The Transformation of Governance: New Directions in Politics and Policy

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1. **Introduction.**

A quick survey of the titles of books and working papers since 1979 shows that the term “transformation” has become increasingly popular. At the very least, this reveals that something is going on that is attracting the interest of social scientists and that a claim is being made that some kind of transformation is indeed occurring. The problem is that, quite often, the word is included in the title simply as a short hand way of indicating change. But often there is little attempt to indicate the nature, extent and significance of this change. Indeed, for almost every claim of “transformation”, whether this is economic, cultural, political, social, and for every process that is alleged to be causing these transformations, a counter-claim is made both as to the nature and the extent of the transformation. Thus, the claims that there is a specifically new kind of globalisation since about the 1980s, which is profoundly modifying the nature of the nation-state, made by authors such as David Held (1999), Jurgen Habermas (2001) and Ulrich Beck (2000) is met by the counter claim by Hirst and Thomson (1996) among others, that globalisation has been with us at least since the end of the 19th century and that the nation-state has survived nicely even in the recent period. The claim that accelerated European integration is leading to a new kind of European governance system, as put forward by Beate Kohler-Koch (1999) or Gary Marks, Philippe Schmitter, Fritz Scharpf and Wolfgang Streeck (1996), is countered by liberal intergovernmentalists, such as Andrew Moravcsik (1993) or Alan Milward (2000), who deny that this allegedly new system is little more than a strong international regime which has modified but little the role of national governments and actors within national states. Those who point to a new role for regions in a post-national and post-sovereign Europe such as Michael Keating (1998) or John Loughlin (2001) are countered by Patrick Le Galès and Christian Lequesne who deny that the region has any great significance and hold up instead the city as the key political unit of territorial politics (1998). Post-modernist authors such as Jean Baudrillard who point with approval to what they claim is the fragmentation both of epistemological and ontological dimensions of society are countered by Alain Touraine’s critique of modernity (1992) or Peter Wagner’s sociology of modernity (1994), who, while both accepting some of the post-modernist diagnosis, seek to rescue and update the concept of modernity itself.

These reflections call forth two sets of remarks. First, it is clear that some kind of transformation has occurred which has sparked off quite a vast literature in the social sciences and humanities. But, second, it is often very far clear from this literature exactly what has changed, why these changes have occurred, and what is their significance. It is remarkable that little attempt has been made to define and clarify the concept of transformation itself nor to link up the different dimensions of transformation whether cognitive or empirical. This paper represents an attempt to do so. It will concentrate on the transformation of “governance”, although the author is aware that this concept, too, is a fuzzy one despite (or because of) its widespread use.

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1 I chose this year because it was the fateful year of Mrs Thatcher’s accession as Prime Minister of the United Kingdom, following the victory of the Conservative Party in the general election.
2 A search of the library of the European University Institute reveals that, between 1979 and 1985, there were 21 books and working papers with the word “transformation” in the title; between 1986 and 1990, there were 22 titles; between 1991 and 1996 it leapt to 181 and, from 1997 until the present it was 134. A similar search in the LSE library found 936 records from 1986 until the present.
and, indeed, despite its having become a key buzzword in the European Commission, which has even produced a(n unsatisfactory) White Paper on the subject (2001).

2. “Transformation” and “Governance”: an attempt at clarification.

The word transformation is often simply used as a shorthand for “change” but without specifying the extent of the change. It is possible to distinguish three main degrees of change that might be involved.

First, there is that kind of change that ensures that everything remains the same, that is, change that is purely presentational and related to appearances but which does not fundamentally alter the substantive realities of the object allegedly changed. A good example is the British civil service, which, in the 1960s, underwent several programmes of reform (the most well-known being the Fulton Reforms) which basically changed nothing of the underlying operating culture of the civil service since the reforms were in the hands of those Whitehall mandarins who incarnated everything that needed to be changed and thus ensured that no change occurred (Metcalfe and Richards, 1990). The word transformation can scarcely be applied to this form of change.

