

Chapter 12

'GLOCALIZATION' AS A STATE SPATIAL STRATEGY:

URBAN ENTREPRENEURIALISM AND THE NEW POLITICS OF UNEVEN
DEVELOPMENT IN WESTERN EUROPE

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INTRODUCTION:

urban entrepreneurialism through the lens of spatialized state theory

Since the late 1970s, the political geographies of urban governance have been transformed throughout western Europe. The welfarist orientation of urban political institutions that prevailed during the post-war boom has been superseded by a 'new urban politics' focused on the issues of local economic development and local economic competitiveness. This reorientation of urban governance has been famously described by Harvey (1989a) as a shift from urban 'managerialism' towards urban 'entrepreneurialism' and has been documented extensively (Hall and Hubbard, 1998). While the politics of urban growth have long been a central preoccupation within scholarship on US cities, the investigation of urban entrepreneurialism in western Europe has been intertwined with more recent debates on globalization, European integration and the crisis of the Keynesian welfare national state (Harding, 1997). In the face of geo-economic shifts such as the globalization of capital, the consolidation of the Single European Market and the decline of Fordist manufacturing industries, many western European cities have been confronted with intensifying socio-economic problems such as capital flight, mass unemployment and infrastructural decay. At the same time, as Keynesian welfare systems have been retrenched under pressure from neoliberal and 'Third

Way' national governments, local states have been confronted with a more hostile fiscal environment in which they have been constrained to engage proactively in diverse economic development projects. Taken together, these transformations have underpinned an increasing neoliberalization of urban politics throughout western Europe, as the priorities of economic growth, territorial competitiveness, labour market flexibility, lean administration and market discipline have become increasingly naturalized as the unquestioned parameters for local policy experimentation (Peck and Tickell, 1994; Tickell and Peck, in this volume).

In recent years, analyses of the geographies of urban entrepreneurialism in western Europe have proliferated, filling a growing number of pages within international urban studies journals. Building upon these research forays, this chapter develops a state-theoretical interpretation of the uneven transition towards urban entrepreneurialism in western Europe. I argue that entrepreneurial cities represent key regulatory arenas in which new 'glocalized' geographies of national state power are being consolidated. Faced with the intensified globalization/Europeanization of economic activities and the increasing dependence of major capitalist firms upon localized agglomeration economies (see also Hudson, in this volume), these emergent glocalizing state institutions have mobilized diverse political strategies to enhance place-specific socio-economic assets within their territories. In contrast to the Keynesian welfare national states of the post-war era, which attempted to equalize the distribution of population, industry and infrastructure across the national territory, the hallmark of glocalizing states is the project of *reconcentrating* the capacities for economic development within strategic subnational sites such as cities, city-regions and industrial districts, which are in turn to be positioned strategically within global and European economic flows. This emergent strategy of urban reconcentration is arguably a key element within contemporary post-Keynesian competition states (Cerny, 1995) and has generated qualitatively new forms of uneven spatial development throughout western Europe. Crucially, however, the concept of glocalizing states is deployed here to refer not to a stabilized, fully consolidated state form, but rather to demarcate an important *tendency* of state spatial restructuring in contemporary western Europe. The process of globalization will thus be theorized here as an emergent and deeply contradictory *state strategy* (Jessop, 1990) that hinges upon the spatial reorganization of state regulatory arrangements at multiple spatial scales.

In this chapter, I shall not attempt to document the transition to urban entrepreneurialism in western Europe or, for that matter, to differentiate among the diverse (national and local) political forms and institutional pathways through which this reorganization of urban governance has unfolded (Brenner, 2001). Instead, my primary goal is interpretive: I aim to outline a theoretical conceptualization of *state spatial strategies* that illuminates the proliferation of local economic initiatives throughout the western European city-system during the last three decades. Like other contributions to this volume, this chapter emphasizes the uneven, politically mediated character of contemporary geo-economic transformations. The process of globalization is viewed here as a medium and expression of political strategies intended to undermine the nationally organized regulatory constraints upon capital accumulation that had been established during the post-

war period. While such strategies have assumed diverse political-institutional forms around the world, they have frequently been oriented towards a rescaling of inherited national regulatory arrangements, leading in turn to an intensification of uneven development and territorial inequality at all spatial scales (Peck and Tickell, 1994). This analysis suggests that state institutions are playing a key role in forging the uneven geographies of political-economic life under early twenty-first century capitalism. Thus conceived, states do not merely 'react' to supposedly external geo-economic forces, but actively produce and continually reshape the very institutional terrain within which the spatial dynamics of globalized capital accumulation unfold.

The next section elaborates a theoretical approach to the geographies of statehood under modern capitalism through a spatialization of Jessop's (1990) strategic-relational approach. I shall then outline an interpretation of the entrepreneurialization of urban governance and the 'glocalization' of state space in contemporary western Europe.

