BRINGING THE STATE BACK IN?

THE EUROPEAN COMMUNITY AND THE STATE IN EUROPE

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Introduction

Consideration of the relationship between the European Community
(EC) and the state in Europe brings one immediately up against
a puzzle which is central to consideration of the European order
more generally in the changing conditions of the 1990s. Although
the state as an organisation and as a focus of political
aspiration has achieved a new salience in the 'new Europe', it
has been subjected to fundamental challenges which have
undermined its stability both as a form of human organisation and
as the basis for international order. From the point of view of
the analyst of the EC, this paradox is central both to the
foundations of the Community itself and to the role that might
be played by it in the emergence of a new European order. It is
legitimate in these circumstances to conduct an enquiry which
touches not only the constituents of the 'new Europe' but also
the assumptions about statehood which have run through the
histiry of the Community itself. This paper is a first sketch of
the ways in which this enquiry might be conducted and developed.

The central question with which the paper is concerned is this:
What is the relationship between the EC, statehood and European
order in a changing (if not transformed) Europe? It could be
argued that the EC itself rests fundamentally on a very specific
conception of statehood and state behaviour; if this is so, then

the changing nature of statehood is bound to feed into the nature, structure and operations of the Community. Equally, it could be contended that the Community is at heart an emanation of the state system, and that changes in the system are bound to have direct effects on the roles played by the Community. Finally, it could be asserted that the EC is an agent of transformation in the Europe of the 1990s, and that it is therefore in itself a source of the changes in state behaviour and the state system referred to above. Whichever position is adopted, there is no doubting the intimacy of the linkages with which we are dealing.

What are the dimensions of change in the 'new Europe'? We have witnessed a process by which the changing international structure and the collapse of state authority in key areas are intertwined, and in which the political, economic and security questions faced by state authorities are themselves closely linked. In particular, the onset of radical political and social change in Europe since the mid-1980s has meant that the state has become a focus for intense political action and the centrepiece of much new political thinking. In some ways, the political changes of the late 1980s and early 1990s in Europe have created new momentum behind a vision of the state which would have been recognised by the unifiers of Italy and the followers of Woodrow Wilson, with a focus on national autonomy and self-determination within an international 'society of states'. But it is clear that in this case, the new states of Eastern and Central Europe and the former Soviet Union have come to a sometimes very painful

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birth. It is also clear that the 1990s are very different from the 1860s, the 1890s or the 1920s. Within the new world there are major questions about the ability of the new states to provide state services and to establish their legitimacy both internally and at the international level.

The crisis of statehood is not confined to Eastern and Central Europe and the former USSR. In the case of Western Europe, the crisis may take different forms, but it is in many ways no less pressing. The development of interconnectedness and interdependence, and the surfacing of problems related to the subversion and croouption of government, have underlined the fragility of state forms and functions in the West. The desire to reconstruct the East at the same time as continuing to enjoy the benefits of economic growth and welfarism in an increasingly global economy has come most obviously to the fore in Germany, but it is not absent elsewhere. Although it would be tempting - and has been, for many political leaders - to put the problems of state stability in East and West into separate boxes, they are actually intensely interconnected, with a shared focus on state legitimacy and the exercise of governmental authority.

In this context, the European Community stands at a crucial intersection, playing an inherently ambiguous role. From the point of view of statehood in the East, it is not clear whether the EC is a beacon or a barrier to the aspirations of the societies concerned. In the West, it is no less uncertain whether the Community operates in the service of statehood or as an agent

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of change and subversion. These tensions have been underlined by the expectations generated through the Single Market Programme(SMP) and the negotiation of the Maastricht agreements. Coincidence and coexistence between these movements for reform or regeneration within the Community and the broader processes of transformation in Europe has put the question of statehood and state functions into a novel focus, but with some very long standing dimensions.

