The Transformation of the State

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The Transformation of the State

Beyond the Myth of Retreat

Georg Sørensen

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Preface

Scholars in all major areas of social science have always focused on sovereign states. They are the basic units of the international system/society; they create the rules that other actors (companies, organizations, movements, individuals) play by; they provide security, freedom, order, justice and welfare for their citizens. But the state is challenged from many quarters and this is reflected in the scholarly debate. Titles such as *The End of the Nation State* (Ohmae 1996), *The Retreat of the State* (Strange 1996), *The End of Sovereignty?* (Camilleri and Falk 1992) or *Governance without Government* (Rosenau and Czempiel 1993) have all helped create the impression that the state is seriously under attack and that a new system 'beyond' the sovereign state is in the making.

This book is first and foremost an introduction to the major debates about how the state is being transformed; it highlights the nature of and evidence about that transformation as seen through those debates. The first chapter sets out the broad contours of debate between those who argue that the state is in retreat and state-centric scholars who argue that it retains its distinctive importance. Subsequent chapters cover the major areas that have provoked the debate between the 'retreat' and the 'state-centric' positions. It is argued that both views provide new insights but also have shortcomings. The relevant insights concern the fact that whereas states have lost influence and autonomy in some areas, as indicated by the 'retreat' argument, they have also been strengthened in various respects identified by the 'state-centric' argument. The shortcomings are connected to narrow definitions and lack of comprehensive analysis. Both views overly downplay the general process of *change* in sovereign statehood over time, leading to new strength in some areas and new weaknesses in others. I use the term 'state transformation' as a general heading under which to summarize these changes in both directions.

The debate about the state is connected to different theoretical views on states and power. Three such views will be presented: the realist, the liberal and the critical. The theoretical views are not neutral: they load the dice in favour of different beliefs. Realists most often think states remain strong; liberals most often think states are growing weaker; critical theorists are more ready to talk about a complex process of state transformation.

In order to assess what has happened to the state, history is important. A baseline idea of what existed before is needed in order to understand the changes that have taken place. The ideal type of the 'modern

state', set forth in Chapter 1, is such a baseline. It defines the major features of the modern, Westphalian state as it had developed mainly in Western Europe and North America by around 1950. A further necessary baseline is a broad starting definition of the state sufficient to provide a basis for the comprehensive analysis of state transformation. The conventional view of the state is a suitable starting point: we are dealing with sovereign, territorial entities with a population and a government. But we need to elaborate further on what are the main aspects of statehood in relation to which to contrast the different views on the transformation of the state.

Robert Cox's notion of 'historical structures' is helpful in this regard (Cox 1996). A historical structure is a picture of a particular configuration of forces. It consists of material capabilities, ideas and institutions. Applying this to sovereign states, they can be seen as historical structures made up of material capabilities, ideas and institutions.

In terms of material capabilities, the focus is on the economy. We especially want to know how economic globalization affects states: are they put under pressure in new ways and are they less able to provide social welfare for their citizens? An answer to this question requires a clarification of the elusive concept of globalization. We also need to evaluate the extent to which the economies and state-market relations of the advanced capitalist countries have or have not been transformed as a result of economic globalization. I argue that welfare policies have been upheld and sometimes even expanded in the face of globalization; but they have also faced new challenges as a result of economic change.

In terms of institutions, the focus is on the political-administrative institutions of the state; that is, the government and the state apparatus. We need to discover whether this political level or realm of the state has been transformed and how any changes should be interpreted in context of the 'retreat' versus 'state-centric' debate. Many scholars observe a growth of interstate, transgovernmental and transnational relations but there has been substantial debate about both its extent and its consequences, especially for politics and accountability. Those who think that the changes taking place are a threat to democracy are generally highly sceptical of the prospects for democracy outside the realm of the sovereign state. Others are much more optimistic on democracy's behalf, arguing that democracy can be extended to international institutions as well. A key theme of this book is that there has been a transformation away from governance in the context of national government towards multilevel governance at overlapping national, local and international levels. I see no reason why democracy should not be possible under these new conditions but the challenges for democracy and

democratization in the new context have only just started to be examined and explored.

Finally, in terms of ideas, the focus is on nationhood and identity. Nationhood means that a people within a territory makes up a community. The community is based on citizenship (including political, social and economic rights and obligations), and on nationality or 'sentiment' (meaning a common language and a common cultural and historical identity based on literature, myths, symbols, music and art). We shall see that both the community of citizens and the community of sentiment are challenged by several new developments. Has this led to a transformation of citizenship and of collective identity and, if so, in what specific ways? My argument is that communities are being transformed increasingly to include supranational elements.

