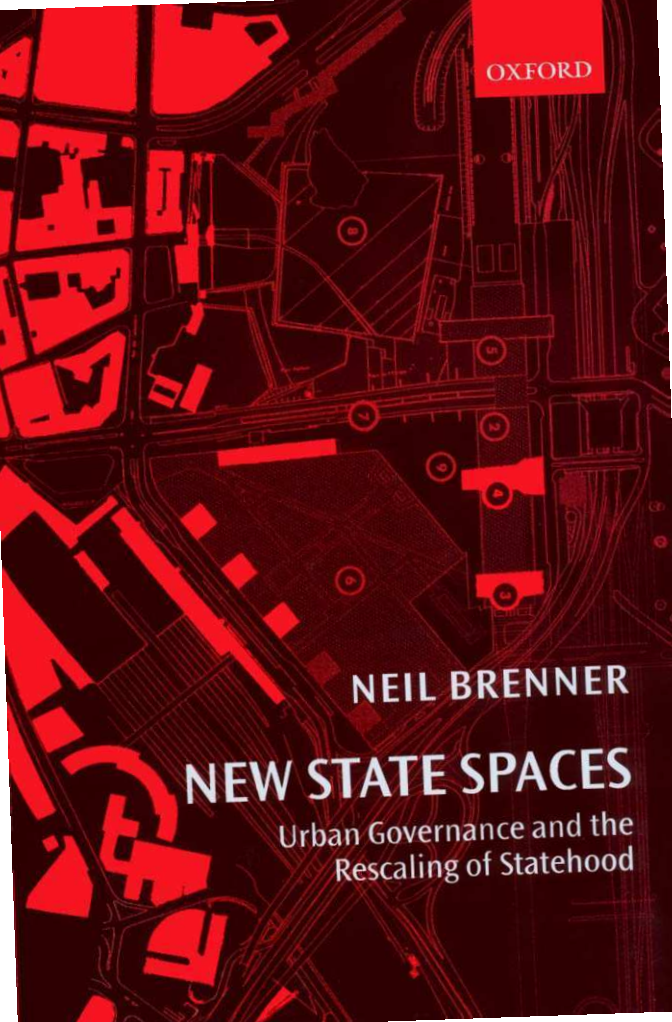
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NEIL BRENNER
NEW STATE SPACES
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ONE

Introduction: Cities, States, and the 'Explosion of Spaces'

> we find ourselves faced with an extraordinary, little-noticed phenomenon: *the explosion of spaces*. Neither capitalism nor the state can maintain the chaotic, contradictory space they have produced . . .
>
> Henri Lefebvre (1979: 290)

This book is an attempt to decipher the transformation of statehood under contemporary capitalism. In recent decades, this issue has attracted considerable attention among globalization theorists, international political economists, political sociologists, and other students of contemporary politics. Across the political spectrum, from pro-globalization boosterists (Ohmae 1995) to anti-globalization critics (Hardt and Negri 2001; Strange 1996), many scholars have forecast the imminent demise of national state power due to the purportedly borderless, politically uncontrollable forces of global economic integration. During the last decade, however, a significant strand of political-economic research has advanced the counterargument that national states are being qualitatively transformed, and not dismantled, under contemporary geoeconomic conditions.[1] Within this emergent interdisciplinary literature, scholars have explored the ways in which diverse arenas of national state power, policy formation, and sociopolitical struggle are being redefined in response to both global and domestic pressures. The new forms of statehood that are resulting from these wide-ranging transformations have been variously characterized as competition states, workfare states, internationalized states, catalytic states, network states, post-Fordist states, post-national states or, more generically, as post-Keynesian states.[2]

[1] The literature on the restructuring of national states under conditions of contemporary globalization has grown rapidly during the last decade. Representative works include Agnew and Corbridge 1994; R. Cox 1987; Evans 1997; Gill 1995; Helleiner 1994; Jessop 2002; McMichael 1996; O'Riain 2000; Panitch 1994; Sassen 1996; Wade 1996; and Weiss 2003. A more detailed examination of state decline arguments, and their associated epistemological assumptions, is elaborated in Ch. 2.

[2] These labels have been used pervasively in the interdisciplinary literatures on contemporary state restructuring. See, among other sources, Ansell 2000; Boyer and Drache 1996; Hirsch 1995; Cerny 1995; R. Cox 1987; Evans 1997; Jessop 1999*a, b*; Keil 1998*a*; Peck 2001*a, b*; Scholte 1997; Weiss 1998; and Whitfield 2001.

While these recent, 'transformationist' approaches have contributed valuable theoretical and empirical insights to the study of contemporary statehood, they have invariably focused upon two overarching geographical scales—the *national* and the *supranational*. For instance, scholars of contemporary state restructuring have investigated, among other institutional shifts, the crisis and reorganization of the Keynesian welfare national state, the increasing internationalization of national policy systems, the consolidation of new supranational institutional arrangements, and various putative challenges to national state power associated with geoeconomic integration. Against the background of such studies, this book is intended to broaden and deepen the geographical imagination of contemporary state theory by investigating the major role of *urban regions* as key sites of contemporary state institutional and spatial restructuring. Rather than treating cities and city-regions as mere subunits of national administrative systems, I suggest that urban policy—broadly defined to encompass all state activities oriented towards the regulation of capitalist urbanization—has become an essential political mechanism through which a profound institutional and geographical transformation of national states has been occurring. My claim is not simply that the institutional infrastructure of urban governance is being redefined but, more generally, that transformations of urban policy have figured crucially within a fundamental reworking of national statehood since the early 1970s. A geographically attuned and scale-sensitive approach to state theory is required in order to decipher the new state spaces that are being produced under contemporary capitalism.

The core of this analysis focuses upon a major realignment of urban governance and state spatial policy that has occurred across western Europe during the last three decades. During the 1960s, most western European states established relatively uniform, standardized administrative structures throughout their territories and mobilized redistributive spatial policies designed to alleviate intra-national territorial inequalities by extending urban industrial growth into underdeveloped, peripheral regions. This project of spatial Keynesianism (Martin and Sunley 1997) continued into the 1970s, but was widely abandoned during the subsequent decade, as policymakers became increasingly preoccupied with the challenges of urban industrial decline, welfare state retrenchment, European integration, and economic globalization. Subsequently, in a shift that has been famously characterized by Harvey (1989*a*) as a transition to entrepreneurial urban governance, national, regional, and local governments mobilized new, growth-oriented approaches to urban and regional policy in an effort to promote economic development from below, rather than through centrally steered programs. As of the early 1980s, national states began to introduce new, post-Keynesian spatial policies intended to reconcentrate productive capacities and specialized, high-performance infrastructural investments into the most globally competitive city-regions within their territories. Meanwhile, major urban regions were equipped with place-specific

forms of state administration and special-purpose, customized regulatory arrangements, which were increasingly seen as a crucial institutional basis for enhancing global competitive advantages and attracting mobile capital investment. The highly polarized national political-economic geographies that have resulted from these realignments are characterized by the diffusion of neoliberal discourses emphasizing market-driven growth, flexibility, and locational competitiveness; by the intensification of interspatial competition between urban regions; and by a growing differentiation of national political space among distinctive urban and regional economies, each with their own unique, place-specific economic profiles, infrastructural configurations, institutional arrangements, and developmental trajectories. The postwar project of national territorial equalization and sociospatial redistribution has thus been superseded by qualitatively new national, regional, and local state strategies to position major urban economies optimally within global and supranational circuits of capital.