ON THE SPATIAL SELECTIVITY OF CAPITALIST STATES: THEORETICAL FOUNDATIONS

While traditional accounts of statehood presupposed numerous geographical assumptions (Agnew, 1994), contemporary geo-economic and geopolitical transformations have generated an unprecedented interest in the geographical dimensions of state power (Brenner et al., 2003). As this burgeoning literature has emphasized, contemporary transformations have entailed a reterritorialization and rescaling of inherited, nationally organized formations of state spatiality rather than an erosion of the state form as such. Much of this research can be situated within a broader body of social-scientific work concerned to counter mainstream globalization narratives by examining the ongoing reorganization of state apparatuses in the context of globalizing/neoliberalizing trends. Thus, among the many arguments that have been advanced regarding the institutional architectures of post-Keynesian, post-Fordist, workfare or competition states, recent discussions of state spatial restructuring are characterized by a distinctive emphasis upon the new scales, boundaries and territorial contours of state regulation that are currently crystallizing. Insofar as the apparently ossified fixity of established formations of national state territoriality has suddenly been thrust into historical motion, contemporary scholars are confronted with the daunting but exciting task of developing new categories and methods through which to map the rescaled, reterritorialized and rebordered terrains of statecraft that have subsequently emerged around the world.

Surprisingly, much recent work on the production of new state spaces has proceeded without an explicit theoretical foundation. In many contributions to this literature, the geographical dimensions of state power are treated in descriptive terms, as merely one among many aspects of statehood that are undergoing

systemic changes. Just as frequently, the causal forces underlying processes of state spatial restructuring are not explicitly specified. Consequently, there is an urgent need for more systematic reflection on the specific political-institutional mechanisms through which states' territorial and/or scalar configurations are transformed from the stabilized *settings* in which political regulation unfolds into the *objects* and *stakes* of socio-political contestation.

These issues can be confronted, I believe, through an inquiry into the state's contradictory strategic role in the regulation of capitalism's uneven geographical development at various scales. To this end, I shall draw upon Jessop's (1990) strategic-relational approach to the state in order to interpret contemporary processes of state spatial restructuring as expressions of *spatially selective political strategies*. On this basis, I shall then examine the state-led political strategies that have underpinned the transition to urban entrepreneurialism in post-1970s western Europe.

According to Jessop (1990), the capitalist state must be viewed as an institutionally specific form of social relations. Just as the capital relation is constituted through value (in the sphere of production) and the commodity, price and money (in the sphere of circulation), so too, Jessop (1990: 206) maintains, is the state form constituted through its 'particularization' or institutional separation from the circuit of capital. However, in his view, neither the value form nor the state form necessarily engender functionally unified, operationally cohesive or organizationally coherent institutional arrangements.

The value form is underdetermined insofar as its substance – the socially necessarily labour time embodied in commodities – is contingent upon (1) class struggles in the sphere of production; (2) extra-economic class struggles; and (3) intercapitalist competition (Jessop, 1990: 197–8). According to him, therefore, the relatively inchoate, contradictory matrix of social relations associated with the value form can only be translated into a system of reproducible institutional arrangements through *accumulation strategies*. In Jessop's (1990: 198) terms, an accumulation strategy emerges when a model of economic growth is linked to a framework of institutions and state policies that are capable of reproducing it (see also Jessop et al., 1988: 158).¹ He proposes a formally analogous argument regarding the state form whose functional unity and organizational coherence are likewise said to be deeply problematic. To him, the existence of the state as a distinctive form of social relations does not automatically translate into a coherent, coordinated or reproducible framework of concrete state activities and interventions. On the contrary, the state form is seen as an underdetermined condensation of continual strategic interactions regarding the nature of state intervention, political representation and ideological hegemony within capitalist society. For Jessop, therefore, the functional unity and organizational coherence of the state are never pre-given, but must be viewed as emergent, contested and unstable outcomes of social struggles. Indeed, it is only through the mobilization of historically specific *state projects* that attempt to integrate state activities around a set of coherent political-economic agendas that the image of the state as a unified organizational entity ('state effects') can be projected into civil society (Jessop, 1990: 9, 346). State projects are thus formally analogous to accumulation strategies

insofar as both represent strategic initiatives to institutionalize and reproduce the contradictory social forms of modern capitalism.

On this basis, Jessop introduces the key concept of strategic selectivity, the goal of which is to develop a framework for analysing the role of *political strategies* in forging the state's institutional structures and forms of socio-economic intervention. Jessop concurs with Claus Offe's well-known hypothesis that the state is endowed with selectivity – that is, with a tendency to privilege particular social forces, interests and actors over others. For Jessop, however, this selectivity is best understood as an object and outcome of ongoing struggles rather than as a structurally preinscribed feature of the state system. Accordingly, Jessop (1990: 260) proposes that the state operates as 'the site, generator and the product of strategies':

- 1 The state is the *site* of strategies insofar as 'a given state form, a given form of regime, will be more accessible to some forces than others according to the strategies they adopt to gain state power' (Jessop, 1990: 260).
- 2 The state is the *generator* of strategies because it may play an essential role in enabling societal forces to mobilize particular accumulation strategies and/or hegemonic projects.
- 3 The state is the *product* of strategies because its own organizational structures and modes of socio-economic intervention are inherited from earlier political strategies (Jessop, 1990: 261).

In this manner, Jessop underscores the relational character of state strategic selectivity. The state's tendency to privilege certain class factions and social forces over others results from the evolving relationship between inherited state structures and emergent strategies to harness state institutions towards particular socio-economic projects.

