The Centrality of the State in Neoliberal Times

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The Centrality of the State in Neoliberal Times

Abstract
One of the greatest myths being propagated in this contemporary neoliberal scenario is that the nation state is no longer the main force in this period characterized by the intensification of globalization. Deregulation was brought in by governments to expedite the process where various forms of provision, private and formerly public, were left to the market. And yet the credit crunch starkly laid bare the folly of this conviction as new forms of regulation are being put in place with the state, the national state, intervening to bail out banks and other institutions in this situation. I consider this an opportune moment to look at the function of the state and assess its role within the contemporary scenario of 'hegemonic globalization', to adopt the term used by the Portuguese sociologist, Boaventura de Sousa Santos (de Sousa Santos in Dale and Robertson, 2004: 151), and its underlying ideology, neoliberalism. I will look at different theoretical insights and then end this excursus with a discussion of Gramsci’s conceptualization of the state and its implications for present day politics.

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The Centrality of the State in Neoliberal Times

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The Centrality of the State in Neoliberal Times: Gramsci and beyond

Peter Mayo

One of the greatest myths being propagated in this contemporary neoliberal scenario is that the nation state is no longer the main force in this period characterized by the intensification of globalization. Deregulation was brought in by governments to expedite the process where various forms of provision, private and formerly public, were left to the market. And yet the credit crunch starkly laid bare the folly of this conviction as new forms of regulation are being put in place with the state, the national state, intervening to bail out banks and other institutions in this situation. I consider this an opportune moment to look at the function of the state and assess its role within the contemporary scenario of ‘hegemonic globalization’, to adopt the term used by the Portuguese sociologist, Boaventura de Sousa Santos (de Sousa Santos in Dale and Robertson, 2004: 151), and its underlying ideology, neoliberalism. I will look at different theoretical insights and then end this excursus with a discussion of Gramsci’s conceptualization of the state and its implications for present day politics.

‘The state’ is one of the most elusive concepts in social and political theory and major writers often demonstrate this by using the term differently, Gramsci being no exception. I would refer here to that expansive conception of the state, emphasized by Marx, that of an ensemble of legitimized social relations in capitalist society, the sort of conception which cautions us to avoid what Phil Corrigan (1990) calls ‘thingification’– a reification of the state. The level of social inequality varies from state to state. State formation varies from country to country within capitalism, as illustrated by Corrigan and Sayer (1985) with regard to England, Green (1990) with regard to England, France, Prussia and the USA, Marx and Engels’ writings on England and France, and Gramsci’s observations on England, France, Italy and Germany. Fernando Henrique Cardoso, who once engaged the Marxist tradition, is on record as having referred to the state, in a context of dependent/peripheral capitalism, as a ‘pact of domination’ to underline the power dynamics that characterize the ensemble of unequal social relations involved (Cardoso in Morrow and Torres, 1985: 350), that is, a platform that enables disparate elements to operate with some coherence in relation to political and economic ends, and strategic visions of power. There are, of course, different conceptions of the state and I intend to take a closer look at some of these theories.

It is common knowledge that the most traditional, legalistic-structural, conceptualization of the state is that of a large entity comprising its legislative, executive and judicial powers. This ‘separation of powers’ thesis can be attributed to the French philosopher of the Enlightenment, Baron de
Montesquieu in his study of England and the British constitutional system. The liberal democratic state is said to refer to a set of institutions that include the government, the military, the judiciary and representative assemblies including provincial, municipal and other forms of government (see Pannu, 1988: 233), such as the communes in Italy. However later theories would underline the complexities surrounding the state and the agencies with and through which it operates.

