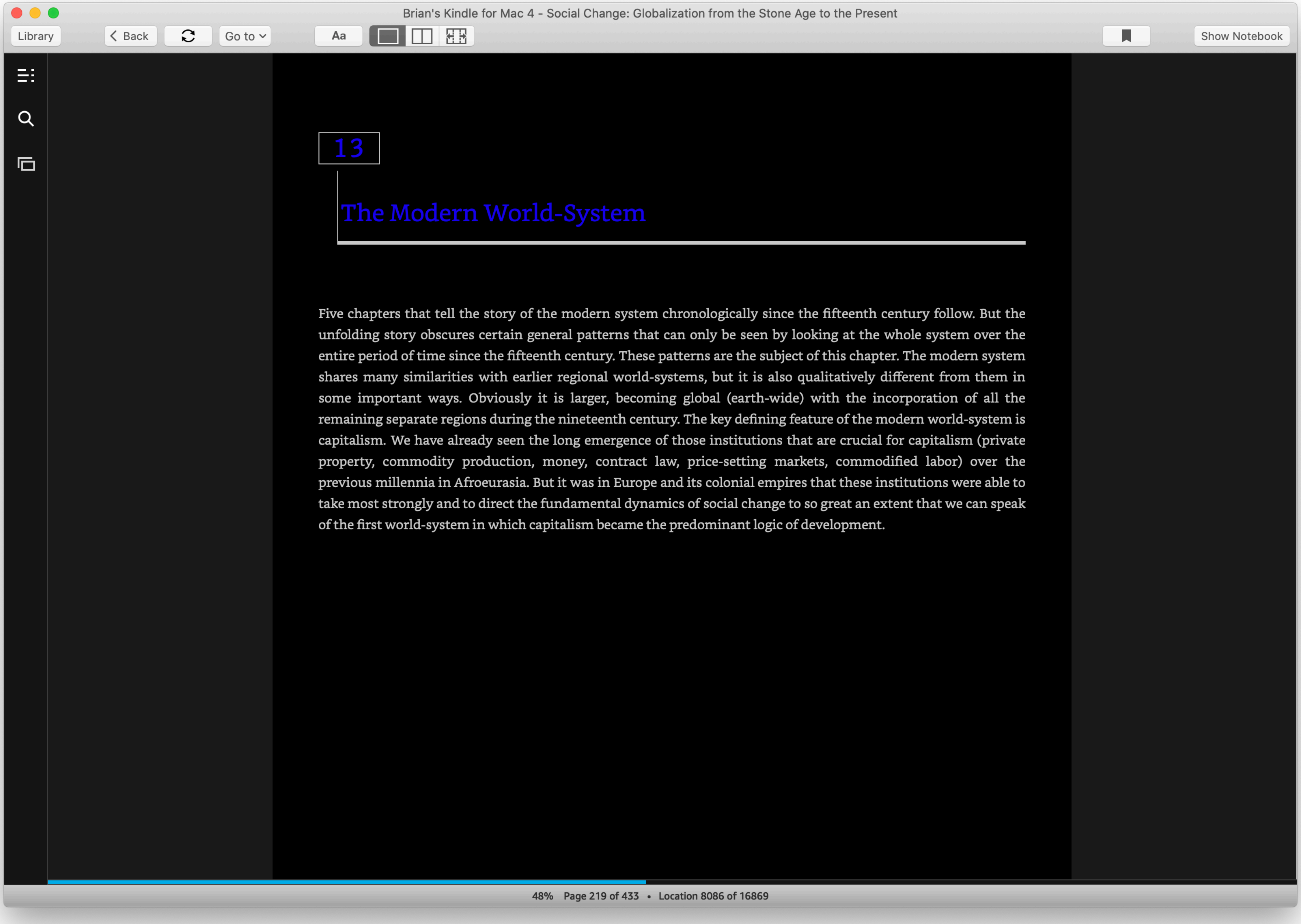
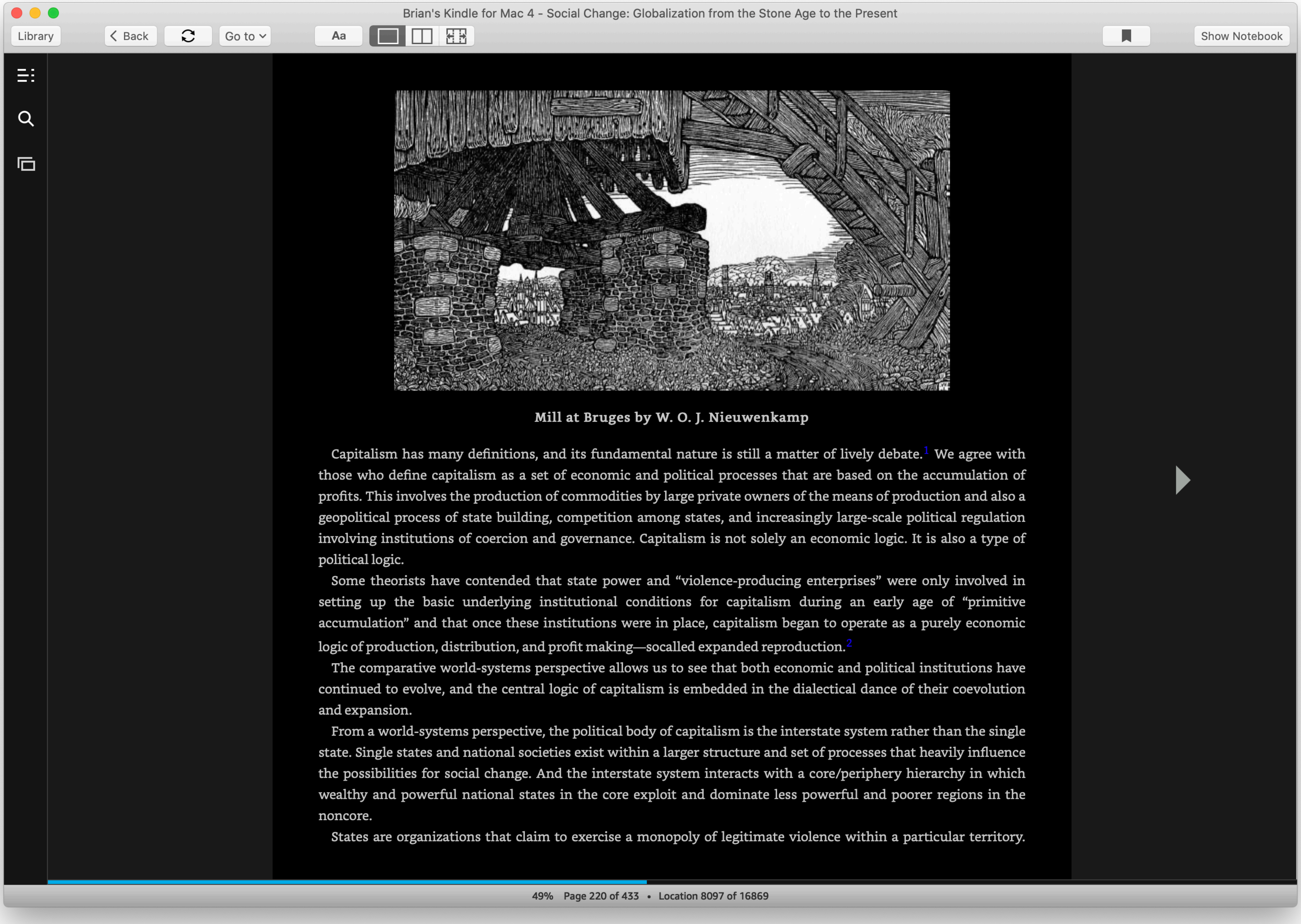


Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook
48% Page 219 of 433 • Location 8086 of 16869

13

The Modern World-System

Five chapters that tell the story of the modern system chronologically since the fifteenth century follow. But the unfolding story obscures certain general patterns that can only be seen by looking at the whole system over the entire period of time since the fifteenth century. These patterns are the subject of this chapter. The modern system shares many similarities with earlier regional world-systems, but it is also qualitatively different from them in some important ways. Obviously it is larger, becoming global (earth-wide) with the incorporation of all the remaining separate regions during the nineteenth century. The key defining feature of the modern world-system is capitalism. We have already seen the long emergence of those institutions that are crucial for capitalism (private property, commodity production, money, contract law, price-setting markets, commodified labor) over the previous millennia in Afroeurasia. But it was in Europe and its colonial empires that these institutions were able to take most strongly and to direct the fundamental dynamics of social change to so great an extent that we can speak of the first world-system in which capitalism became the predominant logic of development.


Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook

Mill at Bruges by W. O. J. Nieuwenkamp

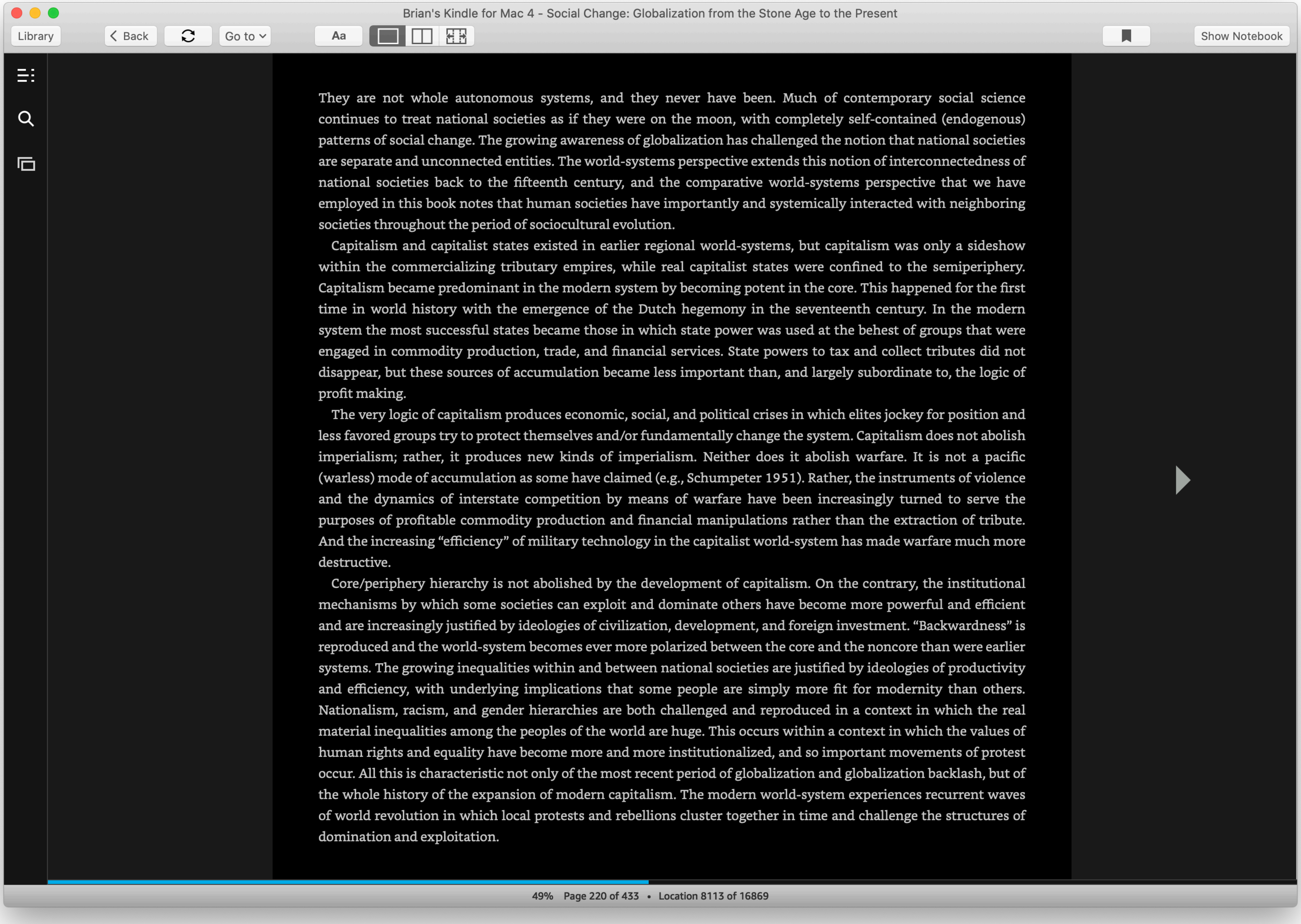
Capitalism has many definitions, and its fundamental nature is still a matter of lively debate.[1] We agree with those who define capitalism as a set of economic and political processes that are based on the accumulation of profits. This involves the production of commodities by large private owners of the means of production and also a geopolitical process of state building, competition among states, and increasingly large-scale political regulation involving institutions of coercion and governance. Capitalism is not solely an economic logic. It is also a type of political logic.