Second, there is change that does involve real and substantial differences in the object that is being changed but which also retains elements of the previous system. Within this category of change there is a time factor. In the short to medium term, features of the previous system might remain predominant for a period but in the longer term they are replaced by the newer elements. This is indeed transformation but one which is \textit{incremental} and \textit{evolutionary} – Incremental Evolutionary Transformation (IET). In this case, and in contrast to the first type of change, the forms might remain the same while the substance underneath alters. This has been the case with most nation-states over the past 200 years and is the case today with the European Union. The basic features of the modern state were first conceptualised in the 18th century and given concrete political and administrative expression from the time of the French Revolution and throughout the 19th century. However, the outer forms were slowly transformed from within as liberal political democracy spread throughout most of the western world, a process that culminated in the creation of welfare states of the post-1945 period. The same process of incremental evolutionary transformation has been occurring as the EEC gave way to the EC and then to the EU. The institutions are basically similar to those set up in the early 1950s but their substantial operating features have been fundamentally transformed between the Rome Treaty in 1957 and the Maastricht Treaty of 1993.

The third type of change is that which changes both form and substance, usually within a short period of time. This is also a true transformation but might be labelled \textit{revolutionary}: Revolutionary Transformation (RT). It is what happened in 1798 in France, in Russia in 1917 and in the former Soviet states after 1989 (Skocpol, 1979). In some respects it is difficult to distinguish this form of transformation from IET as it is unlikely that there is ever such a thing as a total revolution and in all these cases some elements of the past are undoubtedly present: the French Revolutionaries inherited the centralising and uninformising features of the absolute monarchy; the Bolsheviks inherited some of the imperialistic features of Czardom; the newly liberated countries of East and Central Europe, not to mention those of the CIS, retain
many features of their former communist party dominated pasts. Nevertheless, there are some significant differences. First, RT occurs within a short period of time, even if it is true that today we do not think of, for example, the French Revolution as occurring once and for all in 1789 but as taking place over several years. Second, even the elements of continuity will be transformed as the spirit of the new regime takes hold and new political cadres and elites emerge to replace the old.

It is Incremental Evolutionary Transformation that best describes the processes of change in western capitalist states since the 1990s and it is this phenomenon that is captured by the exploding number of titles referred to above. One dimension of social life deeply affected by IET is “governance”, although, like the term “transformation” this too needs to be carefully defined as it has often been used in a rather vague way and has tended to mean the pet preoccupation of any particular author. Rhodes has attempted to lay out the different ways in which the term has been used and distinguishes six of these:

- governance as the minimal state;
- corporate governance;
- governance as new public management;
- ‘good governance’;
- governance as a socio-cybernetic system;
- governance as self-organizing networks.

However, in the end, this author settles for one definition: ‘governance refers to self-organizing, interorganizational networks’, claiming that this definition incorporates the notions of governance as the minimal state, as a socio-cybernetic system and as self-organizing networks (1997: 53). In other words, governance is what Rhodes has been saying all along. Kooiman (1993) helps to clarify the issue by distinguishing the concepts of governing, government and governance. Government and governance are both ways of governing society but government relates to the forms associated with liberal representative democracy, the traditional state, while governance involves a wider set of actors, including elected politicians and public officials but also various non-elected interest and pressure groups. As society becomes more complex and differentiated and governing from above more difficult, governance, understood as “steering” from below, tends to replace government. In the same vein, Le Galès poses the question as to whether the “gouvernement des villes” is becoming “gouvernance urbaine” (1995). This implies an evolution or transition from “government” to “governance” a theme developed by Kohler-Koch (1999) who postulates an “evolution and transformation”, at least with regard to the European Union, to a system of network governance. Kohler-Koch develops this theme using a typology of modes of governance.

In this schema, which combines typologies elaborated by Lijphart and Lehmbruch, systems of governing may be categorised as being organised according to basic principles: the way in which political relations are organised – majority rule or consociation (Lijphart) and the way in which the basic logic of the polity is conceptualised – according to a principle of the common good or of individual interests (Lehmbruch). This leads to a matrix of four possible modes of governance each with its own country exemplar: statism (France); corporatism (Switzerland and Germany); pluralism (United States); and network governance (EU). Kohler-Koch’s
typology is useful in so far as it illustrates that there exist a variety of state traditions and that the EU is not simply a system of governance *sui generis* but can be analysed comparatively in the context of these state traditions. Kohler-Koch also tries to see how government may be related to governance, in contrast to approaches that suggest that governance is replacing government. What is not clear, however, is whether “network governance” is tending to become predominant also within the national systems she describes as well as within the EU. The rest of this paper will examine the extent to which these national traditions, or, at least, governing traditions associated with “classical” nation-states of various kinds, are being transformed into new systems of governance. It will argue that all states have been subjected to a number of common forces which have indeed led to a certain convergence in modes of governance but that this has also been shaped by the traditional modes of governance: statist, consociational, or pluralist of individual states.
3. State paradigm shifts.

