I. THE FUNCTIONALIST LOGIC OF THE THEORY OF THE STATE

1 Negative Selection & Functionality

2 Key problem for functionalist explanation = Feedback process involving three elements
   • an account of political class struggle: process of creating class filters,
   • an account of systemic pressures which make certain solutions stable and others precarious
   • an account of institutional learning: trial-and-error corrections to failures

II. FOUR SOURCES OF PROBLEMATIC FUNCTIONALITY:

1. LEGITIMATION VS. ACCUMULATION = CONTRADICTIONS BETWEEN STATE FUNCTIONS

2. AUTONOMY VS SUBORDINATION: CONTRADICTIONS WITHIN THE ACCUMULATION FUNCTION

   2.1 Thesis 1: the state must intervene to prevent capitalism from destroying itself economically.

   2.2 Thesis 2: The state needs autonomy to be able to act functionally.

   2.3 Thesis 3: The FRANKENSTEIN PROBLEM: to be able to autonomously intervene functionally the state must have the capacity to do so destructively.
      • Problem #1: once this capacity is created, then it becomes a target for manipulation for narrow interests
      • Problem #2: Extending the interventionist capacity → perpetual problem of lines of demarcation between state and economy as principles of action: there is no stable equilibrium.
      • Problem #3: the interaction of the state with the normative system → As the state increases interventionist capacity for accumulation it is harder to restrict its availability for Legitimation reasons.

   2.4 Conclusion: Three mega-theses
      1. Functionalism thesis: The state is functionally required by capitalism to overcome the self-destructive tendencies of capitalism.
      2. Frankenstein thesis: to fulfill these functions the state must have the capacity to potentially act dysfunctionally (i.e. have real autonomy of policy formation and action)
      3. Contradiction thesis: Various dynamics are set in motion which make it increasingly probable that the state will act dysfunctionally ➔ crisis of crisis management.

3. CONTRADICTIONS IN THE ADMINISTRATIVE RATIONALITY OF THE STATE POLICY FORMATION PROCESS

   3.1 Three alternative logics of decisionmaking
      1. Bureaucratic procedures: rational-legal application of fixed rules
      2. technical rationality: application of expertise to solve problems
      3. democratic consensus: formation of interest consensus via democratic-participatory forms

   3.2 Pivotal dilemma = These alternatives are all ultimately unsatisfactory in a capitalist context → contradictory articulation of decision-making logic and functional requirements of accumulation

4. INTERNATIONALIZATION OF CAPITAL AND THE STATE: disjunction of functional problems and institutional solutions