Some theorists have contended that state power and "violence-producing enterprises" were only involved in setting up the basic underlying institutional conditions for capitalism during an early age of "primitive accumulation" and that once these institutions were in place, capitalism began to operate as a purely economic logic of production, distribution, and profit making—socalled expanded reproduction.[2]

The comparative world-systems perspective allows us to see that both economic and political institutions have continued to evolve, and the central logic of capitalism is embedded in the dialectical dance of their coevolution and expansion.

From a world-systems perspective, the political body of capitalism is the interstate system rather than the single state. Single states and national societies exist within a larger structure and set of processes that heavily influence the possibilities for social change. And the interstate system interacts with a core/periphery hierarchy in which wealthy and powerful national states in the core exploit and dominate less powerful and poorer regions in the noncore.

States are organizations that claim to exercise a monopoly of legitimate violence within a particular territory.

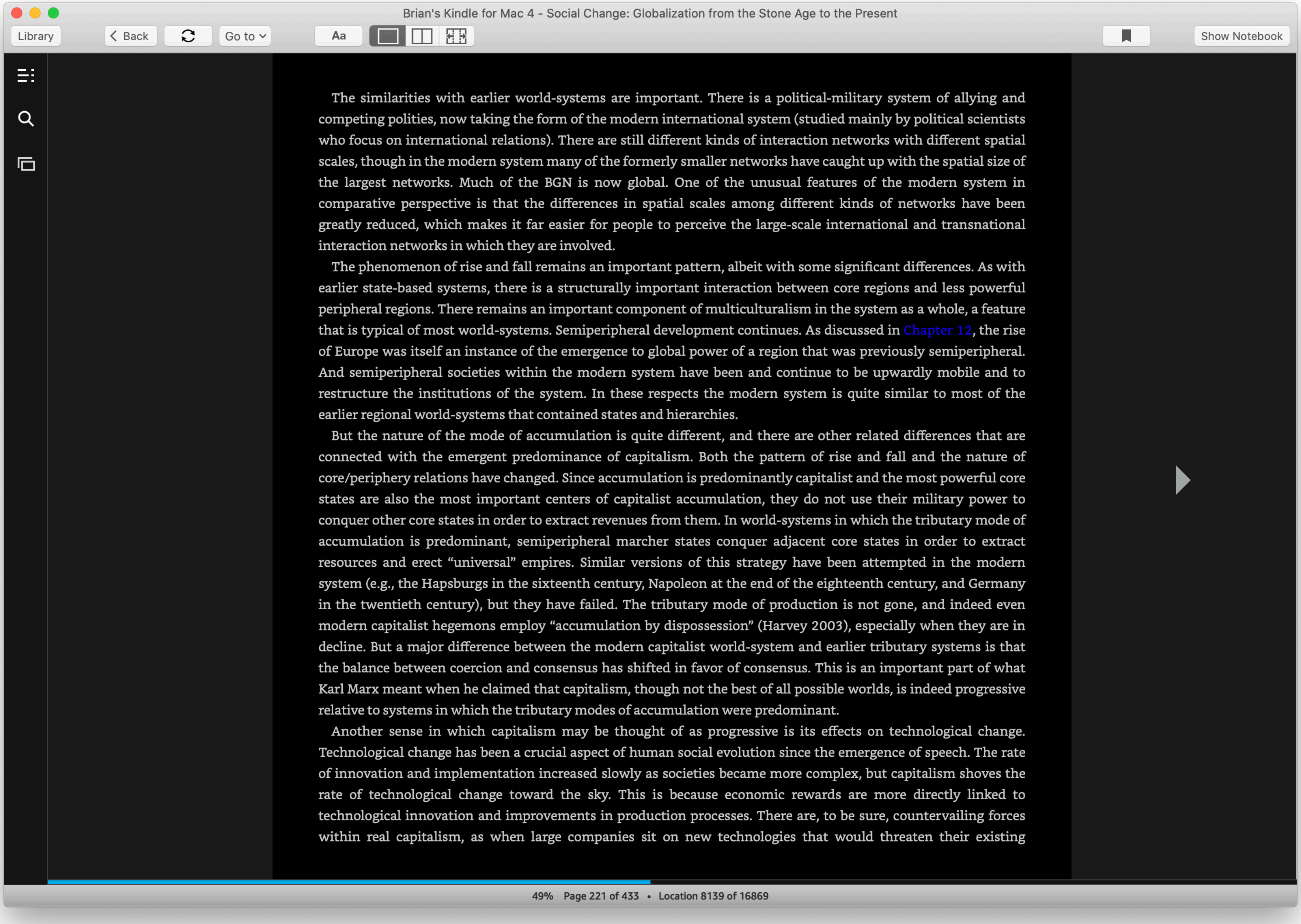

Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook
49%
Page 220 of 433
Location 8113 of 16869

They are not whole autonomous systems, and they never have been. Much of contemporary social science continues to treat national societies as if they were on the moon, with completely self-contained (endogenous) patterns of social change. The growing awareness of globalization has challenged the notion that national societies are separate and unconnected entities. The world-systems perspective extends this notion of interconnectedness of national societies back to the fifteenth century, and the comparative world-systems perspective that we have employed in this book notes that human societies have importantly and systemically interacted with neighboring societies throughout the period of sociocultural evolution.

Capitalism and capitalist states existed in earlier regional world-systems, but capitalism was only a sideshow within the commercializing tributary empires, while real capitalist states were confined to the semiperiphery. Capitalism became predominant in the modern system by becoming potent in the core. This happened for the first time in world history with the emergence of the Dutch hegemony in the seventeenth century. In the modern system the most successful states became those in which state power was used at the behest of groups that were engaged in commodity production, trade, and financial services. State powers to tax and collect tributes did not disappear, but these sources of accumulation became less important than, and largely subordinate to, the logic of profit making.

The very logic of capitalism produces economic, social, and political crises in which elites jockey for position and less favored groups try to protect themselves and/or fundamentally change the system. Capitalism does not abolish imperialism; rather, it produces new kinds of imperialism. Neither does it abolish warfare. It is not a pacific (warless) mode of accumulation as some have claimed (e.g., Schumpeter 1951). Rather, the instruments of violence and the dynamics of interstate competition by means of warfare have been increasingly turned to serve the purposes of profitable commodity production and financial manipulations rather than the extraction of tribute. And the increasing "efficiency" of military technology in the capitalist world-system has made warfare much more destructive.

Core/periphery hierarchy is not abolished by the development of capitalism. On the contrary, the institutional mechanisms by which some societies can exploit and dominate others have become more powerful and efficient and are increasingly justified by ideologies of civilization, development, and foreign investment. "Backwardness" is reproduced and the world-system becomes ever more polarized between the core and the noncore than were earlier systems. The growing inequalities within and between national societies are justified by ideologies of productivity and efficiency, with underlying implications that some people are simply more fit for modernity than others. Nationalism, racism, and gender hierarchies are both challenged and reproduced in a context in which the real material inequalities among the peoples of the world are huge. This occurs within a context in which the values of human rights and equality have become more and more institutionalized, and so important movements of protest occur. All this is characteristic not only of the most recent period of globalization and globalization backlash, but of the whole history of the expansion of modern capitalism. The modern world-system experiences recurrent waves of world revolution in which local protests and rebellions cluster together in time and challenge the structures of domination and exploitation.

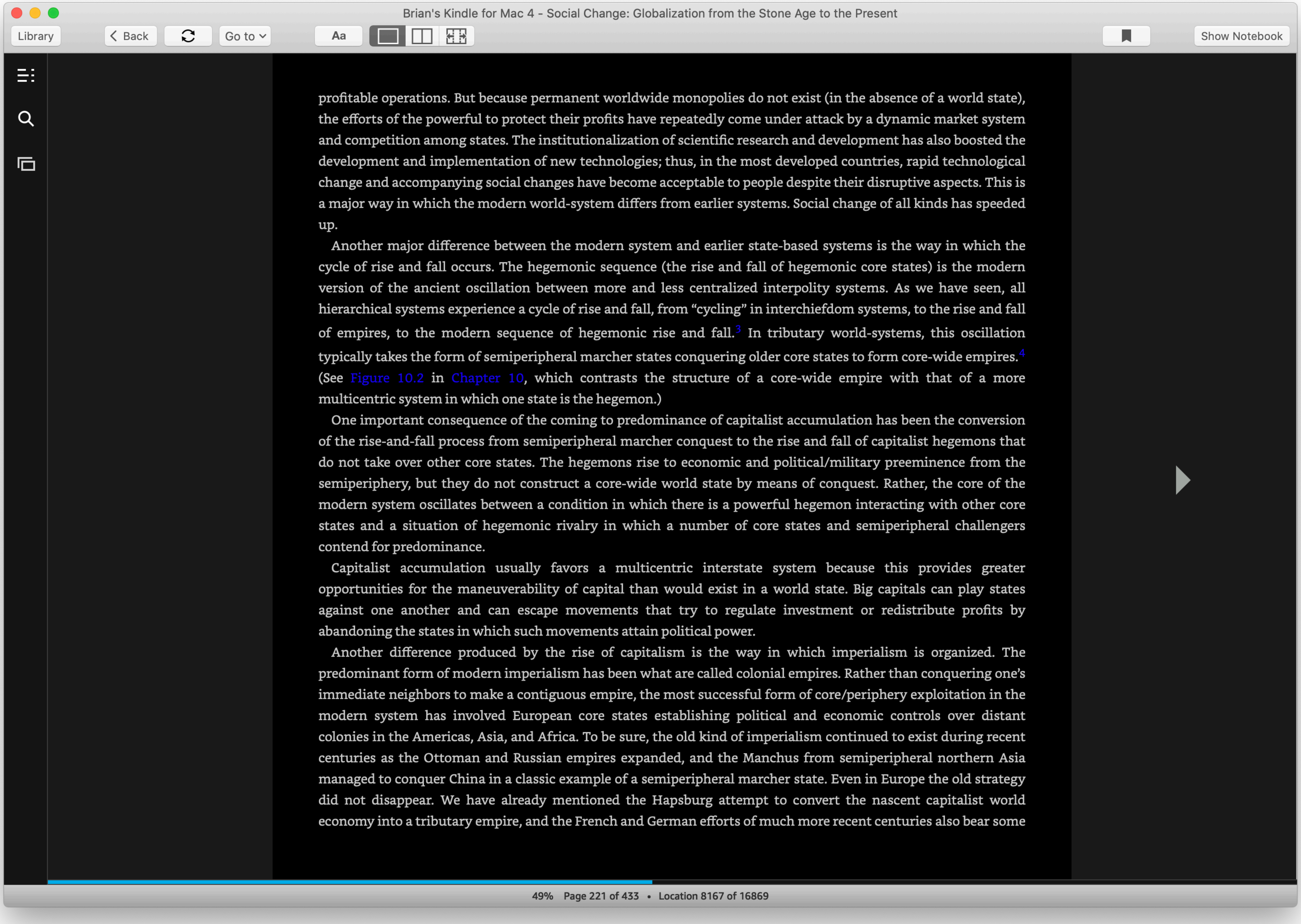

Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook
49% Page 221 of 433 • Location 8139 of 16869

The similarities with earlier world-systems are important. There is a political-military system of allying and competing polities, now taking the form of the modern international system (studied mainly by political scientists who focus on international relations). There are still different kinds of interaction networks with different spatial scales, though in the modern system many of the formerly smaller networks have caught up with the spatial size of the largest networks. Much of the BGN is now global. One of the unusual features of the modern system in comparative perspective is that the differences in spatial scales among different kinds of networks have been greatly reduced, which makes it far easier for people to perceive the large-scale international and transnational interaction networks in which they are involved.

The phenomenon of rise and fall remains an important pattern, albeit with some significant differences. As with earlier state-based systems, there is a structurally important interaction between core regions and less powerful peripheral regions. There remains an important component of multiculturalism in the system as a whole, a feature that is typical of most world-systems. Semiperipheral development continues. As discussed in Chapter 12, the rise of Europe was itself an instance of the emergence to global power of a region that was previously semiperipheral. And semiperipheral societies within the modern system have been and continue to be upwardly mobile and to restructure the institutions of the system. In these respects the modern system is quite similar to most of the earlier regional world-systems that contained states and hierarchies.

But the nature of the mode of accumulation is quite different, and there are other related differences that are connected with the emergent predominance of capitalism. Both the pattern of rise and fall and the nature of core/periphery relations have changed. Since accumulation is predominantly capitalist and the most powerful core states are also the most important centers of capitalist accumulation, they do not use their military power to conquer other core states in order to extract revenues from them. In world-systems in which the tributary mode of accumulation is predominant, semiperipheral marcher states conquer adjacent core states in order to extract resources and erect “universal” empires. Similar versions of this strategy have been attempted in the modern system (e.g., the Hapsburgs in the sixteenth century, Napoleon at the end of the eighteenth century, and Germany in the twentieth century), but they have failed. The tributary mode of production is not gone, and indeed even modern capitalist hegemons employ “accumulation by dispossession” (Harvey 2003), especially when they are in decline. But a major difference between the modern capitalist world-system and earlier tributary systems is that the balance between coercion and consensus has shifted in favor of consensus. This is an important part of what Karl Marx meant when he claimed that capitalism, though not the best of all possible worlds, is indeed progressive relative to systems in which the tributary modes of accumulation were predominant.