Elsewhere I have argued that European, and to some extent, other western states, have experienced a series of paradigm shifts since 1945 (Loughlin, 2000): the welfare state paradigm which lasted from about 1950 until the early 1970s; a neo-liberal paradigm which was dominant throughout most of the 1990s; and it, in its turn, is giving way to a reformulation that combines neo-liberal approaches with a stronger social dimension, sometimes called the Third Way. Each of these paradigms involves a particular way of conceptualising the nature, role and functions of the state and its relations with society, the economy, and with culture and values (see Figure 2).

To some extent, the three models correspond to Esping-Anderson’s three worlds of welfare capitalism: the Socialist (Swedish) model in which the state is dominant; the Liberal (Anglo-saxon) model in which the market is dominant; and the Catholic (Southern European) model in which society (or the family) is dominant. However, I am arguing that these models may have originated with particular countries or groups of countries but that they subsequently became hegemonic over almost all other countries in the developed world. At the same time, their concrete expression in any given country was in conformity with that country’s particular state tradition or, in Kohler-Koch’s terms, mode of governance. This is simply another way of saying that these are ideal-types and that no one country embodies any one of them completely and that all countries are continually learning from each other and influencing each other. In each of the models, state, society and market are given differing positions of predominance: in the Welfare State model it is the state; in the neo-liberal, it is the market; in the communitarian/social it is society understood as being composed of communities and families. Each model also corresponds to a particular way of conceptualising governance at least in its predominant orientation: the Welfare State favoured statist, top-down approaches; the neo-liberal, anti- or non-statist pluralist approaches; the communitarian/social network approaches in which the state has a facilitating or steering role.

It is widely accepted that the Welfare State represents the culmination of the political system known as the nation-state and, in important ways, is closely associated with modernity (Touraine, 1992). Or at least, according to Wagner (1994), it represents the final phase of “organised modernity”, as opposed to the “liberal modernity” of the 19th and early 20th centuries. In its ulterior form, modernity is “organized” by the state and it is this conception that was the subject of critiques both from the Left and Right. The most systematic critique came from the Frankfurt School led by by Horkheimer and Adorno and, later, by Marcuse and was based on the notion that “organized modernity” suffocated the human spirit and produced “one-dimensional man” subject to bureaucratic pressures and reduced to a state of passivity. These critiques, especially that of Marcuse, eventually fed into the student revolts of the 1960s and were important elements in the ultimate disintegration of “organised modernity”. However, perhaps an even more telling critique came from the New Right, with a series of economic (Friedman, 1961), bureaucratic (Niskanen, 1971) and philosophical (Nozick, 1974), analyses directed at the very nature of the state itself and leading to the formulation of a form of right-wing libertarianism, subsequently
know as neo-liberalism. Thus, it might be said that, during the period of Welfare State hegemony, there co-existed three competing models but only one of which was predominant.

The collapse of the Welfare State model has led off to two directions in political philosophy. First, the New Left critique itself disintegrated into the “gauchiste” movements of May ’68 and the subsequent years, which, in their turn further distingueg into the incoherences and absurdities of post-modernism (Touraine, 1992). But while the post-May ’68 generation walled in a narcissistic orgy of prolonged adolescence, neo-liberalism succeeded in winning the hearts and minds of those political, administrative and industrial elites still in control of the economic and political systems. In the meantime, the “masses” ceased to be social classes or even social movements in Touraine’s meaning of this term, and the children and grandchildren of the soixante-huitards “switched off” politics and “engagement” (Mendras, 1994). Among intellectuals, there has been a collapse of self-confidence and an intellectual demoralisation as they found themselves in disarray faced with vast processes of change such as globalisation, the emergence of new technologies, European integration, medical and biogenetic advances but without a coherent intellectual framework within which to confront these questions (MacIntyre, 1985). In the social sciences, we have continued to work within the framework of disciplines and concepts forged in the context of the nation-state, but where the nation-state itself is being radically transformed. In order to compensate for these intellectual and even cultural shortcomings, we sink into either empiricism – adding either more case studies or more variables – or into increasingly complex and abstruse philosophical debates, whose connection with reality is extremely tenuous. Another attempted escape from this intellectual morass has been to concentrate on “policy-relevant research”, that is research that may be “useful” to administrators of the business community. This is now one of the key criteria for obtaining funding from the UK’s Economic and Social Research Council and the promise of funding is very attractive for funds-starved academics forced to teach more and more students with the same amount of resources. But none of these approaches has proved capable of answering satisfactorily the large questions that confront us today.

