

Study material for students, Dr. Paromita Chakraborty, Surendranath College.

### Wallerstein World System Theory.

Immanuel Wallerstein his most important work - The Modern World System vol. I: Capitalist Agriculture and the Origins of the European World-Economy in the Sixteenth Century developed World Systems Theory and its three-level hierarchy: core, periphery, and semi-periphery. Core countries were dominant capitalist countries that exploit peripheral countries for labor and raw materials. Peripheral countries are dependent on core countries for capital and have underdeveloped industry. Semi-peripheral countries share characteristics of both core and peripheral countries.

He stated that among the most important structures of the world-system is a power hierarchy between core and periphery, in which powerful and wealthy "core" societies dominate and exploit weak and poor peripheral societies. Wallerstein also stated that technology is a central factor in the positioning of a region in the core or the periphery.

As stated earlier core countries (e.g., U.S., Japan, Germany) are dominant, capitalist countries characterized by high levels of industrialization and urbanization. These countries are capital intensive, have high wages and high technology production patterns and lower amounts of labor exploitation and coercion. Peripheral countries (e.g., most African countries and low income countries in South America.) are usually agrarian, have low literacy rates and lack consistent Internet access. Semi-peripheral countries (e.g., South Korea, Taiwan, Mexico, Brazil, India, Nigeria) are less developed than core nations but more developed than peripheral nations.

The core, or developed countries control world wages and have monopolized the production of manufactured goods. Hence the core regions benefited the most from the capitalist world

economy. Politically, the core states developed strong central governments, extensive bureaucracies, and large mercenary armies. This permitted the local bourgeoisie to obtain control over international commerce and extract capital surpluses from this trade for their own benefit. As the rural population expanded, the small but increasing number of landless wage earners provided labor for farms and manufacturing activities.

There are the peripheral countries at the bottom, which provide the raw materials such as cash crops to the core and semi periphery. The peripheral zones lacked strong central governments or were controlled by other states, exported raw materials to the core, and relied on coercive labor practices.

Wallerstein stated that in the peripheral regions Latin America, the Spanish and Portuguese conquests destroyed indigenous authority structures and replaced them with weak bureaucracies under the control of these European states. Powerful local landlords of Hispanic origin became aristocratic capitalist farmers. Enslavement of the native populations, the importation of African slaves, and the coercive labor practices such as the forced mine labor made possible the export of cheap raw materials to Europe.

Between the two extremes lie the semi-peripheries.

These areas represented either core regions in decline or peripheries attempting to improve their relative position in the world economic system. The semi-peripheral zone includes countries like South Africa or Brazil which resemble the core in terms of their urban centres but also have areas of rural poverty which resemble the peripheral countries. The core contracted work out to these countries. As such, semi-peripheries retained limited but declining access to international banking and the production of high-cost high-quality manufactured goods. Unlike the core, however, they failed to predominate in international trade and thus did not benefit to the same extent as the core.

Good examples of declining cores that became semi-peripheries during the period under study are Portugal Spain. Other semi-peripheries at this time were Italy, southern Germany, and southern France.

Hence what we can see is that the Core countries own most of the world's capital and technology and have great control over world trade and economic agreements. They are also the cultural centers which attract artists and intellectuals. Core countries extract raw materials with little cost. They can also set the prices for the agricultural products that peripheral countries export regardless of market prices.

Peripheral countries generally provide labor and materials to core countries. Semiperipheral countries exploit peripheral countries, just as core countries exploit both semiperipheral and peripheral countries. The wealthy in peripheral countries benefit from the labor of poor workers and from their own economic relations with core country capitalists. Hence the core expropriated much of the capital surplus generated by the periphery through unequal trade relations.

Hence Imperialism according to Wallerstein referred to the domination of weak peripheral regions by strong core states.

Wallerstein envisioned the emergence of a socialist world-government, which was the only-alternative world-system that could maintain a high level of productivity and change the distribution, by integrating the levels of political and economic decision-making.