# THE MARKET, NON-STATE ACTORS AND THE FORMATION OF GLOBAL GOVERNANCE

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**Abstract**

This paper reflects on the role of a global market defined as the space where various relations between state and non-state actors take place. The first section highlights market as a base for political, economic and financial interactions and serves as introduction to analysis developed in section two and three. The evolution of the idea of market as a point of reference in the discussion on economic aspects of globalization, presented in section two, is showed using transnational historical materialism approach, extended also to the works of Polish economists and political scientists. Section three attempts to identify various forms of private authority and transgovernmental regulatory networks as *spiritus movens* of global governance. The final section is an attempt to assess the current and short-time future relationship between states and non-state governance structures and the role which market plays in it.

***Key words:*** *the market, global governance, commodification, private authority, transgovernmental networks*

## INTRODUCTION

At the dawn of the 21st century, both state and non-state actors of international relations faced the need to find their place in reality which appears to be increasingly unclear. Particularly emphasized is the process of reconfiguration of the anarchic character of international environment. This process is articulated by unprecedented heterogeneity of entities operating across state borders, and not within their limits. It is accompanied by the emergence of many equivalent decision-making centres which base their actions on pluralism, cooperation and departure from hierarchical relations between territorial and non-territorial actors. Above-mentioned reconfiguration is accompanied by the idea of governance. This peculiar mode of steering is linked more with controlling than governing, and so with a wide range of processes used to coordinate decision-making and implement certain policies. It is noteworthy that governance consists in adaptation of individual and collective methods of solving common issues so as to find solutions to continually emerging conflicts, mitigate differences in interests and, as a consequence, to broaden the field of possible cooperation between heterogeneous entities. Various informal and formal institutions play a key role. Their intentions may become a catalyst of group activity [UN 1995: 2].

This paper reflects on the role of a global market considered as platform or area, where new system of interrelations between a state and non-state actors gets materialized. Especially considerable here is the fact, that increasingly vital holders of the power exceed the state, emerging private structures are acquiring broad autonomy within national and international law. Thereby, they become important regulators of jurisdiction and international economy. From this perspective, globalisation leads to extension of the scope of rules regulating more and more fields of economic activity conducted beyond national borders.

The structure of article is as follows. The first section presents market as a base for political, economic and financial interactions and serves as introduction to analysis of the market presented in section two and three. The evolution of the idea of market as a point of reference in the discussion on economic aspects of globalization, presented in section two, is showed using transnational historical materialism approach, further extended also to the works of Polish economists and political scientists. Section three attempts to identify various forms of private authority and transgovernmental regulatory networks as *spiritus movens* of global governance. The final section is an attempt to assess the current and short-time future relationship between states and non-state governance structures and the role which market plays in it.