4. The dimensions of Transformation

What does seem to be clear is that, since 1945, there have been significant transformations which pivot around the key dates of 1945, 1960 and 1990 (Crouch, 1999) which correspond both with the periods designated both by Mendras (1994) and Wagner (1994). They also correspond to the turning points for the replacement of one paradigm by another which we ourselves have argued (Loughlin, 2000). It is of course impossible to pinpoint exact dates for vast societal transformations but, using Crouch’s “snapshot” method, we can use these fixed points as reference points by which to compare earlier and later periods. This form of longitudinal comparison allows us then to evaluate the extent and nature of the changes which have occurred.

If we take society, market and the state, we might sum up these transformations as follows:

- *The Welfare State:*
The Welfare State represents the culmination of the nation-state system which was developed throughout the 19th and early 20th centuries, in Wagner’s words, “organized modernity”. Sovereignty was theoretically exercised in an absolute manner by central governments on behalf of their national populations. This took place both externally in the field of international relations and internally with regard to public security and public policy. Governments and executives were responsible to elected assemblies composed of parties representing ideological and class interests whose clivages were on a left/right spectrum. Society itself was highly structured with relatively stable voting blocs (e.g. the Dutch and Belgian pillars, the Italian “white” and “red” blocs, the British class parties). The family was the nuclear hierarchical and patriarchal family whose members had clearly defined roles: headed by a male “bread-winner” who worked outside the home, supported by a wife whose principal role child-rearing and house-keeping and who was definitely subject to her husband’s authority. Although, as Esping-Anderson (1990) and Castles (1993) have shown, these general features were expressed in different ways according to differing state traditions, nevertheless, they also shared a number of features in common. In all Welfare State systems, state, society and market were congruent but with the state dominant and, to some extent, attempting to control in a top-down manner society and market.

The Neo-Liberal Paradigm:
This paradigm is almost the diametrical opposite of the previous and, indeed, its propagators consciously sought to overturn the Welfare State or at least to undo what they regarded as some of its most harmful features. It is doubtful whether they succeeded in doing so completely but nevertheless it is possible to note some quite fundamental changes in governance systems occurring in the attempt to do. First, the rapid changes associated with globalisation as well as accelerated European integration meant that national governments were no longer capable of exercising the sovereignty that they once aspired to and exercised in practice at least partially. Increasing areas of public policy slipped from their grasp and “sovereignty” became more and more a rather empty concept whether it was understood as referring to the position of national governments in international relations or to the exercise of internal control within the boundaries of the state. In Western Europe, the European Union took over many of these functions but similar processes may be observed in other regions such as the Americas or Asia. Another key change during this period was the transformation of society itself from one that was highly stratified and structured to one that was fragmented and atomised. It is striking that this has deeply affected party systems as the old blocs have given way to much more diversified arrangements and forms of representation. In Italy, the Netherlands and Belgium, the old pillars and blocs have largely disappeared while in the UK and France, the old class cleavages are now less relevant. Of course, this has not resulted in complete anarchy but rather to a new recomposition of political groups who have been forced to rethink and reformulate their political projects. The old left/right cleavage is now less relevant as new issues and concerns have emerged that are mainly about life-style or identity issues rather than about deep structural questions concerning the organisation of the state and society themselves.