While the state is conventionally also regarded as the mechanism for regulating and arbitrating between the different interest groups within society (Poggi, 2006), several authors writing mainly from a Marxist perspective emphasise its role in serving the interests of the ruling capitalist class. It does so by reproducing the social and cultural conditions for a dominant class to reproduce itself. This is the classic Marxist position which lends itself to different nuanced interpretations. These interpretations and analyses should certainly be much more nuanced than the much quoted line from the Communist Manifesto, namely that “the executive of the modern state is but a committee for managing the common affairs of the whole bourgeoisie.” (Marx and Engels, 1998: 5), and indeed they are in Marx and Engels own philosophical work (see, for instance, Contributions to the Critique of Hegel’s Philosophy of Right, or The Eighteenth Brumaire of Louis Bonaparte). When taken at face value, this is the sort of assertion that lends itself to instrumental conceptions of the relationship between state and capitalist class. It seems to allow, however, for more loosely coupled configurations than Cardoso’s notion of ‘pact’ which accords the state a more deterministic weight. It is the more nuanced conceptions that are of interest to me in this article.

Ralph Miliband (1969) famously argued that the state agencies are characterized by the disproportionate presence of civil servants and other senior administrators of capitalist class background. For the most part, the state acts in the interest of the capitalist class but there are moments when it can extricate itself from this hold during, for instance, times of national crises; it can also intervene to sacrifice short term ruling class interests for long term ruling class gains (Held, 2006: 174). The state, through its institutions or what Althusser calls apparatuses, provides the conditions for the accumulation of capital. Education and training, therefore, have an important role to play here, more so at the present time, when education for the economy, more precisely lifelong learning for the economy, is said to perform a crucial role in attracting and maintaining investment.

In the post war (WWII) period, a welfarist notion of state provision, underpinned by a Keynesian social and economic policy framework was provided (Pannu, 1988: 234) as part of ‘the new deal’ seen by many as a concession by capital to labour. It was however seen within labour politics as very much the result of the struggle for better living conditions by the working class and its representatives, thus underlining an element of reciprocity here. Much of what passed for social programmes had a welfarist ring to it, including education for employment and education conceived of within the traditional parameters of social work. It very much suited a sociological framework, known as structural functionalism, within which the modern state provides the mechanisms,

1 That is, it is very much tied to the notion of the welfare state.
including, for example, ‘second chance’ education, and education combined with social work, as in Germany (see Hirschfeld, 2010), to enable those who fall by the wayside to reconnect with the system or, better still, be integrated into the system. Orthodox Marxists and radical leftists exposed this as a palliative that served to maintain the status quo rather than to provide the means for such programmes to contribute towards social transformation. Others such as the then Stanford University researchers, Martin Carnoy and Henry Levin (1985), drawing on the work of James O’Connor (in Pannu, 1988: 233) and Claus Offe (1984) among others, emphasized the dual role of the state. On the one hand it had to tend to the basic function of ensuring the conditions and mechanisms necessary for the accumulation of capital and, on the other, to legitimate itself democratically by listening to and acting upon the voices emerging from different social sectors (see also, Held, 2006). As Raj Pannu argues (1988:233), drawing on O’Connor, “the State must try to perform two basic but often contradictory functions: (a) to foster capital accumulation and (b) to foster social harmony and consensus.” This allowed possibilities for people to operate tactically within the system in a ‘cat and mouse’ game to channel funds into social programs meant to transform situations in different aspects of life. This approach was given importance in both ‘minority’ and ‘majority’ world contexts (alternative and more encompassing terminology with respect to those of ‘first’ and ‘third’ world contexts). This is especially so in revolutionary contexts such as that in Nicaragua between 1979 and 1990. In this Central-American state, the much-publicized revolutionary adult literacy campaign known as the Cruzada (the Nicaraguan literacy crusade), now celebrating its 30th anniversary (at the time of writing), served to legitimize the revolution and keep the revolutionary momentum going. More recently, we witnessed another revolutionary literacy effort in Venezuela which, according to UNESCO’s special envoy, María Luisa Jáuregui, “is the first and only country to meet the commitments adopted by the region’s governments in 2002 in Havana to drastically reduce illiteracy” (Marquez, 2005). The state kept the Bolivarian revolutionary momentum going by teaching one and a half million people to read and write through the support of another revolutionary state, Cuba, who had Venezuelan literacy tutors trained in the ‘Yo si Puedo’ pedagogical method created by Cuban educator Leonela Realy (Marquez, 2005). With regard to Nicaragua, however, Martin Carnoy and Carlos Alberto Torres (1990) indicated that the state’s efforts in the literacy and popular education fields had to be reconciled with the more technical-rational demands of the economic system which was crucial to Nicaragua’s economic development. One wonders whether this applies also to Venezuela today. One million of the newly literate adults in Venezuela were meant to complete the sixth grade of primary school by late 2006 (Marquez, 2005), part of an attempt to usher in, through formal education, the hitherto disenfranchised into the economic and political system which the Chavez government is seeking to change through his declared attempt at transforming the capitalist state (Cole, 2011).2