These dimensions are not merely empirical. Rather, they relate to the notion of the state (and of the EC) as a value or an ideological construct, playing a role in the consciousness of political actors as well as fulfilling a purely instrumental function. The processes of change in Europe are a challenge at the level of ideology and belief systems as well as the level of political action, and the EC is no less subject to this challenge than are the states both old and new. This is important because throughout its evolution there has been an ambiguous relationship between the EC and the state, both at the ideological and at the instrumental level, as has been noted by a series of commentators. In a sense, the EC is given meaning by its relationship with the state and statehood, just as some have argued that the EC itself gives meaning to state action and the foundations of state structures. If that set of meanings and understandings is disrupted, and if the practical constitutional arrangements in the Community are challenged both from within and without, where then can the Community go?

This paper attempts to place the current role of the EC into the context of the European state system, and also to remind us of the linkages between the EC and 'state theory' which are sometimes left unquestioned. It proceeds in the following stages. First, it examines some features of the changing European order, with particular attention to their implications for the EC. Second, it evaluates a range of international relations theories which give leverage on the question of statehood, but which are challenged by the transformation of the continent. Third, it relates theoretical perspectives to characteristics of the EC's role in the changing order, with particular attention to their implications for statehood and the state system. This argument leads to the conclusion that neoliberal institutionalism provides a framework within which the ambiguities of the EC's role can be accommodated if not resolved. The conclusion is taken further by the construction of a conceptual framework focused on two aspects of the EC's role: the **direction** in which that role might lead and the **mechanisms** through which the Community can exert influence, given the complex interactions between state authorities and the EC.

States and Statehood in a Transformed Europe

In many ways the 'old' European order which existed between the end of World War II and 1989 was extraordinarily robust. The combined effect of Soviet-American hostility, a specific distribution of state power, the building of institutions both in the East and in the West, and the ideological commitment of state and other forces to the established ways of doing things

created a situation of polarisation and rigidity between the blocs, and also within them. Although the Western Alliance did allow a degree of pluralism, the net effect of the continuing Soviet challenge and the tacit acceptance of a geographically and functionally divided continent was to give a high degree of practical conformity to the behaviour of Europeans everywhere. This conformity extended to varying degrees from the international level into the domestic arrangements of the states concerned, and this was true both of the East and of the West. Within this context, the EC drew much of its existence from the structure of a divided Europe, and in some ways acted to reinforce and magnify the division.

The transformation of the 1990s, though, has exposed the limitations of what appeared at times to be a permanent European order. Change has been pervasive and convulsive. Politically, it has raised questions about the persistence of nationalism and ancient conflicts which were for long suppressed by the dominant structure of Soviet-American rivalry. Militarily, it has largely removed the 'security blanket' provide by the Americans and the Soviet. Economically, it has uncovered instabilities and distortions which have placed an extreme burden on the capacity of European states individually and collectively to respond. At the same time, the changing global arena, characterised by the US appeal to a 'new world order' and the volatility of both markets and political constellations has provided a challenging backdrop.

European states and the European order during the 1990s are thus essentially fluid and transitional. As Barry Buzan and others have argued, the possible future orders for European security fall into a spectrum between 'Cold War III', 'The Triumph of Integration' and 'The Triumph of Anarchy'. Whilst the first of these may have effectively been ruled out, the other two form widely separated poles between which violent regional and local fluctuations are possible. A focus on military aspects of security, though, tends to play down the roles of economic and social contacts in either moderating or magnifying the movements towards one 'pole' or the other. Finally, at the level of the European order in general, the role of ideology and the capacity to build a consensus about the future of the European order is widely contested.

A second major aspect of the problem of European order is the tension between the characteristics of the order as a whole and the nature and needs of the participants within it. This tension can take a number of forms, but whatever its forms it is an essential driving force both of the establishment of orders and their breakdown. The changes in Europe during the 1990s form the basis for perhaps the most spectacular and fundamental challenge in this area since the Napoleonic period. The collapse of the USRR, the rise of the 'new' Germany, the proliferation of new and fragile states, the problems of defining the European 'boundary', the linkages between issues, the redundancy or renewed vigour of international institutions: all of these pose challenges in two dimensions to states and other authorities. On the one hand, they

challenge state structures, strategies and potential for adaptation. On the other, they challenge normative structures and the consensus on relations between European states and the European order which was seemingly so persistent during the period between 1945 and 1989.