Another sense in which capitalism may be thought of as progressive is its effects on technological change. Technological change has been a crucial aspect of human social evolution since the emergence of speech. The rate of innovation and implementation increased slowly as societies became more complex, but capitalism shoves the rate of technological change toward the sky. This is because economic rewards are more directly linked to technological innovation and improvements in production processes. There are, to be sure, countervailing forces within real capitalism, as when large companies sit on new technologies that would threaten their existing


Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook
49% Page 221 of 433 • Location 8167 of 16869

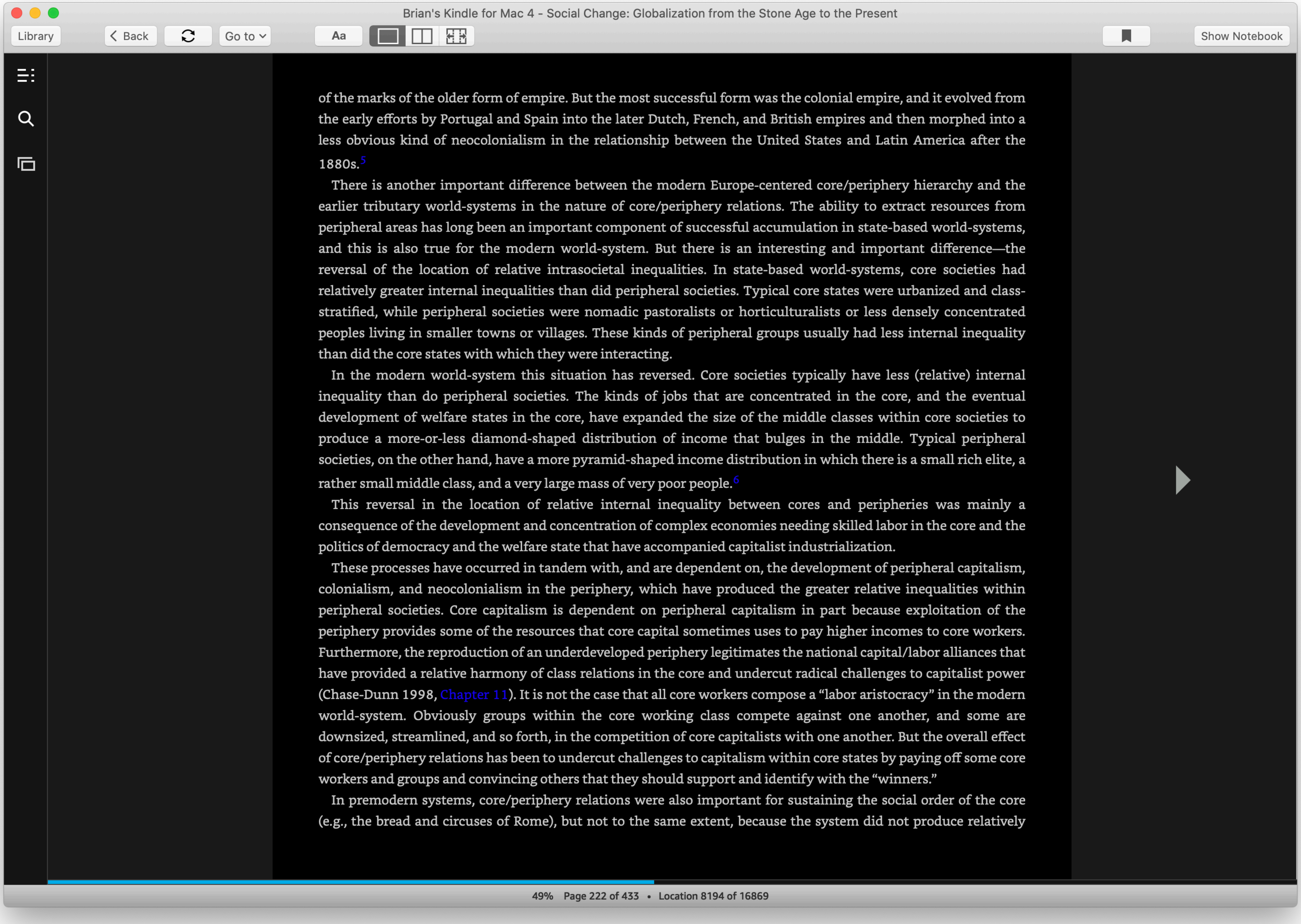
profitable operations. But because permanent worldwide monopolies do not exist (in the absence of a world state), the efforts of the powerful to protect their profits have repeatedly come under attack by a dynamic market system and competition among states. The institutionalization of scientific research and development has also boosted the development and implementation of new technologies; thus, in the most developed countries, rapid technological change and accompanying social changes have become acceptable to people despite their disruptive aspects. This is a major way in which the modern world-system differs from earlier systems. Social change of all kinds has speeded up.

Another major difference between the modern system and earlier state-based systems is the way in which the cycle of rise and fall occurs. The hegemonic sequence (the rise and fall of hegemonic core states) is the modern version of the ancient oscillation between more and less centralized interpolity systems. As we have seen, all hierarchical systems experience a cycle of rise and fall, from “cycling” in interchiefdom systems, to the rise and fall of empires, to the modern sequence of hegemonic rise and fall.[3] In tributary world-systems, this oscillation typically takes the form of semiperipheral marcher states conquering older core states to form core-wide empires.[4] (See Figure 10.2 in Chapter 10, which contrasts the structure of a core-wide empire with that of a more multicentric system in which one state is the hegemon.)

One important consequence of the coming to predominance of capitalist accumulation has been the conversion of the rise-and-fall process from semiperipheral marcher conquest to the rise and fall of capitalist hegemons that do not take over other core states. The hegemons rise to economic and political/military preeminence from the semiperiphery, but they do not construct a core-wide world state by means of conquest. Rather, the core of the modern system oscillates between a condition in which there is a powerful hegemon interacting with other core states and a situation of hegemonic rivalry in which a number of core states and semiperipheral challengers contend for predominance.

Capitalist accumulation usually favors a multicentric interstate system because this provides greater opportunities for the maneuverability of capital than would exist in a world state. Big capitals can play states against one another and can escape movements that try to regulate investment or redistribute profits by abandoning the states in which such movements attain political power.

Another difference produced by the rise of capitalism is the way in which imperialism is organized. The predominant form of modern imperialism has been what are called colonial empires. Rather than conquering one’s immediate neighbors to make a contiguous empire, the most successful form of core/periphery exploitation in the modern system has involved European core states establishing political and economic controls over distant colonies in the Americas, Asia, and Africa. To be sure, the old kind of imperialism continued to exist during recent centuries as the Ottoman and Russian empires expanded, and the Manchus from semiperipheral northern Asia managed to conquer China in a classic example of a semiperipheral marcher state. Even in Europe the old strategy did not disappear. We have already mentioned the Hapsburg attempt to convert the nascent capitalist world economy into a tributary empire, and the French and German efforts of much more recent centuries also bear some


Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook
49%
Page 222 of 433
Location 8194 of 16869

of the marks of the older form of empire. But the most successful form was the colonial empire, and it evolved from the early efforts by Portugal and Spain into the later Dutch, French, and British empires and then morphed into a less obvious kind of neocolonialism in the relationship between the United States and Latin America after the 1880s.[5]

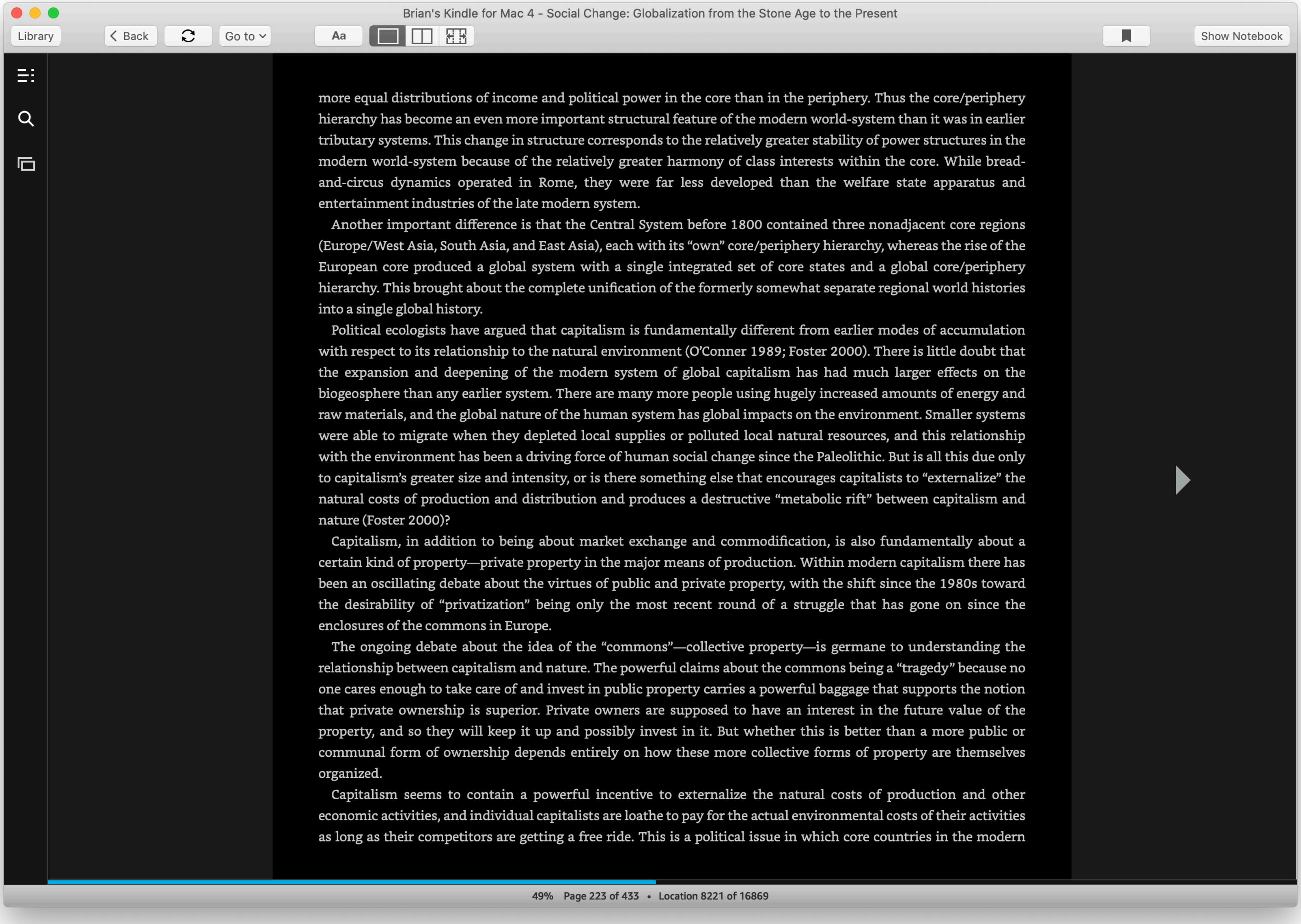
There is another important difference between the modern Europe-centered core/periphery hierarchy and the earlier tributary world-systems in the nature of core/periphery relations. The ability to extract resources from peripheral areas has long been an important component of successful accumulation in state-based world-systems, and this is also true for the modern world-system. But there is an interesting and important difference—the reversal of the location of relative intrasocietal inequalities. In state-based world-systems, core societies had relatively greater internal inequalities than did peripheral societies. Typical core states were urbanized and class-stratified, while peripheral societies were nomadic pastoralists or horticulturalists or less densely concentrated peoples living in smaller towns or villages. These kinds of peripheral groups usually had less internal inequality than did the core states with which they were interacting.

In the modern world-system this situation has reversed. Core societies typically have less (relative) internal inequality than do peripheral societies. The kinds of jobs that are concentrated in the core, and the eventual development of welfare states in the core, have expanded the size of the middle classes within core societies to produce a more-or-less diamond-shaped distribution of income that bulges in the middle. Typical peripheral societies, on the other hand, have a more pyramid-shaped income distribution in which there is a small rich elite, a rather small middle class, and a very large mass of very poor people.[6]

This reversal in the location of relative internal inequality between cores and peripheries was mainly a consequence of the development and concentration of complex economies needing skilled labor in the core and the politics of democracy and the welfare state that have accompanied capitalist industrialization.

