporal sovereignty = capacity of state to make decisions according to its own criteria and temporal rhythms.
- Abandon attempts to control short-term economic calculation, activities, and movements even as states still seek to control medium- to long-term economic decisions and movements.
- Compress decision-making cycles to enable more timely and apt state interventions,
  - shortening of policy development cycles, fast-track decision-making, rapid programme rollout, institutional and policy experimentation, relentless revision of guidelines and benchmarks, and retreat from fixed legal standards towards more flexible, discretionary, reflexive laws.
- Create relative political time by slowing circuits of 'fast capitalism'
  - E.g., Tobin tax to decelerate flow of superfast, hypermobile financial capital and limit its distorting impact on the real economy

	Normal States		<b>Exceptional Regimes</b>
•	Liberal democracy with universal suffrage	•	Suspend elections (except for plebiscites, referenda)
•	Power transferred in stable way in line with rule of law	•	No legal regulation of power transfer ('might is right')
•	Pluralistic ISAs, relatively independent of state	•	ISAs integrated into state to legitimate power
•	Separation of powers	•	Concentration of powers
•	Power circulates organically, facilitating flexible reorganization of power	•	Congeals balances of forces at time that exceptional regime is introduced

#### **National States as a Reference Point**

- National states existing and/or formed in advanced and emerging capitalist economies, especially, for former, in circuits of North Atlantic Fordism, after 1945
- These states were concerned to manage national economies on behalf of national capital and national population in world of national states
- Evident in three types of post-war national state: Keynesian welfare states, developmental states oriented to catch-up competitiveness based on neo-mercantilism and export-led growth, and dependent states oriented to import-substitution industrialization

#### **Three Responses to Internationalization**

#### Kenichi Ohmae THE END OF THE NATION S The Rise of Regional Economies

How new engines of prosperity are reshaping global markets



force reting the test-plood changes in international business? roll, 19 H. KNOGHT, Casimum and CEO, Nite, Inc.

- The *hollowing out* of the national state – transfer of powers upward, downward, sideward
- From govern*ment* to governance – from hierarchical command to networks & partnerships
- From sovereign states to the internationalization of policy regimes as sources of domestic policy

#### **Three Countertrends**

- Interscalar articulation national states seek to shape what goes up, down, sideways
- From government to metagovernance – states seek to organize (control) framework conditions for selforganization
- Interstate struggles to shape international regimes and global governance and local implementation



## On the Nature of Crises

- Crises are moments of *danger* and *opportunity*: as such, they have objective and subjective aspects
- Objectively, they occur when a set of social relations (including their ties to the natural world) cannot be reproduced ('go on') in the old way
- Subjectively, they are moments of indeterminacy, where decisive action can repair these relations, lead to change via piecemeal adaptation, or to radical innovation
- When repair work or piecemeal adaptation fails, perhaps because the crisis is deeply rooted in system logic, the system will also fail, perhaps replaced by a new kind

## Crises, what Crisis?

- Crises as 'accidental' products of natural or 'external' forces rather than antagonistic internal relations (e.g., invasion, tsunami, crop failure, SARS)
- Crises as 'structurally-determined': inherent crisis potentials and tendencies of specific social forms with corresponding patterns of crisis-management (e.g., capitalism, democracy)
- Crises 'in' are normal and *may* be resolved through established crisis-management routines and/or through innovations that largely restore previous patterns
- Crises 'of' are less common and involve a crisis of crisismanagement, indicating inability to 'go on in the old way' and demanding more radical innovation.

# The Semiosis of Crises

- Interpretations multiply as actors seek to:
  - make sense of the "crisis" as it unfolds in space-time
  - attribute (rightly or wrongly) ideological, institutional, technical, and personal (or organizational) blame
  - Interpretations can range from denial ("business as usual") through claims of a major break ("turning point") to a more radical rupture ("revolutionary moment")
  - especially important is whether this is a crisis "in" or "of" the relevant system(s),
  - chart alternative futures to prevent or guide them, and
  - recommend specific lines of action for particular forces over different time frames and spatial horizons

### "The Crisis did not take place"



The structural and conjunctural aspects of crises have many spatiotemporal complexities and affect social forces in quite varied ways. So it's hard to read crises. If spatiotemporal boundaries are uncertain, if causes and effects are contested, can we speak of THE CRISIS? Resolving them into one CRISIS involves strategic essentialism