One of the central agendas of this book is to trace this fundamental rearticulation of urban policy and to explore its multifaceted implications for the nature of statehood in post-1970s western Europe. I argue, first, that city-regions have become key institutional sites in which a major rescaling of national state power has been unfolding. The intensified national targeting of local and regional spaces for economic (re)development strategies during the last two decades has not occurred within a fixed institutional framework, but has been enabled by, and has in turn accelerated, a fundamental transformation of state scalar configurations. The long-entrenched primacy of the national scale of political-economic regulation has been destabilized as new scalar hierarchies of state institutional organization and state regulatory activity have been forged. Within these rescaled configurations of state power, major urban regions have become important geographical targets for a variety of far-reaching institutional changes and policy realignments designed to enhance local economic growth capacities. For this reason, processes of state downscaling—the devolution or decentralization of regulatory tasks to subnational administrative tiers, coupled with a restructuring of subnational institutional configurations—are as fundamental to the contemporary remaking of political space as the forms of state upscaling that have been examined at length by international political economists (Gill 1998*a*, *b*; Mittelman 2000). Second, I argue that national state *institutions* continue to play key roles in formulating, implementing, coordinating, and supervising urban policy initiatives, even as the primacy of the national *scale* of political-economic life is decentered. From this point of view, the erosion of spatial Keynesianism has not generated a unidirectional process of Europeanization, decentralization, regionalization, or localization, in which a single scale—be it European, regional, or local—is replacing the national scale as the primary level of political-economic coordination. We are witnessing, rather, a wide-ranging recalibration of scalar hierarchies and interscalar relations throughout the

state apparatus as a whole, at once on supranational, national, regional, *and* urban scales. As Peck (2002: 332; italics in original) explains, 'Contingently scaled functions [of state power], such as those associated with the national welfare state, are not simply being moved around, they are undergoing a process of qualitative transformation *through* rescaling.' Therefore, in contrast to analyses that forecast a linear denationalization of statehood—whether through the strengthening of supranational institutional blocs or due to the enhanced regionalization or localization of state regulatory capacities—this book underscores the continued importance of *spatially reconfigured* national state institutions as major animateurs and mediators of political-economic restructuring at all geographical scales. As deployed here, therefore, the notion of state rescaling is intended to characterize the transformed form of (national) statehood under contemporary capitalism, not to imply its erosion, withering, or demise.

I have attempted, as much as stylistically possible, to minimize references to 'the' state, as a singular noun. In my view, the singular concept of the state misleadingly implies that the institutions in question converge, by definitional necessity, upon a single (national) geographical scale and are subordinated to a single (national) political center. While the notions of the local state, the regional state, and the national state remain appropriate for referencing specific tiers of state power within a multiscalar institutional hierarchy, I believe that the generic concept of *the* state has become increasingly problematic. The notion of *statehood* seems to me a more precise basis for describing modern political institutions, because it does not ontologically prejudge the configuration of state scalar organization, the level of state centralization, or the degree of institutional isomorphism among state agencies.[3] While we shall see that political strategies to establish a centralized, nationalized hierarchy of state power have indeed played a key role throughout much of the twentieth century, they are today being widely superseded as a more polycentric, multiscalar, and non-isomorphic configuration of statehood is created. Consequently, new conceptual vocabularies are required in order to transcend some of the entrenched assumptions about state spatial and institutional organization that have been inherited from the Westphalian geopolitical epoch (Agnew 1994; Ruggie 1993). In the chapters that follow, I attempt to confront this task systematically by developing and deploying an explicitly historicized, spatialized, and scale-sensitive approach to the production and transformation of statehood.

[3] The term 'statehood' is often used to denote the goal of anti-colonial, secessionist, or national-liberationist struggles—as, for instance, in the struggle for Palestinian, Kurdish, or Kashmiri statehood. By contrast, throughout this book, the term 'statehood' is understood in its more literal sense—much like the German term *Staatlichkeit*—to connote the distinctive ensemble of social relations embodied in, and expressed through, state institutions. Chapter 3 elaborates this conceptualization in greater detail.

From the scale question to the new political economy of scale

> Epochs of world history hinge not only upon the rise and fall of great powers or the successive struggles among mobilized social groups but on the attributes of political space, whether weakened or strengthened or rescaled into larger or smaller commanding units.
>
> Charles Maier (2000: 809)

My point of departure is the proposition that historically entrenched forms of national state territoriality are being systematically unraveled and, consequently, that diverse sociopolitical struggles to reorganize the institutional geographies of capitalism are proliferating at all spatial scales. Writing in the late 1970s, the French social theorist Henri Lefebvre (1979: 290) vividly described this situation as an 'explosion of spaces' in which established geographies of industrialization, state power, urbanism, and everyday life were being thoroughly destabilized and rewoven. These trends have intensified since that period, as a transformed configuration of globalizing, neoliberalizing, and urbanizing capitalism has crystallized (Brenner and Theodore 2002*a*). Throughout the social sciences, the origins, contours, and implications of these shifts remain a matter of considerable controversy (for overviews, see Amin 1994; Albritton et al. 2001). Nonetheless, some initial evidence that inherited nationalized and territorialized formations of political-economic space are today being significantly reworked can be gleaned from a cursory examination of three contemporary worldwide trends.

1. *Global economic integration*. National territorial economies are becoming more permeable to supranational, continental, and global flows of investment, money, trade, and labor (Dicken 1998; Daniels and Lever 1996; Knox and Agnew 1995). During the last thirty years, the massive expansion of foreign direct investment, the development of advanced informational, communications, and transportation technologies, the dismantling of various legal constraints on cross-border financial transactions, the liberalization of trade policy, and the intensification of international labor migration have combined to generate what Castells (1996) has famously termed a 'space of flows' that appears to lie beyond the territorialized national economic systems inherited from previous phases of capitalist development. With the expansion of foreign direct investment and speculative cross-border financial transactions, new offshore economies have emerged, composed of Euromarkets, tax havens, export processing zones, free trade areas, and other virtual regulatory spaces (Cameron and Palan 1999). While considerable disagreement persists regarding the appropriate interpretation of economic globalization, most scholars would agree that we are currently living through a phase of significantly intensified geoeconomic integration that is destabilizing inherited national economic formations. Under

these conditions, as national economies become at once more permeable and more tightly intertwined on a global scale, purely territorialist models of economic life—with their rigid distinction between the 'inside' and the 'outside' of state borders—are losing intellectual plausibility (R. B. J. Walker 1993; Sassen 1996).

2. *Urban and regional resurgence*. In conjunction with the crystallization of offshore economies, the expansion of global trade relations and the worldwide integration of capital markets, localized agglomeration economies have acquired a renewed importance for major fractions of industrial, financial, and service capital (Storper 1996; Grabher 1993; Scott 2001). Precisely under conditions in which geoeconomic integration is rapidly intensifying, locally embedded economic interactions have become basic preconditions for globalized capital accumulation (Sassen 1991). Consequently, a local and regional renaissance has been unfolding as 'super-clusters of producers come into being in the shape of dense agglomerations (typically forming large metropolitan areas or world cities), tied functionally together in a global division of labor' (Scott 1996: 400). A huge literature on global cities, industrial districts, learning regions, offshore financial centers, and other new industrial spaces has proposed that these subnational territorial production complexes today represent the 'regional motors of the global economy' (Scott 1996) insofar as they harbor the socioeconomic assets, innovative capacities, technological infrastructures, specialized skills, institutional networks, and sociocultural milieux upon which the leading sectors of transnational capital depend. This resurgence of urban and regional economies cannot be adequately appreciated on the basis of state-centric models that encage economic activity into self-enclosed, nationally scaled territorial units. As debates on the contemporary 'local–global interplay' (Dunford and Kafkalas 1992) proliferate, the role of urban and regional economies as engines of industrial growth is being more widely acknowledged.

