

American, African, Islamic, and so forth sociologies and political sciences of development raise a host of intriguing issues for scholarship. Implied is that we now take the developing nations and their alternative civilizations seriously for the first time, and on their own terms rather than through the condescension and superiority of United States or Western European perspectives. It means that the rising sense of nationalism and independence throughout the Third World is likely also to be reflected in a new insistence on indigenous models and institutions of development. It requires the formulation or reformulation of a host of new concepts and interpretations. It also implies that if the West, particularly the United States, is no longer to be the world's policeman, it must also cease being its philosopher-king, in terms of its assertion of the universality of its particular developmental experience.

This essay has been something of a broadside. Its claims and criticisms are sweeping. Essentially it says the social sciences of development must start all over. Of course one purposely overstates the case in order more forcefully to make it. We have seen there are universals in the development process, and we need to sort out more carefully what non-Western developing societies allow in and what gets winnowed out. We need sharper distinctions between cultural definitions of concepts as implicitly influencing social science theory construction, ethnocentrism as a distortion of perception, lack of research in specific culture areas, simple analogy to the Western development experience instead of analysis of the respective dynamics of given cases, political shortsightedness and interest politics. We require qualification and refinement of other arguments. Nonetheless the criticisms leveled here are fundamental and far-reaching.

The policy implications of these comments are also major. They mean the reexamination and likely scrapping of most of our aid and foreign assistance programs directed toward developing nations. They imply the shortsightedness and impropriety of seeking to apply European and North American strategies and institutional paraphernalia to societies and cultures where they simply do not fit; hence, they mean also a drastic curtailing of the travel and consulting fees that all those presumably developmentalism experts have been enjoying. They imply that United States and international agency decision makers be much more circumspect in their assertion that they know best for the developing nations. Even more fundamental, these comments imply a virtually complete reeducation, in nonethnocentric understandings, of at least two generations of social scientists, policymakers, and the informed public, indeed of our educational focus, national ethos, and career system. One should not be optimistic.

## Dependency

27

### The Capitalist World-Economy

Immanuel Wallerstein

Words can be the enemy of understanding and analysis. We seek to capture a moving reality in our terminology. We thereby tend to forget that the reality changes as we encapsulate it, and by virtue of that fact. And we are even more likely to forget that others freeze reality in different ways, using however the very same words to do it. And still we cannot speak without words; indeed we cannot think without words.

Where then do we find the *via media*, the working compromise, the operational expression of a dialectical methodology? It seems to me it is most likely to be found by conceiving of provisional long-term, large-scale wholes within which concepts have meanings. These wholes must have some claim to relative space-time autonomy and integrity. They must be long enough and large enough to enable us to escape the Scylla of conceptual nominalism, but short enough and small enough to enable us to escape the Charybdis of ahistorical, universalizing abstraction. I would call such wholes "historical systems"—a name which captures their two essential qualities. It is a whole which is integrated, that is, composed of interrelated parts, therefore in some sense systematic and with comprehensible patterns. It is a system which has a history, that is, it has a genesis, an historical development, a close (a destruction, a disintegration, a transformation, an *Aufhebung*).

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I contrast this concept of "historical system" with that of the more usual term of "society" (or of "social formation," which I believe is used more or less synonymously). Of course, one may use the term "society" in the same sense I am using "historical system," and then the issue is simply the choice of formal symbol. But in fact the standard use of "society" is one which is applied indiscriminately to refer to modern states (and quasi-states), to ancient empires, to supposedly autonomous "tribes," and to all manner of other *political* (or cultural-aspiring-to-be-political) structures. And this lumping together presumes what is to be demonstrated—that the political dimension is the one that unifies and delineates social action.

If boundaries drawn in every conceivable way—integrated production processes, exchange patterns, political jurisdiction, cultural coherence, ecology—were in fact always (or even usually) synonymous (or even highly overlapping), there would be little problem. But, as a matter of empirical fact, taking the last 10,000 years of human history, this is not at all the case. We must therefore choose among alternate criteria of defining our arenas of social action, our units of analysis. One can debate this in terms of philosophical *a priori* statements, and if so my own bias is a materialist one. But one can also approach this heuristically: which criterion will account for the largest percentage of social action, in the sense that changing its parameters will most immediately and most profoundly affect the operation of other parts of the whole?

