GLOBALISATION AND 'THE EXECUTIVE COMMITTEE': REFLECTIONS ON THE CONTEMPORARY CAPITALIST STATE

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Introduction

The old Marxian question is still unanswered and unanswerable: how can it be that an increasing majority of non-owners continue to lie under the democratic dominance of a shrinking minority of property owners? Why should the many accept the continuing domination of the few? More specifically, how does an increasingly inegalitarian democracy remain viable? The mechanisms that secure the continuity of the system thus appear as the most crucial of political issues. The fundamental role of the state in ensuring the reproduction and political cohesion of capitalist class societies remains the most important question of political theory.

The most critical issue is the articulation between class domination and political power. One must consequently continue to ask the same old questions even as one tries to understand what is distinctively new about the current period. In what sense is the problem of the relations between the state apparatus and capital different than it was in the 1970s? And to what extent has the relative autonomy of the state been modified? Can one observe new specific forms of reproduction of social relations within, both dependent social formations, and those belonging to the capitalist 'core'? And how is the new situation reflected on the level of social practices and class struggles?

These questions are, I believe, of enduring significance. It is my contention that some tentative answers to them can be offered by drawing on Nicos Poulantzas' analysis of what he identified as the new phase of imperialism. In this period, inter-imperialist antagonisms are present not only in 'interstate' political confrontations but also, and I
would add mainly, within all countries concerned, dependent or not. The phenomenon of 'induced reproduction' of imperialist antagonisms is crucial in this connection. No longer can one speak, in Lenin's terms, of a geographical partition of the globe into more or less defined zones of imperialist influence and dominance. The growing mobility of capital and new productive and information technologies have led to a concomitant mobility and fluidity of the economic bases of accumulation and exploitation. Direct exploitation of labour can potentially be pursued by capital in various social formations simultaneously but under very different conditions.

This tendential 'de-territorialisation' and destabilisation of exploitative forms, already anticipated in the 1970s but considerably accentuated since, has been accompanied by a universal rise of the rate of exploitation which has been countering the tendency of the rate of profit to fall. At the same time, the period of national Keynesian welfare states and differentiated norms of redistribution has come to a close, in the face of a new orthodoxy intent on reversing all welfarist trends on a universal scale. In all developed countries, including the metropoles, and even more so in dependent formations, economic inequality is rising rapidly, and simultaneously socially accepted 'tolerance levels' of unemployment, poverty and misery have been rising everywhere. When, in countries like Spain, a quarter of the active population is registered as unemployed, one may well ask at what point the 'acceptable' or inevitable begins and ends, and whether there are 'normatively determined' limits to exploitation and misery. What seemed to be socially unthinkable some years ago is now accepted as a matter of course. On the level of political representation, internalised 'social equilibria' are being rapidly supplanted by what are now seen as 'socio-technological equilibria'. Ethical controversies and policy considerations are being recast in terms of, and in some cases supplanted by, purely functional, performative standards of judgement.

In what follows, I touch very briefly on four specific points. First, the question of the precipitous decline, or even structural impossibility, of a 'national bourgeoisie' capable of retaining a relatively autonomous basis of capital accumulation, and of the new resulting internal equilibria in the dominant power blocks. Second, the growing fragmentation of the labouring population into numerous, mobile, differentiated and largely antagonistic fractions, with all that this implies for the process of dislocation and disorganisation of traditional forms of class struggle. Third, the new functions of the capitalist state
which, in its increasingly authoritarian form, assumes overall reproductive responsibility by means of a growing regulation of the deregulation process. This is generating an unprecedented fusion, or confusion, of the state's economic and ideological functions. Fourth, the new developing forms of articulation between the various state apparatuses and the professional political personnel occupying their summits, on the one hand, and the representatives of big capital on the other.

The national bourgeoisie

All these issues are linked to the traditional territorial fragmentation of the world into relatively coherent 'national' social formations in the specific context of which capitalist social relations are materialised and reproduced. Obviously, territoriality itself has not evaporated. Indeed, the internationalisation of relations of production can by no means be understood to imply that economic activities take place in a trans-territorial class vacuum. Exploitation must always take place somewhere: in other words, within the territories of specific societies organised as sovereign states. Whatever the organisational forms taken by accumulation, their concrete operationalisation must remain, by definition, 'domestic'.

Thus, irrespective of the processes and mechanisms employed by capitalists in their search for profit, the main question to ask must concern the various forms of social activity of the bourgeoisie, or fractions thereof within the given domestic socioeconomic environments. If the constitution of domestic power blocks and their internal antinomies and political antagonisms can only be properly understood in conjunction with their trans-territorial entrepreneurial capacities, they must nonetheless also always operate within definite borders, however loose their dependence on internal markets may be. Even if capital may be controlled in the ether, it must be accumulated on earth.