3. *The consolidation of new supranational and cross-border institutions*. The regulatory significance of supranational institutions and multistate regulatory arrangements—from the EU, NAFTA, APEC, ASEAN, and MERCOSUR to the IMF, the World Bank, the G8, and the GATT—has also been enhanced throughout the world economy (Larner and Walters 2002; Mittleman 2000). Such supranational institutions have played an instrumental role in institutionalizing neoliberal ideology and, consequently, in establishing the political preconditions for the expansion of inter- and intra-bloc trade and investment flows (Gill 2003). They have also underpinned the development of new forms of multilevel governance grounded upon dense interdependencies between various tiers of political authority, both above and beneath national state institutions (Caporaso 1997; Scharpf 1999). These trends have been articulated in conjunction with an intensification of horizontal networking, translocal linkages, and cross-border cooperation initiatives among local and regional states and other non-central governments (Perkmann and Sum 2002; Hocking

1998). Thus, new forms of institutional organization, political authority, and economic coordination appear to be proliferating above and below the national scale of state power, leading to a 'complex intertwining of institutions at all levels of the world, from the global arena to the regional level' (Boyer and Hollingsworth 1997: 470). Such developments suggest that capitalist economies no longer represent coherent, neatly self-contained geographical units, but are today being permeated by new types of vertical and horizontal linkages among diverse, multiscaled institutional forms.

As this abbreviated sketch of contemporary political-economic transformations indicates, purely territorialist, nationally focused models have become an inadequate basis for understanding the rapidly changing institutional and geographical landscapes of capitalism. Under contemporary conditions, the 'institutional arrangements that at one time were congruent at the national level are now more dispersed at multiple spatial levels'; meanwhile, a 'multifaceted causality runs in virtually all directions among the various levels of society: nations, sectors, free trade zones, international regimes, supranational regions, large cities, and even small but well-specialized localities' (Boyer and Hollingsworth 1997: 472, 470). Most crucially for the present study, these wide-ranging institutional and geographical realignments have been intimately intertwined with processes of *rescaling* through which entrenched scalar hierarchies—stretching from the urban and the regional to the national, the continental, and the global—have been destabilized and rearticulated (Swyngedouw 1992*a*). A key agenda of this book is to investigate the origins, dynamics, and consequences of such rescaling processes in contemporary western Europe, above all with reference to the rescaling of state spatial regulation and urban policy. The essential task, in this context, is to examine the dissolution of the nationally centered, Fordist-Keynesian configuration of statehood and the contested consolidation of qualitatively new scalar hierarchies of state regulatory activity across the western European political-economic landscape.

Investigations into contemporary rescaling processes pose some daunting methodological challenges. Foremost among these is the need to develop a theoretically precise yet also historically specific conceptualization of geographical scale as a key dimension of social, political, and economic life. A reification of scale appears to be built into everyday scalar terms (for instance, local, urban, regional, national, global, etc.) insofar as they represent distinctive socio-territorial processes (for instance, localization, urbanization, regionalization, nationalization, globalization, etc.) as if they were static entities frozen permanently into geographical space. Relatedly, existing scalar vocabularies are rather poorly equipped to grasp the complex, perpetually changing interconnections and interdependencies among geographical scales. For, insofar as terms such as local, urban, regional, and so forth are used to demarcate purportedly separate territorial 'islands' of social relations, they mask the profound mutual imbrication of all scales. These difficulties are

exacerbated still further by the circumstance that much of the social-scientific division of labor is organized according to distinctive scalar foci—for instance, urban studies, regional studies, comparative politics, international relations, and so forth—which systematically obstruct efforts to explore the intricacies of interscalar relations. Drawing upon Lefebvre's (1976*a*: 67–8) terminology, I shall refer to this cluster of methodological dilemmas as the 'scale question' (Box 1.1).

Box 1.1. Approaching the scale question

> Today *the question of scale* inserts itself at the outset—at the foundation, as it were—of the analysis of texts and the interpretation of events
>
> (Lefebvre 1976*a*: 67–8; italics added).

Key methodological challenges:

- Conceptualizing scale as a *process* (for instance, of localization, regionalization, nationalization, or globalization) rather than as a permanently fixed, pregiven thing;
- Conceptualizing the intrinsic *relationality* of all geographical scales and their embeddedness within broader interscalar hierarchies;
- Developing *postdisciplinary* methodologies that emphasize interscalar relations and multiscalar transformations rather than ontologizing the distinct scalar foci upon which traditional disciplinary divisions of labor have been grounded.

In order to confront the scale question effectively, it is necessary to elaborate a dialectical approach to *scaling processes* under capitalism that is capable of capturing the ways in which, as Swyngedouw (1997: 141) has proposed, 'scales and their nested articulations become produced as temporary standoffs in a perpetual transformative sociospatial power struggle'. In the rapidly expanding literature on the social production of geographical scale, this task is now being directly confronted.[4] As contributors to this literature have convincingly argued, scalar hierarchies are not fixed or pregiven scaffolds of social interaction, but are themselves produced and periodically modified in and through that interaction. As Smith (1995: 60–1) explains:

> Geographical scale is traditionally treated as a neutral metric of physical space: specific scales of social activity are assumed to be largely given as in the distinction between urban, regional, national and global events and processes. There is now, however, a considerable literature arguing that the geographical scales of human activity are not neutral 'givens', not fixed universals of social experience, nor are they an arbitrary methodological or conceptual choice [...] Geographical scale is socially produced as simultaneously a platform and container of certain kinds of social activity. Far from

[4] The literature on the social production of spatial scale has expanded rapidly during the last decade. For foundational statements, see Smith 1993, 1992, 1990; and Swyngedouw 1997, 1992*a*. For a detailed overview of more recent work, see Marston 2000.

neutral and fixed, therefore, geographical scales are the product of economic, political and social activities and relationships; as such they are as changeable as those relationships themselves.

The contemporary period of intensified geoeconomic integration, Europeanization, welfare state retrenchment, and accelerated urban-regional restructuring provides a dramatic illustration of this proposition, for it has arguably entailed one of the most wide-ranging and transformative rearticulations of scalar arrangements ever to have occurred in the history of capitalist development (Swyngedouw 2000*a*). I shall interpret the reworking of state space in post-1970s western Europe as an important medium, catalyst, and expression of these broader rescaling processes. I shall also have occasion, at various junctures of this study, to consider the relationship between the rescaling of state space and the rescaling of other institutional forms—in particular, capitalist economies and urban systems. Box 1.2 summarizes the conceptualization of scaling processes that underpins this analysis.

Box 1.2. Theorizing scale and rescaling processes: core propositions (See also Brenner 2001*a*, 2000*a*, 1998*a*.)

In recent scholarship, geographical scale has been defined in a variety of ways. Representative definitions include the following:

- Scale is a 'nested hierarchy of bounded spaces of differing size' (Delaney and Leitner 1997: 93).
- Scale is 'the level of geographical resolution at which a given phenomenon is thought of, acted on or studied' (Agnew 1997: 100).
- Scale is the 'geographical organizer and expression of collective social action' (Smith 1995: 61).
- Scale is the 'geographical resolution of contradictory processes of competition and cooperation' (Smith 1993: 99).

The conceptualization of geographical scale used in this book is broadly compatible with the aforementioned definitions, but emphasizes, above all, the *hierarchization* of spaces in relation to one another. From this point of view, geographical scale—or, more precisely, the process of *scaling*—is tied intrinsically to what Collinge (1999) has termed the 'vertical ordering' of social formations. The geographical dimensions of social life consist not only in the fact that social relations assume contextually specific forms in different places, localities, or territories. In addition to this 'horizontal' or 'areal' differentiation of social practices across geographical space, there is also a 'vertical' differentiation in which social relations are embedded within a hierarchical scaffolding of nested territorial units stretching from the global, the supranational, and the national downwards to the regional, the metropolitan, the urban, the local, and the body. It is this vertical ordering of social, economic, and political practices that defines scalar organization in any social formation. A number of propositions follow from this initial conceptualization:

1. *The scaling of social processes.* Geographical scales are not static, fixed, or permanent properties of the social world or of social spatiality as such. They are best understood as socially produced, and therefore malleable, dimensions of particular social processes—

such as capitalist production, social reproduction, state regulation, and sociopolitical struggle. Insofar as any social, political, or economic process is internally differentiated into a vertical hierarchy of distinct spatial units, the problem of its scalar organization arises. As Smith (1993: 101) indicates, geographical scales provide a 'partitioned geography' within which diverse forms of social interaction unfold. At the same time, the differentiation of social processes into determinate scalar hierarchies is never accomplished once and for all, but is continually forged through everyday practices, conflicts, and struggles (Swyngedouw 1997; Jonas 1994). The scalar organization of a social process or institutional form may thus become an object of direct sociopolitical contestation and may, by consequence, be recalibrated.