The state strategies in question may be oriented towards a range of distinct socio-institutional targets. In particular, strategies oriented towards the state's own institutional structure may be distinguished from those strategies oriented towards the circuit of capital and/or in the mobilization of societal hegemony. In Jessop's terminology, the former represent *state projects* whereas the latter represent *state strategies*. State projects aim to provide state institutions with some measure of functional unity, operational coordination and organizational coherence. When successful, state projects generate 'state effects' which endow the state apparatus with an image of unity, functional coherence and organizational integration (Jessop, 1990: 6–9). By contrast, state strategies represent initiatives to mobilize state institutions towards particular forms of socio-economic intervention (Jessop, 1990: 260–1). When successful, state strategies result in the mobilization of coherent accumulation strategies and/or hegemonic projects (Jessop, 1990: 196–219). While state strategies generally presuppose the existence of a relatively coherent state project, there is no guarantee that state projects will effectively translate into viable state strategies (Table 12.1).

In sum, rather than viewing selectivity as a pre-given structural feature of the state, Jessop insists that it results from a dialectic of strategic interaction and socio-political contestation within and beyond state institutions. In this view, ongoing social struggles mould (1) the state's evolving institutional structure and (2) the state's changing modes of socio-economic intervention, accumulation strategies and hegemonic projects. Just as crucially, the institutional ensemble in which this dialectic unfolds is viewed as the result of earlier rounds of political struggle regarding the forms and functions of state power. Accordingly, 'the state as such has no power – it is merely an institutional ensemble; it has only a set of institutional capacities and liabilities which mediate that power; the power of the state is the power of the forces acting in and through the state' (Jessop, 1990: 270). The conception of the state as a political strategy is thus intended to illuminate the interplay between these evolving institutional capacities/liabilities and the ensemble of social forces acting in and through state institutions.

Table 12.1 State projects and state strategies

STATE PROJECTS	Initiatives to endow state institutions with organizational coherence, functional coordination and operational unity: they target the state itself as a distinct institutional ensemble within the broader field of social forces. <ul style="list-style-type: none"> • Target: state institutions • Possible outcome: 'state effects'
↓	
STATE STRATEGIES	Initiatives to mobilize state institutions in order to promote particular forms of socioeconomic intervention: they focus upon the articulation of the state to non-state institutions and attempt to instrumentalize the state to regulate the circuit of capital and/or the balance of forces within civil society. <ul style="list-style-type: none"> • Target: the circuit of capital and/or civil society • Possible outcomes: accumulation strategies and/or hegemonic projects

Source: Based on Jessop (1990)

In an important extension of Jessop's framework, Jones (1997) has proposed that capitalist states are endowed with distinctive *spatial selectivities* as well. For Jones (1997: 851), spatial selectivity refers to the processes of 'spatial privileging and articulation' through which state institutions and policies are differentiated across territorial space to focus upon particular geographical areas. Building upon Jones' arguments, I would suggest that Jessop's strategic-relational approach can be fruitfully mobilized as the foundation for a spatialized conceptualization of state restructuring. The methodological lynch-pin of this conceptualization is the proposition that state spatiality is never a fixed, pre-given entity but, like all other aspects of the state form, represents an emergent, strategically selective and socially contested *process*. Just as radical approaches to urbanization under capitalism have long emphasized the processual character of urban spatiality (Harvey, 1989b), so too is a dynamic, process-based understanding of state spatiality required in order

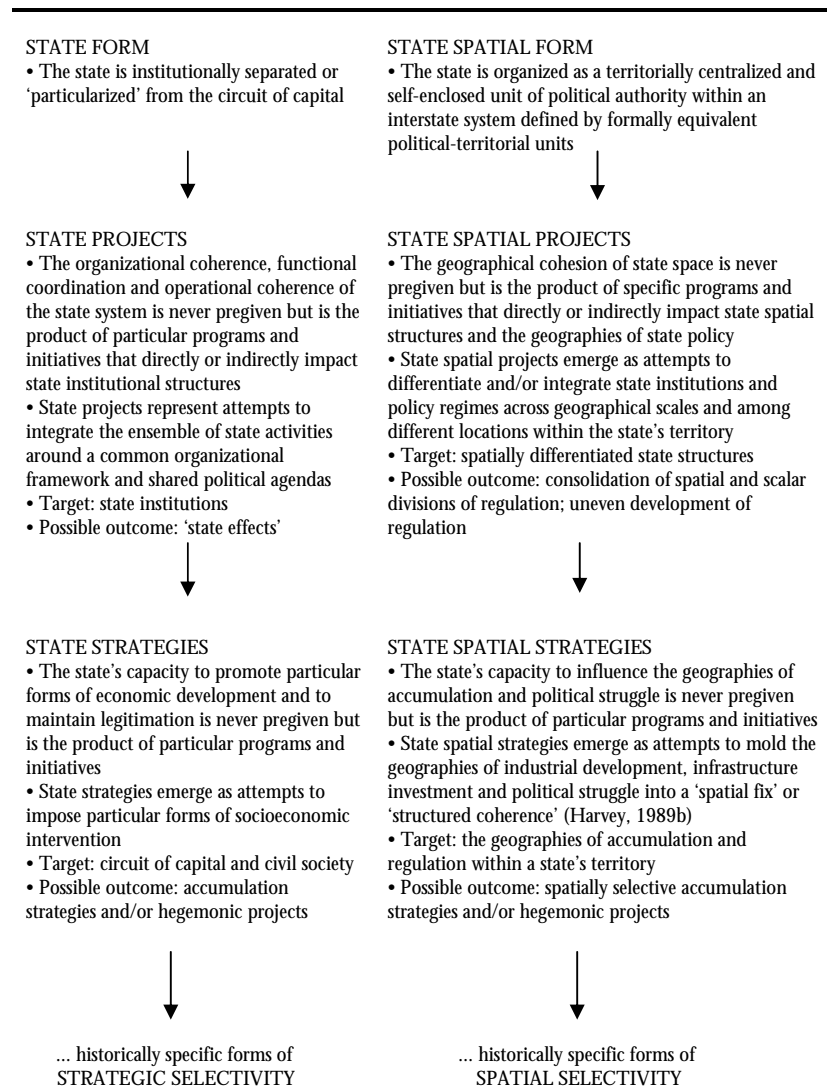
to decipher the historical geographies of state restructuring under capitalism (Lefebvre, 1978).

