Understanding Europe: From territorial to network logic?

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The European Union is a conglomerate of 27 territorial states. While its supranational features makes it more than a conventional intergovernmental organization (IGO), EU membership rests on the territorial foundation we associate with the modern state. On the other hand, the EU has been characterized as a “hothouse” for different types of networks (Peterson, 1995: 69). Decision-making involves “intensive processes of consultation, information exchange, interest accommodation and alliance formation in the framework of policy networks” (Schneider et al., 1994: 477). Thus, the EU represents a somewhat paradoxical combination of territorial and network logics. In this chapter I shall try to disentangle various aspects of this dichotomy.

Territoriality links public authority with physical space. “Political organization is territorial when the legal reach of public authority is coterminous with certain spatial boundaries” (Caporaso, 2000: 10). The territorial state – usually characterized as a legacy of the Treaty of Westphalia of 1648 – is the quintessential territorial unit. The division of the world into sovereign states with mutually exclusive territories has come to be seen as a fundamental premise of social, economic and political life.

Yet globalization has entailed deterritorialization – “a reconfiguration of geography, so that social space is no longer wholly mapped in terms of territorial places, territorial distances and territorial borders” (Scholte, 2000: 16). Recent history has witnessed a proliferation of social, political and economic connections and transactions that are detached from the territorial logic. Manuel Castells (1996) has characterized this reconfiguration of social and political space as “the rise of the network society.” His conception draws attention to the fact that many of society’s major functions are increasingly organized as networks.

The term “network” has become prevalent in many different contexts. Microbiologists describe human cells as information networks, global computer and telecommunications networks are being built, and social scientists study various kinds of social networks. These diverse uses of the network concept have only
one thing in common: they describe a pattern of nodes and links between nodes (graphically represented as discrete points bound together by lines). In physical networks, such as railroads, airways, electrical grids and telecommunications, the nodes are the stations, the only places in which access to the network is granted. In social networks the nodes are human beings, either individuals or collectives. In the study of social and political organization the term network has primarily been applied to interorganizational networks; that is, relations between organizational units we usually treat as autonomous and often study separately.

In the following, I will discuss differences between territorial and network logics that pertain to conceptions of (1) geographical space, (2) organizational mode, (3) claims of authority, (4) degree of formality, (5) human-technological interplay, and (6) interaction. To exemplify the general discussion, specific aspects of the European Union will be highlighted.

**Geographical Space**

A territory is generally defined as a cohesive section of the earth’s surface that is distinguished from its surroundings by a boundary, which marks the difference between inside and outside, between belonging and exclusion. “Territoriality and borders are intrinsically linked to the emergence of internal and external sovereignty as the defining characteristics of statehood” (Laffan et al., 2000: 15). Within its defined territory the state claims supreme political authority (internal sovereignty), and through its control over the territory the state gains diplomatic recognition and the right to participate in international relations (external sovereignty).

In the network logic, on the other hand, space is no longer assumed to be continuous, and distance in space and time are no longer correlated in the same manner as before. Distance as well as the distinction between inside and outside are determined by whether one is hooked up to the network or not. Networks discriminate between nodes that are tied to the net and those that are not, regardless of geographical location and distance. Accessibility and reachability are no longer contingent on one’s physical location, but on one’s position in relation to different nodal networks. Proximity in interorganizational networks differs from physical proximity; well-developed transportation and communication systems have reduced distance-related friction by allowing access to, and contacts between, nodes that may be far from one another physically.

There thus exists an important difference between **territorial proximity** (physical proximity, closeness and contiguity) and **proximity in networks**. In physical transportation networks, air routes and express trains connect cities in “nodal landscapes,” turning those places that are far from airports, without railway stations, or located along railroad tracks on which express trains pass into
“remote areas.” Similarly, well-developed transportation and communication systems allow access to, and contacts between, actors who may be far from one another physically in social networks. You may, for example, feel less distant from a person in a faraway country with whom you have regular e-mail contact than from the person standing next to you in a queue.