Theory, Change and the State in the 'New Europe'

In the changed European context, it is clear that there is a need for critical analysis of the state and statehood; a number of the governing ideas which appeared to make this an uncontroversial area for so long have been knocked away. But what does existing international theory tell us about the ways in which such a critical analysis might take place? Here, four sets of ideas are explored, with a view to assessing their adequacy and their implications for the role of the EC.

The first set of arguments is that of the classical Realists. In this perspective, the state is assumed to be monolithic, to be relatively autonomous and formally sovereign, and to be capable of controllong its territory and citizens. Although the quality of statehood can and does diverge from this ideal type, and the state is a variable concept even for Realists, the assumptions reflect powerful perceptions about the pervasive strength of states and their historical domination of the global arena. Importantly, the Realist conception of the state has quintessentially European roots: the early establishment of state

power and legitimacy in the European arena can be seen as the source of much later thinking about the state as an international phenomenon.

Realist thought, again as many have pointed out, is not simply reducible to 'power politics' and a crude form of international social darwinism. More sophisticated Realist approaches emphasise not the drive for power and naked competition among states, but rather the development of responsible state government and the development of international governance by a form of continuous negotiation between state authorities. The state is a form of 'continuous public power', and this is a source of a great deal of international predictabiltiy and stability. It is therefore not surprising that Hedley Bull can point to the state's positive role in world affairs not only as expressed in the Balance of Power but also as expressed in the maintenance of domestic tranqillity. Likewise, Northedge can point to the underlying purpose of international life as being the maintenance of the maximum level of order in the parts with the minimum if disorder in the whole. Can Realists, though, deal with the realities of life in the Europe of the 1990s? Two important areas of deficiency can be identified. On the one hand, the ideology of state dominance in the international system comes into question when the state itself is a fluctuating phenomenon. We are faced not with a system of autonomous, monolithic and in-control states, but with a host of states ranging from the very strong to the very weak. The system itself appears to contain actors that call themselves states but which do not possess the required

attributes, as in the former USSR and Yugoslavia. In many cases, the requirement of responsible government is not met, and thus the parallel requirement of responsible international governance cannot be met, as in the case of arms control efforts or non-proliferation policies. Foreign policy no longer necessarily occupies a privileged position, and it is frequently supplanted by action emanating from intense domestic fluctuations and conflicts. The dual derivation of state legitimacy from national authority and international recognition thus cannot be taken for granted; beyond this formal level, the ability of states to earn legitimacy through the performance of state services is also often in question, both in the East and the West. Nonetheless, the forms of statehood remain a prime focus of political strivinigs and ambitions throughout the continent. The inability to recreate classical statehood is thus a potent source of frictions and instability.

It appears therefore that the essence of classical Realist thought can no longer be applied in many areas of the 'new Europe', particularly as it reflects the quasi-ideology of state dominance. One possible route to remedying the deficiencies is that of the neo-Realists. In particular, the focus of neo-Realism on the structures within which states and other actors function holds the promise of greater predictability and consistency. State competition in this view is not naked; it is constrained, and can be channelled into forms of relatively permanent stability given the rational responses of state actors to the emergence of a new set of structural imperatives. But the

structural Relaists face problems with the 'new Europe',
particularly since it appears impossible for state authorities
to recreate in the mid-1990s the comparative predictabiltiy of
bipolarity and the Soviet-American standoff. The fact of the
matter is that state authorities in the European arena are now
more various than at any time since the mid-19th century, and
thus that the possibility of their being able to form a tacit
consensus and to contain the variations between them are quite
small if those possibilities are seen to rest on a conventional
notion of statehood. Not only this, but the cultural variations
between states with increasingly diverse roots and modes of
operation mean that Europe in the 1990s bears some resemblance
to the global system of the 1960s and 1970s, without the
comforting clarity of the division into First, Second and Third
Worlds but with much of the diversity that such a stratification
entailed.