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2 For a recent op-ed piece regarding reforms in higher education in Venezuela see Cole and Motta (2011). As with revolutionary Nicaragua (‘turning Nicaragua into one big school’), Chavez-governed Venezuela is referred to as the ‘giant school.’
As far as a more capitalist orientation is concerned, however, the relationship between economic requirements and the state has always been complex. Roger Dale (1982: 134) argued persuasively in the early 1980s that state policies do not translate into practice in the manner they are intended for a variety of reasons, foremost among which being that “the State is not a monolith; there are differences within and between its various apparatuses in their prioritizing of demands made on them and in their ability to meet those demands.” As with all bureaucratic agencies, the state agencies meant to execute these policies generate their own rules and modus operandi, as Max Weber’s own theories of bureaucracy have shown. Policy agendas are mediated by groups who differ on their tactics. Anyone who has worked in a Ministry or department of education or social policy can testify to this. Dale (1982) mentions numerous other obstacles and, among other things, cites Offe in stating that, to retain control deriving from political power and legitimacy, state agencies can block the “purpose of use value production,” that complements capital accumulation, by bowing to pressure and claims emanating from “party competition and political conflict” that do not result from the process of accumulation itself (Offe in Dale, 1982: 135). The process of policy implementation is not as smooth as the ruling class and policy makers (who also follow their own set of procedures) would intend it to be, and this apart from the subversive roles that agents, within a non monolithic system, such as critical educators or say critical health or social workers, have played in pushing actual provision in a certain direction. The state itself could be stratified, that is to say, those involved in the making of policy and those involved in the policy implementation, can have distinct social class locations. This is one of the contradictions faced by the capitalist state which relies on personnel who belong to the same stratified economic system it supports within a particular mode of production, thus rendering the process of sustaining and implementing policies throughout most difficult.

Neoliberalism

While much of what has been attributed to bureaucracy and the state still holds, things have changed considerably in recent years. With the onset of neoliberalism, and therefore the ideology of the marketplace, the social democratic arm of the state, as presented by Carnoy and Levin (1985), seems to have been withdrawn. The state has lost its welfarist function as it plays a crucial role in terms of providing a regulatory framework for the operation of the market; as does such a supranational state as the European Union, incidentally (Dale, 2008).

The neoliberal state has a set of important roles to play. It provides the infrastructure for the mobility of capital, and this includes investment in Human Resource Development as well as the promotion of an ‘employability-oriented’ Lifelong Learning policy, with the onus often placed on the individual or group, often at considerable expense. We witness a curtailment of social oriented programs in favour of a market oriented notion of economic viability also characterized by public financing of private needs. Public funds are channeled into areas of educational and other activities that generate profits in the private sector. Furthermore, attempts are being made all over the world
to leave as little as possible to the vagaries mentioned by Dale in his 1982 paper, a point he himself recognized as far back as that year when he referred to the onset of standardization, league tables, classifications and, I would add, more recently, harmonization. This is to render agencies of the state, or those that work in tandem with the state through a loose network (a process of governance rather than government), more accountable, more subject to surveillance and ultimately more rationalized. And, as indicated at the outset, the state, in certain contexts, depending on its strength, can have no qualms about its role in bailing out the banks and other institutions of capital when there is a crisis. This very much depends on the kind of power the particular state wields.