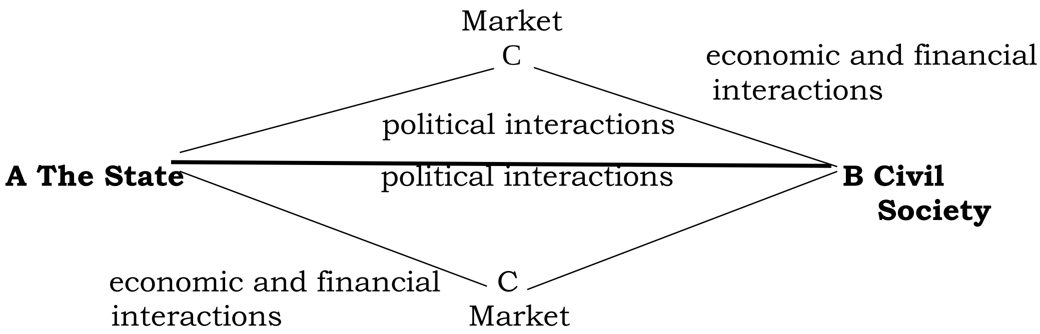
## MARKET AS PLATFORM FOR GLOBAL INTERACTIONS

What fundamentally distinguishes governance from a traditional political order is the dilution of hierarchical state power and thus, withdrawal from 'rule and control' as a method to regulate individual and collective actions. Indeed, governance shall be depicted as a package of horizontal interactions taking place between the state and non-state actors who are involved in various relations with the state and take advantage of the developed network structures, private and public partnership as well as other tools of political activity. Consequently, opposite poles of governance are taken by hierarchically organised states on one hand and self-organising and substantially decentralised groups of civil society on the other hand, which most frequently assume forms of non-government organisations, social movements and *non-profit* organisations.[1] They take advantage of the markets which are used to

[1] As indicated in political science literature, globalisation entails changes which result for example in an increased number of rapidly spreading non-government organisations constituting the basis for global civil society. The latter involves: "entities, ventures, enterprises, non-profit organisations, social movements, various communities, celebrities, intellectuals, think-tanks, charity organisations, pressure groups, protest movements, media, Internet

allocate resources and where formalised rules imposed by the state become weakened and the governance turns out to be of more economic and financial character [fig. 1].

**Figure 1.** The governance as a package of horizontal interactions between the state and civil society




Source: Own elaboration

When applying the concept of governance on a global level, it should be noted that it is based on contemporary transformations occurring in technology, transport and, above all, in communication. Reduction of time required to process and send information is the factor notably enhancing various forms of transnational political organisations. The aforementioned transformations are displayed especially by the supporters of neo-liberalism. As they argue, the state-centric model proves to be inadequate towards increasingly complex regulatory issues which require good governance in order to be solved. It cannot be ensured by the states without participation of the markets (especially the business sector) and global civil society.[2] It is exemplified by closer relations between the states which are part of such groups as G7/8 or G20 and business institutions. Representatives of the states within G7/8 or G20 distinguish entities operating in the business sector from non-government organisations of non profit type, more and more arguments appear in favour of incorporating business sector into the civil society, which may involve gaining more leverage by the latter one within the Gx system structures.[3] Probability of such a solution was attested by the extended agenda of G20 summit in St. Petersburg (2013),

groups and sites, trade unions, employers' federations, international commissions, sporting organisations, all forming multi-level, tightly connected space". Cf. E. Pietrzak (2013), p. 85.

[2] The above views are not a novelty. They stem from the tradition of political concepts of the West, highlighting importance of the mechanisms of free market, reciprocity, trust and solidarity. They provide contrast with control and subordination, as concepts thoroughly anti-liberal. Cf. W. Streeck, P. C. Schmitter (1985), pp. 119–38.

[3] "Gx System" expression was used for the first time by the Stanley Foundation in 2009 r. It refers to G7, G8 and G20 - non-formalized clubs, international cooperation forums forming a specific system with network structure. The system includes organisation of unofficial meetings, where summits organised at the heads of state level (G20 Leaders) play the most important role. Meetings at the highest level are accompanied by consultations conducted on lower levels: ministers, sherpas, working groups. Cf. The Stanley Foundation (2009); P. Hajnal (2007), p. 1.

attended by representatives of civil society as well as representatives of business sector, so-called Business 20 (B20). The group under the Russian leadership had its first meeting on 12th December 2012 in Moscow. Six months later, between 20th and 21st June 2013, the group had its next summit (also held in Moscow) during which a White Paper [B20 2013a] was adopted. Together with a report prepared by B20 Dialogue Efficiency Task Force established within B20 [B20 2013b], the paper appeared to be a basis for strengthening relations between global business and G20. G7/8 and G20 summits referred to above became an opportunity for cooperation towards 'more social dimension' of the markets, as part of the concept of sustainable development. They were attended not only by ministers of the economy from G20 countries, but also by famous celebrities from the global business, such as Bill Gates, founder of Microsoft company who participated in the summits of the group of twenty in Cannes (2011) and Los Cabos (2012). What is noteworthy, his participation had an active character. During the G20 leaders meeting in Cannes Bill Gates even presented his own report related to cooperation between various business groups and representatives of global civil society covering health protection and development [Gates 2011]. The same context also includes actions undertaken by such celebrities of the global music market as Bono and Bob Geldof, who performed at "Live 8" concerts preceding G8 summit in Gleaneagles (2005), cooperated with G7/8 and G20 within the framework of ONE/DATA (*Debt, Aids, Trade, Africa*) campaign, and who co-published in May 2010, before the G7/8 summit, a special issue of Canadian newspaper *The Globe and Mail*, entirely devoted to the problems of Africa.