#### Interpreting Crisis, Governing Crisis

- Getting consensus on interpretation about which of many crises matters is to have framed the problem (variation)
- Nonetheless this consensus must be translated into coherent, coordinated policy approach and solutions that match objective dimensions of the crisis (selection)
- Effective policies are those that adapt crisis-management routines and/or discover new routines through trial-anderror experimentation and that can be consolidated as the basis of new forms of governance, meta-governance and institutionalized compromise (retention)
- Effective construals therefore also have constructive force

### "The Crisis did not take place"

Whoever wants to give one sole definition of these events, or what is the same thing, find a single cause or origin, must be rebutted. We are addressing a process that shows itself in many ways, and in which causes and effects become intertwined and mutually entangled. To simplify means to misrepresent and falsify. ...



### Mediatization

- Lived experience of crisis is necessarily partial, limited to particular social segments of time-space
- Sense of overall dynamics of crisis is heavily mediatized, i.e., depends on specific forms of visualization and media representations
- Different actors have different access to representations and narratives of crisis: mass media often present very different crisis accounts from specialized, insider media
- Crisis responses and learning reflect articulation of personal narratives, organizational narratives, media representations, and meta-narratives ....

### **Policy Matters**

- When crisis-management is reduced to issues of the best *policies,* defined through "governing parties", then opportunities for more radical solutions are marginalized
- Limiting crisis-management to search for correct policies implies that crisis is due to incorrect policy rather than being rooted in deeper structural causes, linked to patterns of economic, political, and social domination
- This may be reinforced by "urgency" of crisis: contrast crisis of Fordism with crisis of finance-led accumulation.
   Policies will be develop differently with time factors.

#### Forums also matter

- Powerful narratives without powerful bases from which to implement them are less effective than more "arbitrary, rationalistic and willed" accounts pursued by the powerful
- Even if insufficient access to leading global forums, there is scope for counter-hegemonic narratives and, notably, subhegemonic narratives, i.e., accounts that are widely accepted in regional forums and subaltern organizations
- This also requires concern with the architecture of global, regional, and national organizations and with opportunities to jump scales in order to pursue solutions at the most effective scale (or scales) of action and intervention

# Politicization

- Politicization enters through disorientation produced by crisis and, hence, space opened up to contest previously sedimented meanings
- This is a question of discursive contestation and can occur in many different fields on many different scales
- Insofar as immediate crisis-management and future crisis-avoidance and/or crisis-management involve the government or meta-governance co-ordinated by state, second-order politicization also becomes important
- This is where political as well as policy learning matter
#### **And Power Matters too**



- Power is the ability *not* to have to learn from one's mistakes (Deutsch 1963: 111).
- Elites may try to impose costs of their mistakes onto others
- Entrenched blocs, durable alliances, and/or temporary coalitions of the powerful may seek to allocate costs of crisis management/ adjustment and also shape learning processes

# Signa Data, Signa Naturalia

- Distinguish conventional signs from natural signs, i.e., symptoms (St Augustine 389 AD)
- For symptoms, there is an objective relationship between invisible entity and visible sign – this is not a one-to-one relationship but is underdetermined
- Crises become visible through their symptoms but these need construing to establish their deeper causes as basis for decisive interventions
- 'Symptomatology' is based on trial-and-error observation and construal that draws on past experience but may also require forgetting as basis for 'correct' intervention

## **Crisis Construals: True or Correct?**

- Construals can be assessed in terms of scientific validity:
  - note risk that scientific inquiries are distorted by scientists' own ideological assumptions (economics is one of many examples)
  - note that theoretical paradigms differ from policy paradigms
- Construals can be assessed in terms of correctness, i.e., capacity to transform conjunctural potentials (crisis as opportunity) into reality by guiding action (construal leads to construction). This depends on:
  - limits set by objective nature of crisis conjuncture
  - interpretive and mobilizing power of strategic perspectives
  - balance of forces associated with different construals

#### Never Let a Serious Crisis Go to Waste



- Control health care costs and expand coverage
- Energy security and alternatives
- Simple and fair taxes
- Reform education to train the workforce
- Reform regulation of finance based on transparency and accountability