In this respect, Poulantzas proves to have been quite prophetic. The pertinent question is in what sense can the 'nationally' operating capitalist forces be 'national' at all? Conversely, we are obliged to ask ourselves about the limits of accumulative autonomy of the dominant fractions of capital within national formations. Poulantzas underlined the gradual decline of traditionally autonomous national fractions of the capitalist class. Against the prevalent positions of the left in the early 1970s, not only did he pin down the decline and historic super-
session of the accumulative autonomy of national bourgeoisies, but he also insisted on the necessity of a new concept, the ‘interior bourgeoisie’. In contrast both to the ‘national’ bourgeoisie and the ‘comprador’ bourgeoisie, the new concept served to denote the emerging and thereafter dominant fraction of a domestically operating capital which was already permeated by, and was thus reproducing, ‘external’ inter-imperialist contradictions. In other words, it was becoming obvious already in Poulantzas’ time that there could no longer be a dominant fraction of the domestic ruling classes which might continue the accumulation process within the narrow horizon of the domestic market.

Indeed, it is by now clear that with the partial exception of the US, Japan, and to a lesser extent some European countries, there can be less and less question of autonomous national bourgeoisies. Globalisation has brought about a further restriction of the accumulative autonomy of immobile domestic capital. This is evident in the proliferation of new developments that are undermining the traditional organisation, technologies and strategies by national firms. The spread of horizontal and vertical joint supranational ventures, the prevalence of trans-territorial technological and information networks, and the total liberation of trade and capital movements have transformed the competitive horizon of domestic capitalists. In this changing environment, the contradictions and antagonisms of international capital are now directly present within national socioeconomic formations. Transnational concentration has reached previously unheard of levels. At the end of the 1960s the 200 largest ‘multinational’ firms controlled 17% of the Gross World Product. By now, their activities are estimated to be of the aggregate order of 8 trillion dollars annually, almost one third of the planet’s revenue.

Nevertheless, a major problem remains unresolved. The dominant discourse on ‘globalisation’ tends to neglect the fact that the process is neither unambiguous nor conceptually clear. On the one hand, it refers to forms of trans-territorial mobility, to the vertical or horizontal integration of productive activities and to mechanisms of international capital circulation. On the other hand, globalisation refers to new joint forms of control and to new strategies of capital accumulation. The two facets are certainly interrelated, but not identical. Organisational trans-territorialisation does not necessarily bring about any kind of supranational trans-territorial control. Metropolitan imperialist centres that remain ideologically, politically and economically bound to their national contexts compete for world hegemony. Even if accumulation
tactics are de-localised, power strategies are still organised on the basis of definable inter-imperialist antagonisms, all the more so as long-term advantages seem contingent upon a relative military, economic, political and symbolic strength that can be represented and made use of only on the level of organised national territories. In this sense, deterritorialisation is by no means incompatible with intensified inter-imperialist struggle.

Indeed, to the extent that national states are not abolished, there can be no deterritorialised imperialism. If the fragmentation of organised political systems can be instrumental in permitting and encouraging mobile and de-localised forms of accumulation, at the same time these organised state entities provide the framework for the universal pursuit of collective power. In this context, new contradictions have given birth to new and complex capitalist strategies. On the organisational level, growing mobility has brought about a world-wide free market, which is preproduced by means of a conjunction of purely economic flows and the interplay of hegemonic interventions of national territorial interests. It may well be that the dominant capitalist mode of production is gradually putting in place a new original political superstructure that more perfectly corresponds to the perceived long-term interests of the competing metropolitan nations. If the relative autonomy of small and dependent states has traditionally been challenged by direct diplomatic, political or military interventions, by now utter dependence vis-à-vis the core countries is being enhanced and strengthened through the intermediation of what is conceived as a universally globalised capital which is free to impose its allegedly transnational will. Together with exploitation, imperialism is hiding behind the 'neutral' logic of a supposedly uncontrolled transnational market logic. This may well be one of the most important overall ideological effects of the globalisation discourse.

Once more following Poulantzas, it is now even more true that the contradictions between fractions of capital within national states are ‘internationalised’. As a consequence, the disarticulation and heterogeneity of national bourgeoisies is further accentuated. Indeed, it may be doubtful whether the very term corresponds to a specific social reality. All dominant domestic forms are by now tendentially internal in Poulantzas' sense. The recent dismantling of national plants by Renault, a public and therefore by definition national firm, is a striking sign of the new era. Poulantzas' interior bourgeoisie may well prove to have been only a transitional form of organisation in a period when the internationalisation of capital was not yet completed. It is clear that the
last remnants of these autonomous national bourgeoisies have been almost totally infeodated to mobile and potentially delocalised ‘international’ capital. Even if ultimate control remains in the hands of firms and cartels maintaining strong national affiliations, and this is obviously the case in the strongest metropolitan capitals, both investments and profits are potentially increasingly de-localised.