Jessop's strategic-relational approach to the state provides a useful basis on which to develop such an analysis. As indicated, Jessop maintains that the organizational coherence, operational cohesion and functional unity of the state are never pre-given, but can be established only through political strategies. This argument can be fruitfully applied to the geographies of state power as well. From this perspective, the territorial coherence and interscalar coordination of state institutions and policies are never pre-given, but can be established only through political strategies to influence the form, structure and internal differentiation of state space. Concomitantly, extant geographies of state institutions and policies must be viewed as the products of earlier strategies to reshape state spatial arrangements. The spatiality of state power can therefore be viewed at once as a site, generator and product of political strategies (MacLeod and Goodwin, 1999). State spatiality is forged through a dialectical relationship between (1) inherited patternings of state spatial organization and (2) emergent strategies to modify or transform entrenched political geographies. Building upon Jessop's strategic-relational theorization of the state form, state projects and state strategies, three equally fundamental dimensions of state spatiality under capitalism can be distinguished – the state spatial form, state spatial projects and state spatial strategies (Table 12.2).

- 1 *The spatial form of the state.* Just as the state form is defined by the separation of a political sphere out of the circuit of capital, the state's spatial form is defined with reference to the principle of territoriality. Since the consolidation of the Westphalian geopolitical system in the seventeenth century, states have been organized as formally equivalent, nonoverlapping and territorially self-enclosed units of political authority. Throughout the history of state development in the modern world system, the geography of statehood has been defined by this territorialization of politics within a global interstate system (Ruggie, 1996). Even in the current era, as national state borders have become increasingly permeable to supranational flows, territoriality arguably remains the most essential attribute of the state's spatial form, the underlying geographical matrix within which state regulatory activities are articulated.
- 2 *State spatial projects.* As indicated, the organizational coherence and functional unity of the state form are never structurally pre-given, but can be secured only through state projects that attempt to 'impart a specific strategic direction to the individual or collective activities of [the state's] different branches' (Jessop, 1990: 268). A formally analogous argument can be made with regard to the state's spatial form. Whereas territoriality represents the underlying geographical terrain in which state action occurs, its coherence as a framework of political regulation is never structurally pre-given, but can be secured only through specific state spatial projects that differentiate state activities among different levels of territorial administration and coordinate state policies among diverse geographical locations and scales within (and, in some cases,

beyond) national borders. State spatial projects thus represent initiatives to differentiate state territoriality into a partitioned, functionally coordinated and organizationally coherent regulatory geography. On the most basic level, state spatial projects are embodied in the state's internal scalar differentiation among distinct tiers of administration. This scalar differentiation of the state occurs in conjunction with projects to coordinate administrative practices, fiscal relations, political representation, service provision and regulatory activities among and within each level of state power.

Table 12.2 A strategic-relational approach to state spatiality



State spatial projects may also entail programmes to modify the geographical structure of inter-governmental arrangements (for instance, by altering administrative boundaries) or to reconfigure their rules of operation (for instance, through centralization or decentralization measures) and thus to recalibrate the geographies of state intervention.

- 3 *State spatial strategies.* As we saw above, the state's capacity to promote particular forms of economic intervention and to maintain societal legitimation is never structurally pre-given, but can emerge only through the successful mobilization of state strategies. While the existence of a state project does not necessarily translate into the mobilization of a coherent state strategy, the consolidation of state strategies is a key precondition for the elaboration of accumulation strategies and hegemonic projects. Analogous arguments can be made to characterize the state's strategies to influence the geographies of industrial development, infrastructure investment and political struggle. Just as states play a central role in the elaboration of accumulation strategies and hegemonic projects, so too do they intervene extensively in the geographies of capital accumulation and political struggle. In particular, states are instrumental in managing flows of money, commodities, capital and labour across national boundaries, in maintaining the productive force of capitalist territorial organization, in regulating uneven development and in maintaining place-, territory- and scale-specific relays of political legitimation. The resultant state spatial strategies are articulated through diverse policy instruments, including industrial policies, economic development initiatives, infrastructure investments, spatial planning programmes, labour market policies, regional policies, urban policies and housing policies, among many others. However, the state's capacity to engage in these forms of spatial intervention and thus to establish a 'structured coherence' or 'spatial fix' for capitalist growth (Harvey, 1989b) is never pre-given, but can emerge only through the successful mobilization of state spatial strategies. The capacity to mobilize state spatial strategies does not flow automatically from the existence of state spatial projects. Nonetheless, it is only through the elaboration of spatial strategies that the state can attempt to influence the geographies of capital accumulation and political life within its jurisdiction. State spatial strategies are embodied in the territorial differentiation of specific policy regimes within state boundaries and in the differential place-, territory- and scale-specific effects of those policies. Whereas some state projects may explicitly promote this uneven development of regulation, this may also occur as an unintended side-effect of state action (Jones, 1997).

