I. The Functionalist Logic of the Theory of the State

1. The class character of the state and functionality

2. Key problem for functionalist explanation = feedback processes. Three connected processes:
   - Political class struggle at pivotal conjunctures
   - Systemic pressures that reinforce or undermine state policy
   - Institutional learning and correction of mistakes

3. The Bourgeois Political Utopia

II. Problematic functionality: Three Types of contradictory 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 deeper the contradictions of accumulation, the more autonomy the state needs to contain them
   2.3 Thesis 3: The Frankenstein problem: To be able intervene effectively to protect capitalism the state needs to have a level of autonomy that also enables it damage capitalism
   2.4 Conclusion: The Contradiction Thesis = Various dynamics are set in motion which make it increasingly probable that the state will act dysfunctionally → a crisis of crisis management.

3. Contradiction between Internationalization of Capital accumulation and territorially-bounded State: erosion of basis for reconciling capitalism and democracy
   3.1 Streeck’s argument
     - Trajectory of solutions by the state to crisis → sequence of self-undermining solutions → neoliberalism → globalization & financialization → incapacity to generate new state-driven solutions
     - Simultaneously: destruction of any potential collective agent to create alternative to capitalism
     - Result: extended interregnum of disintegration: Gramsci: “the old is dying but the new cannot yet be born” … [ushering in] “an interregnum in which pathological phenomena of the most diverse sort come into existence”

3.2 Alternative formulation: erosion of the conditions for a state mediated class compromise (from chapter 12 of Understanding Class):