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EDITORIAL
THINKING THROUGH THE GEOGRAPHIES OF THE NEW
EUROPE IN THE NEW MILLENNIUM
DIALECTICS OF CIRCUITS, FLOWS AND SPACES



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Towards the end of the 21st century social scientists increasingly colonized one of geographers' defining territories and became more interested in issues of space and spatiality in the constitution of economies and societies. This was a welcome move, opening the way to more powerful and sophisticated conceptualizations. It also provoked a growing debate as to how best to conceptualize economies, societies and their geographies. An integral part of this debate about spatialities revolved around issues of spaces, flows and circuits and their respective capacities to provide enlightenment about contemporary economies and societies. There was (and continues to be) discussion as to whether the fixities of spaces or the fluidities of circuits and flows provides the most powerful analytic lenses through which to comprehend late modern economies and societies and as to how best to think about relations between circuits, flows and spaces. For some, spaces – albeit more complicated and multi-scalar spaces – remain the key component (for example, see Hirst and Thompson, 1995). For others the world is now unambiguously one dominated by flows. Fixities no longer matter, or matter less, in a world of flows and (hyper) mobilities (for example, Castells, 1996; Urry, 2000). In passing, I would simply note that Felix Damette introduced the concept of hyper-mobility in the early 1970s in the context of understanding capital flight, industrial decline and space-specific devalorization in the 1960s (see Damette, 1980). Thus suggestions that the capitalist economy and flows within it have suddenly 'speeded up' require careful consideration and specification as to precisely what has suddenly 'speeded up'. Furthermore, Damette's starting point was the

space-specific social consequences of accelerating hyper-mobility, seeing accelerating flows around the circuit of productive industrial capital and the decomposition and fragmentation of formerly coherent socio-economic spaces as two sides of the same coin. My own inclination is towards a conceptualization in terms of the relations between circuits, flows and spaces, which sees these in terms of complementary both/and rather than competitive either/or perspectives (Hudson, 2004). This, however, is not the space in which to rehearse, let alone seek to resolve, these differing views.

Nonetheless, some important points can be distilled from these debates, both in general and more specifically in providing a conceptual framework through which to comprehend the evolving geographies of the New Europe in the new millennium. I identify just five of them here. First, there was a general acceptance that spaces must be understood relationally, as socially constructed – very few would now seek to defend an essentialized conception of fixed, impermeable spaces. Spaces, at varying spatial scales, become defined by intersections of multiple flows (of capital, money, people, knowledge and so on) and in that sense spaces are always open, permeable and in the process of becoming, subject to change. There is undeniably evidence of greater mobility, albeit unevenly, across a wide range of activities and spatial scales. Simultaneously, however, there are social forces that seek to fix the boundaries of spaces and create new spatial scales of governance and socio-economic life, for a variety of reasons. For social life to be possible, for the economy to be performable, fluid socio-spatial relations require a degree of permanence, of fixity of form. Such stability

provides a necessary basis for identities (of individuals, firms, territories and so on) and allows a degree of predictability in the transactions of the economy and in the everyday practices of civil society. It provides some of the discursive and material conditions that make economic transactions and the economy possible and enable social reproduction to occur, for example. Second, spaces must be seen as both discursive and material constructions. Material spaces are constituted as built environmental forms, a product of materialized human labour, mainly but not exclusively in the form of ensembles of fixed capital. Discursive spaces enable meanings to be both contested and established, permissible forms of action to be defined and sanctioned, and inadmissible behaviour to be disciplined. Recognizing that spaces are discursively constructed implies that this process does not simply describe economy and society. It is also in part constitutive of them, defining economy and society as objects of action and analysis, constructing the spaces of meaning and the meaning of the spaces in which economy and society are enacted and performed. These spaces of meaning then become guides to social and individual action, both behaviour shaped via the informal and taken-for-granted norms and routines of everyday life and behaviour that is shaped and guided by formal rules, regulations and legislation. Third, it has been increasingly acknowledged that economic and social processes must be conceptualized in terms of a complex circuitry with a multiplicity of linkages and feedback loops rather than in terms of simple circuits or, even worse, linear flows. Feedback loops provide recursive flows of information and knowledge that enable learning and adaptation. Circuits and flows are also, like spaces, constitutive rather than simply descriptive. Fourth, related to this, there is recognition of a dialectic of spaces and flows and circuits, centred on the *necessary* inter-relations of mobilities and fixities. Circuits and flows require spaces in which their various stages/phases can be performed and practised, while at the same time they extend and stretch social relations to create spaces of different sorts, fixing capital in specific time/space forms and ensembles (Hudson, 2001, Chapter 8). As such, spaces, flows and circuits are both socially constructed and mutually constitutive, temporarily stabilized in time/space by the social glue of norms, rules and