The market, referred to several times herein, is one of the most important areas where we can observe occurrence of complicated relations, involving both states and non-state entities. Interactions taking place between them may lead to improvement of global governance mechanisms, in areas of trade, finance or environmental protection for instance, yet they may constitute certain risks. Contemporary transformations present mainly in the field of economy and politics may give rise to threats to states and their position within the international system. For, there is no denying that international system is decreasingly dependent on the states' will, thus becoming a network structure created by "states, non-state participants, relations and links between them, binding rules of international law as well as international regimes, alliances and institutions" (Łoś-Nowak 2011: 28-29). It is consequently worth giving a thought to market as the area where new system of interrelations between a states and non-state actors gets materialized and also indicating relations existing between them.

## GLOBALIZATION AND EXPANSION OF THE MARKET

Importance of the market as area where political, economic, financial relations between state and non-state entities occur, is growing. Progress of globalisation which displays in broadening, intensifying and accelerating economic, political, social and cultural interdependences between individuals, groups, organisations, states and other entities within international system, is the main reason to it [Brown 2008: 45; Naim 2009: 29]. Market serves as a point of reference in the discussion on economic aspects of globalisation. Among those who give a prominent role to the market are Immanuel Wallerstein and a group of scholars, including: Craig N. Murphy (1994), Ernest Mandel (1975), Michael Zürn (1995) and Henk W. Overbeek (2005). The latter points to a gradual, and lasting more than several hundred years, growth of the importance of commodity markets which form foundation of contemporary capitalism. According to Overbeek, in its essence, globalisation is a historical narrative taking place on economic grounds, depicting the process of commodification (derived from the English word "commodity"), which consists in processing, transforming goods, services and ideas into commodities sold on the market. It entails formation of a global market, initially having the character of goods trading, and later also related to services [Overbeek 2005]. Its modern dimension was adopted in the 1970s and the 1980s and continues also today. In Overbeek's opinion, in the last 30 years the market experienced an increase in actions, transactions and relations characterized by: (1) increase in the volume of its diverse forms (such as an enhanced integration of financial markets, increased level of services in international trade, development of intra-industry trade, expansion of trans- and multinational companies, growing importance of international regulations gaining global significance at the expense of national regulations, deregulation of financial markets, international mobility of capital, growth in mergers acquisitions, existence of small states with high foreign trade turnover to GDP ratio as Taiwan, Singapore, Finland, Ireland; (2) transition of sectors subject to state control to market-oriented economy (privatisation of state-owned enterprises, including those having a strategic role in national economy, for example in telecommunication, transport, energy sectors); (3) incorporation (leaving certain level of diversion as can be seen in case of China or Scandinavian countries) of individual states or even regions into the framework of capitalist global market which by principle rejects economies based on the socialist model; (4) subordination of individual spheres of human activity, including those highly 'personalised', such as reproduction or artistic creativity, to impersonal and automated market powers. As Overbeek argues, market transformations shaped contemporary image of neo-liberal globalisation which in the last thirty years gained its 'trade mark' covering expansion of transnational capital on an unprecedented scale [Overbeek 2005: 43].