2. *The relationality of scales*. Scale cannot be construed as a system of nested territorial containers defined by absolute geographic size (a 'Russian dolls' model of scales). The institutional configuration, functions, history, and dynamics of any one geographical scale can only be grasped relationally, in terms of its upwards, downwards, and transversal links to other geographical scales situated within the broader scalar order in which it is embedded (Lefebvre 1991: 85–8; Howitt 1998). Consequently, the significance of scalar terms such as global, national, regional, urban, and local is likely to differ qualitatively depending on the specific social processes or institutional forms to which they refer.

3. *Mosaics of scalar organization*. The institutional landscape of capitalism is not characterized by a single, all-encompassing scalar pyramid into which all social processes and institutional forms are neatly subsumed. This is because 'different kinds of social process have very different geographies and they do not all fit neatly into the same set of nested hierarchies' (Allen, Massey, and Cochrane 1998: 60). Insofar as every social process or institutional form may be associated with a distinctive pattern of scalar organization, the scalar configuration of capitalism as a whole may be described as a mosaic of superimposed and interpenetrating scalar hierarchies (Lefebvre 1991). Any systematic account of scaling processes under capitalism must therefore begin with an analysis of how, why, and when the social process or institution in question has been subdivided into a vertical hierarchy of separate yet intertwined geographical scales. Concomitantly, such an account must also specify the relevant spatial units within that hierarchy, their evolving role within the hierarchy and their changing relation to other units within that hierarchy.

4. *Scalar fixes*. The major large-scale institutional forms of modern capitalism—such as capitalist firms and national states—interact and evolve continually to produce certain 'nested hierarchical structures of organization' (Harvey 1982: 422) that enframe social life within provisionally solidified 'scalar fixes' (Smith 1995). Such scalar fixes are composed of temporarily stabilized geographical hierarchies in which social, economic, and political activities organized at some scales tend to predominate over others (Collinge 1999). Once established, these scalar hierarchies constitute relatively 'fixed geographical structures bounding political, economic and cultural activity in specific ways' (Smith 1995: 63). The long-run historical geography of capitalist development has been grounded upon a succession of determinate, if chronically unstable, scalar fixes through which the socioterritorial preconditions for capital accumulation have been successively secured, destabilized, junked, and remade. Throughout much of the history of capitalism, national state institutions have played a significant role in constructing, reproducing, modifying, destroying, and creating anew such scalar fixes (Brenner 1998*a*).

5. *Scalar transformations*. Processes of rescaling do not entail the simple replacement of one scalar configuration by another, fully formed one, or the total disappearance of

some scales as others supersede them. On the contrary, rescaling processes generally occur through a path-dependent interaction of inherited scalar arrangements with emergent, often highly experimental strategies to transform the latter. Consequently, even in the midst of intense pressures to restructure a given scalar order, inherited scalar configurations may close off certain pathways of rescaling by circumscribing the production of new scales within determinate institutional and geographical parameters. The dominant scalar orderings of one historical period may thus strongly condition and constrain the development of subsequent scalar configurations. While established patterns of interscalar relations are never permanently fixed, they are generally destabilized and transformed only in the wake of intense sociopolitical struggles.

In sum, I am concerned to explore what Jessop (2002: 179) has recently termed the 'new political economy of scale'. The new political economy of scale may be usefully contrasted to what might be termed the 'old' political economy of scale, which involved epistemological debates regarding the appropriate unit of analysis for social-scientific investigation. As Wallerstein (1991) has shown, such debates have recurred periodically within the social sciences since their institutionalization in the late nineteenth century. It is only recently, however, that social scientists have explicitly recognized the historically malleable and politically contested character of scalar organization. The new political economy of scale is thus grounded upon an explicit, reflexive concern to decode the multifarious ways in which inherited forms of scalar organization are being systematically rejigged. Box 1.3 (overleaf) summarizes the key elements of the new political economy of scale that are explored in this book.

I believe that contemporary rescaling processes pose fundamental theoretical and methodological challenges for social scientists concerned to analyze the changing institutional landscapes of contemporary capitalism. In the following chapters, I develop and deploy one particular strategy for investigating the new political economy of scale in the context of recent scholarly debates on globalization, the transformation of statehood, and the remaking of urban governance. There are, certainly, other theoretical perspectives, methodological orientations, and empirical focal points through which contemporary rescaling processes may be fruitfully investigated.[5] My analysis is thus intended as a contribution to ongoing social-scientific research on contemporary rescaling processes and their implications for social, political, and economic life under early twenty-first century capitalism.

[5] The definition of the new political economy of scale provided above is intentionally broad, and thus encompasses extremely diverse strands of political-economic research. A number of methodologically reflexive and theoretically innovative accounts of contemporary rescaling processes have been developed in the vast interdisciplinary literatures on geopolitical economy, including: Cerny 1995; K. Cox 1997; Boyer and Hollingsworth 1997; Eisenschitz and Gough 1996; Gough 2004, 2002; Heeg 2001; Herod 1997; Hollingsworth 1998; Jessop 2002; Jones 2001; Kelly 1999; Larner and Walters 2002; Leitner 2004; Leitner and Sheppard 2002; MacLeod 2001; MacLeod and Goodwin 1999; D. Newman 1999; Peck 2002; Peck and Tickell 1994; Schmitter 1999; Sheppard 2002; Smith 2004, 1995; Swyngedouw 2000*a*, 1997, 1996.

Box 1.3. Key elements of the new political economy of scale

> There is no new privileged scale around which other levels are now being organized to ensure structured coherence within and across scales. Instead there are continuing struggles over which spatial scale should become primary and how scales should be articulated and this is reflected in a more complex nesting and interweaving of different scales as they become rearticulated [. . .] The new political economy of scale does not involve a pregiven set of places, spaces or scales that are merely being reordered. Instead, new places are emerging, new spaces are being created, new scales of organization are being developed and new horizons of action are being imagined . . .
>
> (Jessop 2002: 179)

- Geographical scales and interscalar hierarchies are continually produced and contested as arenas and outcomes of collective social action. As such, they may be modified or transformed during the process of sociohistorical development (Smith 1995).
- Under contemporary conditions, the scalar configuration of major institutional forms and social processes—including capital accumulation, state regulation, urbanization and sociopolitical mobilization—is being destabilized. In each of these institutional arenas, we are currently witnessing a proliferation of strategies intended to dismantle inherited scalar configurations and to produce qualitatively new scalar hierarchies.
- The emergent scalar architecture of globalizing, neoliberalizing capitalism is more complex, tangled, eccentric, and volatile than the nationalized interscalar arrangements of the postwar, Fordist-Keynesian period. There is no longer a single, privileged scale of political-economic organization, and emergent scalar configurations do not overlap with one another in neatly isomorphic, congruent patterns. Consequently, 'different scales of action come to be linked in various hybrid combinations of vertical, horizontal, diagonal, centripetal, centrifugal and vortical ways' (Jessop 2002: 180).