As the Brazilian educator, Paulo Freire put it so clearly years before the recent ‘credit crunch’ (he died in 1997):

> Fatalism is only understood by power and by the dominant classes when it interests them. If there is hunger, unemployment, lack of housing, health and schools, they proclaim that this is a universal trend and so be it! But when the stock market falls in a country far away and we have to tighten up our belts, or if a private national bank has internal problems due to the inability of its directors or owners, the State immediately intervenes to “save them”. In this case, the ‘natural’, ‘inexorable’, is simply put aside. (Freire, in Nita Freire interviewed in Borg and Mayo, 2007: 3)

The state is very much present in many ways, a point that needs to be kept in mind when discussing any other form of programme carrying the agenda of corporate business. The idea of the state playing a secondary role in the present intensification of globalization (capitalism has since its inception been globalizing) is very much a neoliberal myth. As Corrigan, Ramsay and Sayer (1980: 8-9) underlined three decades ago, “State formations are national states since capitalism as a global system involves national organization to secure the internationalization of its production relations.”

The state organizes, regulates, ‘educates’ (the ethical state), creates and sustains markets, provides surveillance, evaluates (‘the evaluator state’ as Pablo Gentili (2008) calls it), legitimates, forges networks, and represses. One should underscore the role of the repressive factor as manifest by the state during this period, one of Macchiavelli’s twin heads of the Centaur (coercion and consent). The state also provides a policing force for those who can easily be regarded as the victims of neoliberal policies as well as related ‘structural adjustment programmes’ in the majority world. These victims include blacks, latino/as and those regarded by Zygmunt Bauman (2006) as the ‘waste disposal’ sector of society. Imprisonment rates have risen in the US which has witnessed the emergence of the ‘carceral state’(Giroux, 2004). The prison metaphor can be applied on a larger scale, and in a different manner, to the situation of migrants from Sub-Saharan Africa knocking at the gates of ‘Fortress Europe’ and who are contained in veritable prisons referred to as detention centres.

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3 For a compelling argument regarding the importance of the state within present day capitalism, see Ellen Meiksins Wood (2003). She argues early in the introduction that: “The argument here is not that of capital in conditions of globalization has escaped the control of the state and made the territorial state increasingly irrelevant. On the contrary, my argument is that the state is more essential than ever to capital, even, or especially, in its global form. The political form of globalization is not a global state but a system of multiple states, and the new imperialism takes its specific shape from the complex and contradictory relationship between capital's expansive economic power and the more limited reach of the extra-economic force that sustains it.” (Meiksins Wood, 2003, pp. 5-6.)
same applies to latinos/as attempting to cross la frontera, in this context. In the Europe case, it is the fortress itself which serves as the prison gate, closing in on itself almost as a besieged state. The carceral function of the state with its manifestly repressive orientation, but not without its dose of ideological support (or moral regulation, as Foucault would put it), takes us back to the writings of one of the major theorists on education and the state, the structuralist Marxist philosopher, Louis Althusser.

At a more general level we have had Althusser pointing to the existence of the state, within a capitalist economy, having two important apparatuses serving the interest of capital; the repressive state apparatuses (RSA) and the ideological state apparatuses (ISA). He however provides the important caveat that there is no 100% purely ideological state apparatus and no 100% purely repressive state apparatus, the difference being one of degree. Althusser referred to the school as being the most important ISA. However I feel that, had he been writing today, he would have probably referred to the media, or what he then termed the communications ISA, as the most important ISA, one that necessitates an effort in the area of critical media literacy (Kellner and Share, 2009). Douglas Kellner (2005) wrote about ‘media spectacles’ which have come to dominate news coverage and deviate public attention from substantial public issues. Media politics play a crucial role in advancing foreign policy agendas and militarism. Recall that, echoing Gramsci’s writings on hegemony, Edward S. Herman and Noam Chomsky had much earlier illustrated the way the ‘propaganda model’ relies on the media to manufacture consent for policies in the public mind (Herman and Chomsky, 1988). Kellner, for his part, argues that political forces such as Al Qaeda and the Bush administration construct or, in the latter case, have developed media spectacles to advance their politics. This theme has also been broached by Henry A. Giroux (2006) among others. These writings highlight the link between the state and the corporate media during the period of US Republican government under George W. Bush. In this regard, therefore, critical media literacy becomes an important feature of a critical engagement within either the interstices of state involvement or social movements. In the latter case, they take on the form of alternative media circulated via YouTube, Twitter and a variety of websites. These have a role to play in public pedagogy in this day and age. Electronic networking has opened up a variety of spaces in this regard. More than this, however, critical media literacy provides an important and vast dimension to the meaning of critical literacy: reading not only the word but also the world, in Paulo Freire’s terms, and I would add, reading the construction of the world.