A manifestation of this new situation is the total repudiation of policies advocating import substitution. ‘National’ capital cannot be protected any more, for the simple reason that there is no material domestic structure that must be protected. Domestic deregulation is only an induced effect of international deregulation. Characteristically, the further liberalisation of international trade institutionalised by the Uruguay round – and, incidentally the complete collapse of protectionist ‘anti-imperialist’ third world solidarities in the UN and elsewhere – was imposed against residual protectionist tendencies both in the US and in Europe. Within the intercapitalist front, national bourgeoisies are being increasingly marginalised and defeated both economically and politically.

A word of caution is called for, however. It would, of course, be totally unwarranted to maintain that new supranational agencies directly reflecting the interests of world capital like the International Monetary Fund or the Group of Seven have supplanted territorial state sovereignty, directly imposing the concrete terms of national economic interventions. Far from constituting themselves independently as new sources of autonomous political and economic power to which states are forced to submit, these agencies reflect state-sponsored processes of globalization. In this sense, the nation-state remains as always the central terrain of class struggle.

The case of Europe is instructive on this point. Despite the rhetoric of integration, European member states are far from having fused into a single ideological and organisational structure giving birth to a coherent and relatively homogeneous system of class relations. There still is no European working class nor a European national bourgeoisie. If the treaty of Maastricht imposed a certain number of common fiscal and economic policies, it carefully refrained from anticipating the eventuality of common social policies. The overall responsibility for reproducing internal class relations and equilibria resides with national states. The Maastricht ‘criteria’ only refer to quantitative macroeconomic standards of economic, monetary and fiscal ‘performance’. Despite the rhetoric on the dangers of social exclusion, the European Union does not demand that its members succeed in reducing
unemployment, restricting poverty or minimizing social exclusion. In no sense does the impending emergence of a monetary union imply the construction of a ‘social Europe’. Social coherence, systems of exploitation and class conflicts remain purely internal affairs. There still can be only one kind of political sovereignty: state sovereignty. And this is precisely the reason why the most pertinent political question today remains that of the relative autonomy of the national state.

Nevertheless, there can be no doubt that the internal forms of sovereign domestic political decision-making have been substantially modified. More than anything else, the free trade, austere public budgets and tight monetary policies called for by the Maastricht treaty reflect the new limits of the autonomy of responsible bourgeois states and the power blocks they are called upon to represent. They also reflect an incapacity, self-induced or otherwise, to imagine autonomous forms of domestic planning and economic intervention. But they also express a continuing antagonism between ideologised crystallisations of power.

Indeed, the potential mobility of capital is so overwhelming that all locally-bound investment decisions are increasingly dependent on the adequacy of domestically-secured rates of profit. Domestic productivity and exploitation rates can in practice not be raised other than by further squeezing ‘social costs’. If they are to survive the growing competition the dominant fractions of internal capital (in alliance or not with fractions of mobile world capital) must always be able to disinvest and de-localise their activities, if need be. A territorially restricted capital can no longer compete with its mobile counterpart. And this is the reason why all capital is now capable of blackmailing the domestic system within which it chooses to pursue the accumulation process. Any substantial increase in the ‘social costs’ of redistribution will result in the threat of capital flight.

The political responsibility of states is consequently geared mainly towards maximising domestic productivity and exploitation rates on the terms of mobile capital. Once more with the partial, but significant, exceptions of the great American metropolis and Japan, investment forms adopted by big capital evoe the particular independence of the historically de-localised shipping industry. By dint of the fact that ‘flags of convenience’, which permit exploitation rates that are not burdened with any but minimal social costs, are eminently present and available, wages and labour security will tend to be restricted everywhere. Free inter-territorial mobility brings about a ‘free market’ of labour power which is indirectly reflected in the general fall in the
relative remuneration of labour. All the more so with the collapse of 'existing socialism', now that the 'political risks' of subversion – risks which impeded free universal mobility – have been effectively minimised on a world scale.