These processes have occurred in tandem with, and are dependent on, the development of peripheral capitalism, colonialism, and neocolonialism in the periphery, which have produced the greater relative inequalities within peripheral societies. Core capitalism is dependent on peripheral capitalism in part because exploitation of the periphery provides some of the resources that core capital sometimes uses to pay higher incomes to core workers. Furthermore, the reproduction of an underdeveloped periphery legitimates the national capital/labor alliances that have provided a relative harmony of class relations in the core and undercut radical challenges to capitalist power (Chase-Dunn 1998, Chapter 11). It is not the case that all core workers compose a "labor aristocracy" in the modern world-system. Obviously groups within the core working class compete against one another, and some are downsized, streamlined, and so forth, in the competition of core capitalists with one another. But the overall effect of core/periphery relations has been to undercut challenges to capitalism within core states by paying off some core workers and groups and convincing others that they should support and identify with the "winners."

In premodern systems, core/periphery relations were also important for sustaining the social order of the core (e.g., the bread and circuses of Rome), but not to the same extent, because the system did not produce relatively


Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook
49%
Page 223 of 433
Location 8221 of 16869

more equal distributions of income and political power in the core than in the periphery. Thus the core/periphery hierarchy has become an even more important structural feature of the modern world-system than it was in earlier tributary systems. This change in structure corresponds to the relatively greater stability of power structures in the modern world-system because of the relatively greater harmony of class interests within the core. While bread-and-circus dynamics operated in Rome, they were far less developed than the welfare state apparatus and entertainment industries of the late modern system.

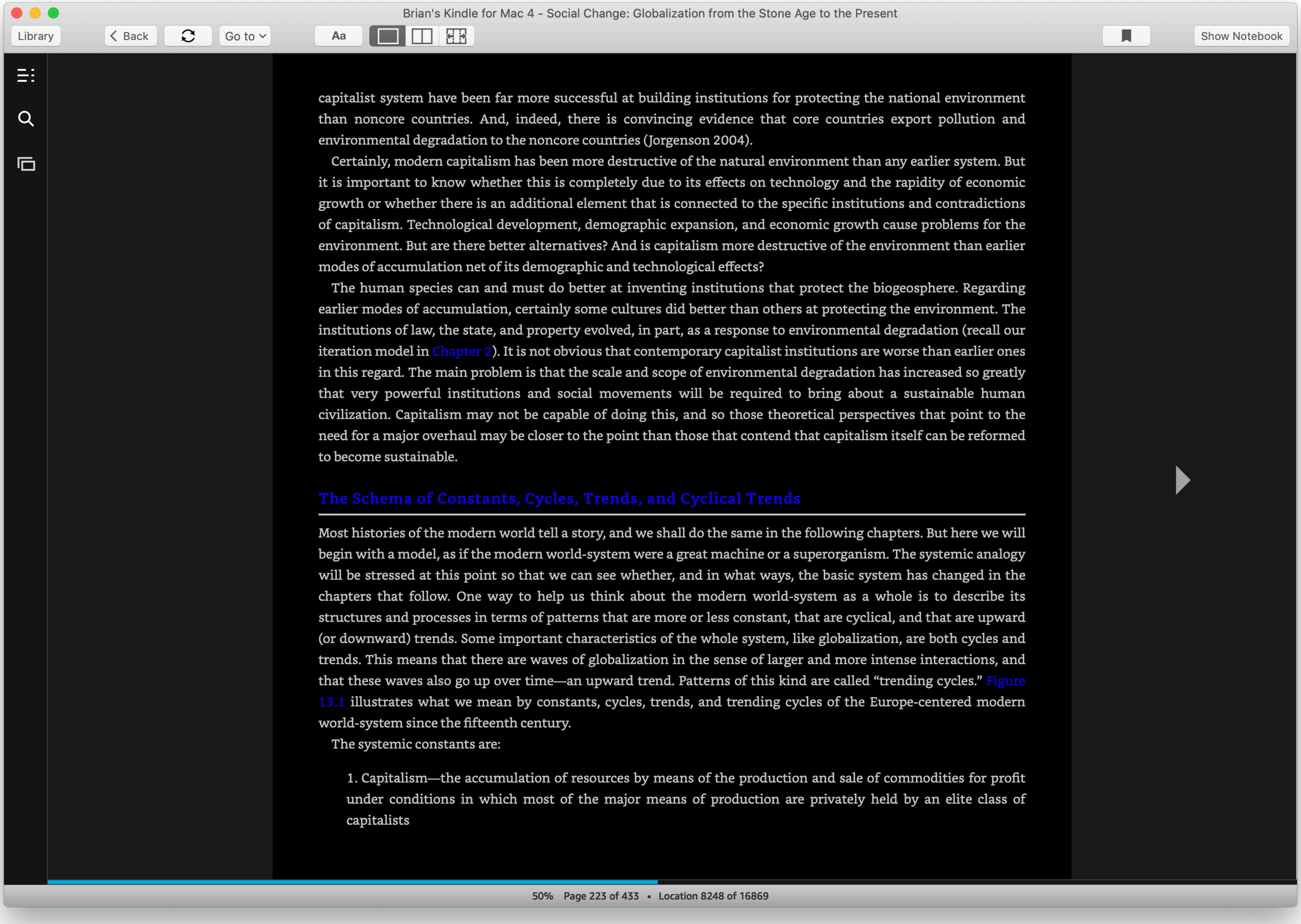
Another important difference is that the Central System before 1800 contained three nonadjacent core regions (Europe/West Asia, South Asia, and East Asia), each with its "own" core/periphery hierarchy, whereas the rise of the European core produced a global system with a single integrated set of core states and a global core/periphery hierarchy. This brought about the complete unification of the formerly somewhat separate regional world histories into a single global history.

Political ecologists have argued that capitalism is fundamentally different from earlier modes of accumulation with respect to its relationship to the natural environment (O'Conner 1989; Foster 2000). There is little doubt that the expansion and deepening of the modern system of global capitalism has had much larger effects on the biogeosphere than any earlier system. There are many more people using hugely increased amounts of energy and raw materials, and the global nature of the human system has global impacts on the environment. Smaller systems were able to migrate when they depleted local supplies or polluted local natural resources, and this relationship with the environment has been a driving force of human social change since the Paleolithic. But is all this due only to capitalism's greater size and intensity, or is there something else that encourages capitalists to "externalize" the natural costs of production and distribution and produces a destructive "metabolic rift" between capitalism and nature (Foster 2000)?

Capitalism, in addition to being about market exchange and commodification, is also fundamentally about a certain kind of property—private property in the major means of production. Within modern capitalism there has been an oscillating debate about the virtues of public and private property, with the shift since the 1980s toward the desirability of "privatization" being only the most recent round of a struggle that has gone on since the enclosures of the commons in Europe.

The ongoing debate about the idea of the "commons"—collective property—is germane to understanding the relationship between capitalism and nature. The powerful claims about the commons being a "tragedy" because no one cares enough to take care of and invest in public property carries a powerful baggage that supports the notion that private ownership is superior. Private owners are supposed to have an interest in the future value of the property, and so they will keep it up and possibly invest in it. But whether this is better than a more public or communal form of ownership depends entirely on how these more collective forms of property are themselves organized.

Capitalism seems to contain a powerful incentive to externalize the natural costs of production and other economic activities, and individual capitalists are loathe to pay for the actual environmental costs of their activities as long as their competitors are getting a free ride. This is a political issue in which core countries in the modern


Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook
50% Page 223 of 433 • Location 8248 of 16869

capitalist system have been far more successful at building institutions for protecting the national environment than noncore countries. And, indeed, there is convincing evidence that core countries export pollution and environmental degradation to the noncore countries (Jorgenson 2004).

Certainly, modern capitalism has been more destructive of the natural environment than any earlier system. But it is important to know whether this is completely due to its effects on technology and the rapidity of economic growth or whether there is an additional element that is connected to the specific institutions and contradictions of capitalism. Technological development, demographic expansion, and economic growth cause problems for the environment. But are there better alternatives? And is capitalism more destructive of the environment than earlier modes of accumulation net of its demographic and technological effects?

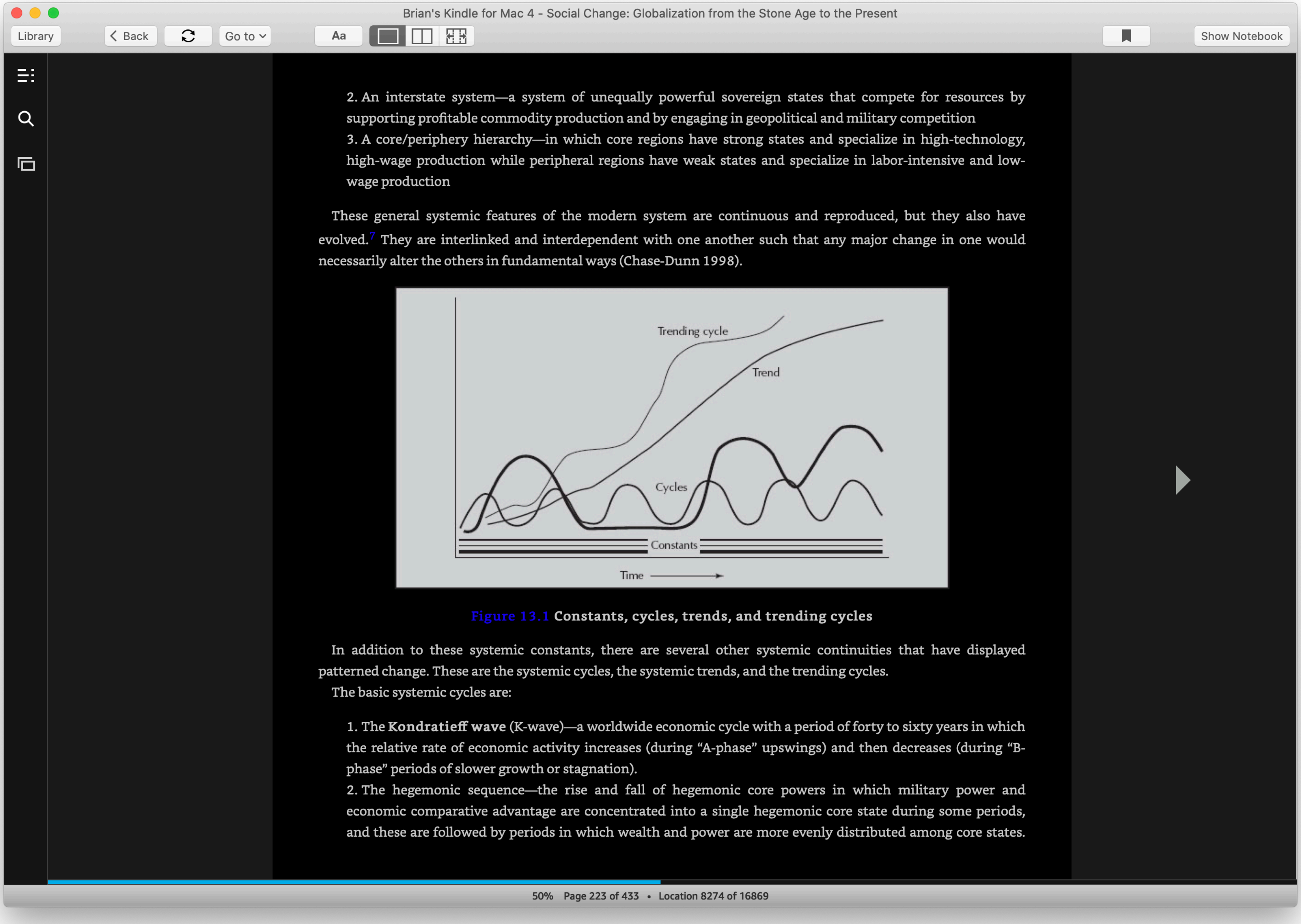
The human species can and must do better at inventing institutions that protect the biogeosphere. Regarding earlier modes of accumulation, certainly some cultures did better than others at protecting the environment. The institutions of law, the state, and property evolved, in part, as a response to environmental degradation (recall our iteration model in Chapter 2). It is not obvious that contemporary capitalist institutions are worse than earlier ones in this regard. The main problem is that the scale and scope of environmental degradation has increased so greatly that very powerful institutions and social movements will be required to bring about a sustainable human civilization. Capitalism may not be capable of doing this, and so those theoretical perspectives that point to the need for a major overhaul may be closer to the point than those that contend that capitalism itself can be reformed to become sustainable.

The Schema of Constants, Cycles, Trends, and Cyclical Trends

Most histories of the modern world tell a story, and we shall do the same in the following chapters. But here we will begin with a model, as if the modern world-system were a great machine or a superorganism. The systemic analogy will be stressed at this point so that we can see whether, and in what ways, the basic system has changed in the chapters that follow. One way to help us think about the modern world-system as a whole is to describe its structures and processes in terms of patterns that are more or less constant, that are cyclical, and that are upward (or downward) trends. Some important characteristics of the whole system, like globalization, are both cycles and trends. This means that there are waves of globalization in the sense of larger and more intense interactions, and that these waves also go up over time—an upward trend. Patterns of this kind are called "trending cycles." Figure 13.1 illustrates what we mean by constants, cycles, trends, and trending cycles of the Europe-centered modern world-system since the fifteenth century.