Thus, we have witnessed to some extent a situation where society and the market tend to become dislocated from the state, which is increasingly reduced to
“facilitating”, or “steering”. In the neo-liberal paradigm, it is the market that is dominant and market-based approaches have been increasingly introduced into public administration and policy. “Society” ceases to be a coherent entity in the older republican conception of the nation-state but is instead a pluralistic agglomeration of individuals seeking their own preferences. It is this dislocation which gives rise to both post-modernist and rational choice approaches, although the concept of “rationality” in the latter approach tends to be shallow and contradictory. Politics, when it exists, tends to be about “identity”, “life-style”, “personal expression” (usually an ever-increasing collection of individual rights most often related to sexual issues) and less about collective choices or overarching societal projects such as socialism, communism or Christian Democracy. At the same time, the loci of decision-making, influence and power become increasingly difficult to locate and out of the reach of the mechanisms of political and social control, which had been forged in the context of the 19th century nation-state and liberal representative democracy. Furthermore, there is little doubt that, as the social consensus and stable forms of social organisation of the previous period have broken down, there has been an increase in socially harmful phenomena such as international criminality, drug trafficking and abuse, prostitution, and the ills associated with the breakdown of family life. It is true that these developments have affected some sections of the community more than others with the creation of a large underclass minority, excluded from the good life. But even among what Henri Mendras (1994) describes as the “central constellation”, the large amorphous majority which has replaced the traditional middle class, these phenomena are present. These dislocations and fragmentations pose serious challenges for our traditional concepts of liberal representative democracy and the institutions which these have produced.

- **The Communitarian Social State**: Faced with the intellectual and political disarray produced by neo-liberalism, and the frivolous and lack of intellectual depth of post-modernism, attempts are being made to salvage something of our democratic systems. Anthony Giddens has promoted the idea of a “Third Way”(2000) and, in the US, Amitai Etzioni has founded the communitarian movement for which he has tried to develop a theoretical framework (1993). Both Giddens and Etzioni seem to have been enthusiastically embraced by Tony Blair and the New Labour Party, which won the elections of 1997. However, the notion of a Third Way is an older one and probably goes back to the intellectual roots of Christian Democracy and in particular to Catholic social philosophy, which sought to find a third or middle way between the totalitarian systems of communism and fascism and the individualistic capitalism of the 1930s (Hanley, 1994). The German social market of the 1950s and 1960s and the Dutch “polder model” might also be seen as examples of a third way between market and state dominated approaches or between balanced public and private sectors. However, since Blair’s elections European socialists and social democrats such as Jospin and Schröder have also felt it necessary to elaborate their own national versions of the third way. Jospin’s would accept more state intervention than Blair while Schröder would be more concerned to preserve some of the acquis of the welfare state. Both however would accept some injection of market principles into these systems. In essence, then, the various third ways seem to be attempts to bring together once again state, market and society but this time with a greater emphasis on “society”.
The difference between these attempts and the earlier pre-war and immediate post-war third ways, is that “society” itself has been fundamentally transformed. Then, there were recognisable social classes with reasonably clearly defined roles in the system of production. Public and private were clearly distinguished with work, whether industrial or administrative lying clearly in the public sphere, while families, based on male breadwinners and female carers, and communities, living in clearly delineated geographical territories with little mobility, constituted the private sphere. Today, social classes have been transformed into “constellations” (Mendras, 1994), families, although still the most common form of human society have become less patriarchal and are now more democratic, (Giddens, 2000) while the old communities have largely disappeared. One of the projects of the new Third Way, therefore, is to rebuild “community” and the communitarian ideas of Etzioni (1993) have been influential in this regard.

Today, there is an attempt to reformulate the traditional concepts of political theory and practice: sovereignty, representation, accountability and to come to grips with the consequences of these changes for traditional liberal representative democracy. Different disciplines attack these problems in different ways: for example, public lawyers have difficulty in conceiving sovereignty as anything less than absolute and indivisible, while political scientists are more at ease with the notions of “shared”, “joint” or “diffuse” sovereignty. It is this latter direction that undoubtedly must be pursued if sense is to be made of recent developments. With regard to the notion of representation, here too it is clear that we need to go beyond the traditional conceptions of liberal representative democracy and to conceptualise difference forms of representation and participation by citizens and groups. This is the problematic that is captured by the concern with governance as opposed to simply government. During the heyday of the welfare state, neo-corporatism was a theoretical approach that was quite suited to explaining the arrangements of closed systems of governing that involved both sovereign governments and key elites from a well-organized civil society. Today, we need to think much more about the meaning of representation in a world where governments have lost sovereignty and in which the structural patterns of organized capitalism – whether of employers or labour - have been fundamentally altered. New kinds of institutional arrangements are needed to express these changes as well to reinvent the notion of participation. At the same time, attention must be paid to the question of accountability and how this might be exercised in a rather more complex world where decisions are taken in many locations and at different levels: supranational, national, regional and local.