The fragmentation of the labouring population

Transformations in the labour process and working class organisations have accompanied these processes of capitalist restructuring. Scientific developments in cybernetics, automation and computer science since the 1970s have contributed to an enormous increase in the productivity of labour and have rendered a growing fraction of the working population functionally redundant. By now, 'primary' labour markets are hardly distinguishable from 'secondary' ones. Structural unemployment and deregulation have afflicted all branches, even those most central and technically advanced. In parallel fashion, the continuous rise in life expectancies and longer periods of education have increased the percentage of people technically and structurally excluded from the production process. The absolute and relative cost of social welfare, including education, was constantly rising as a result; a development which was rationalised in terms of a 'fiscal crisis of the state'. Thus, the combination of the overaccumulation of capital, growing intercapitalist competition and soaring social costs led to a universal trend towards a 'renegotiation' of the overall terms of labour contracts and for a concomitant reorganisation of the exploitation patterns in the world economy.

The combined effect of a global reduction in growth rates and the deterritorialisation of productive activities acted to disarticulate and disorient working-class organisations everywhere. 'De-procéduralisation' of labour conflicts undermined solidarities and further disorganised class affiliations, threatened as they were by the adverse socio-psychological effects of the new technologies which transformed the subjective representations of organised productive units. Even more to the point, the gradual but uncontrollable increase of unemployed and unemployable masses led to a further fragmentation of the working class. Consequently, technical and economic progress has been internalised in increasingly non-political terms: working class organisations which had been previously led to believe that they would actively and permanently participate in the decision making process, and thus negotiate the overall terms of income distribution, were once more pushed to the sidelines. While still nourishing hopes for uninterrupted
progress towards petty consumer paradises, they suddenly found themselves to be more or less ousted from the power game. Internal political systems were subsequently pressured to accept and regulate redistribution norms according to the dictates of the free market. However, this was only one of the aspects signalling the spectacular retreat of responsible public initiatives into new forms of regulative inertia. States have been progressively unburdening themselves of the task of shaping both the present and the future. The responsible 'pastor-state' is being rapidly dismantled.

The working class faces a genuine dilemma in its struggle to defend what is left of its postwar gains in the real and social wage. In the best case, organised labour may succeed in clinging to some gains from the previous era, such as free education and medicare. In the worst case, labour seems obliged to accept, however reluctantly, that with further redistributional demands considered an impediment to 'competitiveness', the gloomy present must be permanently traded off against the doubtful hope of a sunnier future, or at least the doubtful security of the status quo. The uncertain temporal dimension of labour struggles is absolutely novel both in its strategic implications for, and in its tactical effects on, the ideology of the Left. Flexible representations of time, flexible labour forms, flexible individual strategies and the flexible internalisation of social roles necessitate a flexible class consciousness and equally flexible forms of mobilisation.

Thus, anomic and recurrent labour pressure seems to be perfectly compatible with what is left of redistributional and reformist demands which are now ostensibly tied to domestic capital accumulation. Disorganised and uncoordinated activities have tended towards a further political and social fragmentation of the labouring class. Indirectly, the long-term strategy of the bourgeoisie, which has always aimed at dividing the working class into fractions, has thus met with a good deal of success. As a side effect, post-fordist organisational realities have led to a growing and cumulative political segmentation and fragmentation of workers and dispossessed alike. Meanwhile growing numbers of desperate and largely unemployable masses are pushed towards adopting unorganised individual survival strategies. Predictably, the new forms of informal survival are closely tied to 'postmodern delinquency' practices. New 'illegalisms' are being constantly promulgated within societies where increasing police controls and extending penitentiary systems are becoming more and more crucial mechanisms not only of social control, but also of class regulation.

It is obvious that the political and ideological 'retreat' of working class
struggles since the 1980s is a ‘pertinent effect’ of the new phase in the process of reproduction of class relations. It is an effect which is not isolated within the strictly economic sphere, but is also determined by the remarkable ideological and political forms of the overall victory of the bourgeoisie. If nothing else, the new political direction indicates not only that prevailing global relations of production are accepted as portrayed by the discourse of globalization, but also, significantly, that the unilaterally imposed norms of income distribution within concrete social formations may extend to a temporal horizon that seems to be indefinitely receding into a distant future.

The new functions of the capitalist state

Within this context, the tendencies described by Poulantzas in the early 1970s have been largely consolidated. The economic functions of the state are being progressively amalgamated with its repressive and ideological functions. In this respect, the rise of technocratic ‘developmental’ authoritarianism may precisely be understood in light of the fact that the ‘interior’ field in which it is called upon to operate is already circumscribed by the contradictions of the dominance of mobile international capital. More and more, the main economic functions of the state must therefore be geared towards ensuring the institutional and ideological conditions of the internationally-imposed deregulation of economic and labour relations, as well as to contributing to the general acceptance of the alignment of public policies to the norms of international competitiveness. As already mentioned, above and beyond the project of developing of the national economy, the demand for unregulated competitiveness must reign supreme. In this sense, the most pressing ideological task of the state is to convince everyone of the need to de-institutionalise and ‘de-substantialise’ all previous forms of consensual negotiation – i.e. to dis-incorporate social classes.