In short, Jessop's strategic-relational conceptualization of the state may be expanded into a 'strategic-relational-spatial' framework. In this conception, the geographies of the state under modern capitalism represent expressions of a dialectical interplay between inherited partitionings of political space and emergent state spatial projects/state spatial strategies that aim to reshape the latter. State spatiality can thus be conceived as a contested political-institutional terrain on

which diverse social forces attempt to influence the geographies of state activity. Such struggles focus both upon the state's own territorial/scalar configuration (through the mobilization of state spatial projects) and upon the geographies of state intervention into socio-economic life (through the mobilization of state spatial strategies). In the remainder of this chapter, I shall mobilize this theoretical framework in order to analyse the role of entrepreneurial urban policy in the 'glocalization' of state space in post-1970s western Europe.²

FROM 'ENTREPRENEURIALIZED' URBAN SPACES TO 'GLOCALIZED' STATE SPACES

A preliminary characterization of glocalizing states was provided at the outset of this chapter. In contrast to the Keynesian welfare national state, with its project of equalizing the distribution of industry, population and infrastructure across national territories, glocalizing states strive to differentiate national political-economic space through a reconcentration of economic capacities into strategic urban and regional growth centres. The term 'glocal' – a blending of the global and the local – seems an appropriate label for these tendencies insofar as they involve diverse political strategies to position selected subnational spaces (localities, cities, regions, industrial districts) within supranational (European or global) circuits of economic activity. Although their political and institutional contours vary, strategies of glocalization have been mobilized by national states throughout western Europe (Swyngedouw, 1997). In each case, national economic space is being transformed into a 'glocalized composite' (Martin and Sunley, 1997: 282) as states manoeuvre to position their major urban and regional economies strategically within global and European circuits of capital. Table 12.3 summarizes contemporary glocalization strategies through an ideal-typical contrast to the strategies of spatial Keynesianism that prevailed under post-war capitalism.

In the present context, I shall build upon the approach to state theory developed above in order to interpret the 'entrepreneurialization' of urban policy during the post-1970s period as a key medium and expression of glocalization strategies. In this conceptualization, the glocalization of state space has unfolded through an uncoordinated constellation of political strategies – composed, in turn, of contextually specific state spatial projects and state spatial strategies – that have significantly recalibrated the relations between national and subnational scales of state regulation. Entrepreneurial urban policies have arguably played an essential role in animating this process of state rescaling.

Historical-geographical context

Glocalization strategies must be understood in relation to the dominant state projects and state strategies that immediately preceded them. Spatial Keynesianism

was the dominant framework of state spatial regulation during the Fordist-Keynesian epoch throughout western Europe (Martin and Sunley, 1997). Its overarching goal was to redistribute resources to lagging or peripheral regions and thus to promote balanced urbanization throughout the national economy.

Table 12.3 Two strategies of state spatial regulation: spatial Keynesianism and glocalization

	STRATEGIES OF SPATIAL KEYNESIANISM	STRATEGIES OF 'GLOCALIZATION'
Geo-economic and geopolitical context	<ul style="list-style-type: none"> • Differentiation of global economic activity among distinct national economic systems under 'embedded liberalism' and the Bretton Woods monetary system • The polarization of the world system into two geopolitical blocs under the Cold War 	<ul style="list-style-type: none"> • New global-local tensions: global economic integration proceeds in tandem with an increasing dependence of large corporations upon local and regional agglomeration economies • The end of the Cold War and the globalization of US-dominated neoliberalism
Privileged spatial target(s)	<ul style="list-style-type: none"> • National economy 	<ul style="list-style-type: none"> • Major urban and regional economies
Major goals	<ul style="list-style-type: none"> • <i>Deconcentration</i> of population, industry and infrastructure investment from major urban centres into suburban and 'underdeveloped' rural peripheries • <i>Replication</i> of standardized economic assets and investments across the national territory • Establishment of a nationally <i>standardized</i> system of infrastructural facilities throughout the national economy • Alleviation of uneven development within national economies: uneven spatial development is seen as a <i>limit</i> or <i>barrier</i> to industrial growth 	<ul style="list-style-type: none"> • <i>Reconcentration</i> of population, industry and infrastructure investment into strategic urban and regional economies • <i>Differentiation</i> of national economic space into specialized urban and regional economies • Promotion of <i>customized</i>, place-specific forms of infrastructural investment oriented towards global and European economic flows • Intensification of interspatial competition within and beyond national borders: uneven spatial development is seen as a viable <i>basis</i> for industrial growth
Spatio-temporality of economic development	<ul style="list-style-type: none"> • 'National developmentalism': development of the entire national economy as an integrated, autocentric, self-enclosed territorial unit moving along a linear developmental trajectory 	<ul style="list-style-type: none"> • 'Glocal developmentalism': fragmentation of national economic space into distinct urban and regional economies with their own place-specific locational assets, competitive advantages and developmental trajectories

Dominant policy mechanisms	<ul style="list-style-type: none"> • Locational subsidies to firms • Local welfare policies and collective consumption investments • Redistributive regional policies • National spatial planning and public infrastructural investments 	<ul style="list-style-type: none"> • Deregulation and welfare state retrenchment • Decentralization of social and economic policies and fiscal responsibilities • National urban policies and spatially selective investments in advanced infrastructures • Place-specific regional industrial policies and local economic initiatives
Dominant slogans	<ul style="list-style-type: none"> • 'National development'; 'Balanced growth'; 'Balanced urbanization' 	<ul style="list-style-type: none"> • 'Globalization'; 'Cities in competition'; 'Endogenous development'

- 1 As a state spatial project, spatial Keynesianism entailed the mobilization of intergovernmental policies to integrate local political institutions within national systems of territorial administration and public service delivery.
- 2 As a state spatial strategy, spatial Keynesianism entailed the mobilization of compensatory regional policies to extend infrastructure investment and industrial development into non-industrialized locations across the national territory.