Rescaled states, polarized territories: reworking uneven spatial development

> The old bugbear of uneven development refuses to go away despite the blurring of borders and extension of transnational corporations. It keeps coming back in new forms
>
> Richard Walker (1997: 345)

My investigation of state rescaling is centrally concerned with the regulation of capitalist urbanization and, more generally, with the changing political form and institutional mediation of uneven geographical development. In the most general terms, uneven geographical development refers to the circumstance that social, political, and economic processes under capitalism are not distributed uniformly or homogenously across the earth's surface, but are

always organized within distinct sociospatial configurations—such as urban agglomerations, regional clusters, rural zones, national territories, supranational economic blocs, and so forth—that are characterized by divergent socioeconomic conditions, developmental capacities, and institutional arrangements. Thus, within a capitalist political-economic system, inequalities are not only expressed socially, in the form of class and income stratification, but also spatially, through the polarization of development among different territories, regions, places, and scales. While these patterns of core–periphery polarization are always articulated in contextually specific forms, they generally entail the systematic concentration of advanced socioeconomic assets and developmental capacities within certain core zones and, concomitantly, the chronic marginalization or peripheralization of other, less developed places and territories (S. Amin 1979; Storper and Walker 1989).

The study of uneven development has long been one of the foundational concerns of critical geographical political economy.[6] As Smith (1990) argues in his seminal work on the topic, patterns of uneven geographical development under capitalism are not merely the accidental, contingent by-products of precapitalist geographical differences or of individual-, household-, or firm-level locational decisions. Rather, they represent systemic expressions of the endemic tension under capitalism between the drive to equalize capital investment across space and the pressure to differentiate such investment in order to exploit place-, territory-, and scale-specific conditions for accumulation.

- On the one hand, the coercive forces of intercapitalist competition pressure individual capitals to replicate one another's profit-making strategies in dispersed geographical locations, and thus tend to *equalize* the conditions for capital accumulation across space.
- On the other hand, the forces of intercapitalist competition engender an equally powerful process of geographical *differentiation* in which individual capitals continually seek out place-specific locational assets and territorially specific conditions of production that may enable them to enhance their competitive advantages.

Consequently, each phase of capitalism is grounded upon historically specific patterns of uneven geographical development in and through which the contradictory interplay of equalization and differentiation is articulated. These patterns of sociospatial polarization crystallize horizontally, among different types of places and territories, and also vertically, among divergent geographical scales stretching from the local, regional, and national to the continental and global (Smith 1990). The contours of this uneven geography are not inscribed permanently onto the institutional landscapes of capitalism, but are reworked continually through capital's restless developmental dynamic

[6] Key contributions include Harvey 1982; Massey 1985; Smith 1990; Soja 1989; and Storper and Walker 1989.

and through successive political strategies to subject it to some measure of state regulatory control.

Each historical pattern of uneven geographical development is also intertwined with certain basic regulatory dilemmas: for the uneven development of capital serves not only as a *basis* for the accumulation process but may also, under certain conditions, become a significant *barrier* to the latter (Harvey 1982). Uneven development, in other words, is not merely an aggregate geographical effect of differential patterns of capital investment, but generates a variety of fundamental regulatory problems, both within and beyond the circuit of capital, that may severely destabilize the accumulation process as a whole (Peck and Tickell 1995). For instance, the polarization of territorial development between dynamic urban cores and peripheralized regions may enable certain individual capitals to reap the benefits of scale economies and other externalities, but it may also generate dysfunctional political-economic effects that destabilize the space-economy as a whole. An erosion of national industrial capacities may ensue as declining industrial cities and peripheralized regional economies are constrained to adopt defensive, cost-based strategies of adjustment, leading to a premature downgrading of local infrastructures and to worsening life conditions for many local inhabitants (Leborgne and Lipietz 1991). Moreover, even within the most powerful, dynamic urban agglomerations, the problem of uneven development may also 'come home to roost' (Harvey 1989*b*: 144) as social polarization, overproduction, the threat of capital flight, and various negative externalities (such as infrastructural stress, housing shortages, traffic congestion, and environmental degradation) unsettle established patterns of industrial development. And finally, if patterns of sociospatial inequality are not maintained within politically acceptable limits, disruptive sociopolitical conflicts—between classes, class fractions, growth coalitions, social movements, and other place-based alliances—may arise within a (national or local) territory, leading in turn to severe legitimation crises (Hudson 2001). Uneven geographical development is thus associated not only with new profit-making opportunities for capital, but also with potentially destabilizing, disruptive effects that can erode the socio-territorial preconditions for sustainable capital accumulation.

While most studies of uneven geographical development have focused upon the interplay between capital investment patterns and the evolution of territorial inequalities, this book explores the major role of state institutions, at various scales, in mediating and regulating that interplay. Such an inquiry is of considerable importance because, since the consolidation of organized capitalism during the early twentieth century, national states have deployed a variety of spatial policies designed to influence the geographies of capital investment and, thereby, to manage the process of uneven development within their territorial boundaries (Hudson 2001; Lefebvre 2003*a*; Massey 1985). For instance, national states may mobilize strategies of territorial redistribution and other compensatory regional policies to promote the *dispersion*

of industry across their territories, and thus alleviate intra-national territorial inequalities. However, national states may also mobilize diametrically opposed spatial policies to facilitate the *concentration* of growth capacities, socioeconomic assets, and infrastructural investments within the most economically dynamic urban regions. As Hudson (2001: 273) explains, the endemic political tension between redistributive, cohesion-oriented and developmentalist, growth-oriented forms of state spatial policy is derived from the underlying contradiction within capitalist social formations 'between [the treatment of] a location as a socially produced place to which its inhabitants are attached and [its treatment] as part of a socially produced space in which capital can make profits'.[7] During the course of twentieth-century capitalist development, state spatial policies have combined the priorities of cohesion and growth in distinctive, historically specific, and often deeply contradictory ways. In the western European context, most national states introduced nationally redistributive, cohesion-oriented regulatory strategies during the 1930s. Such strategies reached their historical highpoint during the mid-1970s, as the Fordist regime of accumulation was being destabilized (Clout 1981*a*). Subsequently, since the late 1970s, city-centric, growth-oriented approaches to spatial policy have increasingly superseded previously dominant forms of territorial redistribution (Martin and Sunley 1997). While these opposed approaches to state spatial policy have often failed to achieve their declared goals, and have frequently generated any number of unintended, dysfunctional effects, they must both be acknowledged as essential mediating influences upon the process of uneven geographical development at all spatial scales.

While I shall devote considerable attention to the consolidation of redistributive, cohesion-oriented regulatory strategies during the postwar, Fordist-Keynesian period (Ch. 4), I am equally concerned with the post-Keynesian, growth-oriented, and competitiveness-driven approaches to state spatial policy that have been deployed since the late 1970s (Chs. 5 and 6). Initially, with the ascendancy of neoliberalism and the imposition of new forms of fiscal austerity by national governments during the second half of the 1970s, inherited programs of intra-national territorial redistribution were scaled back, thereby exposing local and regional economies more directly to the pressures of Europe-wide and even global economic competition. Such policy initiatives were aimed primarily at reducing public expenditures and at undermining traditional forms of *dirigiste*, centralized economic management. Subsequently, during the course of the 1980s, a variety of entrepreneurial, competitiveness-oriented regulatory experiments were mobilized by national, regional, and local state institutions in order to promote economic rejuvenation within strategic subnational spaces (Harvey 1989*a*; Leitner and Sheppard

[7] This formulation parallels Logan and Molotch's (1987) emphasis on the dual role of places as use-values and exchange-values under capitalism.

1998). Thus, rather than continuing to serve as a localized relay station within national systems of territorial redistribution, urban policy has been transformed during the post-1970s period into a field of state intervention whose overarching goal is to promote localized territorial competitiveness within a European and global context. The German term *Standortpolitik*—which translates roughly as 'locational policy'—provides an appropriate characterization of this rescaled approach to urban policy, for its central aim is to promote the competitiveness of particular territorial locations within broader spaces of competition at European and global scales (Brenner 2000*b*). Such urban locational policies have not only attempted to 'turn localities [or regions] into self-promoting islands of entrepreneurship' (Amin and Malmberg 1994: 243); they have also entailed a fundamental redefinition of the national state's role as an institutional mediator of uneven geographical development.