The systemic constants are:

1. Capitalism—the accumulation of resources by means of the production and sale of commodities for profit under conditions in which most of the major means of production are privately held by an elite class of capitalists


Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook
Trending cycle
Trend
Cycles
Constants
Time
50% Page 223 of 433 • Location 8274 of 16869

2. An interstate system—a system of unequally powerful sovereign states that compete for resources by supporting profitable commodity production and by engaging in geopolitical and military competition
3. A core/periphery hierarchy—in which core regions have strong states and specialize in high-technology, high-wage production while peripheral regions have weak states and specialize in labor-intensive and low-wage production

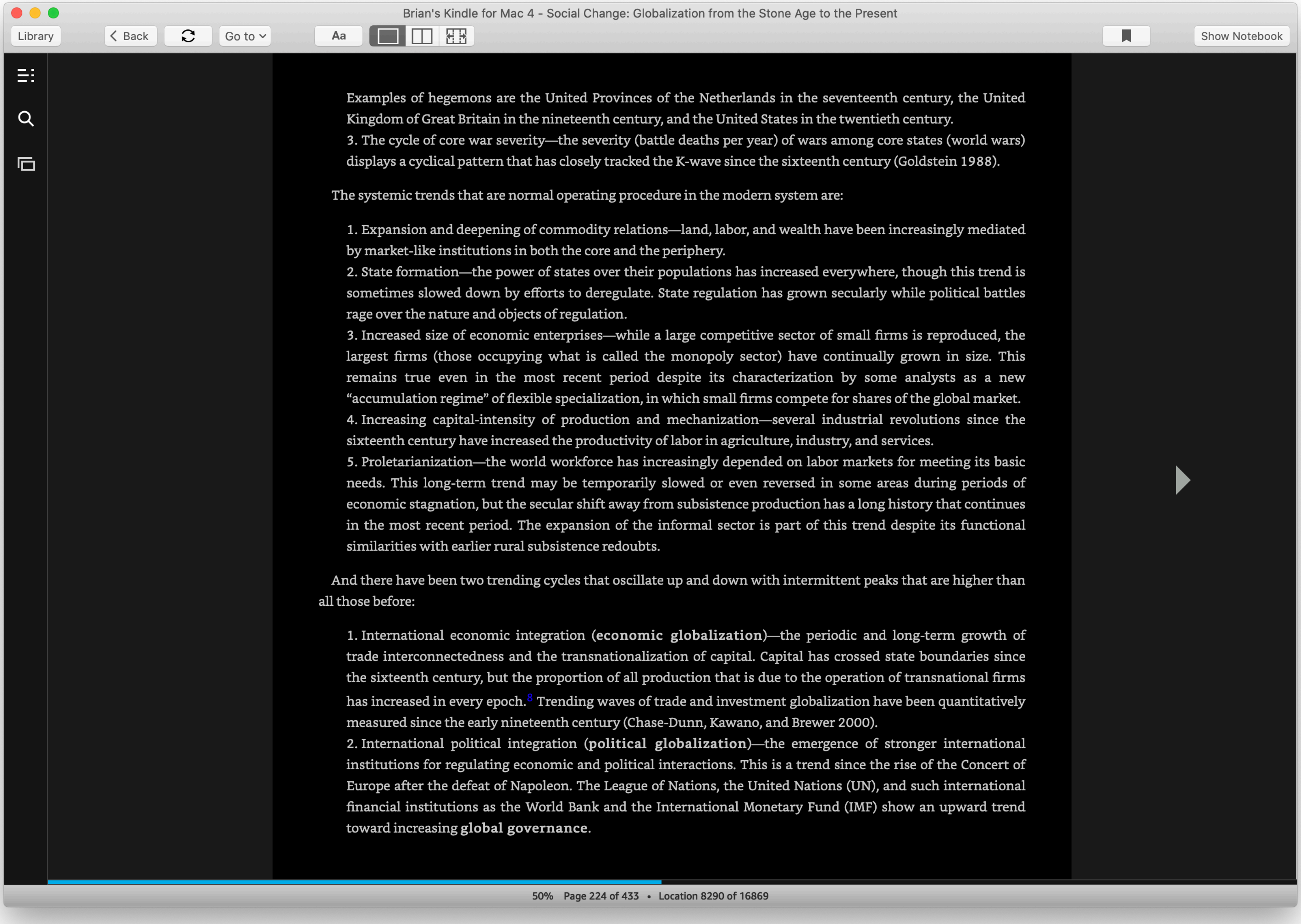
These general systemic features of the modern system are continuous and reproduced, but they also have evolved.[7] They are interlinked and interdependent with one another such that any major change in one would necessarily alter the others in fundamental ways (Chase-Dunn 1998).

Figure 13.1 **Constants, cycles, trends, and trending cycles**

In addition to these systemic constants, there are several other systemic continuities that have displayed patterned change. These are the systemic cycles, the systemic trends, and the trending cycles.

The basic systemic cycles are:

1. The **Kondratieff wave** (K-wave)—a worldwide economic cycle with a period of forty to sixty years in which the relative rate of economic activity increases (during "A-phase" upswings) and then decreases (during "B-phase" periods of slower growth or stagnation).
2. The hegemonic sequence—the rise and fall of hegemonic core powers in which military power and economic comparative advantage are concentrated into a single hegemonic core state during some periods, and these are followed by periods in which wealth and power are more evenly distributed among core states.


Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook
50% Page 224 of 433 • Location 8290 of 16869

Examples of hegemons are the United Provinces of the Netherlands in the seventeenth century, the United Kingdom of Great Britain in the nineteenth century, and the United States in the twentieth century.

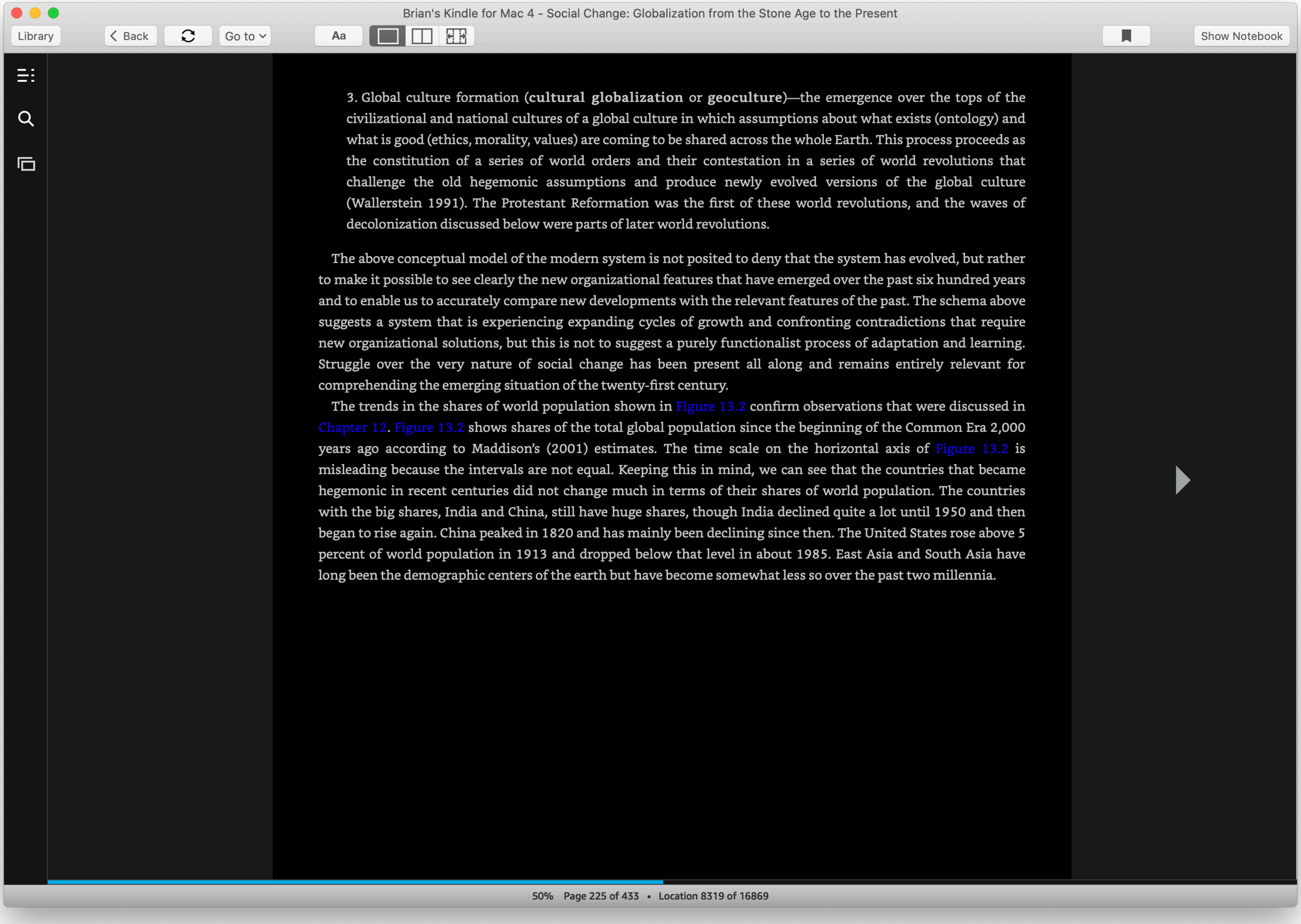
3. The cycle of core war severity—the severity (battle deaths per year) of wars among core states (world wars) displays a cyclical pattern that has closely tracked the K-wave since the sixteenth century (Goldstein 1988).

The systemic trends that are normal operating procedure in the modern system are:

1. Expansion and deepening of commodity relations—land, labor, and wealth have been increasingly mediated by market-like institutions in both the core and the periphery.
2. State formation—the power of states over their populations has increased everywhere, though this trend is sometimes slowed down by efforts to deregulate. State regulation has grown secularly while political battles rage over the nature and objects of regulation.
3. Increased size of economic enterprises—while a large competitive sector of small firms is reproduced, the largest firms (those occupying what is called the monopoly sector) have continually grown in size. This remains true even in the most recent period despite its characterization by some analysts as a new "accumulation regime" of flexible specialization, in which small firms compete for shares of the global market.
4. Increasing capital-intensity of production and mechanization—several industrial revolutions since the sixteenth century have increased the productivity of labor in agriculture, industry, and services.
5. Proletarianization—the world workforce has increasingly depended on labor markets for meeting its basic needs. This long-term trend may be temporarily slowed or even reversed in some areas during periods of economic stagnation, but the secular shift away from subsistence production has a long history that continues in the most recent period. The expansion of the informal sector is part of this trend despite its functional similarities with earlier rural subsistence redoubts.

And there have been two trending cycles that oscillate up and down with intermittent peaks that are higher than all those before:

1. International economic integration (**economic globalization**)—the periodic and long-term growth of trade interconnectedness and the transnationalization of capital. Capital has crossed state boundaries since the sixteenth century, but the proportion of all production that is due to the operation of transnational firms has increased in every epoch.[8] Trending waves of trade and investment globalization have been quantitatively measured since the early nineteenth century (Chase-Dunn, Kawano, and Brewer 2000).
2. International political integration (**political globalization**)—the emergence of stronger international institutions for regulating economic and political interactions. This is a trend since the rise of the Concert of Europe after the defeat of Napoleon. The League of Nations, the United Nations (UN), and such international financial institutions as the World Bank and the International Monetary Fund (IMF) show an upward trend toward increasing **global governance**.


Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook
50% Page 225 of 433 • Location 8319 of 16869

3. Global culture formation (**cultural globalization** or **geoculture**)—the emergence over the tops of the civilizational and national cultures of a global culture in which assumptions about what exists (ontology) and what is good (ethics, morality, values) are coming to be shared across the whole Earth. This process proceeds as the constitution of a series of world orders and their contestation in a series of world revolutions that challenge the old hegemonic assumptions and produce newly evolved versions of the global culture (Wallerstein 1991). The Protestant Reformation was the first of these world revolutions, and the waves of decolonization discussed below were parts of later world revolutions.

The above conceptual model of the modern system is not posited to deny that the system has evolved, but rather to make it possible to see clearly the new organizational features that have emerged over the past six hundred years and to enable us to accurately compare new developments with the relevant features of the past. The schema above suggests a system that is experiencing expanding cycles of growth and confronting contradictions that require new organizational solutions, but this is not to suggest a purely functionalist process of adaptation and learning. Struggle over the very nature of social change has been present all along and remains entirely relevant for comprehending the emerging situation of the twenty-first century.

The trends in the shares of world population shown in Figure 13.2 confirm observations that were discussed in Chapter 12. Figure 13.2 shows shares of the total global population since the beginning of the Common Era 2,000 years ago according to Maddison's (2001) estimates. The time scale on the horizontal axis of Figure 13.2 is misleading because the intervals are not equal. Keeping this in mind, we can see that the countries that became hegemonic in recent centuries did not change much in terms of their shares of world population. The countries with the big shares, India and China, still have huge shares, though India declined quite a lot until 1950 and then began to rise again. China peaked in 1820 and has mainly been declining since then. The United States rose above 5 percent of world population in 1913 and dropped below that level in about 1985. East Asia and South Asia have long been the demographic centers of the earth but have become somewhat less so over the past two millennia.