## MARKET, TRANSGOVERNMENTAL REGULATORY NETWORKS AND GLOBAL GOVERNANCE

The aforementioned processes, characterised by high dynamics, allow us to put forward the assumption that idea of the market embodies the rule of special order, where cooperation is based more on mutual benefit than on political hierarchy and fixed values. Market plays an essential role as refers to formation of global economic governance. It allows to differentiate between governing and governance. Some observations are necessary in this aspect. It can be noted that several opinions can be distinguished in the debate on the role of markets as a basis for the development of economic governance. For some researchers, market has a normative character. In this sense it serves as guarantee of liberty and instrument of democratic change. For others, functioning of the markets, including the global ones, is not sufficient to solve global problems, regardless of whether they are related to climatic changes, uneven economic growth or rising social disparities. Supporters of the open-market option, will always consider state interference as the worst-case scenario. For neoliberals "state interferences on the markets must be minimised, as the state is not able to gain sufficient information to anticipate market signals (prices), while powerful groups of interest will inevitably distort and bend interferences in order to obtain advantages for themselves" [Harvey 2005: 2]. There is also an opinion, that the market under control of neoliberal powers is a tool with which globalisation is relatively weakening the role of the state, pushing it out to a peripheral position. The perspective of 'kidnapping' of economic and social space by neoliberalism as structural cause of economic crises is referred to by David Harvey [2005], Jerzy Żyżyński [2009: 163-188] and Grzegorz Kołodko [2008; 2010a: 117-125]. According to G. Kołodko, spreading of neoliberalism is the primary reason of financial crises, including the present one which is compared to the Great Depression of 1929 - 1933. He notes that "roots of the crisis lie deep in neoliberal capitalism. It could not originate in states with social market economy (...), but only in the conditions of neoliberal Anglo-American model" [Kołodko 2010b: 95]. Polish scholar seeks reasons for crisis-rising phenomena and processes in typically neoliberal combination of values, institutions and politics. According to its recognition of values, excessive role is attributed to individualism and glory is given to greediness which, while negating social aspects of management, leads to "financialisation of nearly everything" [Kołodko 2010b]. From institutional point of view, neoliberalism is opposed to interventionism, and consequently negates a state and its role as the second, apart from the market, institution of contemporary economy. The neoliberal policy's objective is not a sustainable development (also within the social and ecological aspect), but 'zero-inflation world' and maintaining independence of central banks and monetary stability while pushing aside other objectives, such as reducing unemployment.

Above-mentioned opinions suggest relative weakening of the role a state in relation to market powers and entities undertaking broad range of actions in economy, trade, finances and law. Thomas J. Biersteker and Rodney Bruce Hall define the sphere of activity of these actors as "private authority in global governance" [Biersteker and Hall 2002]. More and more examples of it can be found in the recent years. Private commercial arbitration, offered by international companies, which have increased in number from 10 in 1919 to more than 100 in 1985, is one of them. They use international trade law as codified in the framework of the rules of trade agreements as defined by the International Institute for the Unification of Private Law - UNIDROIT [Mattli 2001: 919-47]. Another example is the activities of credit rating agencies (CRAs) involved in the assessment of the creditworthiness of money lending entities, i.e. companies, funds, banks, organizations and governments as well as the assessment of the same debt instruments used on economic markets.[4] The most

[4] The market of rating agencies is under control of several companies in the United States. These include: *Fitch Ratings, Moody's, Standard & Poor's, AM Best and Dominion Bond Rating Service*. In addition, on the market there are several companies and institutions, which play the role of national credit rating agencies in their countries, such as *Japan Credit Rating Agency or Malaysian Rating Corporation*. Their credit ratings are, however, less important on an international scale, although they are locally counterweight to the ratings published by the American agencies. In Poland, there are also local rating agencies, namely *EuroRating* Rating Agency and *AFS* Rating Agency. The global market is characterized by gradual rating mergers and acquisitions of smaller national and international rating agencies. For example, *Standard & Poor's* in 1990, took over the *Insurance Solvency International Ltd.* Agency and

prominent and largest financial institutions worldwide, nationwide and local ones undergo the procedure of granting financial credibility assessment. According to the rating conducted by Standard & Poor's agency in November 2013, only 14 countries received the highest evaluation level (AAA).[5] These include the United Kingdom, Sweden, Singapore, Switzerland, Norway, the Netherlands, Luxembourg, Liechtenstein, Hong Kong, Australia, Canada, Denmark, Germany and Finland. The rating for Poland was determined at the level of A, while for Spain and Greece it amounted to BBB-, and B (Standard 2013). Table 1 below presents the designations that are used by rating agencies in assessing the credibility of their clients.