By the same token, a specialist in a government department in, say, Sweden, who is a member of an EU network, may feel closer to, and have more frequent interaction with, colleagues in Britain and Spain than with his/her Swedish colleague sitting at a nearby desk in Stockholm. Civil servants in EU member states thus have become transnational or “Europeanized,” insofar as purely national representative roles mix with expertise and supranational roles that they share with their counterparts in other EU countries (cf. Trondal and Veggeland, 2003; Jacobsson and Sundström, 2006).

Manuel Castells (1996: 378) argues that the historically rooted spatial organization, “space of places,” is being superseded by “space of flows”: it is the flows and transactions within networks, rather than physical territory and places, that shape the significant spatial patterns in a globalizing world. Nowhere is this more apparent than in Europe. The reduction of distance-related friction and the promotion of unlimited flows of information, people, capital, goods and services across member-state borders constitute the lifeblood of the EU. Thus, European space is increasingly one of flows rather than places.

**Organizational Mode**

Networks also represent a different mode of organization as compared to territorial states. Whereas states can be described as vertical organizational forms based on hierarchical authority, networks represent a more “flat,” horizontal, non-hierarchical mode of organization. The EU Commission, for instance, has been described as a typical network organization, insofar as it “is heavily dependent on working with and through other public and private organisations, and cannot rely on hierarchical dicta either to develop or implement policy” (Laffan et al., 2000: 80).

Whereas the degree of hierarchy or non-hierarchy may vary in networks, they rest on links between interdependent actors. So-called linking-pin organizations may, for example, be placed centrally in interorganizational networks by virtue of being able to reach, and be reachable by, all other nodes. This may yield an element of de facto hierarchy, even though the linking-pin organization does not have the kind of formal authority associated with vertical organizations. Again, the EU Commission is a good example in its role as “process manager” – setting the timing, prescribing consultation procedures and deciding which interest representation that will be recognized. Networks usually coalesce around the
Commission, which is also known to frequently pursue a deliberate networking strategy, actively encouraging informal sectoral links and empowering – or building coalitions with – transnational and subnational groups.

Networks are sometimes located between hierarchies and markets (see, e.g., Frances et al., 1991). Markets presuppose a large number of autonomous actors with little interdependence; hierarchies consist of vertical chains of authority and delegation between superordinate principals and subordinate agents. Networks, by contrast, rest on the coexistence of autonomy and interdependence. Even in pluralist and decentralized polities, “the number of actors is not large enough to constitute a ‘political market’” (Schneider, 1992: 112). Networks, in other words, remain the only alternative to hierarchies in the political realm. It should also be noted that networks tend to exist below the surface even in what is characterized as a hierarchy or a market.

Organization in networks, in short, combines structure with flexibility. Networks represent more than fleeting encounters, but less than permanent institutions. Whereas states and IGOs rely on centralized government (with varying degrees of decentralization), networks rely on interactive governance (Kooiman, 2005: 5). And whereas the formal structure of the EU is complex and cumbersome, with overlapping competencies and unclear divisions of labor, specialized networks constitute the backbone of the “multi-level governance” associated with the EU.

**Claims of Authority**

Sovereignty has been defined as “a set of institutionalised authority claims” (Thomson, 1994: 14). The state claims authority over its territory and its population. The territorial claims underlying state sovereignty rest on notions of property rights. As for the state’s authority claims over the population within its territory, the institution of sovereignty imparts to the state “meta-political” authority. That is, states claim and are recognized as having the authority to define what is political in the first place and thus subject to state coercion. “With sovereignty, states do not simply have ultimate authority over things political; they have the authority to relegate activities, issues, and practices to the economic, social, cultural, and scientific realms of authority or to the state’s own realm – the political” (Thomson, 1995: 214). The range of activities over which the state can legitimately exercise its authority may vary across issue-areas, between states and over time.

