In this essay Habermas explores the conditions of possibility for effecting political change in an era where the economic (and to a degree technological) forces behind the process of globalization have brought into question the very political entity that has historically served as the arena for politics -- the nation-state. The problem he sees is this: since the American and French revolutions "the idea that one part of a democratic society is capable of a reflexive intervention into a society has [...] been realized only in the context of nation-states. Today, developments summarized under the term 'globalization' have put this entire constellation into question" (60). He argues that nation-states, having adopted neoliberal approaches to economics, have begun to "dismantle" themselves; this dismantling calls for a rethinking of the democratic process in such a way as to think "beyond the nation-state. Under the pressure of de-nationalization, societies constituted as nation-states are 'opening' themselves to an economically driven world society. What interests me is the desirability, and under present circumstances, the possibility of a renewed political 'closure' of this global society. What would a political response to the challenges of the postnational constellation look like?" (61)

Habermas adopts a multi-leveled approach to answering this question. First, he describes four aspects under which the (historical) form of the nation-state can be "schematically analyzed" (62). He then re-examines these four aspects within the context of the processes of globalization, looking at ways in which globalization opens gaps and considering ways these gaps might be closed (as well as the implications of both the opening and closure of such gaps -- these two tropes inform his entire analysis). He then considers the European Union as one possible orientation of the "postnational constellation" that at least bears the potential for opening up a space for political (democratic) intervention. He closes the essay with a consideration of the conditions of possibility for a potential global domestic policy.

The four aspects of the nation-state Habermas proposes are these: <1> the emergence of the state in its modern form as an administrative state supported through taxation [ie, question of security of the rule of law and the effectiveness of the administrative state], <2> maintaining sovereignty over a determinate geographical territory [ie, question of territoriality] <3> in the specific form of the nation-state [ie, question of collective identity], which then <4> democratically developed into a legal and social state [ie, question of democratic legitimacy] (62 & 68).

How are these affected by the forces, processes of globalization? <1> The effectiveness of public administration is challenged by ecological degradation, organized crime, and mobile capital, none of which respect borders; <2> the sovereignty of the territorial state: "while the state's sovereignty and monopoly on violence remain formally intact, the growing interdependencies of a world society challenge the basic premise that national politics, circumscribed within a national territory, is still adequate to address the actual fates of individual nation-states" (70) (eg, emergent borders such as those of NATO or the OECD; international "regimes" such as the UN, the WHO, the IMF, the World Bank, etc.); <3> notions of collective identity are challenged on the one hand by migrations caused by the "woes of political oppression, civil war, and poverty" (73), Europe is becoming pluralized (leading to a decoupling of political culture from the majority culture and to a shift to solidarity by "constitutional patriotism" [74]); on the other hand, notions of collective identity are being challenged by cultural homogenization as the "clocks of Western civilization keep the tempo for the compulsory simultaneity of the nonsimultaneous" (75); <4> democratic legitimacy is being challenged by the shift in the understanding of the role of government -- from providing for its citizens to facilitating business -- resulting from neoliberal economic philosophies and government officials' fear of the loss of capital in an environment where capital is increasingly mobile. Where once it was the role of government, according to Habermas, to enable citizens to participate fully in the democratic process (especially within the context of the welfare state -- it's citizens' participation that gives the democratic process legitimacy), now governments compete with each other for business that can generate wealth. This competition has led to the erosion of citizens' ability to participate in government: "Power can be democratized; money cannot" (78).
In each of these challenges, the circuit of democracy is “opened up,” to follow through with Habermas’s trope. The trope is ambivalent -- “opening up” seems to signify breaking the circuit, making democracy inoperative. At the same time, it seems to signify “opening up” the process of democracy -- if identity ceases to be the deciding factor for who gets to participate, the process becomes more inclusive. (“The impulse toward opening is generated by new markets, new means of communication, new modes of commerce and cultural networks. For those affected by it, ‘opening’ entails the ambivalent experience of increasing contingency [...]. In a word, the opening of a strongly integrated lifeworld releases individuals into the ambivalence of expanded options” [83]). The trope of closure is equally ambivalent -- to close the circuit is to fulfill one condition of possibility, but at the expense of excluding participants. (It’s the paradox of scale from STPS.)