I believe one can argue the case for integrated production processes as constituting this heuristic criterion, and I shall use it to draw the boundaries which circumscribe a concrete "historical system," by which I mean an empirical set of such production processes integrated according to some particular set of rules, the human agents of which interact in some "organic" way, such that changes in the functions of any group or changes in the boundaries of the historical system must follow certain rules if the entity's survival is not to be threatened. This is what we mean by such other terms as a social economy, or a specific social division of labour. To suggest that a historical system is organic is not to suggest that it is a frictionless machine. Quite the contrary: historical systems are beset by contradictions, and contain within them the seeds of processes that eventually destroy the system. But this, too, is very consonant with the "organic" metaphor.

This is a long preface to a coherent analysis of the role of states in the modern world. I think much of our collective discussion has been a prisoner of the word "state," which we have used transhistorically to mean any political structure which had some authority network (a leading person or group or groups, with intermediate

cadres enforcing the will of this leading entity). Not only do we assume that what we are designating as "states" in the 20th century are in the same universe of discourse as what we designate as "states" in, say, the 10th century, but even more fantastically, we frequently attempt to draw lines of historical continuity between two such "states"—of the same name, or found in the same general location in terms of longitude and latitude—said to be continuous because scholars can argue affinities of the languages that are spoken, or the cosmologies that are professed, or the genes that are pooled.

The capitalist world-economy constitutes one such historical system. It came into existence, in my view, in Europe in the 16th century. The capitalist world-economy is a system based on the drive to accumulate capital, the political conditioning of price levels (of capital, commodities and labour), and the steady polarization of classes and regions (core/periphery) over time. This system has developed and expanded to englobe the whole earth in the subsequent centuries. It has today reached a point where, as a result of its contradictory developments, the system is a long crisis.<sup>1</sup>

The development of the capitalist world-economy has involved the creation of all the major institutions of the modern world: classes, ethnic/national groups, households—and the "states." All of these structures postdate, not antedate capitalism; all are consequence, not cause. Furthermore, these various institutions, in fact, create each other. Classes, ethnic/national groups, and households are defined by the state, through the state, in relation to the state, and in turn create the state, shape the state, and transform the state. It is a structured maelstrom of constant movement, whose parameters are measurable through the repetitive regularities, while the detailed constellations are always unique.

What does it mean to say that a state comes into existence? Within a capitalist world-economy, the state is an institution whose existence is defined by its relation to other "states." Its boundaries are more or less clearly defined. Its degree of juridical sovereignty ranges from total to nil. Its real power to control the flows of capital, commodities, and labour across its frontiers is greater or less. The real ability of the central authorities to enforce decisions on groups operating within state frontiers is greater or less. The ability of the state authorities to impose their will in zones outside state frontiers is greater or less.

Various groups located inside, outside, and across any given

<sup>1</sup> I have developed these theses at length in *The Modern World-System*, 2 vols. (New York, Academic Press, 1974 and 1980); and *The Capitalist World-Economy* (Cambridge: Cambridge University Press, 1979).

state's frontiers are constantly seeking to increase, maintain, or decrease the "power" of the state, in all the ways referred to above. These groups are seeking to change these power constellations because of some sense that such changes will improve the particular group's ability to profit, directly or indirectly, from the operations of the world market. The state is the most convenient institutional intermediary in the establishment of market constraints (quasi-monopolies, in the broadest sense of the term) in favour of particular groups.

The historical development of the capitalist world-economy is that, beginning with relatively amorphous entities, more and more "states" operating within the interstate system have been created. Their boundaries and the definitions of their formal rights have been defined with increasing clarity (culminating in the contemporary United Nations structure of international law). The modalities and limits of group pressures in state structures have also been increasingly defined (in the sense both of the legal limits placed on such pressures, and of the rational organization by groups to transcend these limits). None the less, despite what might be called the "honing" of this institutional network, it is probably safe to say that the relative power continuum of stronger and weaker states has remained relatively unchanged over 400-odd years. That is not to say that the same "states" have remained "strong" and "weak." Rather, there has been at all moments a power hierarchy of such states, but also at no moment has there been any one state whose hegemony was totally unchallenged (although relative hegemony has occurred for limited periods).