In contrast to the principally limitless authority claims of territorial states, the authority claims of networks are restricted to specific issue-areas. Networks link actors who have a special interest in, and possess policy-relevant resources (such as expertise) concerning, a certain political sector or issue. Political scien-
tists have long studied “policy networks” in Western democracies. These studies have focused on the informal patterns of contacts and structures that link segments of the state – ministries and public agencies – with various interest organizations within the same sector. More recently transnational, issue-based networks have caught the attention of researchers.

In particular, studies of “multi-level governance” in the European Union have highlighted the prevalence of issue-based European networks. The EU has been characterized as a “prismatic political system,” in which rays of activity and authority are scattered or focused differently in various policy areas (Laffan et al., 2000: 199). Within these different areas, separate informal networks have emerged. Thousands of special interest groups have set up offices in Brussels, making the number of lobbyists in the city roughly equal to the number of Commission officials (Grande, 1996: 320).

A distinction is often made between two types of policy networks. On the one hand, some networks display a high degree of commonality, consistency of values and permanence; students of national politics usually refer to these as “policy communities,” whereas students of international relations prefer the term “epistemic communities.” On the other hand, networks may be more temporary coalitions of heterogeneous actors around a specific issue; the term “issue networks” is used domestically, “advocacy coalitions” internationally. In any case, the authority claims of networks are not institutionalized as those of states, and they do not extend beyond the particular sector or issue around which the networks have been organized.

**Degree of formality**

Whereas the state is a formal entity, established in law, networks constitute more informal constellations without official status. It is precisely their informal character that allows networks a high degree of flexibility. Thus, in the European Union informal networks have emerged in large measure to eschew the complexities of the formal EU structures. One observer (Héritier, 1997) speaks of “subterfuge” – the creative use of informal strategies to avoid deadlock in formal policy making. One senior Brussels official has argued that “if you were to stick to the formal procedures, it would take ten years every time” and that “the more there is disagreement, the more the informal is necessary” (quoted in Middlemas, 1995: xxii).

Informality has certain advantages when it comes to coordination. Formal coordination mechanisms normally introduce an element of hierarchy, which invites controversy. To wit, everyone wants coordination but no one wants to be coordinated. Therefore, non-hierarchical coordination, relying on informal channels based on personal relationships, has certain advantages. Donald Chisholm
(1989), in a seminal study, emphasizes the virtues of such informal coordination structures: they are adaptable, provide for unhampered information, avoid representation problems, and generate trust.

Whereas formal channels tend to be ineffective when information is sensitive or politically charged, informal channels facilitate the free flow of information. Problems of representation are inescapable facts of formal structures that inevitably limit the number of organizations represented, while informal coordination among multiple independent, partly overlapping organizations provide more points of access to the decision-making process. For example, those who want to influence the informal policy-making process in Brussels can access it via the Commission, national representatives or specialized interest groups. Informality engenders mutual trust, which makes it possible for one agent to make the first move with reasonable expectations of being repaid in the future. In the same vein, students of the European Union claim that informal EU networks allow for wide and flexible participation, reduce frictions and produce results that the formal system would not be able to achieve (Middlemas, 1995: xvi). Informal networks, in short, often prove to be useful complements to formal structures.

**Human-Technological Interplay**

The territorial state is relatively independent of technology. It was established in the late Middle Ages. While dramatic technological breakthroughs since then have in some cases facilitated, in others aggravated the functioning of the state, they have not transformed the state. On the other hand, the state remains dependent on the loyalty of its citizens. The extensive authority claims of the sovereign state need to be legitimated. Nationalism has been a major force legitimating the modern state.

By contrast, the revolution in information and communication technology has been a prerequisite for the emergence of network structures. As their authority claims are much less extensive than those of the state, they are not as dependent on the loyalty of its members. Yet networks rest on a complex interplay between technical “hardware” and human “software.” One may use the terms *technical range* and *human reach* to describe this interplay (cf. Jönsson et al., 2000: 183-85). Range implies technical scope, the possibilities of, and limits to, moving goods, people and messages. Reach, on the other hand, is contingent on the biological and mental capacity of human beings. Given the remarkable development of technical range, it is easy to forget that human reach has by no means been transformed correspondingly.