Liberal-pluralist thought represents almost a direct response in
many ways to the limitations of classical Realism, but is it any
more effective as a means of capturing and accounting for the
changing nature of European order? According to the Liberal-
pluralists, the state must be seen very much as an emanation of
society and social groupings, rather than as a dominant force
shaping society. Whereas the Realists would stress the ways in
which processes of modernisation have given the state more power
to intervene in society and to define state interests for
domestic and foreign purposes, the pluralists have countered this
by proposing a view of the state as penetrated, acting more as

an umpire or the channel for group interests than as the dominant policing and coercive force. Among the powerful interests given prominence by the pluralists are those of transnational groupings and institutions, which have arisen not as a means of reflecting state interests but rather as a means of performing tasks beyond the ambit of states acting individually or collectively.

There is no doubt that Liberal-pluralist interpretation helps in an understanding of certain features of the 'new Europe', particularly in relation to the growth of transnational and even supranational groupings. The problem is that the basis of Liberal-pluralism is exactly that: the assumption of a strong social consensus which operates to constrain and to channel the actions of non-state groupings. In a way, the assumption means that a strong state is not necessary: there is almost a tautological relationship between the strength of a society and social groupings and a lack of centralised or coercive state power, both in the national and in the international context. In the Europe of the 1990s, there is undoubtedly great pluralism, but it is often not liberal or (implicitly) constitutional in its thrust. Indeed, it is the kind of pluralism which can degenerate into anarchy and random violence, or alternatively into strong and undemocratic state rule. The containment of subversive forces and the role of the state as an umpire or international representative can be achieved only with great difficulty in such circumstances, since the state is constrained not only by the lack of international order but also by the pressures on domestic consensus. Whilst at the one level, the subversion of the state

by factional forces may be an outcome, at another the inadequacy of the state as an expression for societal welfare needs can lead to the desire for more international administration, and to a parallel weakening of the Liberal-pluralist ideal. The result is a deep-seated ambivalence.

A fourth 'state theory' which can be evaluated in the context of the contemporary European arena is world systems analysis. In this perspective, the state as a phenomenon is seen as an expression of global forces, and particularly those of the capitalist world-system. States are the agents of groups which wish to intervene in the world-economy and the world-system and to bias its operation in their favour. In many ways states are epiphenomena of the world-system, without autonomy and without the caoacity to act independently change at the state level does not in principle affect the operation of the world-system, since states are constrined by their positions in the system. At the level of the domestic state, it is apparent that the world-system penetrates national societies and structures them in accordance with its priorities, rather than those of national elites or subnational groupings. Although it may be felt by elites and other groups that they are 'running the country', this is an illusion: their state is being run for them along the relatively narrow lines provided by the global process of accumulation.

The relevance of this perpective to the emergence of a large number of new states in the 'new Europe' is plain; no less can it give an insight into the supplanting of state functions at the

national level by the growth of transnational or supranational bodies. It might thus appear that the capitalist world-economy has simply brought to a head the logic of Soviet state incapacity and the incorporation of Eastern and Central Europe into the global capitalist nexus. Although many of the new states are still dependent and peripheral, there is already the makings of a semi-periphery with the Hungarians, the Czechs, the Poles and others as its first denizens. But is this enough to prove the credentials of the approach? It appears that there are forces of resistance to the world capitalist order, and that there is a stubborn reluctance to admit that new states lack autonomy; in fact, the drive for autonomy and self-determination is one of the most disruptive forces in the current situation, and demonstrates the potency of values and local action as well as the logic of the global capitalist order. Statehood is seen as having a lot to offer, and the logic of national self-abnegation is lost on many of the peoples both in the East and the West of the 'new continent'. Whilst there is much power to the notion that 'new statehood' is the means for extension of the global capitalist order, there are distinct limitations to its power at the national and subnational level.

This discussion makes it clear that states and statehood are central to the evolution of the 'new Europe'. Equally, it demonstrates that the linkage between state theory and political action is a vital part of the political process emerging in the old continent. There is a close connection between this judgement and the nature of the emerging European order. If one assumes

that the new order throws up questions not only of a pragmatic kind about the appropriate state structures and policy responses to the 'new Europe' but also of a normative kind about the appropriateness of concepts and the critical appreciation of the bases of order both in national and international contexts, then discussion of theories gains a new dimension. Those theories are not simply available to describe and/or explain the changing European order; they are themselves changed by it, and given a new critical significance in the operation of political authorities.