**Table 1.** Rating designations used by Standard & Poor's agency

| Designation | Creditworthiness |
|---|---|
| AAA | No credit risk |
| AA+<br>AA<br>AA- | Safe investment, low risk of bankruptcy |
| A+<br>A<br>A- | Safe investment unless the economy or industry experience unpredictable phenomena |
| BBB+<br>BBB<br>BBB- | Average level of investment safety. A noticeable deterioration in the condition of the economy |
| BB+<br>BB<br>BB- | Speculative investment. Significant economic problems affect large investment risk |
| B+<br>B<br>B- | Speculative investment. Very high investment risk |
| CCC<br>CC<br>C | High risk of bankruptcy |
| D | Entity in bankruptcy or permanently unable to discharge liabilities |

Source: J. Brylak (2011), p. 317.

*Andrew Ducan,* and in 1995 - the French agency *Agence d'Evaluation Financiere (ADEF).* In 1997, *Fitch* agency conducted a merger with *IBCA Ltd.* and then took over the following agencies *Duff and Phelps Credit Rating Co..* (April 2000) and *Thomson Bank Watch* (December 2000). According to the report of Swiss Re, 80% of the total revenue of rating agencies in the world is divided between *Standard & Poor's* and *Moody's, Fitch* gets 14%, 4% for AM Best, and only 2% for other agencies. See J. M. Ammer, F. Packer (2000); AWA Boot, T. T. Milbourn, A. Schmeits (2006), pp. 81 et seq; J. Brylak (2011), pp. 311-314.

[5] It should be noted, however, that in practice the ratings differ considerably from reality. The reason may be the fact that agencies often base on historical data as well as mathematical models that do not take into account the most important factors during the crisis, i.e. psychological parameters and unpredictable changes on the market, such as the collapse of the real estate investment exchange quotations.

Credit rating agencies constitute opinion-forming element for free-market economy by having high credibility and maintaining complete independence from investors (equity lobby) and political circles. Above all, their sphere of 'power' is shown in the financial markets. The success of most debt securities issued depends on the ratings assigned to them, which are considered a prerequisite for seeking external financing on the securities markets. Issuers credibility ratings determine the interest rates they must offer in order to obtain external financing. In some countries, investment products may be sold only if the issuer demonstrates an appropriate level of credibility confirmed by a rating agency of recognized reputation [Brylak 2011: 320-321].

In addition to private arbitration and rating agencies, the entities of 'private governance' operating in the market include private organizations such as the International Organization for Standardization, being in fact a network of about 180 committees, subcommittees and 2 550 thousand working groups [Mattli and Buethe 1993]. Other, more complex examples are hybrid public-private regulatory bodies, such as the Internet Corporation for Assigned Names and Numbers dealing with the granting of domain names, setting their structure and general supervision over the operation of DNS[6] servers around the world, and the Codex Alimentarius Commission. This committee deals with food safety standards. It cooperates with both business communities, as well as international organizations. The latter include the WTO, which is responsible for compliance with the Agreement on the Application of Sanitary and Phytosanitary Measures [EC 1994], adopted as one of the tangible effects of results of the GATT Uruguay Round [Rewizorski 2011: 28-39; Prévost and van den Bossche, 2005: 231-370; Scott 2007].