regulations, and both enable and constrain different forms of behaviour. Spaces, flows and circuits are thus both the medium and products of instituted practices (over varying time scales), based on human understandings and knowledges, and situated in specific time/space contexts. As such, they are socially constructed and shaped (but not mechanistically determined) by prevailing rules, norms, expectations and habits and by dominant power relations. Fifth, there was growing recognition that economies and societies must be conceptualized as complex systems, with unintended and unanticipated as well as, or instead of, intended consequences, and emergent effects, precisely because people chronically act in circumstances of partial knowledge regarding the actors, contexts and processes involved. This is *a fortiori* so given recognition that the production of economies and societies involves material transformations and co-evolution between natural and social systems. Complexity also implies emergent properties that *may* lead to change between developmental trajectories rather than simply path dependent development along an existing trajectory. Actions and practices and systemic interactions may create emergent properties that alter, incrementally or radically, the direction of developmental trajectories. Consequently, evolutionary paths may be far from straightforward, raising issues about the future developmental trajectories of firms, as well as those of territorially defined economies, societies and states, and the ways in which these may be steered and managed. These are political issues that are central to the future of Europe.

The general approach summarized above can therefore be usefully deployed in understanding the emerging new millennial geography of the New Europe, not least as in some respects it has been developed in the context of the evolving Europe and of Europe's place in a globalizing world. It can both help understanding of developmental processes and identify the practical and political problems that these will pose (recognizing that the practical solutions to such problems are always political rather than theoretical concerns). The project of European integration and enlargement can be seen as one that is attempting to create a new European macro-space of governance, politics and socio-economic life, to stimulate the simultaneous

development of Europe as both a selective origin and destination of global flows and as a space of resistance to other global flows. In one sense, it can be traced back to the European project of the 1950s and 1960s, perhaps most vividly expressed by Servan-Schreiber (1968) in seeing an enlarged Europe as a counter-weight to the neo-imperialist ambitions of the USA and multinational capital based there. However, the post-1989 re-drawing of the geo-political map of Europe significantly altered the European context as well as relations between the USA (now the one remaining global super-power) and Europe, as events in the Balkans dramatically illustrated (Hadjimichalis and Hudson, 2003). As such, it is clearly a project marked by competing objectives and tensions. At the same time, the tentative transfer of regulatory capacity to the EU from the national scale alongside pressures to devolve such powers from national to sub-national scales, as part of an evolving multi-scalar system of governance in and of Europe, is likewise creating tensions among and between different spaces and scales of governance. Such tensions are expressed in a variety of ways. For example, the recent dispute caused by France and Germany repeatedly ignoring the fiscal requirements of the Stability Pact that accompanied the introduction of the Euro is evidence that the national state is far from powerless in the new multi-scalar governance architecture. Ruggie's (1993) observation that national states in Europe were changing functions rather than losing power remains as valid now as it was then. The dispute over adherence to the conditions of the Stability Pact also provides a sharp reminder that some national states continue to wield much greater power than do others in the new millennial Europe. It is, for example, unlikely that Greece or Portugal would have been allowed to ignore the conditions of the Pact in the same way as Germany and France. Furthermore, and potentially most seriously for the supporters of the European Project, this spat is also indicative of the potential fragility and instability of the new multi-scalar arrangements. This fragility is likely to increase rather than decrease as and when the expansion of the EU into central and eastern Europe materializes.

