

The contemporary relationship between the state and the economy – an assessment of Bob Jessop’s account of the Schumpeterian Workfare Postnational Regime

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This paper assesses the relationship between the state and the economy in advanced capitalist nations during the last decades. In an attempt to bridge the gap between political scientists and economists, we analyse the work of Bob Jessop, a Marxist state theorist strongly influenced by the Regulation School, especially as regards its contribution to comprehending contemporary economic phenomena.

We first present and explain the author’s narrative of the transition from the state form which would have characterised the post-war period, deemed the Keynesian Welfare National State (KWNS), to the current state form, or the Schumpeterian Workfare Postnational Regime (SWPR). Having done so, we critically assess Jessop’s arguments regarding six dimensions. We first take on his account of the changing spatiality of the state, which he identifies as the relativization of scale. This means the loss of primacy of the national level of the state and a complex intermeshing of spatial dimensions, in which smaller scales are not entirely contained in larger ones (an example of which are the global cities, which collapse the local, regional, national and global levels). The next aspect is the preferred form of economic intervention, which would be Schumpeterian in nature and, thus, oriented to the promotion of innovation and entrepreneurship via supply-side policies, more than to aggregate demand management. Regarding the state’s participation in the reproduction of labour force, we discuss Jessop’s description of workfarist policies – resumed in the transition from the attainment of full employment to that of “full employability”. In the fourth place, we analyse the purported transition from government to (meta-)governance as the main form of state action. We then proceed to a methodological assessment of the relationship Jessop proposes between economic and state forms, or between the integral economy (“accumulation regime + mode of regulation”) and the state. In particular, we deal with how he proposes that the SWPR is the intrinsic state form of post-Fordism and the knowledge-based economy. The latter is the prevalent accumulation regime proposed by the author, a critique of which we develop as the sixth axis for assessing the validity of the SWPR. In all of these discussions the paper tries to highlight the impact this state form would have on the accumulation of capital by exploring the most viable alternatives to it and the contemporary limits of transformation through the state.

Having critically explored Jessop’s arguments, we conclude with some remarks on how a more straightforward consideration of state theories can be beneficial for studies in political economy. We argue that the concept of the SWPR, albeit with the modifications and bearing in mind the shortcomings presented, is a valuable tool for comprehending the current crisis, especially as regards its interwoven political and economic aspects in the Eurozone.