This framework of state spatiality was destabilized during the 1970s in conjunction with processes of global economic restructuring, the crisis of the Fordist regime of accumulation and the retrenchment of the Keynesian national welfare state. In this context, traditional relays of national welfarism, regional redistribution and urban managerialism were increasingly seen as being incompatible with the need to reduce administrative costs, to enhance labour market flexibility and to promote territorial competitiveness in an increasingly volatile geo-economic system. Consequently, as of the late 1970s, glocalization strategies began to emerge, initially in the form of neocorporatist regulatory experiments intended to promote endogenous growth within declining industrial regions. In subsequent decades, glocalization strategies proliferated more widely as neoliberal, centrist and neocorporatist approaches to local and regional economic development were diffused across western Europe (Eisenschitz and Gough, 1993).

In contrast to spatial Keynesianism, which targeted the national economy as an integrated geographical unit, glocalization strategies promote the re-concentration of industrial growth and infrastructure investment within strategic urban and regional economies. Insofar as entrepreneurial approaches to urban governance represent one of the major regulatory experiments through which this goal has been pursued, they must be viewed as an essential component of glocalization strategies. As conceived here, therefore, glocalization strategies do not represent a unilinear resurgence of local economic governance, but entail, rather, a recalibration of national geographies of state power in ways that target the local and regional scales as strategic sites for regulatory experimentation.

A multiplicity of political and institutional forms

The common denominator of glocalization strategies is their privileging of subnational scales of state regulation and their promotion of local and regional economies as the motors of economic development. It should be emphasized, however, that the social bases, institutional forms and policy instruments associated with glocalization strategies vary considerably. In particular, the form in which glocalization strategies are articulated has been conditioned by inherited state structures (unitary vs. federal), inherited economic arrangements (the form of post-war growth), by national and/or regional political regimes (neoliberal, centrist or social-democratic) and by nationally specific pathways of post-Fordist industrial restructuring. A systematic comparative investigation of glocalization strategies in western Europe would therefore need to explore the diverse political-institutional forms in which they have been mobilized during the last three decades, even in the midst of their otherwise analogous spatial selectivities.

Glocalizing spatial projects and glocalizing spatial strategies

Glocalization strategies combine state spatial projects and state spatial strategies in distinctive ways.

- 1 As a state spatial project, glocalization has entailed initiatives to reconfigure the geographies of state institutions in ways that transfer new roles and responsibilities to subnational administrative levels – whether by recalibrating national and local institutional hierarchies, by introducing new scalar divisions of state regulation, by intensifying inter-administrative competition for state resources, by reconfiguring the administrative boundaries of subnational territorial units or by establishing entirely new subnational institutional forms.
- 2 As a state spatial strategy, glocalization has been associated with a variety of state-led regulatory experiments intended to resolve the crisis of the Fordist accumulation regime. Faced with an intensifying uneven development of socio-economic conditions within national economies, these state spatial strategies have attempted to enhance locally and regionally specific economic assets and to reconcentrate industrial development and infrastructural investment within strategic cities, city-regions and industrial districts. The national economy is thus to be fragmented among local and regional economies with their own place-specific assets and developmental trajectories.

In each case, the nationally organized economic and regulatory geographies associated with spatial Keynesianism are being superseded by political strategies

intended to bolster the structural importance of local and regional scales of political-economic life.

An unstable, uncoordinated political strategy

Glocalization strategies are unstable, relatively uncoordinated and experimental. For, as with all forms of state spatial regulation, the geographical unity and interscalar coherence of glocalization strategies are never pre-given, but can exist only as outcomes of ongoing socio-political struggles to rescale state institutions, to endow state regulatory activities with particular forms of spatial selectivity and to promote particular accumulation strategies at determinate scales, locations and spaces.

- 1 The state spatial projects associated with glocalization generally lack internal unity and interscalar coherence. Following the destabilization of Fordist-Keynesian state space during the late 1970s, local and regional states throughout western Europe began to mobilize place-specific strategies of institutional restructuring in order to grapple with intensifying local social problems and enhanced fiscal austerity. The resultant state spatial projects more frequently represented a centrally induced fragmentation of earlier frameworks of state spatial organization than a coordinated program for restoring the state's geographical unity or for integrating policy initiatives across spatial scales.
- 2 The relationship between glocalizing state spatial projects and glocalizing state spatial strategies is deeply problematic. Even when glocalizing spatial projects have resulted in a significant recalibration of state spatial organization, the state's capacity to rework the geographies of capital accumulation is never guaranteed, but is an object of ongoing, strategically and spatially selective socio-political struggles.