It is thus no accident that, irrespective of the ideological and political ‘colours’ of the government in power, it is only within the strongest core countries (e.g. Germany, France, Sweden, Canada) that the new authoritarian techno-orthodoxy may still be somewhat resisted in order to maintain existing equilibria. Weaker links in the imperialist chain, even if formally run by social democrats (e.g. Italy, Spain, Greece), are obliged to accept induced forms of labour division and deregulation much more unconditionally. As things stand, it is only in the few countries that constitute the hard imperialist core that domestic class contradictions can still be politically negotiated. Wherever ‘national economies’ are
weak, states feel obliged to deflect or simply neutralise redistributive demands.

In this respect, the ideological functions of the state are of crucial importance. Never before has the ideological notion of the 'international competitiveness of the national economy' been more compulsively central. Under the auspices of the state, all ideological apparatuses (schools, media, parties, mainstream intellectuals, trade unions, etc.) are systematically geared towards the dominant developmental tenets, characteristically modified to suit the new imperatives. If long-term development is synonymous with deregulated competitiveness, the very terms in which the socially desirable is defined are fundamentally modified. In lieu of an 'autonomous', 'sustained' and 'autocentred' national development - the overriding myth of the 1960s and 1970s - international 'productivity' and 'competition' now appear as the new objectivised gods.

The first preoccupation of state intervention is thus to 'convince' people of the developmental ineluctability of 'modernisation' via technocratic deregulation. The restitution of the inherent 'sovereign rights' of the market lurks behind all public rationalisations. It is no accident that in contrast to the social-democratic period, which relied on social, political and ideological arguments, the burning issue of 'nationalising' or 'de-nationalising' industries and utilities is now seen uniquely in terms of its repercussions on quantitative economic 'performance'. Deregulation is the new dominant theme, and unlimited performative deregulation is not only a specific form of active intervention but also the main ideological tenet that must prevail. Intervention in the deregulating process is, however, an internally contradictory process. The constant public attention needed to bring about appropriate institutional and legal deregulatory reforms calls for increasingly authoritarian forms. The state is present to ensure that the 'national economy' is organised so as to compete with the other 'national economies' under the best possible terms. Furthermore, this general assertion is made acceptable precisely because of its alleged technical validity. The obvious Hobbesian metaphor may be expressed in military terms: states are at 'war', each to protect its national economy; the true enemy being, however, not other states, but each state's domestic subjects (i.e. its working class).

In this context, the concrete effects of competitiveness on the forms of class struggle, and even the question of who gains and who loses, may appear as irrelevant and 'ideological'. Regardless of the 'nationality' of the bourgeoisie which is to profit from market deregulation, it should be
encouraged to make full use of its class prerogatives. The main agents of class struggle are a deterritorialized and integrated bourgeoisie versus a territorially tied and fragmented working class. This 'geo-social' imbalance is only the latest expression of the structural power asymmetry between capital and labour. And the exacerbation of these asymmetrical terms seems to impose new structural limits on the 'accepted' forms of class conflict, as they must be secured, imposed and legitimated by the state.

In this sense, as Poulantzas was the first to note, the internationalisation of capital 'neither suppresses nor by-passes nation states, either in the direction of a peaceful integration of capitals 'above' the state level (since every process of internationalization is effected under the dominance of the capital of a definite country), or in the direction of their extinction by the American super-state'. On the contrary, national states provide the necessary mechanisms and 'take charge of the interest of the dominant imperialist capital in its development within the 'national' social formation'. Indeed on the material level, deregulation, labour fragmentation, productivity and profit maximisation can only be ensured within a juridically-given territorial context. In this sense, far from dispensing with national states' functions and services, the extended reproduction of the accumulation of international capital is totally dependent on their constant intervention.

Thus, the institutional and economic prerequisites of capital accumulation rest on the national states' capacity to guarantee the new forms of accumulation internally. It is precisely in this sense that the political and ideological cohesion of social formations, still materialised only by and through states, provides the basis for reproducing the (interchangeable) coherent socioeconomic and legal environments necessary for any productive organisation. The jurisdictional fragmentation of sovereign political formations can consequently be seen to correspond ideally to the interests of de-localised capital. Whereas the organised state remains a necessary mechanism for securing the external conditions of production and reproduction, these conditions are far better served if all states are separately induced to reproduce their internal institutional and ideological order on the universal deregulatory model. On the contrary, the eventual appearance of a universal democratic 'Super-State' could lead to the resurgence of political autonomies liable to curtail unlimited capitalist power.