There is also an ongoing debate as to the most appropriate scales and spaces within the new multi-scalar arrangements at which to seek to influence and shape flows capital, money, information,

knowledge and people within Europe. One expression of this is tension between cities, regions, national states and the EU in shaping spatial development policies and in deciding at which scale such policies should be decided. This relates both to debates on economic performance and the capacity of firms and spaces in Europe to compete globally and to issues of equity and social cohesion within Europe. Which parts of global circuits of capital and knowledge can be most appropriately fixed in which parts of Europe, to whose benefit, and for how long? To what extent, and where within Europe, can the requirements of corporate competitiveness and territorial development and socio-spatial equity be made compatible? It seems likely that those spaces already on the developmental 'high road', in which high level decision making activities and knowledge-intensive, high value-added activities are concentrated, will continue to prosper (though that is not to say that all their residents will be prosperous). There is a perceptible degree of path-dependence and virtuous cycles of self-reinforcing growth there, building on and building up varied and mutually reinforcing forms of cultural, economic and social capital. In such spaces, the required flows will be held down for sufficient lengths of time. In contrast, the tensions between corporate and territorial interests are likely to become more acute in peripheral spaces, firmly trapped on the developmental 'low road' and seeking to compete on cost rather than quality. Moreover, such peripheral spaces will be home to many more people than the privileged minority living and/or working in the favoured cores. For example, the recent flight from the UK of capital in electronics, leading to labour-intensive assembly activities being shifted from parts of the UK to central and eastern Europe (or beyond), sharply points to the tensions inherent in the simultaneous processes of enlargement, deepening economic integration and evolving multi-scalar governance systems. So too does the 'hollowing out' of formerly coherent industrial districts over much of Europe as companies there respond to the new opportunities for low cost out-sourced production in central and eastern Europe (Hudson, 2003). Is the future socio-economic geography of new millennial New Europe to be one of increasingly sharp intra-European divisions in socio-economic well being as devolution to cities and regions of responsibility for socio-

economic development intensifies competition, within and beyond Europe, to seek to capture flows of mobile capital? How can the tensions between global flows and the requirements for a degree of territorialized stability of socio-economic conditions and well being and of social cohesion be assured? How can the tensions inherent in relations between circuits, flows and spaces be managed to avoid the political dangers of both accumulation and legitimation crises, especially in Europe's peripheral spaces but perhaps more generally in Europe? For if they cannot be so managed, the multi-scalar edifice of the New Europe may be undermined by the irresolvable tensions between issues of equity among its spaces and global flows shaped by the imperatives of capital.

In short, there is considerable theoretical potential in seeking to understand the evolving geography Europe through the analytic lenses of circuits, flows and spaces and in exploring relations among them. There is also a pressing practical need to improve understanding of these issues. This combination of practical need and potential conceptual space led us (that is, the editorial collective) to choose to focus the theme of the forthcoming (9–12 September 2004) 5th *EURS* Conference in Poland, at Pultusk, north of Warsaw, around these issues. Relatedly, it led us also commission a series of articles examining different aspects of circuits, flows and spaces in the New Europe. The latest of these by Gernot Grabher appears in this issue, drawing upon and further extending his highly innovative work on flows and spaces of knowledge creation. It follows those by Adrian Smith and Allan Williams, Vladimir Baláž and Claire Wallace in the previous issue. We hope that these in turn will lead others to contribute to the debate via the conference and the pages of future issues of *EURS*. We continue to see one of the major aims of *EURS* as providing spaces in

which different views as to the geographies of Europe – past, present and future – can be discussed and debated. Such debate is an absolutely necessary pre-condition for practical action and political debate beyond the academy – but it is certainly not a substitute for such action and debate and it is important to remember this. Whether the New Europe can evolve to become shared political space that is both socio-spatially just and economically effective and sustainable is one of the more intriguing questions of the new millennium.

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