Analysing the factors influencing the development of global governance mechanisms, we should also indicate the emergence of the transgovernamental regulatory networks. Anne-Marie Slaugther - adviser to President Barack Obama in the field of foreign policy and a close associate of Hillary Clinton - believes that global governance should be understood rather as a network structure than the result of actions by individual states. She notes that the perception of the world as divided states rather than unitary states allows leaders, politicians, analysts, or simply interested citizens to recognize the characteristics of the global political system that had previously been hidden. Government networks suddenly appear everywhere, from the Financial Action Task Force - FATF, networks of finance ministers and other financial regulators to combat money laundering and terrorist financing, the Free Trade Commission - a network of trade ministers empowered to interpret the North American Free Trade Agreement (NAFTA ), to the network of ministers responsible for security at the borders following the events of September 11, 2011. At the same time, we may see the divisions taking place in international organizations, especially the "vertical networks" created between national regulators and their transnational counterparts [Slaugther 2004: 5-6].

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[6] The Domain Names System (DNS) is a solution that provides conversion of domain addresses to IP addresses. By using the DNS, a mnemonic name, eg. uke.gov.pl, can be converted into the corresponding IP address (in this case, 193.227.131.12). See http://www.dns.pl/ENUM/dokumenty/2007_09_10_ENUM.pdf, accessed on 3.06.2015.

Following the position of A-M. Slaughter, it is worth noting that global networks play an essential role in the creation, development, diffusion and implementation of various standards, rules and regulations covering more and more fields. These networks accelerate the exchange of information, generate the rules to fulfil the general agreements achieved on the summits of heads of states and heads of government. Most of them are technical in nature and take the form of soft law as well as various declarations and memoranda [Reinecke 1998]. Slaughter maintains that transgovernmental regulatory networks more effectively 'penetrate' the sovereignty and draw from the experiences of public and private actors. They are characterized by informality, flexibility, impermeability to the public and ease of adopting to new problems and situations. As a result, they may avoid the use of negotiated procedures characteristic of traditional relations between states. In addition, these networks are gaining in efficiency due to the close links between the drop-down norms and rules of conduct and their implementation and enforcement. As A.M. Slaughter rightly notices, the actors who make rules or formulate rules governing management networks are the same ones that have the power to ensure their enforcement [Slaughter 2000: 206]. In that model, the central assumption boils down to the assertion that the modern world no longer relies on rigid relations. Instead, it took on the shape of a spider's web, where advantages arise from mutual, fairly loose ties, rather than from inclusion [Slaughter 1997: 183-197; Slaughter 2004; Slaughter 2005: 281-295; Slaughter 2009: 94 -113]. It began to resemble the same global market in which - as already mentioned - formalized rules imposed by the state become weakened, and management takes economic and financial nature being largely determined by non-state actors, possessing so-called 'private power', as well as supranational organizations, which, as shows the example of the European Commission participation in the G8, over time can emancipate themselves from the tutelage of states.

## CONCLUSIONS

In the era of spreading globalization increasing attention is paid to the markets and their 'power'. Its economic dimension is dominated by neoliberal thinking focused on demonstrating the close relationship between the sort of authority of market entities, and the market as a space of their actions, where they can update their potential. The proliferation of business groups, international companies, transnational pressure groups, briefly speaking the spread of global networks of connections is correlated with the acquisition of new competences by non-state actors, thereby forming the foundations of international economic policies which to a lesser and lesser extent belong to the states. The latter are dependent on changes in individual markets. One can find many examples to substantiate this claim. One of them is the dramatic situation of the telecommunication company Nokia, which has been a 'motor' of the Finnish economy for many years. The reasons for this can be sought in *offshoring*, as some factories of Nokia phones moved from Salo (Finland) and Cluj (Romania), to Asia (China, South Korea, India and Vietnam), as well as the decline in the share of Nokia in the global market for mobile phones and smartphones[7] for Apple and Samsung. By 2014, the company announced the elimination of 10 thousand jobs in several states, leaving only the factories in Finland, as well as research and development facility in Ulm, Germany, which employs 730 people. The plans of employment reduction mean that from September 2010 more than 40 thousand people may lose their jobs in Nokia. Not only the Finnish government, but also the EU (which in 2013 paid 9.81 million Euro from the Globalisation Adjustment Fund to help the redundant workers) have been trying for years to deal with this situation unsuccessfully.