Glocalization strategies and the 'creative destruction' of state space

The mobilization of glocalization strategies can be viewed as a double movement of socio-spatial transformation. On the one hand, glocalization strategies have entailed the partial destruction of earlier geographies of state regulatory activity, as projects of national spatial redistribution are increasingly abandoned or marginalized. On the other hand, glocalization strategies have also entailed the tendential creation of a rescaled scaffolding of state institutions and policies, as new frameworks for local and regional economic development are established. Crucially, however, this creative destruction of state spatiality must not be conceived as a complete replacement of one geography of state regulation by another. Instead, the forging of new geographies of state regulation occurs through a conflictual interplay between

older and newer layers of state spatial activity, leading in turn to unintended, unpredictable and often dysfunctional consequences (Peck, 1998). Thus conceived, the diffusion of glocalization strategies in western European states has not simply 'erased' earlier geographies of state regulation, but has generated contextually specific, path-dependent rearticulations of inherited and emergent state regulatory practices at a range of geographical scales (Brenner, 2001). The glocalized formations of state spatiality that have crystallized during the last three decades represent an aggregate expression of this dynamic intermeshing of different rounds of state regulatory activity.

The uneven development of regulation and the regulation of uneven development

A new mosaic of uneven spatial development has crystallized in close conjunction with these glocalization strategies.

- 1 In contrast to the Fordist-Keynesian project of establishing a nationally standardized hierarchy of political institutions, the state spatial projects of the post-1970s period have entailed an increasing geographical differentiation of state regulatory infrastructures, systems of public service delivery and policy initiatives across the national territory. The uneven development of state regulation which results from these customized, place-specific regulatory strategies is an essential characteristic of glocalized state spaces.
- 2 In contrast to the Fordist-Keynesian project of alleviating spatial inequalities within the national territory through state action, the state spatial strategies associated with glocalizing state institutions have actively intensified intra-national socio-spatial polarization by promoting the reconcentration of economic assets, industrial capacities and infrastructural investments within the most powerful agglomerations. In this sense, glocalizing state spatial strategies are premised upon the assumption that intra-national uneven development may be continually instrumentalized as the *basis* for economic development rather than operating as a *barrier* to the latter.

The uneven development of regulation and the intensification of uneven development are thus important geographical-institutional dynamics within glocalizing states.

From contradictions to crisis-management

The new forms of uneven development unleashed through glocalization strategies are contradictory in the sense that they may hinder rather than support the processes of regulation and accumulation.

- 1 The increasing geographical differentiation of state regulatory activities may undermine the state's organizational coherence and functional unity, further exacerbating rather than resolving the crisis of spatial Keynesianism, leading in turn to serious governance failures and legitimation deficits (Painter and Goodwin, 1996).
- 2 The state's intensification of uneven spatial development within its own territory may seriously downgrade economic performance, as manifested in the overheating of the Southeast of England during the late 1980s (Peck and Tickell, 1995).
- 3 These dangers are enhanced still further by the zero-sum forms of interlocality competition that are promoted through glocalization strategies, which further destabilize an already uncertain economic environment at all spatial scales (Leitner and Sheppard, 1997).

In response to these dilemmas, a new politics of crisis-management appears to be emerging in which reformulated state projects and state strategies are being developed in order to address the regulatory deficits and structural contradictions associated with earlier modes of state spatial intervention. Particularly as of the late 1980s, when the contradictions of first-wave glocalization strategies became immediately apparent, this politics of crisis-management has arguably played an essential role in (re)moulding the institutional and geographical architectures of glocalizing states. As of this period, glocalization strategies began increasingly to encompass not only entrepreneurial approaches to urban development, but also a variety of flanking mechanisms intended to manage the tensions, conflicts and contradictions generated by earlier versions of such policies. Although these strategies of crisis-management have not prevented the aforementioned contradictions from being generated, they have generally entailed the establishment of various political-institutional mechanisms through which their most disruptive socio-economic consequences may be monitored, managed, and at least in principle, alleviated. This trend is exemplified in the recent reintroduction or rejuvenation of policies to address the problem of social exclusion in many European cities (Harloe, 2001).

The 'new regionalism' and the rescaling of glocalization strategies

The widespread proliferation of new regionally focused projects of state rescaling during the last decade may be understood in this context. The first wave of glocalization strategies focused predominantly upon the downscaling of formerly nationalized administrative capacities and accumulation strategies towards local tiers of state power. More recently, however, the regional or metropolitan scale has become a strategically important site for a major project to modify the geography of state regulatory activities throughout western Europe (Keating, 1997). From

experiments in metropolitan governance and decentralized regional economic policy in Germany, Italy, France and the Netherlands to the Blairite project of establishing Regional Development Agencies in the UK, these developments have led many commentators to predict that a 'new regionalism' is superseding both the geographies of spatial Keynesianism *and* the forms of urban entrepreneurialism that emerged following the initial crisis of North Atlantic Fordism (for an overview, see MacLeod, 2000).

Against such arguments, the preceding discussion points towards a crisis-theoretical interpretation of these initiatives as an evolutionary modification of glocalizing state institutions in conjunction with their own immanent contradictions. Although the political-institutional content of contemporary regionalization strategies continues to be an object of intense contestation, they have been articulated thus far in two basic forms.