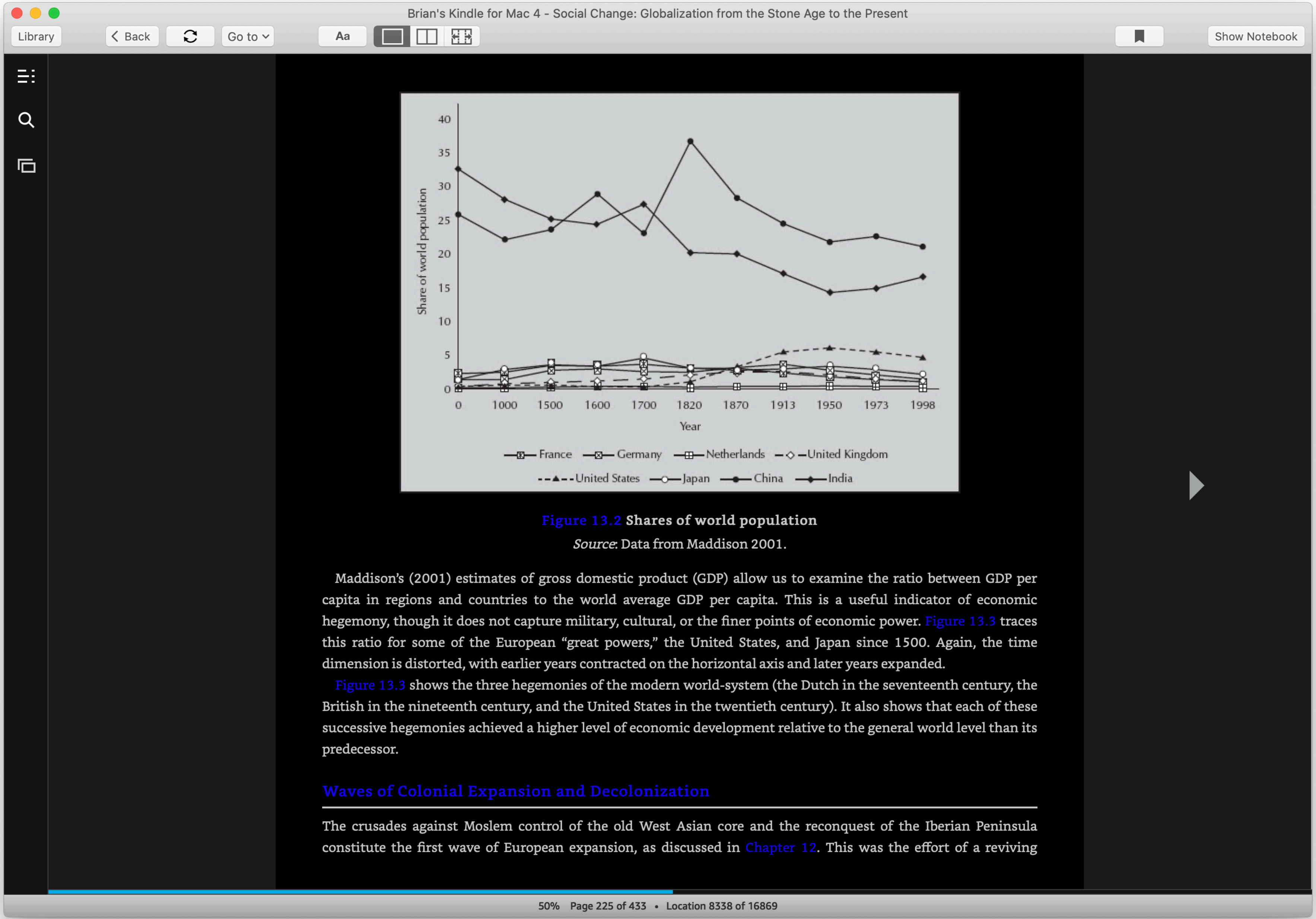

Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook
Share of world population
40
35
30
25
20
15
10
5
0
0
1000
1500
1600
1700
1820
1870
1913
1950
1973
1998
Year
France
Germany
Netherlands
United Kingdom
United States
Japan
China
India
50%
Page 225 of 433
Location 8338 of 16869

Figure 13.2 Shares of world population

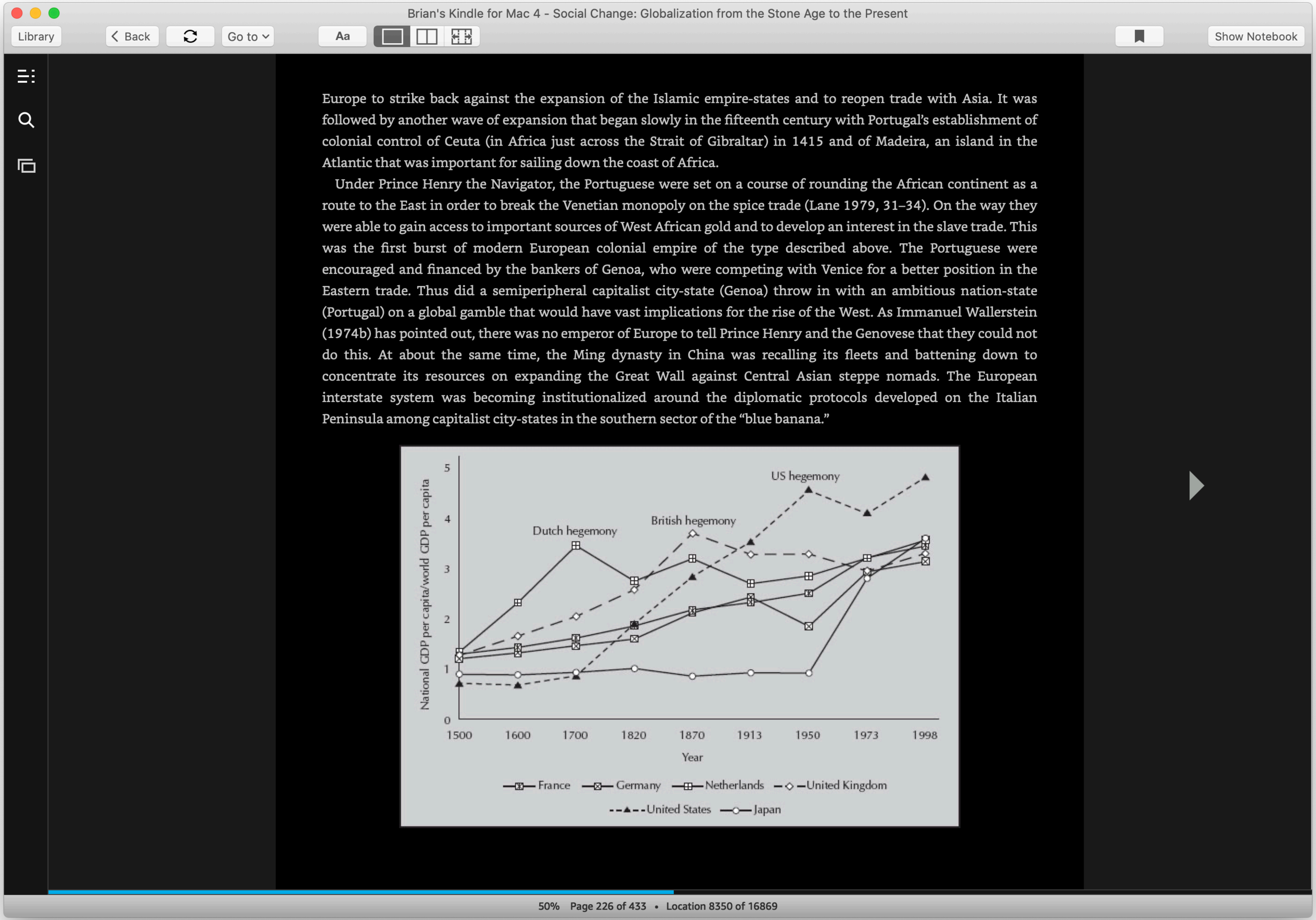
Source: Data from Maddison 2001.

Maddison's (2001) estimates of gross domestic product (GDP) allow us to examine the ratio between GDP per capita in regions and countries to the world average GDP per capita. This is a useful indicator of economic hegemony, though it does not capture military, cultural, or the finer points of economic power. Figure 13.3 traces this ratio for some of the European "great powers," the United States, and Japan since 1500. Again, the time dimension is distorted, with earlier years contracted on the horizontal axis and later years expanded.

Figure 13.3 shows the three hegemonies of the modern world-system (the Dutch in the seventeenth century, the British in the nineteenth century, and the United States in the twentieth century). It also shows that each of these successive hegemonies achieved a higher level of economic development relative to the general world level than its predecessor.

Waves of Colonial Expansion and Decolonization

The crusades against Moslem control of the old West Asian core and the reconquest of the Iberian Peninsula constitute the first wave of European expansion, as discussed in Chapter 12. This was the effort of a reviving


Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook

Europe to strike back against the expansion of the Islamic empire-states and to reopen trade with Asia. It was followed by another wave of expansion that began slowly in the fifteenth century with Portugal's establishment of colonial control of Ceuta (in Africa just across the Strait of Gibraltar) in 1415 and of Madeira, an island in the Atlantic that was important for sailing down the coast of Africa.

Under Prince Henry the Navigator, the Portuguese were set on a course of rounding the African continent as a route to the East in order to break the Venetian monopoly on the spice trade (Lane 1979, 31–34). On the way they were able to gain access to important sources of West African gold and to develop an interest in the slave trade. This was the first burst of modern European colonial empire of the type described above. The Portuguese were encouraged and financed by the bankers of Genoa, who were competing with Venice for a better position in the Eastern trade. Thus did a semiperipheral capitalist city-state (Genoa) throw in with an ambitious nation-state (Portugal) on a global gamble that would have vast implications for the rise of the West. As Immanuel Wallerstein (1974b) has pointed out, there was no emperor of Europe to tell Prince Henry and the Genovese that they could not do this. At about the same time, the Ming dynasty in China was recalling its fleets and battening down to concentrate its resources on expanding the Great Wall against Central Asian steppe nomads. The European interstate system was becoming institutionalized around the diplomatic protocols developed on the Italian Peninsula among capitalist city-states in the southern sector of the "blue banana."

US hegemony
British hegemony
Dutch hegemony
National GDP per capita/world GDP per capita
0
1
2
3
4
5
1500
1600
1700
1820
1870
1913
1950
1973
1998
Year
France
Germany
Netherlands
United Kingdom
United States
Japan

50% Page 226 of 433 • Location 8350 of 16869

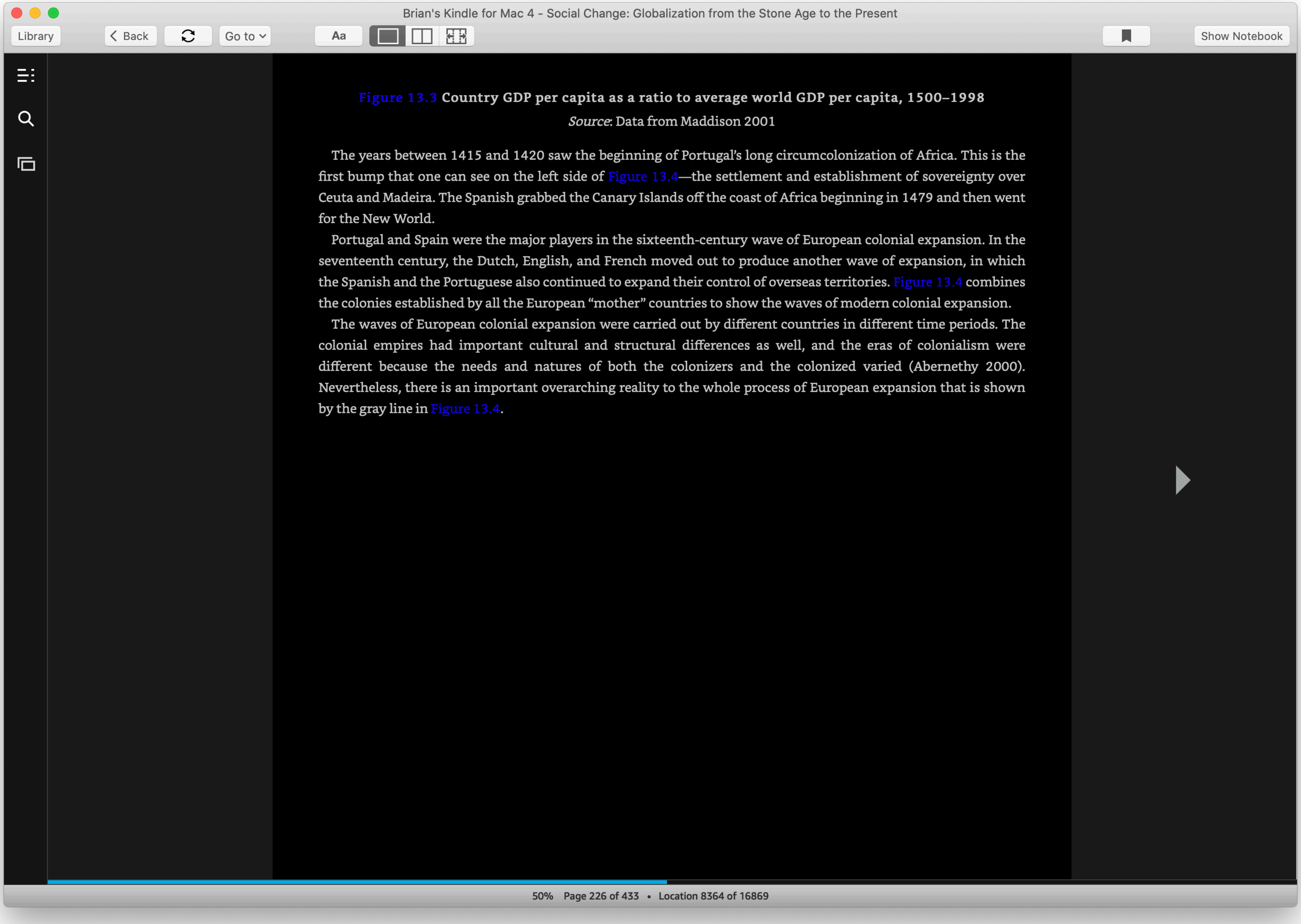

Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook
50%
Page 226 of 433 • Location 8364 of 16869

