

Book Review – Stephan Leibfried/Michael Zürn eds., Transformations of the State? (2005)

By Kathryn Yardley*

[Stephan Leibfried, Michael Zürn eds., *Transformations of the State? (2005)*, Cambridge University Press: Cambridge, ISBN: 0-521-67238-4, pp.224]

A. Introduction

There seems to be no end to the debate over which entity might adequately compare to the nation state. The nature of the state's influence, its role and defining characteristics have experienced great change through the years and it is increasingly evident that the current form and direction of that change is neither certain, nor consistent. The book *Transformations of the State?* edited by Stephan Leibfried and Michael Zürn maps out this evolution of the state by examining the OECD nation state's functions from its high point in the 'Golden Age' of the 1960s and 70s¹ to its uncertain future in the face of global and domestic challenges. The book tracks four critical dimensions of the nation state: resource, law, legitimacy and welfare and takes a reading of the current condition of these dimensions in the modern nation state in order to elicit answers about its fate and survival. Using the metaphor of the "fabric" of the nation state, the book follows the potential unravelling of the once tightly woven strands of the state and asks if the future will see the various elements of the state going off in all directions.

The editors of the book, Leibfried and Zürn, professors of political science, are two of the founders of the TranState national Research Centre at the University of Bremen, a collaborative research centre, which since 2003 has been committed to the study of the changing dynamics between international and domestic politics and public and private governance.² The researchers at the centre study the change

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¹ TRANSFORMATIONS OF THE STATE? 1 (Stephan Leibfried, Michael Zürn eds., 2006).

² <http://www.sfb597.uni-bremen.de/>

processes of the state, the reasons for them and the effects the changes might have in order to fill a dearth of work completed in those areas.³

Transformations of the State? is composed of nine distinct chapters, each written by one or more different individuals who are directors of or investigators for one or more of the TranState research projects. The authors hail from a wide variety of academic backgrounds, namely, law, sociology, economics and political science. Each of the chapters could stand independently as a succinct and comprehensive treatment of its topic. Together they form a wide-ranging, informative and insightful survey and assessment of the dimensions of the modern nation state.

B. The Multi-dimensional State

Thomas Hobbes' 1651 *Leviathan* is a work of great importance for political philosophy as a whole and a launching point of central importance for the themes of *Transformations of the State?* The *Leviathan* state has a single central function, namely to ensure peace for its citizens as holder of the monopoly on power and force. This single-function definition of the state stands in stark contrast to the multi-dimensional definition of the nation state today, which is clearly captured in the chapters of this book.

The cover of *Transformations of the State?* portrays an inverted *Leviathan* frontispiece as well as its reflected modernized image. The new version of the frontispiece, adorned with banners and add-ons, depicts the modern nation state in which the citizens do not merely compose a faceless mass, well contained by the strong central state, but spill from its confines voicing protests, demands and expectations. The image illustrates the multi-level, multi-dimensional framework of the modern nation state. Banners for justice, liberty, equality and fraternity illustrate certain value ideals of the state. These new dimensions restrict and complicate the modern state's power in comparison to that of the steadfast *Leviathan* overseer. The multi-dimensional state of today, which Leibfried and Zürn term a "polymorphous beast," provides ample material and data for the authors to analyse from within the many layers of its various dimensions.

In the first chapter Leibfried and Zürn introduce the acronym TRUDI to represent the composite of the multi-dimensional nation state. This stands for the Territorial State, which secures the **R**ule of Law, the **D**emocratic State and the **I**ntervention

³ For an application to legal education, see e.g. Stephan Leibfried/Christoph Möllers/Christoph Schmid/Peer Zumbansen, *Redefining the Traditional Pillars of German Legal Studies and Setting the Stage for Contemporary Interdisciplinary Research*, 7 GERMAN L. J. 661 (2006), available at: http://germanlawjournal.com/pdf/Vol07No08/PDF_Vol_07_No_08_661-680_Articles_Leibfried.pdf

State. TRUDI is the “fabric” of the nation state. The subsequent chapters illustrate how changes are occurring at different rates and in different directions within the various dimensions of the nation state. Internationalization, for instance, has a powerful effect on welfare while resources remain firmly rooted within the state despite rampant globalization.