The fragmentation of relatively autonomous sovereign territorial political jurisdictions thus corresponds to the interests of deterritorialised capital. If nothing else, this justifies Poulantzas' assertion that one should
not *stricto sens* speak of 'state power': the 'post-modern', 'post-industrial' and 'post-fordist' 'national state-system' provides a perfectly suitable institutional and ideological setting for ensuring the reproduction of trans-territorial forms of accumulation.

**Relations between the personnel of the state and capital**

Finally, the state of affairs described above has some further important implications for the objective forms of articulation between political personnel and big capital. This is one point at which the question of relative autonomy may be concretised and empirically substantiated. One of the central objects of discussion between Miliband and Poulantzas in the 1970s referred to the theoretical relevance of relations between the personnel occupying the 'summits' of the state and big capital respectively. While Miliband insisted on the importance of demonstrating the bourgeois class origin of political personnel and their special class links to the management of big firms, Poulantzas completely disregarded class origin and underlined the objective character of relations between the ruling class and the state apparatus. Poulantzas was mainly preoccupied with the structural determination of state interventions; he considered that whatever motivations, behavioural tendencies and personal links there might be between political personnel and big capital, the operation of these objective relations was a simple effect of the objective cohesion of public apparatuses, necessitated by their overall function.

On the epistemological level I would tend to side with Poulantzas. Recent developments, however, may suggest new objective reasons why the 'personal links' between capital and political personnel are henceforth not only empirically ascertainable, but in another way, structurally determined, if not inevitable. Regardless of their class origin, and independently of whatever class allegiances they might feel, those at the summits of state bureaucracies are increasingly tied to the private sector. The objective cohesion of the state apparatus, including that of political parties, calls for new 'particularistic' forms of structural articulation between high public office holders and private capital. Indeed, it is my contention that, in a convoluted and indirect way, the new internalised functions of the capitalist state described above have contributed towards a growing political and economic dependence of political personnel on capital.

Very briefly, this emerging tendency may be suggested in the form of a number of points.
(i) The universal domination of competitive instrumental rationality has led to a restriction of the economic policy options of most states. The growing disillusionment and depoliticisation of the population at large is an immediate consequence. Most developed countries seem to be advancing in the steps of the US where the crystallisation of political antagonisms do not immediately correspond to clear class alternatives.

(ii) An important result of this new conjuncture is the dwindling ‘internal’ basis for financing political parties. Less and less are labour and professional organisations capable of mobilising their members in collective actions aimed at intervention and struggle on the political level. Hence the prevalence of fragmented and individualistic free-rider attitudes – described as ‘natural’ by liberal organisational theorists – in growing sectors of social life. Inevitably, contributions of funds and energy by individual militants are being drastically curtailed.

(iii) In a related development, political conflict is concentrated on secondary debates and cannot directly reflect well-established and internalised class issues. To the extent that earlier collective images animating political struggle have been rapidly eroding, political discourse is suffering an increasing loss of substance. The social alternatives opened up by democratic political antagonisms must be constantly reiterated on the level of collective representations. In this sense, one may legitimately speak of a growing ‘theatricality’ of internal political conflict, still organised in parties. Political competition, in which parties constantly struggle to increase electoral and ideological influence, is developing into a subsystem ever more detached from any social and class foundations.

(iv) However, desubstantised controversies are becoming more and more expensive, in both absolute and relative terms. On the one hand, organisation costs have soared far beyond available organisational resources. On the other hand, the very fact that the issues separating the main contenders for political power are becoming far less visible increases the importance of what is now termed ‘political communication’. The everyday political game of propaganda and public image-making is now an integral part of political life. Elections increasingly are won or lost not according to the relevance of issues that are increasingly beyond the grasp of the population at large, but as a result of the success or failure of pervasive public relations activities. Persons and parties are thus forced to rely on expensive media coverage and on the services of highly-paid professionals. On all fronts, the costs of democratic competition are accumulating.

(v) If direct contributions are dwindling and costs are soaring, the democratic political-electoral game must be suffering an increasing
deficit. To the extent that the 'political costs' necessary for the reproduction of the political system cannot be covered by the voluntary micro-contributions of individual party members, and external financing becomes a functional necessity, the question of new sources of 'political money' must inevitably be raised.

(vi) At the same time, an increasing amount of public-decision making consists of making contracts with big business. Privatisation, military expenses, public works, and all kinds of political choices, translating into contracts with the private sector, represent a growing fraction of public budgets. Obviously, deregulation refers to the capital-labour relation and not to the importance of public contracts which, if anything, have been growing in inverse proportion to the restriction of economic activities directly organised under the auspices of the state. It is no accident that inter-territorial 'bribes' are now not only widely acceptable but also accorded tacit official approval: in most European countries, 'unsuccessful' bribes are considered to be a legitimate business cost to be taken account of in domestic tax exemptions. Even if it is 'internally' frowned upon, transnational corruption is officially legitimated as part of the game. Inevitably, the articulation between 'domestic' public decisions and 'deterritorialised' private profits is thus more structured and continuous than ever before.