Figure 13.3 **Country GDP per capita as a ratio to average world GDP per capita, 1500–1998**

Source: Data from Maddison 2001

The years between 1415 and 1420 saw the beginning of Portugal's long circumcolonization of Africa. This is the first bump that one can see on the left side of Figure 13.4—the settlement and establishment of sovereignty over Ceuta and Madeira. The Spanish grabbed the Canary Islands off the coast of Africa beginning in 1479 and then went for the New World.

Portugal and Spain were the major players in the sixteenth-century wave of European colonial expansion. In the seventeenth century, the Dutch, English, and French moved out to produce another wave of expansion, in which the Spanish and the Portuguese also continued to expand their control of overseas territories. Figure 13.4 combines the colonies established by all the European "mother" countries to show the waves of modern colonial expansion.

The waves of European colonial expansion were carried out by different countries in different time periods. The colonial empires had important cultural and structural differences as well, and the eras of colonialism were different because the needs and natures of both the colonizers and the colonized varied (Abernethy 2000). Nevertheless, there is an important overarching reality to the whole process of European expansion that is shown by the gray line in Figure 13.4.

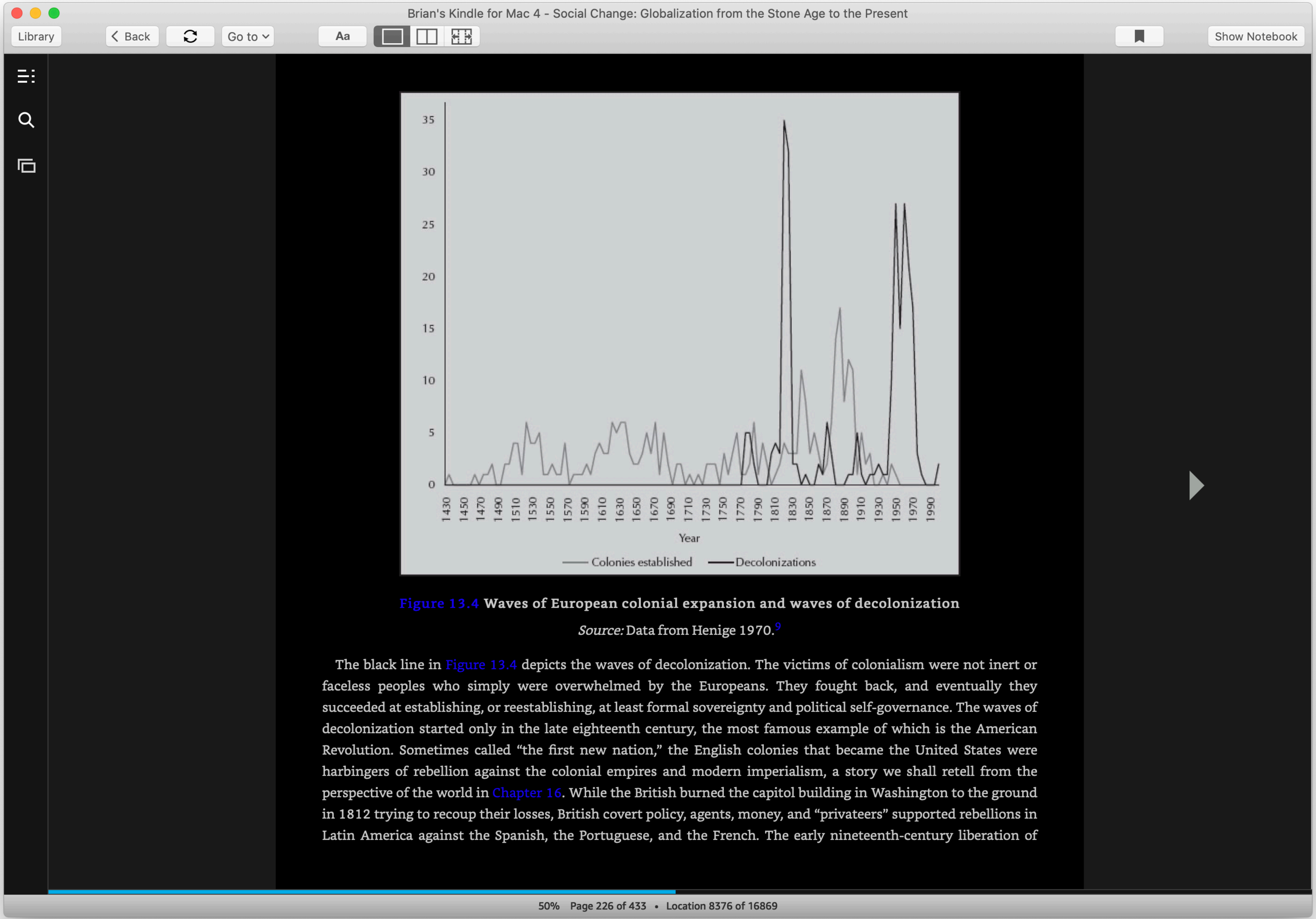
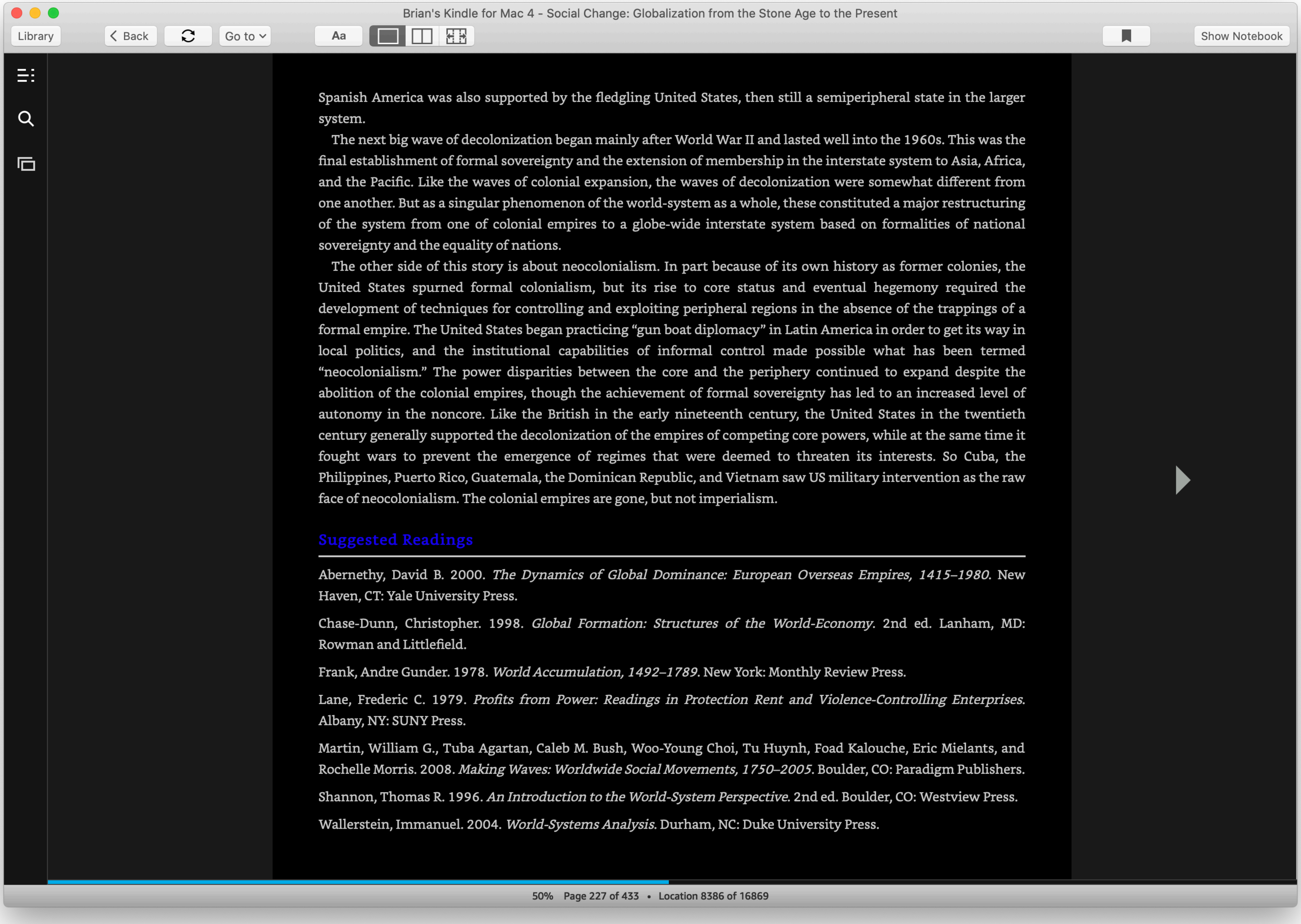

Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook
35
30
25
20
15
10
5
0
1430
1450
1470
1490
1510
1530
1550
1570
1590
1610
1630
1650
1670
1690
1710
1730
1750
1770
1790
1810
1830
1850
1870
1890
1910
1930
1950
1970
1990
Year
Colonies established
Decolonizations

Figure 13.4 **Waves of European colonial expansion and waves of decolonization**

Source: Data from Henige 1970.[9]

The black line in Figure 13.4 depicts the waves of decolonization. The victims of colonialism were not inert or faceless peoples who simply were overwhelmed by the Europeans. They fought back, and eventually they succeeded at establishing, or reestablishing, at least formal sovereignty and political self-governance. The waves of decolonization started only in the late eighteenth century, the most famous example of which is the American Revolution. Sometimes called "the first new nation," the English colonies that became the United States were harbingers of rebellion against the colonial empires and modern imperialism, a story we shall retell from the perspective of the world in Chapter 16. While the British burned the capitol building in Washington to the ground in 1812 trying to recoup their losses, British covert policy, agents, money, and "privateers" supported rebellions in Latin America against the Spanish, the Portuguese, and the French. The early nineteenth-century liberation of


Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook
50% Page 227 of 433 • Location 8386 of 16869

Spanish America was also supported by the fledgling United States, then still a semiperipheral state in the larger system.

The next big wave of decolonization began mainly after World War II and lasted well into the 1960s. This was the final establishment of formal sovereignty and the extension of membership in the interstate system to Asia, Africa, and the Pacific. Like the waves of colonial expansion, the waves of decolonization were somewhat different from one another. But as a singular phenomenon of the world-system as a whole, these constituted a major restructuring of the system from one of colonial empires to a globe-wide interstate system based on formalities of national sovereignty and the equality of nations.

The other side of this story is about neocolonialism. In part because of its own history as former colonies, the United States spurned formal colonialism, but its rise to core status and eventual hegemony required the development of techniques for controlling and exploiting peripheral regions in the absence of the trappings of a formal empire. The United States began practicing “gun boat diplomacy” in Latin America in order to get its way in local politics, and the institutional capabilities of informal control made possible what has been termed “neocolonialism.” The power disparities between the core and the periphery continued to expand despite the abolition of the colonial empires, though the achievement of formal sovereignty has led to an increased level of autonomy in the noncore. Like the British in the early nineteenth century, the United States in the twentieth century generally supported the decolonization of the empires of competing core powers, while at the same time it fought wars to prevent the emergence of regimes that were deemed to threaten its interests. So Cuba, the Philippines, Puerto Rico, Guatemala, the Dominican Republic, and Vietnam saw US military intervention as the raw face of neocolonialism. The colonial empires are gone, but not imperialism.