#### Never Let a Serious Crisis Go to Waste

- Cut welfare expenditure
- Public sector pay freeze
- Full employability, not full employment
- Tax cuts for top 1 per cent
- Bail out banks, no bankers to go to prison
- Double dip recession
- Rising debt/GDP ratio
- Warnings from IMF



#### **Economic and Political Crisis - I**

- Financial and economic crises have more radical effects when there is a crisis in the state and politics and this provokes challenges to state as well as economic forms
- The North Atlantic Financial crisis was not at first linked to a crisis in the state (i.e., governance + government): instead, "market failure" led to "state rescue"
- Roll-out of free markets is connected to strong state at home and new forms of transnational governance inaccessible to popular forces
- Both aspects limit scope for social movements to define the crisis and shape responses

### **Economic and Political Crisis - II**

- State facilitated superficial return to financial "business as usual" (elements of "extend and pretend") but there was uncertain, limited, halting recovery in "real economy"
- State rescue has transformed crisis in private finance into crisis of public finance and sovereign debt: this is being solved through austerity politics (there *are* alternatives)
- Austerity is generating political/state crises at rural and urban, regional, national, EU, and international scales
- There are obvious signs of "crisis in crisis management", ad hoc muddling through, and incoherent responses; and this is provoking popular discontent and mobilization

### **Crises of Crisis-Response**

- Economic crises are not decisive: crises are means through which expanded reproduction of capital can be secured
- Need to focus on political class struggle and reproduction of political class domination (where crises are resolved or not)
- Hence importance of crises in power bloc, hegemony of power bloc over people, representational crises, crises of institutional integration of state, representational crises, legitimacy crises, ideological crises, and so on
- No technocratic guarantees of successful crisis-management: depends on balance of forces, which can involve catastrophic equilibrium of forces → exceptional regimes

## **Crises of Crisis-Management**

- Policy failures can occur because of:
  - Arbitrariness of crisis interpretations
  - Inadequacy of instruments and institutions
  - Crisis in or of the broader policy context
- Economic crisis and political crisis
  - Crisis-management often involves state as addressee in last instances of calls for intervention
  - But state may lack state capacities to intervene, whether in material and/or semiotic terms
- Some dimensions of state crisis:
  - representational
     -- rationality
  - legitimacy crisis
     -- institutional

## **Crisis of Crisis-Management - II**

- From weakened state capacities ...
  - Dissolution of expertise and crisis-management units dependence on financial expertise from private sector
  - Deregulation and liberalization 
     Ioss of steering ability
  - Quantitative easing and problem of exit strategy
  - Accumulated deficits and low interest rate policy
- To exceptional state triggered by economic crisis
  - loss of temporal sovereignty
  - loss of territorial sovereignty
  - concentration of economic policy-making power
  - problems of political paralysis

## The Decline of Liberal Democracy

- Liberal democracy stronger in periods when *national* was the primary scale of economic and political organization
- Keynesian welfare national state:
  - National economy managed by national state on behalf of national citizens to create conditions for growing welfare state
  - Class compromise between industrial capital and working class
- Internationalization undermines conditions for KWNS and its democratic shell
- Neo-liberalism undermines these conditions further because it promotes financialization, political capitalisms
- Together these trends undermine *temporal* as well as *territorial* sovereignty of national states

#### **Authoritarian Statism - I**

'Intensified state control over every sphere of socioeconomic life combined with radical decline of institutions of political democracy and with draconian and multiform curtailment of so-called 'formal' liberties' (State, *Power, Socialism)* 



### **Authoritarian Statism - II**



- Transfer of power from legislature to executive and concentration of power within the latter
- Accelerated fusion between three branches of state legislature, executive, judiciary – decline in rule of law
- Functional decline of political parties as leading channels for political dialogue with administration and as major forces in organizing hegemony
- Rise of parallel power networks crosscutting formal organization of state, with major share in its activities

### Conclusions

- There are no global challenges that have uniform effects on the state: globalization is multiform, multiscalar, multitemporal, and multicausal
- The 'present state' does not exist: study states with SRA as state power (polity, politics, and policy)
- Crises are objectively overdetermined, subjectively indeterminate, how they are construed matters
- Crises of crisis-management are common
- The trend to post-democratic, authoritarian statism seems to be accelerating. It is not inevitable.

#### This presentation derives in substantial part from research conducted during the tenure of an ESRC Professorial Research Fellowship: Grant Number: (RES-051–27–0303)