The discussion topics of the chapters, though wide-ranging in discipline, are all linked by their focus on one or more of the four critical dimensions of the nation state. Each essay examines the trajectory of the modern nation state as viewed by an aspect of central importance to the state.

I. Resource

‘Resource’ constitutes the first dimension of the state that is covered in the book. The editors note that key to the resource dimension is the presumption that the nation state has control over its own resources. This includes currency, taxation and the use of force. Two essays explore these aspects of resource, which go hand in hand. Finances in the form of taxes are required by the state in order to secure greater control over the use of force. Financial and force resources provide the foundation for developments in the other dimensions of the state.

In his essay “The monopoly of legitimate force: denationalization, or business as usual?” Markus Jachtenfuchs discusses the challenges that currently confront the state’s exclusive control over force. Globalization and changing international ideas about the deployment of police and military, particularly military intervention, are causing increasing intrusion on the state monopoly over force. The importance of the state monopoly over force was the distinguishing feature of the state identified by Max Weber when he referred to states unable to maintain this monopoly as “failed states”. By examining the nature of the influence of international institutions, intergovernmental cooperation and other international influences, Jachtenfuchs comes to the conclusion that despite the emergence of external influential forces, such as internationalization, the use of force remains safely under the control of the OECD state. At first consideration this might seem surprising, yet he rightly discerns the difference between loss of autonomy with regard to legitimating the use of force and actual loss of autonomy to employ force.

The second essay on resources, “Globalization and the transformation of the tax state” by Philipp Genschel, is a well-reasoned and informative discussion and analysis of data, policy and observation concerning the changes that the tax state has undergone under the pressures of globalization and what the implications of this are for its future. Genschel identifies two major challenges for the tax state, namely tax evasion and avoidance on the one hand and tax competition on the

other, each being facilitated by the erosion of divisions between nation states and national markets and their foreign counterparts. This erosion includes the emergence of offshore capital markets, the practice of international tax planning by multinational corporations and the creation of interdependent taxation policies where formerly separate tax systems are coming into contact with one another through these means and others. Genschel comes to the perceptive conclusion that the effect of globalization is not to force change upon the tax state, rather to inhibit its ability to change. Genschel's clear writing style facilitates the conveyance of his topic and he fits a great deal of pertinent information into the essay.

II. Law

The rule of law is a largely stable element within the OECD countries. Less certain is the form and future of an international rule of law emerging among many countries in the world. Bernhard Zangl identifies the emergence of an international rule of law as a fundamental transformation of the state. In "Is there an emerging international rule of law?" Zangl examines several areas of international law and comments on the unique form of the emerging international rule of law, a different entity from its national counterpart. The discussion of an international rule of law would not be complete without exploring its interaction with national sovereignty and the evolving supranational legal structure. Zangl does this, providing a critical survey of international legal institutions and deals with what is potentially a problematic incongruity between national sovereignty and an international rule of law. Zangl also touches on criticisms of US hegemony and its potential role in endangering the international rule of law. To conclude on the coverage of the rule of law, an essay by Christian Joerges and Christine Godt, "Free trade: the erosion of national, and the birth of transnational governance", covers transnational governance arrangements in free trade, particularly the regulations and organizations that govern it. The chapter examines regulatory structures within the EU and the World Trade Organization. It also includes some interesting points on the role of international product standardization. The authors highlight the challenges faced by governance at the international level, the conflict of laws and legal systems and conflict resolution, and in doing so indirectly bring attention back to the topic of international regulation and its conflict with national sovereignty.