It is at this point that the status, role and impact of the European Community become a major focus in analysis of the changing European order. As noted earlier, the Community is an ambiguous symbol in the 'new Europe'. It rests intimately on a highly-developed notion of the state and the relationship of the state to society, yet it is also seen as a challenge to conventional notions of statehood. It can be seen alternatively as magnifying the characteristics of interstate politics or as subverting them. It can be seen as an emanation of the state system or as an agent of its transformation. What is needed is a systematic attempt to assess the images and impact of the Community within the changing order and its relationship to statehood in Europe both at the empirical and at the normative level.

The European Community and Statehood: Perspectives and Issues
It is fair to say that for each of the theoretical perspectives

so far explored, the EC poses problems. The Community is not fully described by any of them, and its role and impact occupy an equivocal position no matter which of the perspectives is at issue. A brief review of the perspectives should help to reveal this set of theoretical problems more clearly.

For Realists, the European Community can occupy one of two central positions in relation to the state and statehood. In the first place, it can be seen as an emanation of the interplay of national interests, and as the reflection of the ways in which sovereignty and national autonomy are expressed. In the second place, and perhaps more subtly, it can be seen as a sophisticated example of the ways in which continuous negotiation between responsible state authorities helps to constitute international order. The two versions of the Community are by no means mutually exclusive, and they can find powerful expression in treatments of Community negotiation and coalition building processes. In this way, the EC can be seen as an essential mechanism of international order, reflecting the state's positive role in maintaining international predictability and internal tranquillity.

But if the Realist conception is accepted, it must also be noted that it causes problems for the analysis of the EC as anything more than an epiphenomenon of the state system. Although it may incidentally play a role in shaping state behaviour, it cannot transcend the state system and its fate is dependent on the interplay of state interests. More particularly, the conception

of statehood which stresses the role of responsible government can be seen both as central and as problematical for the Community. Where the condition is present, the EC can be seen as having a good 'fit' with the state system, and indeed it could be argued that this was a necessary condition for the creation of the Community itself. But since the beginning of the Community, there have been considerable variations in the levels of autonomy and responsibility mustered by even its founding members; in the 1990s, the question of responsibility and authority cannot be taken for granted, and it is not clear that the Community can form a preservative for the essentially civic norms and customs assumed to be at its heart.

This brings us to a major area of enquiry for the Community in relation to statehood. Is the EC constituted by states or constitutive of them? For the classical Realist, it seems that the EC is only to be seen as an entity constituted by states and thus subject to their fluctuating interests and interactions. Yet it is clear also that the Community seems to play a constitutive role: the examples of the southern enlargement and the assumed implications of the future inclusion of Eastern Europe are powerful evidence for this presumption. Here we reach a central issue, which has been around from the outset but which is thrown into sharp relief by the radical changes of the 1990s. In the terms used earlier in this paper, the attempt to recreate classical statehood in Europe could lead to a recreation of the Community around a new statism; on the other hand, it could lead to a recreation of states fostered by the civic norms enshrined

in the Community by an earlier generation of state authorities. Does the EC thus embody a form of 'embedded statism' which is uncovered by the pressures of the 1990s?

This argument is taken further by the injection of neo-Realism and structural factors. One of the key elements in the creation of the Community was the existence of a specific and relatively unchanging international(interstate) power structure fostered by the Cold War. In this context, the EC is to be interpreted as a mechanism through which states in Europe and beyond have attempted to manage the implications of bipolarity and the imperatives of Superpower competition. The evolution of the Community reflects underlying shifts in the structure of power and the rational efforts of state policy makers to respond to them. It also expresses the limitations of non-state actors and mechanisms in a world still essentially state-based. But the 1990s have clearly created conditions in which these assumptions must be questioned. There is no settled structure of power, particularly in Europe, and the removal of the structural imperatives generated by the US-Soviet confrontation has thrown states back on their own resources. The post-Cold War mosaic of power and authority in Europe has led some to talk of the 'new medievalism' with a highly fragmented and often localised structure of power and potential, and the rational expectations of policy makers do not always tend towards a Community based solution.