Althusser correctly points to there being no 100% ISA. Education has always had a very strong repressive function, more so today. Witness the US High School model with armed security guards making their presence felt in a heavy handed manner (Giroux, 2009). And yet it would be no stretch to argue that the apparent violence perpetrated is itself symbolic because it signals to the students

something about their identities, perhaps that of potential criminals who could eventually be incarcerated, a signal that is very much in keeping with the function of an ISA.

It is Althusser’s conceptions regarding state apparatuses that lead me to ‘revisit’ the work of Antonio Gramsci. Gramsci is probably one of the most cited 20th century writers with regard to the state and what is fashionably called ‘civil society,’ although he does not view the latter the way it is conventionally being used today, as the third sector between the state and industry. His relevance is still underlined today despite the fact that much of his analysis focuses on Italy and the rest of the world until the first part of the previous century. Gramsci argued that, in terms of the way power operated and was consolidated, in Western capitalist social formations, one has to look at the relationship between the state and civil society, the term he used to refer to the network of cultural and ideological institutions that prop up the state. In short, the state cannot be attacked and conquered frontally. There is a long process of transformation to be had which involves work among these institutions that surround and prop up the state. This is what he calls a war of position as opposed to a frontal attack or ‘guerra manovrata’ (war of manœuvre).

Gramsci argued that, in terms of the way power operated and was consolidated, there was a great difference between the situation in predominantly feudal pre-1917 Russia, the site of the first socialist revolution, and that obtaining in Western capitalist social formations, although he has been subject to criticism here as Eric Hobsbawm (1987) remarks. In Russia, the locus of power rested with the state army and police. The country was virtually held together by force. Gramsci therefore considered it possible for a revolutionary group to wrest power from the grasp of the Tsar and the aristocracy by means of a frontal attack. However, a ‘war of manoeuvre’ the term Gramsci used to describe the tactic of engaging in this frontal attack, was not regarded by the Italian theorist as likely to prove effective in Western capitalist social formations. In these formations, the state is propped up by a network of cultural and ideological institutions that Gramsci referred to as ‘civil society’ (see Buttigieg, 1995).

In Gramsci’s view, the institutions of civil society function behind the state as a “powerful system of fortresses and earthworks” that assert themselves whenever the state “tremble[s]” (Gramsci, 1971: 238). Civil society, as used by Gramsci, is therefore not conceived of primarily as an arena of popular oppositional politics. On the contrary, it is conceived of as a domain comprising institutions which serve as sources of ideological influence as well as sources of repression. For example, the press is a form of ‘public pedagogy’, a vehicle for ideological influence (providing the illusion of freedom of expression) and contestation (once again, none of these institutions are monolithic, as stressed by Gramsci) but which can also serve as a means of repression: Who gets aired and who is silenced? What gets edited out and what is included? Who is hounded? Whose character is assassinated? Civil society also contains spaces, often within the ideological institutions themselves, where these arrangements can be contested and renegotiated (Hall, 1996: 424).
Education, the state and hegemony

Gramsci attributed great importance, in this regard, to education conceived of in its largest context and not simply confined to institutions such as schools and universities, even though these two play their part. For Gramsci, it is partly in this sphere that the prefigurative (anticipatory) work (Allman, 2010) for a transformation of power must take place. Of course, the process of ideological influence cannot be completed, according to Gramsci, prior to the conquest of the state. As Jorge Larrain explains, “class consciousness cannot be completely modified until the mode of life of the class itself is modified, which entails that the proletariat has become the ruling class” (Larrain, 1983: 82). In Gramsci’s own words, expressed in his tract ‘Necessita` di Una Preparazione Ideologica di Massa’ (Necessity for the Ideological Preparation of the Masses), the working class can become the ruling class through “possession of the apparatus of production and exchange and state power.” (Author’s translation from Gramsci, 1997: 161).