Networks combine technical range and human reach, long-distance communication and face-to-face encounters, distance and proximity. The virtually limitless range of modern information technology has not eradicated the need
for dialog and conversation. Therefore, participants in networks devote more
and more of their time to meetings and other contact activities. Travel to vari-
ous types of meetings, even over great distances, has surged dramatically in
recent years, despite undeniable costs in terms of money, time and effort. Key
individuals in transnational network are invariably frequent travelers. For ex-
ample, participants in EU networks tend to travel to Brussels on a more or less
weekly basis.

**Interaction**

Interaction between territorial states takes place between special representatives,
normally diplomats. Official contacts across state boundaries are traditionally
channelled through ministries of foreign affairs. States interact through representa-
tives with clear mandates. Principal-agent relations are at the core of state in-
teraction: one party (principal) delegates certain tasks to another party (agent).
Diplomats are agents, who have been entrusted with certain tasks from their
principals (governments). They may have more or less restricted mandates, de-
pending on the nature of the instructions they receive, but as government repre-
sentatives they usually have limited leeway.

Interaction in networks differs in degree rather than in kind. The nodes in
interorganizational networks are individuals in varying roles in the constituent
organizations, often in a more diffuse principal-agent relationship and with less
restrictive mandates. The interface between organizations in networks consists
primarily of “boundary-role occupants,” individuals whose task is to interact
with the organization’s environment. In contrast to diplomats, who obviously
also fall into this category, boundary-role occupants in networks do not have uni-
form formal positions but may come from varying branches and levels of con-
stituent organizations. As brokers between their own organization and its envi-
ronment, boundary-role occupants must not only represent the organization to its
environment, but also represent the environment to their constituents. Often they
assume informal mediating roles.

Interaction in networks is between experts in particular issue-areas, who
have established personal relationships. In other words, it is characterized by a
combination of “know-how” and “know-who.” As networks are issue-based, ex-
pertise in a particular issue area is a prerequisite for network participants. At the
same time, expert knowledge within a particular domain needs to be combined
with knowledge of the relevant organizational and individual actors who might
contribute to broad policies and individual solutions: who are they, under what
constraints do they work, how can they be accessed? This combination of
“know-how” and “know-who” not only increases the likelihood of common, co-
ordinated action, but also entails a tendency among network participants to iden-
tify themselves with the network in addition to their primary identification with their constituency, thus weakening the principal-agent relationship.

EU networks are often seen to strengthen the influence of civil servants and representatives of special interests at the expense of political principals and traditional diplomatic agents. Foreign ministries have lost their traditional monopoly of contacts across national borders. As civil servants in EU networks often have vague mandates, they can exercise considerable professional discretion beyond political control (Jacobsson et al., 2004: 47). Another consequence is the emergence in EU member states of a gap – and lack of interaction – between one part of public administration that devotes considerable time to EU affairs and another, more nationally oriented part with only distant links with the EU (Jacobsson et al., 2004: 57).

Conclusions

Contrasting the territorial logic with the network logic may give the impression that these are mutually exclusive alternatives. But we live in a world where territorial entities and network exist in parallel and will in all probability continue to coexist. Thus, we need to explore the interplay between territorially organized units, primarily states, and nodal networks. The European Union points to certain important aspects of this interplay.

It could be argued that throughout history formal organizations have been created in order to discipline and control informal networks exercising unchecked influence, be they families, clans or churches. In the EU states seek participation in, rather than external control of, informal networks, following the motto “if you can’t beat them, join them.”

EU member states have become negotiating entities, participating in transnational networks. This yields a more multifaceted and fine-grained picture of the adaptability and changing role of states than the simplistic alternatives of demise or survival dominating the debate between “transformationalists” and “skeptics” in the globalization literature. The network logic is not replacing the territorial logic. Rather, the EU experience suggests a complex – and sometimes troublesome – coexistence of the two logics.
References