Various objections have been made to such a view of the modern state, its genesis and its mode of functioning. There are four criticisms which seem to be the most frequent and worthy of discussion.

First, it is argued that this view is too instrumental a view of the state, that it makes the states into a mere conscious instrument of acting groups with no life and integrity of their own, with no base of social support in and for themselves.

It seems to me this counter-argument is based on a confusion about social institutions in general. Once created, all social institutions, including the states, have lives of their own in the sense that many different groups will use them, support them, exploit them for various (and even contradictory) motives. Furthermore, institutions large and structured enough to have permanent staffs thereby generate a group of persons—the bureaucracies of these institutions—who have a direct socio-economic stake in the persistence and flourishing of the institution as such, quite independent of the ideological premises on which the institution was created and the interests of the major social forces that sustain it.

None the less, the issue is not who has some say in the ongoing

decisions of a state-machinery but who has decisive or critical say, and what are the key issues that are fought about in terms of state policy. We believe that these key issues are: (1) the rules governing the social relations of production, which critically affect the allocation of surplus-value; and (2) the rules governing the flow within and across frontiers of the factors of production—capital, commodities and labour—which critically affect the price structures of markets. If one changes the allocation of surplus-value and the price structures of markets, one is changing the relative competitiveness of particular producers, and therefore their profit-levels.

It is the states that make these rules, and it is primarily the states that intervene in the process of other (weaker) states when the latter attempt to make the rules as they prefer them.

The second objection to this mode of analysis is that it ignores the reality of traditional continuities, as ensconced in the operative consciousnesses of groups. Such consciousnesses do indeed exist and are very powerful, but are the consciousnesses themselves continuous? I think not, and believe the merest glance at the empirical reality will confirm that. The history of nationalisms, which are one of the salient forms of such consciousnesses, shows that everywhere that nationalist movements emerge, they create consciousness, they revive (even partially invent) languages, they coin names and emphasize customary practices that come to distinguish their group from other groups. They do this in the name of what is claimed to have always been there, but frequently (if not usually) they must stretch the interpretation of the historical evidence in ways that disinterested observers would consider partisan. This is true not only of the so-called "new" nations of the 20th century<sup>2</sup> but of the "old" nations as well.<sup>3</sup>

It is also clear that the successive ideological statements about

<sup>2</sup> In 1956, Thomas Hodgkin wrote in a "Letter" to Saburi Biobaku (*Odu*, No. 4, 1957, p. 42): "I was struck by your statement that the use of the term 'Yoruba' to refer to the whole range of peoples who would nowadays describe themselves as Yoruba (as contrasted with the Oyo peoples simply) was due largely to the influence of the Anglican Mission at Abeokuta, and its work in evolving a standard 'Yoruba' language, based on Oyo speech. This seems to me an extremely interesting example of the way in which Western influences have helped to stimulate a new kind of national sentiment. Everyone recognizes that the notion of 'being a Nigerian' is a new kind of conception. But it would seem that the notion of 'being a Yoruba' is not very much older. I take it from what you say that there is no evidence that those who owed allegiance to the kingdom of Oyo—or to the earlier State system based upon Ife?—used any common name to describe themselves, although it is possible that they may have done so?"

<sup>3</sup> George Bernard Shaw has the Nobleman in *Saint Joan* exclaim: "A Frenchman! Where did you pick up that expression? Are these Burgundians and Bretons and Picards and Gascons beginning to call themselves Frenchmen, just as our fellows are beginning to call themselves Englishmen? They actually talk of France and England as their countries. Theirs, if you please! What is to become of me and you if that way of thinking comes into fashion?"

a given name—what it encompasses, what constitutes its “tradition”—are discontinuous and different. Each successive version can be explained in terms of the politics of its time, but the fact that these versions vary so widely is itself a piece of evidence against taking the assertion of continuity as more than a claim of an interested group. It surely is shifting sand on which to base an analysis of the political functioning of states.

The third argument against this form of analysis is that it is said to ignore the underlying centrality of the class struggle, which is implicitly asserted to exist within some fixed entity called a society or a social formation, and which in turn accounts for the structure of the state.