- 1 On the one hand, regionally focused strategies of state rescaling have frequently attempted to transpose entrepreneurial approaches to local economic policy onto a regional scale, generally leading to a further intensification of uneven spatial development throughout each national territory. In this scenario, the contradictions of urban entrepreneurialism are to be resolved through the integration of local economies into larger, regionally configured territorial units, which are in turn to be promoted as integrated competitive locations for global and European capital investment. In this approach to regional state rescaling, the spatial selectivity of earlier glocalization strategies is modified in order to emphasize regions rather than localities; however, its basic politics of spatial reconcentration, zero-sum interterritorial competition and intensifying uneven development are maintained and unchecked.
- 2 On the other hand, many contemporary strategies of regionalization have attempted partially to countervail unfettered interlocality competition by promoting selected forms of spatial equalization *within* strategic regional institutional spaces. Although such initiatives generally do not significantly undermine uneven spatial development between regions, they can nonetheless be viewed as efforts to modify some of the disruptive aspects of first-wave glocalization strategies. Indeed, this aspect of regional state rescaling may be viewed as an attempt to reintroduce a downscaled form of spatial Keynesianism *within* the regulatory architecture of glocalizing states. The priority of promoting equalized, balanced growth is thus to be promoted at a regional scale within tightly delimited subnational zones, rather than throughout the entire national territory.

In short, both of the aforementioned, rescaled forms of crisis-management represent significant evolutionary modifications within glocalizing state apparatuses. While there is little evidence at the present time to suggest that either of these modified glocalization strategies will engender sustainable forms of economic regeneration in the medium-term, they are nonetheless likely to continue to intensify the geographical differentiation of state space and capital accumulation throughout western Europe.

CONCLUSION:

the new politics of uneven development

In this chapter, I have argued that a strategic-relational-spatial approach provides a useful basis on which to explore the interplay between the rise of urban entrepreneurialism and processes of state spatial restructuring in western Europe. In this conceptualization, the rise of entrepreneurial approaches to urban governance has been intertwined with a broader redifferentiation and rescaling of national state spaces. Within the emergent, glocalized configuration of state spatiality, national governments have not simply transferred power downwards, but have attempted to institutionalize competitive relations between subnational administrative units as a means to position local and regional economies strategically within supranational circuits of capital. In this sense, even as the national scale of capital accumulation and state regulation has been decentred in recent decades, national states are attempting to retain control over major subnational spaces by integrating them within operationally rescaled, but still nationally coordinated, accumulation strategies. The concept of glocalization strategies is intended to provide a theoretical basis on which to grasp the increased strategic importance of urban and regional economic policies within this rescaled configuration of state spatiality.

As western European states seek to manage the tension between globalization and localization within their boundaries, the scalar organization of state space has become a direct object of socio-political contestation. The glocalization strategies analysed above represent a major expression of struggles to reorganize the geographies of state spatial regulation in strategic subnational spaces such as cities, city-regions and industrial districts. It appears unlikely, however, that these glocalization strategies will successfully establish a new structured coherence for sustainable capitalist growth. Instead, we appear to be witnessing processes of trial-and-error institutional restructuring, mediated primarily through *ad hoc* strategies of crisis-management and 'muddling-through'. In order to grasp such strategies, I have proposed a crisis-theoretical interpretation of recent regionally focused rescaling tendencies within glocalizing states. From this perspective, the contradictions unleashed through glocalization strategies are seen to provide an important impetus for their further evolution, in large part through the production of new scales of state spatial regulation. It is in the context of these emergent forms of crisis-management, I believe, that the much-discussed shift from a 'new localism' to a 'new regionalism' in many western European states must be understood. The evolutionary tendencies of rescaling within glocalizing state regimes therefore represent an important focal point for future research on entrepreneurial urban governance and state spatial restructuring in western Europe and beyond.

At the present time, the processes of globalization, European integration and EU-eastward enlargement have been dominated by neoliberal agendas that reinforce the entrepreneurial politics of inter-spatial competition described above. Meanwhile, the project of promoting territorial equalization within national or subnational political units is frequently dismissed as a luxury of a bygone 'golden

age'. Yet, even as contemporary rescaling processes appear to close off some avenues of economic regulation, socio-spatial redistribution and democratic control, they may also establish new possibilities for the latter at other scales. For instance, the supranational institutional arenas associated with the EU may still provide a crucial mechanism through which progressive forces might mobilize political programmes designed to alleviate inequality, uneven development and unfettered market competition, this time at a still broader spatial scale than was thought possible during the era of high Fordism. It therefore remains to be seen whether contemporary dynamics of state rescaling will continue to be steered towards the perpetuation of neoliberal geographies of uneven development, or whether, perhaps through the very contradictions they unleash, they might be rechannelled to forge a negotiated political compromise at a European scale based upon substantive social and political priorities such as democracy, equality and diversity. Precisely because the institutional and scalar framework of European state space is in a period of profound flux, its future can be decided only through socio-political struggles, at a variety of scales, to rework the geographies of regulation and political mobilization. Under conditions such as these, the spatiality of state power has become the very object and stake of such struggles rather than a mere arena in which they unfold.

NOTES

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- 1 Jessop mentions a number of accumulation strategies, including Fordism, import-substitution and export promotion growth strategies in Latin America, the fascist notion of *Grossraumwirtschaft*, the West German *Modell Deutschland* and Thatcherism (Jessop, 1990: 201–2; Jessop et al., 1988).
 - 2 This analysis is developed at greater length in Brenner (2003).