This latter transformation is central to this book's argument. During the Fordist-Keynesian period, the problem of uneven geographical development was generally construed as a matter of redressing 'insufficient' or 'imbalanced' industrialization on a national scale. The task of state spatial intervention, under these conditions, was to mold the geography of capital investment into a more balanced, cohesive, and integrated locational pattern throughout the national territory. By contrast, with the rescaling of state space and the proliferation of urban locational policies during the post-1970s period, this project of national territorial equalization has been fundamentally inverted: *it is no longer capital that is to be molded into the (territorially integrated) geography of state space, but state space that is to be molded into the (territorially differentiated) geography of capital*. In other words, through the deployment of urban locational policies, state space is now being redifferentiated and rescaled so as to correspond more directly to the (actual or projected) imprint of transnational capital's locational preferences within each national territory. The relatively uniform, nationalized administrative geographies of postwar capitalism are thus being superseded by what might be described as a 'splintered' (Graham and Marvin 2001) institutional configuration composed of customized, place-specific regulatory arrangements designed to position particular subnational jurisdictions strategically within global and European circuits of capital. In this manner, within the polarized economic geographies of post-Keynesian western Europe, a 'parallel mosaic of differentiated spaces of regulation' is being established through ongoing processes of state rescaling and urban policy reform (Goodwin and Painter 1996: 646). The goal of national, regional, and local state spatial policies is no longer to alleviate uneven geographical development, but actively to *intensify* it through the deployment of urban locational policies designed to strengthen the place-specific socioeconomic assets of strategic, globally linked city-regions.

As we shall see, however, the systemic failure of this rescaled, post-Keynesian urban policy regime to confront the polarizing, disruptive, and politically volatile effects of uneven geographical development at any spatial scale

represents one of its major internal contradictions. For, as indicated above, while unfettered uneven development may, under certain conditions, provide a temporary basis for short-term bursts of capital accumulation, it may also generate severe negative externalities, coordination problems, and legitimation deficits that threaten the medium- and long-term reproduction of capital. Accordingly, as I argue in Ch. 6, the disruptive, dysfunctional political-economic consequences of urban locational policies have become increasingly evident during the last decade, leading the European Commission and diverse national, regional, and municipal state institutions to mobilize a range of spatially selective crisis-management strategies that have involved a further extension and intensification of state rescaling processes. In particular, recent projects to promote neighborhood-based anti-exclusion programs, enhanced intra-metropolitan cooperation, and new forms of interurban networking have addressed at least some of the disruptive effects of unfettered uneven spatial development—albeit still within the parameters of an explicitly growth-driven, competitiveness-oriented model of state spatial regulation. As such, these alternative projects of state rescaling have entailed important institutional and scalar shifts within the architecture of European statehood, and thus deserve close analytical scrutiny. Accordingly, I shall analyze the evolution of state rescaling processes during the last three decades not only with reference to the proliferation of urban locational polices. In addition, I shall consider the deployment of new, highly scale-sensitive forms of crisis-management which have attempted—albeit unsuccessfully—to alleviate some of the regulatory failures of such policies.

Between generality and diversity: levels of abstraction and empirical focus

In contemporary debates on globalization, international political economy, and urban/regional restructuring, the specter of 'convergence' has generated considerable scholarly controversy. In each of these fields, a number of scholars have forecast the eventual convergence of social, political, and economic structures towards a uniform, encompassing organizational pattern. Others have vigorously rejected such predictions, emphasizing instead the continued diversity of national, regional, and local models of capitalism.[8] While this book is not intended directly to contribute to such debates, it may be useful to situate my argument in relation to them.

The following analysis suggests that a number of broadly analogous tendencies of state rescaling and urban governance restructuring have been

[8] For useful overviews of these debates in various research fields see, for instance, Berger and Dore 1996; Boyer 1996; Guillén 2001; Harding 1997; Le Galès 2001; Scholte 2000; and Scott 2001.

crystallizing across western Europe during the last three decades. However, my emphasis on these shared pathways of institutional and spatial reorganization among western European states should *not* be construed as an endorsement of the view that a single, generic model of territorial governance has emerged. On the contrary, I believe that individualizing and variation-finding comparisons (Tilly 1990)—which generally emphasize contextual specificity, institutional diversity, path dependency, and the divergence of evolutionary pathways—are as salient as ever under contemporary geoeconomic conditions (Brenner 2001*b*). A number of urbanists have recently directed attention to the latter issues through detailed comparative studies of economic restructuring, urban regime formation, and patterns of sociospatial polarization in western European and North American cities.[9] While I am highly sympathetic to such approaches, the analysis presented in this book has a different purpose than to demonstrate the variety of local or national responses to geoeconomic restructuring. Instead, my aim is to explore the major elements of what I view as a *systemic* reorganization of state spatiality across western Europe during the last three decades. It is highly questionable, in my view, whether a coherent, stabilized, and reproducible 'post-Fordist' framework of territorial development has crystallized through these variegated, contested, and profoundly uneven transformations (Peck and Tickell 1994). It is also evident that these shifts have unfolded at divergent speeds and in diverse politico-institutional forms within each national context, leading to highly variegated sociospatial outcomes at national, regional, and local scales. I shall argue, nonetheless, that regulatory responses to the crisis of North Atlantic Fordism have reconfigured the landscapes of western European statehood in a number of quite fundamental ways that can be analyzed in general terms, across multiple national contexts (see also Jessop 2002). Evidence for such an underlying structural transformation of state spatiality has become apparent across western Europe since the crisis of North Atlantic Fordism, even in the midst of otherwise persistently diverse institutional frameworks and regulatory geographies. One of the central tasks of this study is to present such evidence in a synthetic, yet appropriately detailed, form and to explicate its ramifications for the interpretation of contemporary statehood.

The methodological approach deployed here can be further clarified by distinguishing three levels of abstraction, each of which is central to my argument (Fig. 1.1).

1. *Abstract level*. Consideration of the abstract level enables scholars to examine the general, systemic features of a given historical social system. Depending on the degree to which such 'concrete abstractions' underpin social life within a particular historical-geographical context, this level may

[9] See e.g. Marcuse and van Kempen 2001; Savitch and Kantor 2002; Sellers 2002; Harding 1997; and DiGaetano and Klemanski 1999. For an early foray into such research, see Logan and Swanstrom 1990.

ABSTRACT LEVEL emphasizes theoretical generality; focuses on *longue durée* temporalities	• General features of capitalism as a mode of production and social system • General features of capitalist urbanization and capitalist sociospatial configurations • General features of modern statehood and modern state spatial organization		
MESO-LEVEL emphasizes historically specific dimensions of general processes and generalized aspects of concrete, empirical developments; focuses on secular trends within medium-term time scales	→ **1960s–early 1970s: high Fordism** Fordist regime of accumulation Fordist patterns of urbanization and regional development Consolidation of Keynesian welfare national states (KWNS) and nationalized spatial planning systems	→ **1970s: period of systemic shock and initial transition** Crisis of Fordist mass production systems, emergence of flexible/lean production systems Industrial decline, urban-regional restructuring, and crystallization of new territorial inequalities at various spatial scales Crisis of traditional Keynesian macroeconomic instruments and compensatory spatial policies	→ **Early 1980s–present: post–Keynesian regulatory experimentation** Accelerated geoeconomic and European integration coupled with an enhanced dependence of transnational capital upon localized agglomeration economies Intensification of interlocality competition and sociospatial polarization at global, European, and national scales Consolidation of post-Keynesian competition state regimes, rescaling of state sapce, the proliferation of subnational locational policies (*Standortpolitik*)
CONCRETE LEVEL emphasizes empirical diversity; focuses on relatively short-term time scales, conjunctures, and events	**1960–2000** → • Nationally, regionally, and locally specific pathways of industrial restructuring and urban-regional change; production of new geographies of uneven geographical development • Nationally, regionally, and locally specific pathways of state spatial restructuring and regulatory experimentation; production of new state spatial configurations and regulatory landscapes • Empirical foundations: case study material on state spatial restructuring, institutional change, and regulatory experimentation in western European cities and states		

Fig. 1.1. Levels of abstraction considered in this book

be more or less useful to sociological inquiry. Under modern capitalism, in which abstract social forms play a critical role in mediating social interaction and historical change, the abstract level is an essential analytical lens (Postone 1993). In capitalist contexts, the abstract level provides a basis for examining, in general terms, a number of systemic processes that underpin all capitalist social formations—for instance, the commodification of labor power, the accumulation of capital, class struggle, the tendency towards large-scale urbanization, the separation of the economic and the political, and so forth (Harvey 1982). Within modern capitalist social formations, empirical studies of industrial production, urban restructuring, and state regulation usually presuppose that certain general, underlying properties define their core objects of analysis, even though the latter are often taken for granted rather than explicitly interrogated. Insofar as the abstract level denotes certain deep structures of social life that persist even through tumultuous gales of sociohistorical change, it is generally associated with *longue durée* time scales.