If, however, classes is the term we use for groups deriving from positions in relation to the mode of production, then it is to the realities of the set of integrated production processes that we must look to determine who constitute our classes. The boundaries of these integrated production processes are in fact, of course, far wider than the individual states, and even sub-sets of production processes do not correlate very often with state boundaries. There is consequently no a priori reason to assume that classes are in some objective sense circumscribed by state boundaries.

Now, it may fairly be argued that class consciousnesses have tended historically to be national in form. This is so, for good reasons we shall discuss below. But the fact that this is so is no evidence that the analytic perception is correct. On the contrary, this fact of the national form of consciousness for trans-state classes becomes itself a major explicandum of the modern world.

Finally, it is said that this mode of analysis ignores the fact that the wealthiest states are not the strongest states, but tend indeed to be relatively weak. But this is to misperceive what constitutes the strength of state machineries. It is once again to take ideology for analytic reality.

Some state machineries preach the line of a strong state. They seek to limit opposition; they seek to impose decisions on internal groups; they are bellicose vis-à-vis external groups. But what is important is the success of the assertion of power, not its loudness. Oppositions only need to be suppressed where they seriously exist. States that encompass relatively more homogeneous strata (because of the unevenness of allocation of class forces in the world economy) may achieve via consensus what others strive (and perhaps fail) to achieve via the iron hand. Entrepreneurs who are economically strong in the market do not need state assistance to create monopoly privileges, though they may need state aid to oppose the creation by others, in other states, of monopoly privileges which would hurt these market-strong entrepreneurs.

The states are thus, we are arguing, created institutions reflecting the needs of class forces operating in the world economy. They are not however created in a void, but within the framework of an interstate system. This interstate system is, in fact, the framework within which the states are defined. It is the fact that the states of the capitalist world economy exist within the framework of an interstate system that is the *differentia specifica* of the modern state, distinguishing it from other bureaucratic polities. This interstate system constitutes a set of constraints which limit the abilities of individual state machineries, even the strongest among them, to make decisions. The ideology of this system is sovereign equality, but the states are in fact neither sovereign nor equal. In particular, the states impose on each other—not only the strong on the weak, but the strong on the strong—limitations on their modes of political (and therefore military), behaviour, and even more strikingly limitations on their abilities to affect the law of value underlying capitalism. We are so used to observing all the things states do that constitute a defiance of other states that we do not stop to recognize how few these things are, rather than how many. We are so used to thinking of the interstate system as verging on anarchy that we fail to appreciate how rule-ridden it is. Of course, the “rules” are broken all the time, but we should look at the consequences—the mechanisms that come into play to force changes in the policies of the offending states. Again, we should look less at the obvious arena of political behaviour, and more at the less observed arena of economic behaviour. The story of states with communist parties in power in the 20th-century interstate system is striking evidence of the efficacies of such pressures.

The production processes of the capitalist world-economy are built on a central relationship or antinomy: that of capital and labour. The ongoing operations of the system have the effect of increasingly circumscribing individuals (or rather households), forcing them to participate in the work process in one capacity or the other, as contributors of surplus-value or as receivers.

The states have played a central role in the polarization of the population into those living off appropriated surplus, the bourgeoisie, and those whose surplus-value is appropriated from them, the proletariat. For one thing, the states created the legal mechanisms which not merely permitted or even facilitated the appropriation of surplus-value, but protected the results of the appropriation by enacting property rights. They created institutions which ensured the socialization of children into the appropriate roles.

As the classes came into objective existence, in relation to each other, they sought to alter (or to maintain) the unequal bargaining power between them. To do this, they had to create appropriate

institutions to affect state decisions, which largely turned out to be over-time institutions created within the boundaries of the state, adding thereby to the world-wide definiteness of state structures.

This has led to deep ambivalences in their self-perception and consequently contradictory political behaviour. Both the bourgeoisie and the proletariat are classes formed in a world economy, and when we speak of objective class position, it is necessarily classes of this world economy to which we refer. As, however, the bourgeoisie first began to become class-conscious and only later the proletariat, both classes found disadvantages as well as advantages to defining themselves as world classes.