Suggested Readings

Abernethy, David B. 2000. *The Dynamics of Global Dominance: European Overseas Empires, 1415–1980*. New Haven, CT: Yale University Press.

Chase-Dunn, Christopher. 1998. *Global Formation: Structures of the World-Economy*. 2nd ed. Lanham, MD: Rowman and Littlefield.

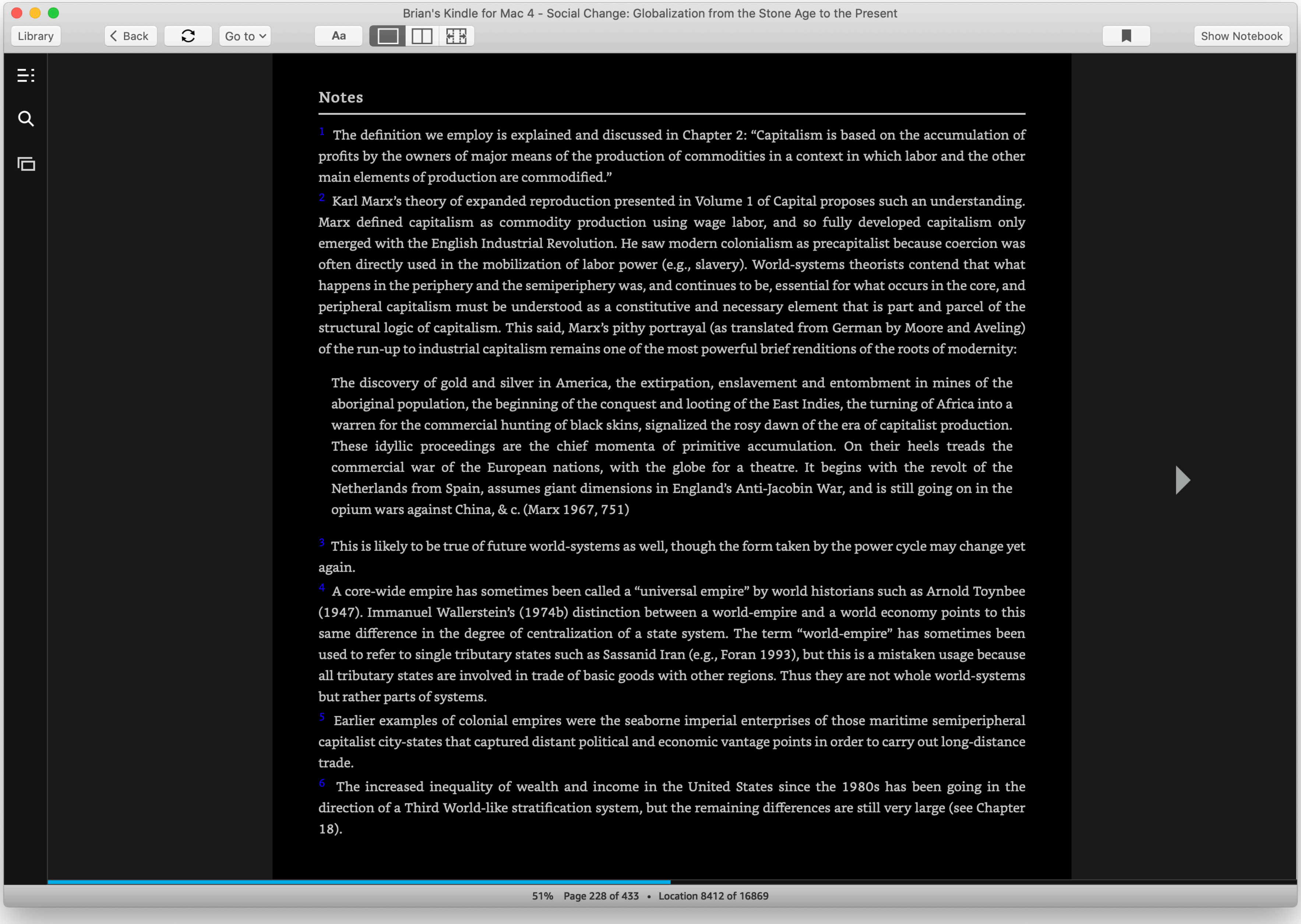
Frank, Andre Gunder. 1978. *World Accumulation, 1492–1789*. New York: Monthly Review Press.

Lane, Frederic C. 1979. *Profits from Power: Readings in Protection Rent and Violence-Controlling Enterprises*. Albany, NY: SUNY Press.

Martin, William G., Tuba Agartan, Caleb M. Bush, Woo-Young Choi, Tu Huynh, Foad Kalouche, Eric Mielants, and Rochelle Morris. 2008. *Making Waves: Worldwide Social Movements, 1750–2005*. Boulder, CO: Paradigm Publishers.

Shannon, Thomas R. 1996. *An Introduction to the World-System Perspective*. 2nd ed. Boulder, CO: Westview Press.

Wallerstein, Immanuel. 2004. *World-Systems Analysis*. Durham, NC: Duke University Press.


Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook
51%   Page 228 of 433 • Location 8412 of 16869

Notes

[1] The definition we employ is explained and discussed in Chapter 2: "Capitalism is based on the accumulation of profits by the owners of major means of the production of commodities in a context in which labor and the other main elements of production are commodified."

[2] Karl Marx's theory of expanded reproduction presented in Volume 1 of Capital proposes such an understanding. Marx defined capitalism as commodity production using wage labor, and so fully developed capitalism only emerged with the English Industrial Revolution. He saw modern colonialism as precapitalist because coercion was often directly used in the mobilization of labor power (e.g., slavery). World-systems theorists contend that what happens in the periphery and the semiperiphery was, and continues to be, essential for what occurs in the core, and peripheral capitalism must be understood as a constitutive and necessary element that is part and parcel of the structural logic of capitalism. This said, Marx's pithy portrayal (as translated from German by Moore and Aveling) of the run-up to industrial capitalism remains one of the most powerful brief renditions of the roots of modernity:

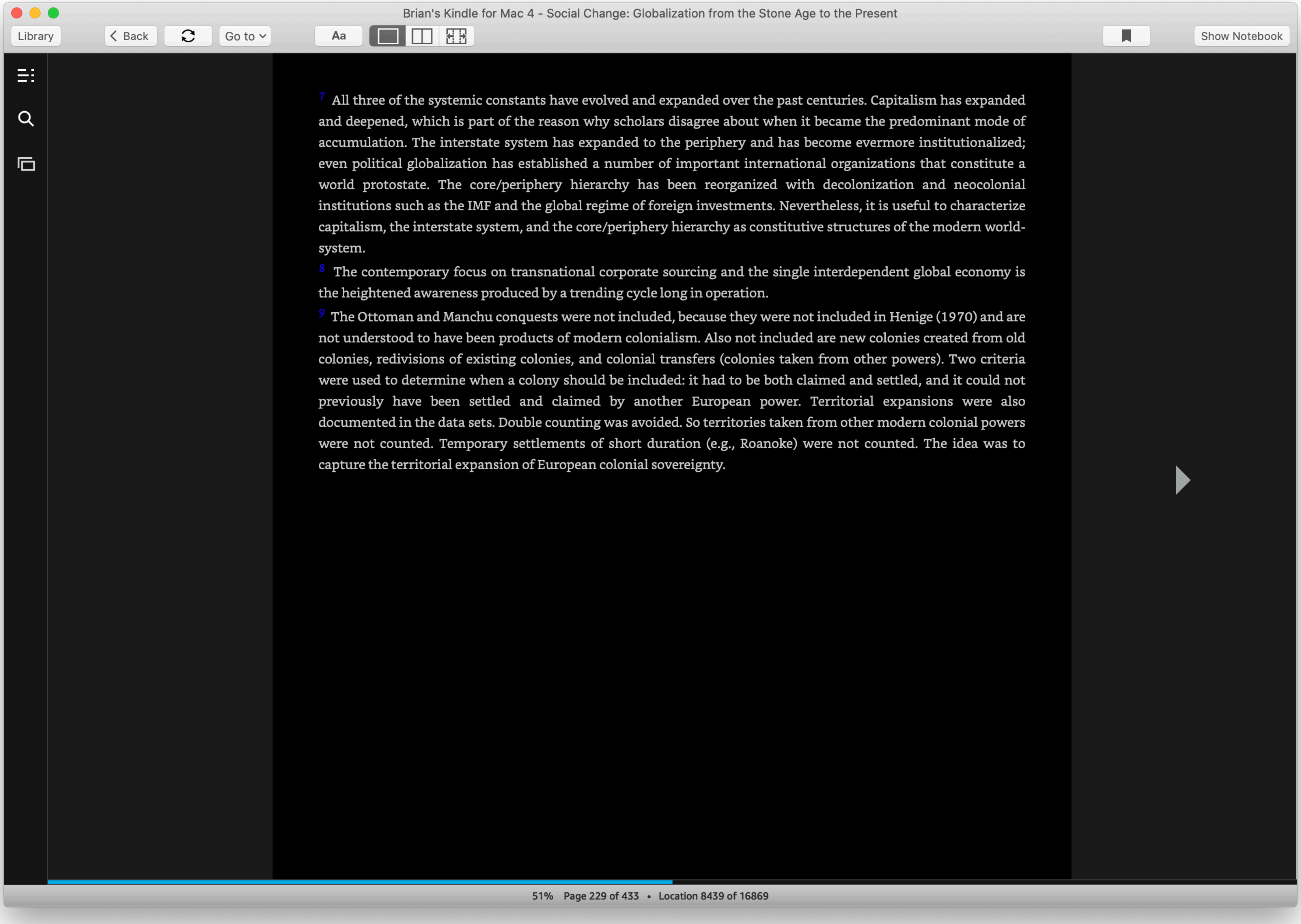
> The discovery of gold and silver in America, the extirpation, enslavement and entombment in mines of the aboriginal population, the beginning of the conquest and looting of the East Indies, the turning of Africa into a warren for the commercial hunting of black skins, signalized the rosy dawn of the era of capitalist production. These idyllic proceedings are the chief momenta of primitive accumulation. On their heels treads the commercial war of the European nations, with the globe for a theatre. It begins with the revolt of the Netherlands from Spain, assumes giant dimensions in England's Anti-Jacobin War, and is still going on in the opium wars against China, & c. (Marx 1967, 751)

[3] This is likely to be true of future world-systems as well, though the form taken by the power cycle may change yet again.

[4] A core-wide empire has sometimes been called a "universal empire" by world historians such as Arnold Toynbee (1947). Immanuel Wallerstein's (1974b) distinction between a world-empire and a world economy points to this same difference in the degree of centralization of a state system. The term "world-empire" has sometimes been used to refer to single tributary states such as Sassanid Iran (e.g., Foran 1993), but this is a mistaken usage because all tributary states are involved in trade of basic goods with other regions. Thus they are not whole world-systems but rather parts of systems.

[5] Earlier examples of colonial empires were the seaborne imperial enterprises of those maritime semiperipheral capitalist city-states that captured distant political and economic vantage points in order to carry out long-distance trade.

[6] The increased inequality of wealth and income in the United States since the 1980s has been going in the direction of a Third World-like stratification system, but the remaining differences are still very large (see Chapter 18).


Brian's Kindle for Mac 4 - Social Change: Globalization from the Stone Age to the Present
Library
Back
Go to
Aa
Show Notebook
51%
Page 229 of 433 • Location 8439 of 16869

[7] All three of the systemic constants have evolved and expanded over the past centuries. Capitalism has expanded and deepened, which is part of the reason why scholars disagree about when it became the predominant mode of accumulation. The interstate system has expanded to the periphery and has become evermore institutionalized; even political globalization has established a number of important international organizations that constitute a world protostate. The core/periphery hierarchy has been reorganized with decolonization and neocolonial institutions such as the IMF and the global regime of foreign investments. Nevertheless, it is useful to characterize capitalism, the interstate system, and the core/periphery hierarchy as constitutive structures of the modern world-system.

[8] The contemporary focus on transnational corporate sourcing and the single interdependent global economy is the heightened awareness produced by a trending cycle long in operation.

[9] The Ottoman and Manchu conquests were not included, because they were not included in Henige (1970) and are not understood to have been products of modern colonialism. Also not included are new colonies created from old colonies, redivisions of existing colonies, and colonial transfers (colonies taken from other powers). Two criteria were used to determine when a colony should be included: it had to be both claimed and settled, and it could not previously have been settled and claimed by another European power. Territorial expansions were also documented in the data sets. Double counting was avoided. So territories taken from other modern colonial powers were not counted. Temporary settlements of short duration (e.g., Roanoke) were not counted. The idea was to capture the territorial expansion of European colonial sovereignty.