5. Explaining the Transformation from the Welfare State to the Neo-liberal Paradigms

If we can accept the above as a fair description of the changes that have occurred in the relations between state, market and society over the last fifty years, and if we accept that these changes constitute indeed a significant transformation of our political and social systems, the question remains: what has brought about these changes? It is possible to identify two sets of factors which have contributed to producing the transition from the Welfare State to the Neo-liberal State: endogenous and exogenous.
Endogenous:

- Economic: the failure of the national Keynesian economic model to sustain itself leading to an internal collapse through stagflation and increasing levels of unemployment.
- Political and administrative: the crisis of governability thesis – welfare state policies liberated society from a number of constraints such as poverty, illness, lack of education and poor housing but proved incapable of managing the form of healthy, educated, well-housed but basically individualistic society that resulted from these changes. The social democratic project of nation-state building and social citizenship contained the seeds of its own destruction and imploded.
- Societal and Cultural: the limits of continually expanding “rights” and “benefits” which the state proved incapable of delivering. The fiscal crisis of the state hypothesis. As the old system of class and community collapsed, it was replaced by a new set of cognitive structures which were loosened from tradition and roles and which were less ready to accept deference and subordination (the Monty Python syndrome). The key change here seems to be the weakening of a sense of shared community. As Henri Mendras has shown in his book *La Deuxième Révolution Française*, all of the key institutions of modern society – churches, political parties, trade unions, the family, are put into question during this period. The two most important instruments of socialisation, the family and the school, are increasingly subject to critiques which undermine their effectiveness, despite some attempts to rescue them from the consequences of these attacks. These critiques tended to come from the left and became dominant during the later years of the Welfare State period. However, the swingeing cuts characteristic of the Neo-Liberal period, completed the process of deconstructing the public school with the result that, at least in Britain and the US, those who could afford to do so abandoned the public system and sent their children to private schools, which were often denominational.

Exogenous:

- Economic: international capitalism freed itself from the constraints of the nation-state and successfully “reinvented” itself through the development of new technologies, new forms of communication and the reduction of costs involved in international trade and transport. There is also a new international division of labour based on free trade principles. Globalisation, although it can be said to have existed in the form of international trade flows from the end of the 19th century, takes on new forms as the loci of financial and economic decision-making slip away from national governments into the hands of the faceless boards of multinational companies or those who control financial markets. A new financial orthodoxy, based on neo-liberal principles, begins to assert itself and to impose itself on individual nation-states and regions. The instruments of this imposition are the World Bank and the IMF and subsequently the European Union through the Single Market project and the convergence criteria.
- Political and administrative: these economic processes work themselves through into national and regional systems and influence both policy choices and administrative institutional design. In European, they also provoke the relaunch of the project of European integration as individual states realise they are incapable
of confronting the challenges of globalisation and new economic modes of production as single units.

• Societal: two processes seem to be at work in society during this period: a dislocation of work and residential patterns with, first, rapid urbanisation but then increasing unemployment and, second, intensified individualism. It is striking to note how the traditional societal bases of modern nation-state politics break down or are transformed: the Dutch and Belgian “pillars” (verzuiling); the White (Catholic) and Red (Communist) blocs characteristic of the Italian system; the old class-based politics of the French political system which gives way to “new social movements”; etc.

• Cultural: perhaps the key exogenous change in this regard is the development of a cultural production industry which propagates its wares through television, advertising, videos and, more recently, the internet. What is striking about this phenomenon is its superficiality and lack of rootedness in any context except that of pure image. Previously, cultural production was rooted in a historical community of shared beliefs and values evolved over many centuries of practice and usually with a religious foundation (Scruton, 1998). Today, we have the shifting and fragmented images of MTV or the banal, formulaic soap operas as the symbols of modern mass cultural production. Again, for those who can afford to pay, there is the opera, theatre, ballet, etc. However, the old modernist dream of a society in which all, including the lower classes, might participate in this high culture seems as far away as ever. Instead, there is a celebration of anti-art, vulgarity and blasphemy as in the output of Damien Hirst or in movies such as Priest.