The above example indicates the negative aspects of the 'power of globalization'. The global market, transnational space of exchange, is shaped largely by private entities. Claire Cutler, Virginia Haufler and Tony Porter even suggest the existence of "transnational private regimes", defined as "integrated sets of formal and informal institutions, which are sources of managing the economic issues" [Cutler, Haufler and Porter 1999:13]. More and more evidence shows that their action may under certain circumstances cause serious consequences and lead to an increased risk of financial and economic turbulence. It is sufficient to recall the recent example of the three major U.S. credit rating agencies whose functioning affects the behaviour of investors and the condition of the economies of most countries in the world, including the United States. In autumn 2008, six days before the collapse of Lehman Brothers, Standard & Poor's maintained its investment grade rating for him at 'A'. Moody's waited even longer, lowering the rating one working day before the collapse of the bank. It is not surprising that, different actors of private governance are faced with many questions, most important of which relate to whether rising importance of the private entities, operating in the markets is given to them, enabled, by the states or rather it is going out of their hands and whether a modern state can ensure efficient operation of mechanisms to reconcile the development of private entities with the objectives of internal policies.

The answers to these questions are hampered by the fact that in the global market, apart from state and private entities, there also operate transnational agents and inter-governmental organizations such as the International Monetary Fund (IMF), with a considerable degree of autonomy to the states. The example of IMF indicates that such organizations exert strong pressure on the state, acting as a lender of last resort and often deciding on the relocation of companies regarding their restructuring, employment sizes. Considering the increasing mobility of capital states, as recipients of global capital, often are ready to go for significant concessions to attract the capital. Therefore it is understandable that the markets are perceived as 'organisms' capable of "reward or punish, depending on the assessment of how

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7 Nokia's market share in the basic models of mobile phones dropped from 33% (2010) to 24% (2011) and the decline continued in 2012, in the second quarter of 2012, Nokia maintained the market share of 6.6% (down from 38% at the beginning of 2010), while Apple had 16.9%, and Samsung 32.6% Cf. COM (2013), Application for a Decision of the European Parliament and of the Council on mobilization of the European Globalisation Adjustment Fund in accordance with point 28 of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management (application EGF/2013 / 001 FI / Nokia Salo from Finland), Cf. COM (2013), pp. 3-4.

governments deal with money supply, budget deficits, foreign debt, deregulation (...) bank cartels, increase in the efficiency of their local banks and credit markets" [Strange 1997: 9]. This is one side of the coin. There is another too. The market can be very helpful for a state for a reason that governments often blame it for failures in the course of national economic policy, simplifying this way the political reality, building the division into what is good, internal, national, predictable, namely 'good' and what is 'bad', because it is external, crisis-bringing, foreign, dangerous, unstable. Such reasoning and blurring of responsibility by governments to societies for their actions, however, cannot last forever. State failure and arbitrariness of market actors may in fact be the cause of the loss of power by governments incapable of keeping a tight rein on capital. Markets in order to survive and develop need political stability and institutional basis, which the state provides. When properly used, they are organs of state policy, but they cannot be its substitute. And here is substantial doubt. On the one hand, it seems that the modern state, functioning in a globalizing world steeped with neoliberal ideas, to the market should play the role of crisis manager, always ready to intercede together with international organizations wherever market stability is called into question and there is a threat of social and economic crisis. On the other hand, the course of economic and financial crisis, a symbol of which is the collapse of Lehman Brothers in 2008, showed that even coordinated action by states clustered in the G7/8 and G20 become insufficient, and restoration of stability to the markets appears to be, at least in the short term, an example of wishful thinking. So the question is, what can happen if similar crises are more frequent and more intense. It seems that one of the likely scenarios is that the regulatory and stabilisation functions in the market will be taken over by former agents of the states. Perhaps the expansion of private entities, organizations and transnational transport, as well as the gradual increase of their power in accordance with the principle of 'too big to fail' is the first marking line.

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