III. Legitimacy

Leibfried and Zürn note that democratization was experienced at one time or another in all OECD nation states in varying shapes and forms. Because of the great variance in the formation of democracies, one might expect that the transformations of democracies would be equally varied. In "Is there a legitimization crisis of the nation state?" Roland Lhotta and Frank Nullmeier and their investigators identify

two factors in the transformation of the state that influence democratic process, the internationalization of state power and the loss of parliamentary control over political power. Using a study of media communications in Great Britain, Switzerland and the United States the authors go on to explore whether changes in the various dimensions of the state are damaging its legitimacy and whether there truly is a legitimacy crisis of representative democracy. The conclusions that the authors draw may not be especially surprising but their analysis of the data is well reasoned and presents a clear picture of the status of democratic legitimacy. A chapter on the Europe Union ties up the discussion of the legitimacy dimension well. The essay is entitled "National and transnational public spheres: the case of the EU" by Bernhard Peters et al. It takes an interesting and in depth look at Europeanization using the results of a study of the political sections of newspapers from five EU member states in order to take a reading of public opinion and debate and to draw conclusions on the emergence of a European public sphere. The authors take great care in analysing and working with the data obtained, which adds an especially empirical quality to the conclusions that they draw. With Professor Peters' untimely death in 2005, we have lost an important voice in this area.

IV. Welfare

Since the Second World War welfare has been central to the identity of the OECD nation state. "Welfare state transformation in small open economies" by Herbert Obinger et al examines the effect of changes occurring within the nation state in terms of employment, economy and demographics and the effect that they are having on the welfare state. With the work of investigators responsible for covering different nations, the authors undertake a comparative study of the development of patterns of adaptation in the welfare state. The conclusions they come to see the convergence of multiple types of systems into more common policy regimes using case studies of Austria, Denmark, New Zealand and Switzerland. The authors show that the welfare state has undergone significant organizational changes of a surprising nature, yet that these changes have not signalled doom for the welfare state.

These changes in structure appear to be mirrored in the healthcare field. In the concluding chapter of the book, "The changing role of the state in healthcare systems" by Heinz Rothgang et al, the authors use Germany, the United Kingdom and the United States to explore three distinct healthcare systems. The authors identify the changes that have occurred and are occurring and the trends that are mirrored within the different systems. Increasingly, the healthcare system too is seeing a convergence, where the once very distinctive forms of healthcare organization are coming together to form a blended version of the three systems.

The final two essays indicate that while overall welfare spending is increasing, public healthcare spending is decreasing. This further indicates that while a critical dimension of the state may appear stable or favourable from the outside, changes happening within its organizational structure may indicate otherwise.

C. Conclusion

Transformations of the State? provides informative and interesting analysis not only for academics, but also for those involved in the practical aspects of the state as a regulatory regime, be it policy makers, politicians or healthcare workers. The book could be of great benefit for students as a source of comprehensive analysis backed by up-to-date and comparative research. In addition, the book's broad sampling of clearly developed pertinent topics from several fields may be sought as introduction to and overview of less familiar areas of study for some. In this regard, the book could have benefited from further explanation of the role of the OECD, as the OECD countries are so central to the various essays, yet the OECD is not an organization that is intimately known to all.

With all of the different terms of trade that arise in the various disciplines within the book, most of the authors made efforts to define the field-specific terms, such as those in "Eurospeak." This serves to broaden the book's potential audience, allowing more people to take away valuable understanding from the book. The coverage of data and discussion is relevant to many OECD countries in Europe, North America and Australasia, however, with a stronger focus on Europe and Germany in particular. Many of the authors use the United States as a counterpoint for comparison with various European countries, which provides for interesting discussion, for in certain regards the United States stands in strong contrast to the European countries. This is particularly evident in Zangl's essay, which highlights the recent transatlantic tensions between the US and Europe.

While there may not be a definite answer to the question of the future of the nation state to be found in the pages of the book, each chapter delivers pertinent analysis and discussion on the subject of a specific dimension of the nation state and theorizes about what its future may hold. *Transformations of the State?* is a comprehensive collection of essays written and edited by a strong team of talented authors and researchers. As the book tracks the well-being of the modern nation state in times of change and looks to the future of its different dimensions, a piece of wisdom noted by Leibfried and Zürn, from Giuseppe Tomasi di Lampedusa's novel *The Leopard*, is held to be relevant to all; sometimes in order for things to stay the same, things must change.