This having been said, there is important prefigurative work that, according to Gramsci, involves working both within and outside existing systems and apparatuses to provide the basis for an “intellectual and moral reform” (Gramsci, 1971: 132). This work occurs primarily in the context of social relations, which, according to Gramsci, are established through the process of hegemony. Gramsci follows Marx in holding a very expansive non reified notion of the state, emphasizing its relational aspect and, one can add, its being firmly positioned within the cultural politics of power configurations. This is very much evident in his major contribution to workers’ education (Mayo, 1999), namely his Factory Council Theory, and the notion of hegemony itself which is also conceived of as relational and as standing for a wide-ranging, all pervasive set of pedagogical relationships.

Hegemony, an ancient Greek word, is described by Livingstone (1976: 235) as a “social condition in which all aspects of social reality are dominated by or supportive of a single class” or group. Hegemony thus incorporates not only processes of ideological influence and contestation but, as Raymond Williams (1976: 205) argues, a “whole body of practices and expectations”.

Gramsci (1971: 350) regarded every hegemonic relationship as an ‘educational’ one, hence education in its broadest context is central to the working of hegemony itself (Borg, Buttigieg and Mayo, 2002: 3). Hegemony, therefore, entails the education of individuals and groups in order to secure consent to the dominant group’s agenda (Buttigieg, 2002). Engagement in a war of position to transform the state similarly involves educational work throughout civil society to challenge existing relations of hegemony. For Gramsci, ‘intellectuals’ are key agents in this war of position, this ‘trench’ warfare

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5 According to the Gramscian conception, ‘civil society’ constitutes the terrain in which most of the present ideological influence and consensus building take place. Global civil society is therefore the terrain wherein a lot of the global influence, via global cable networks, information technology etc. occurs. Once again, however, it creates spaces for renegotiation in that it offers the means for progressive groups, located in various parts of the globe, to connect electronically or otherwise. This is what is referred to as ‘globalisation from below’ (Marshall, 1997) or what Boaventura
(Gramsci, 1971: 243). And we can include, in this context, critical educators and other social justice oriented cultural workers. Gramsci did not use the term ‘intellectual’ in its elitist sense; rather, Gramsci saw intellectuals as people who influence consent through their activities. The ‘organic intellectuals’ which Gramsci writes about are cultural or educational workers in that they are “experts in legitimation” (Merrington, 1977: 153). They can be organic to a dominant class or social grouping or to a subaltern class or grouping seeking to transform relations of hegemony. In the latter case, their ‘intellectual’ activities take a variety of forms, including that of working within the state and other capitalist-oriented institutions, or to use the one-time popular British phrase, working “in and against the state” (possibly also because of what Eric Olin Wright calls their ‘contradictory class location’) and other dominant institutions (see London and Edinburgh Weekend Return Group, 1980).

Despite a very strong difference in its underlying politics, Gramsci’s theorization of the state seems to have affinities with some of the modern managerial technical-rational conceptions of the state regarding policy formulation and action. The state and its agencies are nowadays said to work not alone but within a loose network of agencies – governance rather than government in what is presented as a ‘heterarchy’ of relations (Ball, 2010) and therefore what Martin Carnoy and Manuel Castells call the ‘network state’(Carnoy and Castells, 2001). A Gramscian perspective would nevertheless underline that, despite appearing prima facie to be heterarchical, such relations under capitalism are, in actual fact, hierarchical and less democratic than they might appear to be. This certainly applies to relations between state and NGOs or labour unions characterized by the ever-present threat of cooptation, often within a corporatist framework (Panich, 1976; Offe 1985 in terms of disorganized capitalism).6 On the other hand, one encounters situations when NGOs, especially those based in the west, are powerful enough to have leverage over certain states. Structured partnerships between state and business as well as between ‘public’ and ‘private’ tend to emphasize the link between the state and the imperatives of capital accumulation. For Gramsci, the agencies, constituting bourgeois civil society (burgherliche gesellschaft), buttressed the state and, while Gramsci focused primarily on the ideological institutions in this network, one must also mention the point made by Nicos Poulantzas (1978) when underlining that the state also engages in economic activities which are not left totally in the hands of private industry. Poulantzas stated that, under monopoly capitalism, the difference between politics, ideology and the economy is not clear. It is blurred. The state enters directly into the sphere of production as a result of the crises of capitalist production itself (Poulantzas in Carnoy, 1982: 97). One might argue that this point has relevance to de Sousa Santos calls ‘counter-hegemonic globalization,’ counter-hegemonic being a term which Gramsci never uses probably not to demarcate a binary opposition. Hegemony is characterised by a process of negotiation and renegotiation. Information Technology is a double-edged sword in that it is an important instrument of capitalism but can also offer alternative possibilities in the fostering of international alliances some of which can, in the long term, develop into a firmly entrenched social or historical bloc.