The bourgeoisie, in pursuit of its class interest, the maximization of profit in order to accumulate capital, sought to engage in its economic activities as it saw fit without constraints on geographic location or political considerations. Thus, for example, in the 16th or 17th centuries, it was frequent for Dutch, English or French entrepreneurs to "trade with the enemy" in wartime, even in armaments. And it was frequent for entrepreneurs to change place of domicile and citizenship in pursuit of optimizing gain. The bourgeoisie then (as now) reflected this self-perception in tendencies towards a "world" cultural style—in consumption, in language, etc. However, it was also true then, and now, that, however much the bourgeoisie chafed under limitations placed by particular state authorities for particular reasons at one or another moment, the bourgeoisies also needed to utilize state machineries to strengthen their position in the market vis-à-vis competitors and to protect them vis-à-vis the working classes. And this meant that the many fractions of the world bourgeoisie had an interest in defining themselves as "national" bourgeoisies.

The same pattern held for the proletariat. On the one hand, as it became class-conscious, it recognized that a prime organizational objective has to be the unity of proletarians in their struggle. It is no accident that the *Communist Manifesto* proclaimed: "Workers of the world, unite!" It was clear that precisely the fact that the bourgeoisie operated in the arena of a world-economy, and could (and would) transfer sites of production whenever it was to its advantage, meant that proletarian unity, if it were to be truly efficacious, could only be at the world level. And yet we know that world proletarian unity has never really been efficacious (most dramatically in the failure of the Second International to maintain an anti-nationalist stance during the First World War). This is so for a very simple reason. The mechanisms most readily available to improve the relative conditions of segments of the working classes are the state machineries, and the political organization of the proletariat has almost always taken the form of state-based organizations. Further-

more, this tendency has been reinforced, not weakened, by whatever successes these organizations have had in attaining partial or total state power.

We arrive thus at a curious anomaly: both the bourgeoisie and the proletariat express their consciousness at a level which does not reflect their objective economic role. Their interests are a function of the operations of a world-economy, and they seek to enhance their interests by affecting individual state machineries, which in fact have only limited power (albeit real power, none the less) to affect the operations of this world economy.

It is this anomaly that constantly presses bourgeoisies and proletariats to define their interests in status-group terms. The most efficacious status-group in the modern world is the nation, since the nation lays claim to the moral right to control a particular state structure. To the extent that a nation is not a state, we find the potential for a nationalist movement to arise and flourish. Of course, there is no essence that is a nation and that occasionally breeds a nationalist movement. Quite the contrary. It is a nationalist movement that creates an entity called a nation, or seeks to create it. Under the multiple circumstances in which nationalism is not available to serve class interests, status-group solidarities may crystallize around substitute poles: religion, race, language, or other particular cultural patterns.

Status-group solidarities remove the anomaly of national class organization or consciousness from the forefront of visibility and hence relax the strains inherent in contradictory structures. But, of course, they may also obfuscate the class struggle. To the extent that particular ethnic consciousnesses therefore lead to consequences which key groups find intolerable, we see re-emergence of overt class organizations, or if this creates too much strain, of redefined status-group solidarities (drawing the boundaries differently). That particular segments of the world bourgeoisie or world proletariat might flit from, say, pan-Turkic to pan-Islamic to national to class-based movements over a period of decades reflects not the inconsistency of the struggle but the difficulties of navigating a course that can bridge the antinomy: objective classes of the world economy/subjective classes of a state structure.

Finally the atoms of the classes (and of the status-groups), the income-pooling households, are shaped and constantly reshaped not only by the objective economic pressures of the ongoing dynamic of the world-economy but they also are regularly and deliberately manipulated by the states that seek to determine (to alter) their boundaries in terms of the needs of the labour-market, as well as to determine the flows and forms of income that may in fact be pooled. The households in turn may assert their own solidarities

and priorities and resist the pressures, less effectively by passive means, more effectively, when possible, by creating the class and status-group solidarities we have just mentioned.

All these institutions together—the states, the classes, the ethnic/national/status-groups, the households—form an institutional vortex which is both the product and the moral life of the capitalist world-economy. Far from being primordial and pre-existing essences, they are dependent and coterminous existences. Far from being segregated and separable, they are indissociably intertwined in complex and contradictory ways. Far from one determining the other, they are in a sense avatars of each other.