The fragmentation and diffusion of power and influence appears

to lend itself in some ways to a Liberal-pluralist analysis of the Community. Rather than being constituted by responsible states and governments, the Community in this light can be seen as the focus of transnational group activity, and thus in some ways subversive of the state and the state system. There is clearly something in this image, since the Community does attract the interest and the activities of a wide range of transnational and subnational actors. The question is, though, how far this pluralism represents an erosion or transcendence of the state system. One argument often made is that the Community in fact represents a safe form of pluralism, effectively tolerated by state authorities in return for the preservation of their privileges where they really count. This version of governance within the Community owes a great deal to forms of structural Realism, since it effectively creates the image of a pluralism permitted to flourish under an umbrella of state power. Where this umbrella is removed, though, there are harder questions to answer about the role of the Community: can it preserve its position as the centre of attraction for non-governmental actors when its structural relationship to state authority is questioned, and when its own relative lack of autonomy is highlighted? This is perhaps put into its starkest form by the problems of the EC in the security domain, where according to some arguments the putative extension of EC powers is on the agenda at precisely the time when this extension is least sutainable thanks to changes in the structure of the state system and the character of governance. Such arguments miss at least part of the point: the Community responds to structures of

governance that are not purely and simply those of states and statehood. The impact and implications of such factors as corporate governance, and their relationship to the structures of state power, is one of the key issues of the 1990s, both within the Community and between it and the wider Europe.

The Community occupies a very different role and status when it is viewed through the prism of world-systems thinking. If the state itself is seen as the expression of global forces and global capitalism, then it is possible to see the EC as little more than a mechanism through which economic forces try to intervene in the world-economy. Further, the EC becomes in this view the extension of the world-economy itself, an agent through which national and local structures are penetrated by global forces. It is a channel through which states are run despite the efforts of their ruling classes, rather than an agency of the stste authorities themselves. There is at least some evidence that the supplanting of state functions by the extension of EC powers is seen as the logical extension of the world-economy on the European scale, and the incorporation of an increasing number of European states into the Community can be seen as serving this end. But this rather misses the logic that has led to reactions against the extension of Community competence, and the fact that national autonomy within the Community has become a focus for political activism.

What does this evaluation tell us about the relationship between the EC and the European order of the 1990s? If we are to approach

an answer to that question, we must first identify the key characteristics of the 1990s, and relate them to key features of statehood implied in the preceding analysis. In respect of the first of these elements - the characteristics of the European order in the 1990s - we have seen that the European arena is complex, fluid and multilayered, with contested structures of power and authority. In this situation, there are inevitable uncertainties about the 'ownership' of the order, about legitimacy and precedence, about the relationship between the parts and the whole, and the capacity of recognised authorities to respond to change.

Beyond this, though, it is possible to recognise the continuing vitality of the state and to accept that states can respond actively to mitigate the costs of change or to profit from change itself. The notion of the 'active state', with the capacity to frame strategies and to maximise its legitimacy, places the onus on state authorities to recognise and to exercise their options; it does not require that states have no options or that they are unable to estimate the consequences of their actions for themselves and others.

A view of the 'active state' is necessary though not sufficient in analysis of the changing European order. A further dimension is added by an assessment of the ways in which broad structures of order are changing, and of the strength of normative and institutional underpinnings within the 'new Europe'. The assessment earlier in the paper implied that there is an absence

of consensus about the rules of the order in Europe, coupled with uncertainty about the utility of international institutions. At this point, state strategies and the European order intersect, through the agency of international institutions. These institutions embody the elements of a normative consensus, and set the limits of legitimate behaviour by states and other actors. They also enable the 'active state' to defray the costs incurred in the pursuit of state strategies in an uncertain world.