Having addressed the core substantial aspects of state transformation, we are ready to take on the problem of sovereignty. Sovereignty contains the rules that define the locus of political authority and set the context for relations between states. What happens to sovereignty as a consequence of the substantial changes in statehood? It will be argued that there is a juridical core of sovereignty – constitutional independence – which remains in place. But at the level of regulative rules, meaning the rules by which actors actually play the sovereignty 'game', sovereignty has developed in new ways. This is evidenced in the context of supranational governance (for example, the European Union), where member states allow for comprehensive and systematic interference in each other's 'domestic' affairs. It is also manifested in the way weak, less developed states have had to accept a high degree of external intervention in order to qualify for international aid. The institution of sovereignty will surely survive, but its content has changed considerably. I argue that a new sovereignty game has emerged among the advanced states, especially in the European Union areas of Europe. I also argue that the least developed Third World countries have a sovereignty game with special features.

With the transformation of the state, what are the prospects for violent conflict or for war? Since the Cold War ended, there have been very few interstate wars; we live in the longest period since the Roman Empire of peace between the great powers. Has interstate war become obsolete? In some ways it has: war between consolidated democracies is next to impossible. But violent conflict has certainly not disappeared. Domestic conflict (intrastate war) is sharply increasing in the very weak states, most of which are located in sub-Saharan Africa. And mass-murder terrorism is a new item on the agenda after the attacks of 11 September 2001.

Most of the debate about the state is focused on the advanced capitalist states in the triad, by which I mean Western Europe, North America and Japan/East Asia. This book attempts a more comprehensive analysis by including, on the one hand, the least developed states in the Third World, and, on the other hand, the modernizing states in Asia, Latin America, the Middle East and Eastern Europe. Three of those modernizing states are singled out for further scrutiny: China, India and Russia. It will be demonstrated how the security problem, the state–market relationship, and the relationship to international order play out in context of the various processes of modernization that are taking place.

The final chapters draw together the results of the analysis and discuss the theoretical ramifications. We began with the debate between ‘retreat’ and ‘state-centric’ scholars about what is happening to the sovereign state. Both of these positions go too far in the direction of a zero-sum view where the state is either ‘losing’ (retreat scholars) or ‘winning’ (state-centric scholars) in a contest with other actors. The appropriate view is that of ‘state transformation’. The questions of transformation to what, and why, will both be addressed.

As regards the advanced states, I diagnose that they are in a process of transition from modern to what I call postmodern statehood. I define a postmodern ideal type of state and explain its characteristics in major areas: government, nationhood and economy. I also define an ideal type called the weak, postcolonial state; the claim is that this type helps us understand the current make-up of statehood in significant parts of the Third World. I argue that together with the concept of ‘modernizing states’, these provide appropriate tools for grasping the major variations in sovereign statehood at the beginning of the new millennium.

The conclusion considers the theoretical ramifications of the analysis and outlines the substantial challenges to analysis that emerge from a system of different types of state undertaking various processes of transformation in the five key areas of democracy, sovereignty, state power, security and economic globalization.

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List of Abbreviations

APEC	Asia-Pacific Economic Cooperation
ASEAN	Association of Southeast Asian Nations
BJP	Bharatiya Janata Party
CCP	Chinese Communist Party
CIA	Central Intelligence Agency
ECOWAS	Economic Community of West African States
EU	European Union
FDI	foreign direct investment
G3	Group of Three (Europe, Japan and North America)
G7	Group of Seven (the USA, Canada, Britain, Germany, France, Italy and Japan)
G8	Group of Eight (the USA, Canada, Britain, Germany, France, Italy, Japan and Russia)
GATT	General Agreement on Tariffs and Trade
GDP	gross domestic product
GNP	gross national product
GRI	Global Reporting Initiative
IFI	international financial institution
IGO	intergovernmental organization
IMF	International Monetary Fund
INC	Indian National Congress
INGO	international non-governmental organization
IPE	international political economy
IR	international relations
Mercosur	Mercado Común del Sur
NAFTA	North American Free Trade Agreement
NGO	non-governmental organization
NMD	National Missile Defense
OAS	Organization of American States
OAU	Organization of African Unity
OECD	Organisation for Economic Co-operation and Development
OPEC	Organization of Petroleum Exporting Countries
PPP	purchasing power parity
RMA	revolution in military affairs
SADC	Southern African Development Community
SAP	Structural Adjustment Programme
SWPR	Schumpeterian Workfare Postnational Regime

TNC	transnational corporation
UN	United Nations
UNITA	União Nacional para a Independência Total de Angola
WTO	World Trade Organization