2. *Meso level*. The meso level refers to the relatively durable institutional arrangements, regulatory frameworks, and territorial configurations that underpin distinct periods of historical development. In a capitalist context, the meso level differs from the abstract level because it illuminates the historically specific, regularized forms in which the system's underlying social processes—such as commodification, capital accumulation, urbanization, and state regulation—are articulated. It is on this level, therefore, that periodizations of capitalist development are most commonly developed. For instance, the French regulationist categories of regime of accumulation and mode of regulation are articulated on the meso-level insofar as they attempt to identify certain historically specific institutional forms and regulatory practices that temporarily displace the endemic contradictions of capitalism.[10] While considerable institutional diversity and geographical unevenness may obtain among distinct national, regional, or local contexts within such encompassing modes of development, the meso level reveals the underlying regularities that tie together these variegated contexts within a shared historical-geographical configuration. The meso level has recently become a focal point for major scholarly controversies, particularly among globalization theorists, state theorists, macrohistorical sociologists, and comparative political economists, for it is on this level that fundamental questions regarding the character of contemporary large-scale social, political, and economic transformations can be posed. Insofar as the meso level refers to certain entrenched but potentially malleable institutional arrangements, regulatory practices and developmental tendencies, it involves the analysis of secular trends over a medium-term time scale, generally a period of several decades.

3. *Concrete level*. The concrete level refers to the contextually specific political-economic frameworks and territorial configurations through which

[10] For detailed overviews of the regulation approach, see Boyer 1990; Boyer and Saillard 2002; Jessop 1997, 1995, 1990*b*; MacLeod 1997.

everyday social reproduction unfolds. It is on this level that the differences among distinct national, regional, and local models of capitalism can be observed most coherently, for it is here that the particular properties of production systems, state institutional hierarchies, regulatory practices, and sociospatial arrangements are most readily apparent. For instance, even while acknowledging the impacts of recent meso-level transformations—such as the crisis of North Atlantic Fordism, the retrenchment of the Keynesian welfare national state, and the process of geoeconomic integration—research on the varieties of capitalism has been conducted primarily on a concrete level. On this basis, this literature has fruitfully explored a number of key empirical issues regarding the restructuring of national systems of technological innovation, industrial relations, corporate governance, finance, and macroeconomic policy.[11] The most sophisticated concrete research on the geopolitical economy of capitalism is characterized by an explicit effort to relate contextually specific institutional dynamics and outcomes to broader, meso-level transformations. This has arguably been one of the key accomplishments of recent work in regulation theory (Boyer and Saillard 2001; Lipietz 2001), neo-Marxist state theory (Radice 1999, 2000; Panitch and Gindin 2003), the new industrial geography (Storper and Salais 1997; Scott and Storper 1986), and comparative urban studies (Abu-Lughod 1999; Marcuse and van Kempen 2001), to name just a few representative strands of contemporary research on capitalist restructuring. Insofar as the concrete level entails a focus on the contextually specific features of national, regional, or local political economies, it is usually concerned with relatively short-term time scales, such as conjunctures and events.

The abstract level, the meso level, and the concrete level are not to be conceived as ontologically separate spheres of social life. Rather, they represent three analytically distinct, if dialectically intertwined, epistemological vantage points for social theory and research. In a capitalist context, consideration of each of these levels can generate useful insights about social, political, and economic relations that could not be gleaned through an exclusive focus upon either of the others. A key intellectual task, therefore, is to combine these levels of analysis effectively in order to pursue particular research questions.

In this book, my overarching analytical concern is with the *meso level*—for it is on this level that the possibility of a systemic reorganization of state spatial structures and scalar hierarchies across multiple cities, regions, and states can be most coherently investigated. In light of the foregoing discussion, however, it is clear that such an analysis must build upon the abstract and concrete levels as well. Accordingly, I consider the abstract level in order to explicate certain basic features of the capital relation, capitalist sociospatial configurations, and the modern state form (Chs. 2 and 3). Likewise, I consider the concrete level at considerable length in order to specify the major patterns of state rescaling, urban policy change, and regulatory experimentation that

[11] See, for instance, Berger and Dore 1996; Hall and Soskice 2001; Hollingsworth and Boyer 1997; Kitschelt et al. 1999.

have crystallized in different western European cities, regions, and states during the last four decades (Chs. 4, 5, and 6). The bulk of the book's empirical material refers to realignments, during the 1960–2000 period, in Britain, Denmark, France, Germany, Italy, and the Netherlands.

My focus on the meso level should therefore not be construed as a denial of the institutional diversity that can be readily observed on the concrete level, through the investigation of nationally, regionally, and locally specific trajectories of state rescaling and urban governance restructuring. On the contrary, the meso-level analysis elaborated in this book is grounded upon extensive empirical case studies of such trajectories, both in my own research and in the vast scholarly literatures on, among other topics, state spatial policy, intergovernmental relations, urban infrastructural systems, urban governance, and urban policy. However, in drawing upon such concrete research, my concern is not to explain the nuances of particular cases, or to engage in a systematic comparative analysis of different national, regional, or local outcomes. Instead, I deploy such research as an empirical foundation on which to articulate broader, meso-level generalizations regarding the new state spaces that have been crystallizing across western Europe. Experts on specific states, regions, and cities may find that my account neglects important contextual details regarding many of the institutional changes and policy realignments under discussion. I would hope, nonetheless, that they will find my meso-level claims to be broadly consistent with the basic facts of contemporary trends in the states, regions, and cities with which they are most familiar. My aim, in proceeding in this manner, is to situate the extensive case-study based literature on urban governance restructuring in a broader geohistorical and theoretical context, thereby revealing locally, regionally, and nationally specific trends to be expressions and catalysts of a systemic, Europe-wide transformation of statehood.[12]

Although major transformations of state spatiality and urban governance are currently occurring throughout the world economy, this book focuses upon western European developments. This empirical focus enables me to contain the investigation within a single macrogeographical region, the European Union (EU), whose member states have become increasingly interdependent during the period examined here, and whose institutional apex, the EU Commission, has in turn mobilized a variety of spatial policies throughout the European territory. The EU constitutes a key institutional arena, agent, and product of the rescaling processes examined in this book. It represents a major scale on which new competitive pressures have been exerted upon cities and regions, particularly since the consolidation of the Single European Market in

[12] Much of the current debate on convergence is focused largely upon the concrete level. In this view, convergence is expressed in the form of an increasing empirical identity among policies or institutions in different national, regional, or local contexts. As the preceding discussion suggests, however, the demarcation of meso-level commonalities among distinct political-economic contexts is entirely consistent with an insistence upon continued empirical diversity and politico-institutional variation among those contexts.