This line of argument leads to a neoliberal institutional analysis. Such an analysis focuses on the functions performed by international institutions not only in state or national strategies (for example by providing information and spreading the costs of action) but also in the world order (by expressing a normative consensus and establishing rules by which to judge legitimacy. As set out by Keohane, the approach entails not only instrumental judgements about the regultation of international transactions or the costs to state authorities of participating; it also permits a focus on prevailing expectations and normative considerations affecting the validity and solidity of international agreements.

It is the argument here that this helps us to make sense of the ambiguous position occupied by the EC within a changing Europe. As has been seen, the status and role of the Community is not fully or even partly captured by many of the established approaches in the international relations field. The neoliberal

institutionalist approach enables the analyst to accommodate the complex and subtle interactions between material and normative structures, and between persistently vital states and stubbornly attractive international institutions. There is no mutual exclusion of Community by states or states by Community; the strength of the EC comes from the ways in which they interact and adapt to changing international structure.

The European Community and Statehood: A Framework for Exploration

The foregoing analysis, brief and rudimentary as it is, suggests that the interaction of states, norms and institutions implicit in the neoliberal institutionalist appraoch should help in understanding of the ways in which the EC relates to states and statehood in the 'new Europe'. The Community at one level is a function of the active responses of state authorities to change and its implicit costs. At another, it is a reflection of a normative consensus which provides at least some form of route map for those attempting to find their way in a volatile and disorderly continent. Finally, the Community provides an institutional context within which the interactions of state and other agencies can be ordered, and in which the costs of change can be distributed according to relatively well-defined conventions.

But what are the effects and the primary mechanisms of this set of forces as expressed in the Community? In this conclusion, two dimensions are suggested as the basis for discussion and further exploration. First, there is the dimension which focuses on

statehood itself and which explores the impact of the EC thereon. Second, there is the dimension based on the granting or denial of access to the Community and its institutions. The chief elements can be simply expressed:

In respect of statehood, the EC can have three fundamental impacts: it can **promote** statehood, it can **contain** it, or it can **transform** it. By promoting a certain image of statehood, the Community has played a central role in the transformation of Europe, but this must not obscure the fact that in many areas the EC is a force of containment both for specific states and for statehood more generally. Equally, those attracted to the Community because of its intimate linkage to a certain conception of civic statehood can find themselves actually or potentially transformed by it. Clearly, there are relatively few instances in which one of these tendencies is to be seen in isolation. In dealing with Bosnia and the Balkans, for example, all three can be discerned. But the key common element to be stressed here is that all three draw upon the institutional framework provided by the EC, and combine this with normative considerations to take effect on state strategies.

In the case of access, it is possible to propose two key elements: the power of **inclusion** and the power of **exclusion**. Both derive directly from the sophisticated institutional mechanisms of the EC, and use the 'boundary' between the Community and the outside world to shape the expectations and the calculations of state authorities. In effect, the key power of the Community is

to confer or to deny the benfits of access to the institutional framework. Those who are included may benefit from the ability to share in a normative consensus and to spread the costs of their international existence in a turbulent Europe, but they also pay costs which may lead to their transformation. Those who are excluded may pay heavy costs (not merely financial) as a result, but they also may find that their strategies have to change and their very existence can be transformed. A third possibility may be discerned dimly: that of **semi-inclusion**, through which the Community uses its institutional weight to attract outsiders but keeps them in a kind of half-life with uncertain implications both for costs and benefits.

If these two dimensions are combined, a series of possibilities can be discerned:

	INCLUSION	EXCLUSION
PROMOTION		
CONTAINMENT		
TRANSFORMATION		

The question - not merely a theoretical one - is to what extent do these two dimensions provide a key to the role played by the Community in the transformed Europe of the 1990s? No claim is

made here to provide a comprehensive exploration of the framework. It represents one way of expressing the institutional power of the Community, not in a nuts-and-bolts sense, but in relation to the strategies of states and the power to accommodate or to deny them. If one accepts that the EC in the 'new Europe' is both attractive and ambiguous, and that it embodies not only a tangible institutional magnetism but also a normative weight derived from its embedding in a certain conception of statehood, then it becomes necessary in however imperfect a way to investigate the mechanisms and effects that grow out of that fundamental relationship.