(vii) Like all forms of capital, state-linked big business reproduces on the domestic scale all the contradictions and antagonisms of de-localised international capital. Competition for particularistic state favours and contracts is becoming wider and deeper. The 'interior' bourgeoisies, together with their international linkages, are engaged in constant (oligopolistically organised) struggles in the expanding international market for public works, contracts, licences and interests.

(viii) Against this background, bids from national and international firms tend to be accompanied by more or less open offers of pay-offs. The question of 'functional corruptibility', endemic in dependent countries, has rapidly become an objective structural feature of most, if not all, state structures. Indeed, the gravity of the problem is reflected in the fact that, like the USA, most European countries have recently implemented severe restrictions on electoral costs. Public financing of parties and elections is only one of the solutions that has been proposed. However, numerous studies have demonstrated that official public funds can account for only a fraction of soaring political costs. Political costs are virtually unlimited and uncontrollable. Whether this implies a growing structural corruption of political personnel – a fact which not only seems obvious but is amply corroborated by empirical studies – or
whether this constant input of resources from the private sector to public and party decision-making is used exclusively to promote the organisational interests of parties and collective public entities, is irrelevant to my argument. The main point to underline is that, objectively, political personnel and parties seem obliged to solicit and ‘accept’ large private ‘contributions’ in order to reproduce themselves as communicationally viable candidates for public office. Apart from the question of ‘corruption’ and all the normative issues associated with it, it is a fact that new systemic factors are pushing the political structure towards an increased dependence on unofficial and usually hidden forms of financing. ‘Personal links’ are in this way structurally determined.

This development, in turn, exacerbates the general disillusionment with democratic forms. If general depoliticisation results in a growing dependence of political organisations on an uninterrupted flow of resources originating in the private sector, and to the extent that this new objective link between politicians of all shades and their respective (or common) economic ‘sponsors’ becomes public knowledge, the depoliticisation process will become cumulatively more pronounced. ‘Lobbies’ and ‘sponsorships’ are both functionally and organisationally integrated. By dint of their very success, the new forms of articulation between capital and top state personnel thus seem to be undermining general political credibility and further exacerbating both the financial deficit of the political game and its resulting financial dependence on capital.

*Conclusions*

What may be inferred from the above is that what has changed is the specific form of articulation of a particular branch of the state — indeed the most important and powerful of them, the elected political summit — and not the principle of the relation of articulation itself. The new dominant forms of capital accumulation on a world scale are precisely reflected in the new forms of relative autonomy of national states. The international tendency towards restricting the external regulation of capitalist competition has called for a concomitant circumscription of public decision-making processes within new limits. The symbolic and functional presence of national states is more necessary than ever for the cohesion of social formations at the same time that their economic and ideological interventions are far more ‘deregulating’ than before. This poses new dilemmas for the successful reproduction of the state. It may well be that one of the growing contradictions within the contemporary capitalist state resides in the novel discrepancy between the
professed aims of the political personnel responsible for the regulation of deregulation, on the one hand, and the established state bureaucracy entrusted with the symbolical, juridical and ideological cohesion of national social formations on the other. Antagonistic relations between government and traditional public organisations — such as schools, local administrations, and health and welfare institutions — seem to be emerging on a scale that transcends the predictable response to threats to public services. Privatisation and rationalisation touch the core of what was the main institutional and political manifestation of the overall relative autonomy of a state apparatus guaranteeing social cohesion. The new obsessive doctrine of a quantifiable ‘productivity’ applied to all organised state functions — from the judicial to administrative and from the military to educational — introduce a universal technical-economic measure of assessment to functions that were traditionally legitimised though their autonomous value. In a convoluted way this may be seen to effectively diminish the relative autonomy of the state. Obviously, to the extent that market logic is introduced directly into the evaluation of public functions, not only is the internal system of organisation tendentially transformed, but more to the point, public services and functions are becoming detached from their original functions. Whereas the desirability of free urban public transportation was still an open issue in the 1970s, by now the debate is centred uniquely around the question of the possibility of running public transportation in ‘efficient’ ways. The very principle of redistribution serving the needs of social reproduction is blurred by the notion that all services and mechanisms, private or public, must ‘naturally’ bow to the technical prescriptions of profitability and competitiveness.