1993; it also represents an increasingly important level of supranational policy formation (see Chs. 5 and 6). It would be of considerable interest to explore the degree to which analogous trajectories of state rescaling and urban governance reform have crystallized in other major capitalist super-regions, such as North America and East Asia. While I shall not attempt to investigate such matters here, I believe that many of the core theoretical categories and research strategies introduced in the chapters that follow could provide an initial methodological basis for confronting such questions.

Towards a postdisciplinary approach to the study of new state spaces

This study does not fit neatly into established disciplinary approaches to social science. My goal, on the contrary, is to contribute to the advancement of what Sayer (1999) has aptly described as 'postdisciplinary' modes of social inquiry. Within such approaches, conceptual tools and methodological strategies are adopted with reference to the challenges of making sense of particular social phenomena rather than on the basis of traditional disciplinary divisions of labor. As Sayer (1999: 3) explains:

> Postdisciplinary studies emerge when scholars forget about disciplines and whether ideas can be identified with any particular one; they identify with learning rather than with disciplines. They follow ideas and connections wherever they lead instead of following them only as far as the border of the discipline. It doesn't mean dilettantism or eclecticism, ending up doing a lot of things badly. It differs from those things precisely because it requires us to follow connections. One can still study a coherent group of phenomena, in fact since once is not dividing it up and selecting out elements appropriate to a particular discipline, it can be more coherent than disciplinary studies.

Such heterodox, postdisciplinary approaches to social analysis have become increasingly relevant in an era in which established divisions between social, economic, political, and cultural processes are being undermined (Jessop and Sum 2001; Wallerstein 1991). The contemporary round of global sociospatial restructuring has also unsettled the state-centric geographical assumptions that have long underpinned traditional, disciplinary approaches to social science, in which social, economic, and political processes have been presumed to be geographically congruent within national state boundaries (see Ch. 2 below). Under these conditions, at the margins of the traditional disciplinary division of labor, new heterodox modes of analysis are being developed that (*a*) explore the mutually constitutive relationships among social, political, economic, and cultural processes and (*b*) introduce alternative mappings of political-economic life that do not naturalize nationalized forms of sociospatial organization.

Over thirty years ago, Lefebvre (1996 [1968]) lambasted mainstream social science for its fragmentation of urban life in the name of scientific objectivity, arguing instead for a more synthetic, multiperspectival approach to the study of urban sociospatial dynamics. During the last three decades, Lefebvre's critique of mainstream urban studies has been taken to heart by a variety of critical urbanists, who have led the way in linking geographical, sociological, and political-economic modes of analysis and in developing new understandings of the production and transformation of urban space. Although traditional disciplinary approaches to urban processes persist within mainstream sociology and political science, the field of critical urban studies has become an extraordinarily lively terrain for postdisciplinary theoretical debate, methodological innovation, and empirical research (for a recent overview, see Soja 2000).

It is only more recently that postdisciplinary approaches to state theory have been developed (Jessop 2001). With the major exception of Marxist approaches, which never embraced traditional disciplinary boundaries, most work on the nature of statehood has been oriented towards the specific methodological and thematic concerns of particular disciplinary or subdisciplinary communities. Nonetheless, during the last decade, this situation has changed through a number of key developments. First, with the proliferation of institutional, neo-Polanyian approaches to economic sociology (Block 1994), the growing interest in the cultural constitution of state forms (Steinmetz 1999), and the development of anthropological approaches to political life (Coronil 1998), many scholars have begun to acknowledge the multifaceted character of statehood and, by implication, the limitations of disciplinary ontologies. Second, in part through a critical engagement with traditional Marxist models, new theoretical approaches to state theory have been introduced that have likewise broadened the parameters of the field to explore a variety of key themes in an interdisciplinary, if not postdisciplinary, manner. These new theoretical paradigms include Foucauldian approaches, feminist state theory, and discourse analysis (Jessop 2001). Third, many state theorists have begun more explicitly to question nation state-centric models of political space and to develop new mappings of state spatiality (Agnew and Corbridge 1994; Goswami 2004; Gupta and Ferguson 2002). Although this line of research was pioneered by geographers, spatially attuned approaches to statehood are now being pursued by scholars from across the social sciences, particularly in the context of debates on globalization and the future of statehood (Brenner et al. 2003*a*, *b*). This has opened up the possibility for approaches to state theory that transcend the traditional focus on self-enclosed national state territories.

This book is situated within, and intended to contribute to, these emergent, crosscutting currents of postdisciplinary scholarship within urban studies and state theory. Like other postdisciplinary approaches to geographical political economy, my analysis of state restructuring is premised upon the assumption

that economic and political processes are not situated in ontologically distinct spheres, but mutually constitute one another at all spatial scales (Jessop 1990*a*; Poulantzas 1978; Lefebvre 1978). Additionally, one of my key concerns is to transcend the geographical assumptions associated with mainstream, disciplinary approaches to the study of modern statehood. These assumptions will be specified and criticized at length in the chapters that follow, with the aim of developing a postdisciplinary perspective on the new state spaces that are currently being forged in western European city-regions and beyond.

Structure of the book

The rest of the book is organized as follows. Chapter 2 critically examines some of the major geographical assumptions that are implicit within recent interdisciplinary work on globalization and, on this basis, develops an alternative, scale-sensitive conceptualization of contemporary political-economic transformations. While readers who are more directly interested in questions of state theory and urban governance than in the globalization debates may want to skip over this chapter, it introduces some of the key theoretical and methodological foundations for my subsequent analysis. Chapter 2 concludes by outlining various core methodological challenges for spatialized research on global capitalist restructuring. Chapter 3 addresses one of these challenges by developing a new theoretical approach to the changing geographies of statehood under modern capitalism. I argue that an explicitly spatialized, scale-sensitive approach to state theory is needed in order to decipher the reterritorialized, rescaled forms of statehood that are currently emerging. I develop such an approach through a systematic spatialization of Jessop's (1990*a*) strategic-relational state theory. This approach is then mobilized in order to characterize the broad patterns of state spatial regulation, state spatial restructuring, and state rescaling that have crystallized across western Europe during the last four decades.

Building upon these theoretical foundations, the remainder of the book explores, on meso and concrete levels, the role of urban policy as an animateur, mediator, and product of state rescaling processes during the last four decades in western Europe. Chapter 4 examines the consolidation and subsequent demise of spatial Keynesianism, the nationalizing, territorially redistributive approach to state spatial policy and urban governance that prevailed throughout most of western Europe from the early 1960s until the late 1970s. Chapter 5 investigates the rescaled, growth-oriented, and competitiveness-driven forms of state spatial policy and urban governance that began to crystallize as of the late 1970s, in conjunction with widespread concerns about urban industrial decline, intensified interspatial competition, welfare

state retrenchment, European integration, and economic globalization. During the 1980s and 1990s, I argue, these new urban locational policies served as key catalysts and expressions of broader processes of state rescaling; they also contributed to an enhanced geographical differentiation of state regulatory arrangements and to an intensification of uneven spatial development across western Europe.

Finally, Chapter 6 develops a general interpretation of the deeply unstable, crisis-prone formation of state spatiality that has been consolidated through the institutionalization of urban locational policies in post-1980s western Europe. I refer to this new configuration of statehood as a Rescaled Competition State Regime (RCSR), and I argue that it contains a number of chronic regulatory deficits and crisis-tendencies. I then consider three alternative forms of state rescaling that have emerged, during the 1990s and early 2000s, in response to these problems—neighborhood-based anti-exclusion initiatives; metropolitan reform initiatives; and interurban networking initiatives. While these rescaled strategies of crisis-management have contributed to the further institutional and scalar differentiation of RCSRs, I suggest that they have deepened rather than alleviated the political-economic dislocations, regulatory failures, and territorial inequalities that were generated through previous rounds of urban locational policy. In the absence of a broader challenge to global and European neoliberalism, I argue, the establishment of an alternative, territorially redistributive framework of state spatial regulation at any geographical scale is likely to be an extremely difficult task.