6 These organisations establish formal and informal links, parliamentary and extra-parliamentary, with key agents of the state in return for the advancement of their corporate interests (see Held, 2006:172).
the situation today. In the first place, industry often collaborates in policy formulation in tandem or in a loose network with the state just like NGOs or labour unions do. Nowhere is the role of the state as economic player more evident that in higher education (see Giroux and Searls Giroux, 2004), an area which, though traditionally vaunting relative autonomy as most education institutions do, constitutes an important domain of hegemonic struggle. The division between public and private in this sector is increasingly blurred. So-called ‘public universities’ are exhorted to provide services governed by the market and which have a strong commercial basis. Furthermore the state engages actively through direct and indirect means, and, in certain places, through a series of incentives or ‘goal cushions’ (see Darmanin, 2009), to create a Higher education competitive market as part of the ‘competition’ state (Jessop, 2002). Jane Mulderrig (2008: 168), drawing on Jessop, states that the competition state was already conceived of in the 1980s with, for instance, OECD documents “on the importance of structural competitiveness for government policy.” Here the focus is “on securing the economic and extra-economic conditions for international competitiveness” in a globalising knowledge based economy (Fairclough and Wodak, 2008: 112).

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7 One requires a word of caution here. States differ among themselves in their internal coherence, given their historical and other contextual specificities. It would be dangerous to infer that all states are equally positioned in terms of their power to intervene in the economic sphere, especially when one takes into account their own differential location within the global market system. Thanks again to Professor André Elias Mazawi for this point.
Conclusion

The above discussion vindicates Gramsci’s position regarding relations between different institutions and agencies constituting what he calls ‘civil society’ and the capitalist state. The state regulates these agencies by working in tandem with them. It is certainly no neutral arbiter of different interests, even though it appears to be so, as it also engages in structured partnerships with industry to secure the right basis for the accumulation of global capital. In this regard one can argue that the state is propped up not only by the ideological institutions of what Gramsci calls ‘civil society’ but by industry itself (of which it is part), while it sustains both (propping both the ‘civil society’ institutions and industry) in a reciprocal manner to ensure the right conditions, including the cultural conditions, for the accumulation of capital. All this goes to show that the state, the nation state, is an active player and has not receded into the background within the context of hegemonic globalization. On the contrary, in its repressive, ideological and commercial forms, the state remains central to the neoliberal project.

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8 Let us take higher education as an example, to extend the discussion around the example provided in this section. In 2008, the first European Forum on cooperation between Higher Education (HE) and the Business Community took place (CEC, 2008). The communication on the modernization of universities and HE institutes underlines the importance of a “structured partnership with the business community” (CEC, 2006a, 6). It is intended to create opportunities for the sharing of research results, intellectual property rights, patents and licences and allow for placements of students and researchers in business, with a view to improving the students’ career prospects. It is also meant to create a better fit between HE outputs and job requirements. It also can help convey, according to the communication, a stronger sense of ‘entrepreneurship’ to enable persons to contribute effectively to a competitive economic environment (CEC, 2006a; CEC, 2006b; EC, 2006).


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