This development suggests another potential contradiction between the elected summits of the state personnel, who must direct the regulation of deregulation, and the rest of the state apparatus which remains responsible for the day-to-day social and symbolic cohesion of society. On the level of representations, this contradiction may be summed up in the ostensible incompatibility between public ‘neutrality’ and particularistic ‘preferentiality’. These incommensurable principles must be actively reinterpreted by the state to open up new possibilities for a resolution. The state must be capable of taking preferential deregulatory decisions while simultaneously preserving the mask of bourgeois respectability. This is precisely what happens when the state summits and the organised political subsystem form direct financial links with capitalists in ways that uphold their assumed autonomy, while the principal normative ‘separation’ between private and public still reigns
supreme. The ideological consistency of the system must confront the growing discrepancy between the 'neutrality' of the state and the functional dependence of its summits. Techno-authoritarian discourse provides a way out. But the price to be paid is the growing delegitimation of democracy. More than ever before, the social contract is reduced to an increasingly unconvincing procedural legality.

For all intents and purposes, it is capital itself that assumes the soaring costs of reproduction of the entire political subsystem in the narrow sense of the word: a new kind of 'faux frais', or false political cost, is thus emerging as a structural prerequisite for the smooth functioning of the state system. This fact largely explains why, as a matter of course, big capital offers direct and simultaneous financial support to all serious contenders for elected political power, regardless of ideological shade. For the representatives of the internal bourgeoisies — divided as they are among themselves — the issue is not so much one of maintaining political personnel on their direct payroll, but rather, one of sustaining a system of political representation that is dependent on direct inflows of uninterrupted capital 'subventions'.

One may conclude that while relative state autonomy still remains important, this autonomy is more and more structurally 'selective'. In the contemporary international setting, the overall function of national states is being rapidly reconfigured by 'pseudo-autonomous' forms of articulation between the political and the economic. But this 'pseudo-autonomy' is not reflected in the same way throughout the various branches of the state apparatus in all their growing interrelation and complexity. Henceforth, if the mass of the state apparatus, including the judiciary, is still governed by the overall class contradictions, and thus continues to intervene in the interests of overall social reproduction, state 'summits' must assume the ambivalent but now essential role of imposing the required forms of deregulation.

Under these circumstances, one might well speak of a 'differentiated' relative autonomy, reflected in the internal contradictions between the various 'branches' of the state apparatus. It is precisely these contradictions which mark the character of the present phase. Indeed, if state summits function in ways that bring to mind the most schematic of marxist formulations — one is more and more tempted to return to instrumentalist conceptions — its overall role must still consist in securing a minimum of social cohesion under the hegemony of the dominant class, a cohesion the costs of which are by now mainly 'political'. In addition, one might add, the political and ideological dangers emanating from the political personnel's incapacity to reproduce itself in a visibly
autonomous way is counterbalanced by the further fetishisation of the professed technical and ideological neutrality of other branches of the state apparatus. The more obvious it becomes that the specific objective forms of articulation between the state summits and the bourgeoisie are increasingly ambiguous and suspect, the more it is ideologically fundamental to cling to the illusions of public meritocracy and technocratic neutrality. If possible, these internal contradictions between branches of the state, in respect of the forms of their 'relative autonomy', must be masked behind a wider techno-authoritarian discourse covering the entire function of what is still considered to be the public sphere.

I hope to have shown here that the newly crystallised forms of articulation between the political and the economic must be re-examined in view of the global effects of a growing non-correspondence between the 'national' scale of political-ideological organisations and struggles on the one hand, and the 'inter-nationalised' and deterritorialised scale of capital accumulation on the other. In this respect, the national state, still the fundamental instance ensuring the reproduction of social cohesion, has been led to modify spectacularly the form of its specific interventions as well as its functional role in neutralising the dominant forms of class struggles, both on the economic and on the political-ideological level. In this context, new contradictions between the various components and functions of the state apparatus have appeared, endangering its internal cohesion. As a consequence, the ideological and political prevalence of the new dominant 'techno-authoritarianism' assumes a paramount importance.

One of the main political side-effects of the present conjuncture is that it has become clear that working-class struggles have entered a new phase and face unprecedented challenges. The contradiction between the national and international loci of class struggles has led to a growing disorganisation and demoralisation of the victims of exploitation. Obviously, I cannot suggest the ways in which these new trends may be overcome. But it seems to me beyond doubt that it is impossible for the various fragments of the working class to advance towards new strategies and tactics if the political implications of complex new forms of state intervention, and the concomitant question of the modes of its relative autonomy, are once again given the highest priority.
NOTES

This is an abbreviated and revised version of a paper prepared for the symposium on 'Miliband and Poulantzas in Retrospect and Prospect,' City University of New York Graduate Centre, April 24–25, 1997.

2. Ibid., p. 73.