6. The Prospects for the Communitarian/Social State.

All of this simply illustrates the extent to which we have today lost a coherent vision of society or politics and the difficulties of reuniting state, market and society. It is also the context which makes sense of the discussion concerning government and governance. Basically, the traditional institutions of the nation-state and liberal representative democracy are still with us but now operate in a radically new environment from, say, was the case in 1960. Furthermore, the societal and cultural changes outlined above mean that the meaning attributed to these institutions and the basic concepts which underlie them have also changed. Thus, it is not so much that governance has replaced governance but that both co-exist in a new environment where they are defined in ways quite different from what was the case in the past. These transformations are now irreversible and it is therefore futile to attempt to return to the past – either the 19th liberal watchman state or the social democratic Welfare State of the 1960s. It seems certain that the traditional nation-state can no longer be preserved in these forms.

On the other hand, it is still possible to preserve what might be regarded as the positive acquis of the modernising nation-state project: the principles of law, equality, social justice, fair distribution, representation and the array of human rights that have been defined by various charters and conventions of the United Nations and the Council of Europe. The question becomes: who will be the bearer of this project and how might it be implemented? A number of avenues might be explored in this regard:
It is important that academe restore its self-confidence in the epistemological possibility of social science and resist the temptation to fall into relativism and scepticism characteristic of post-modernist approaches.

The new project must attempt to link up once again state, market and society but refounding them on different principles from those used in the past. As part of this project, it is essential to reconceptualise the nature, role and functions of the state and how this relates to society. But the concept of society needs to be rediscovered and understood as a community of communities and families rather than an agglomeration of atomised selfish individuals.

This will provide a new basis for rethinking the other essentially modern concept: the nation understood as an imagined community and setting of identity and democratic practice. The nation, too, can be conceived as a community of communities, thus accommodating those linguistic, ethnic and religious groups that have been excluded from a monistic and uniformising concept of nation-hood, whether this is the French Jacobin concept or the German concept of Kultuurnation.

The concept of democracy needs to be enriched by developing its traditional formulation as liberal representative democracy, linked to the nation-state, to one that includes both cosmopolitan democracy and regional and local democracy, as well allowing for the representation of different kinds of constituencies from civil society. This, in turn, calls for the development of new kinds of institutions, for example, citizens’ juries, interest representative boards, etc., whose function is precisely to link government and governance in such a way that democracy is enhanced rather than diminished.

The framework for the elaboration of this project can no longer be simply the nation-state but must now be also a wider forum. The European Union already provides such a forum but we also have the Council of Europe which has played a key role through its various Charters and Conventions in defining the meaning of democracy in this period. But this also means that the traditional concept of sovereignty, in both its internal and external manifestations, needs to be rethought. Different disciplinary approaches, for example, law and political science, understand sovereignty in quite distinct ways, with law tending to stress the need for some “ultimate arbiter” (the sovereign) with political science more at ease with complex notions of divided or shared sovereignty (a contradiction in terms for lawyers but closer to practical realities for political scientists). In practice, it is this new way of understanding sovereignty that made possible breakthroughs in difficult and seemingly unresolvable conflict situations such as Northern Ireland and Corsica, while in Spain, the more traditional understanding on the part of both the Madrid government and ETA have made this (for the moment) impossible.
7. Conclusions.

The main conclusion of this paper is that there has indeed been a transformation, or even several transformations, of governance in Western states since 1945. However, the social science literature has been deeply divided with regard to the significance of these changes and indeed whether anything has really changed. In this paper we argue that there has been at least one paradigm shift – from the welfare state to the neo-liberal state – and that we are perhaps witnessing a third towards something like a communitarian social state. The transformation of governance is really one manifestation of a wider set of transformations: of the economy, of the state, of society and of culture. These transformations signal the collapse of at least one conception of the modern nation-state and have profound implications for political democracy and the nature of our political systems. It is argued in this paper that we should neither attempt to turn the clock back to either the liberal 19th century watchman state (the neo-liberal project) nor to the mechanisms of the welfare state. Nor should we resign ourselves to sinking into post-modernist disintegration and intellectual however much contemporary culture and society seem to have these characteristics. Rather we need to refound the basic concepts of democracy and to reflect on the kinds of political, economic and societal institutions that might be necessary to give this expression.

References


