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DEBATE on WORD SYSTEM-MODERN WORD SYSTEMS in the CONTEXT of ANDRE GUNDER FRANK and IMMANUEL WALLERSTEIN

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ABSTRACT

This study is an assessment on over modern system and world system one in terms of Andre Gunder Frank and Immanuel Wallerstein. There are two sides of this study. On the one hand are Andre Gunder Frank and his supporters such as Chase-Dunn and Wilkinson. On the other hand of the dispute Immanuel Wallerstein and his followers such as Immanuel Wallerstein, Giovanni Arrighi, Fernand Braudel, Samir Amin and Janet Abu-Lughod. Frank and his supporters advocate word system; however Wallerstein and his followers is adherent of Modern World System. In the Wallerstein's perspective, modern world system, in other words capitalist modern world system, is last and unique systems to be found in the sixteenth century. However, according to Frank, it is possible to find the characteristics peculiar to modern world system such as endless accumulation of capital, center-periphery (core-periphery) relation and hegemony process also earlier before the sixteenth century.

Key Words: *Modern world system, world system, capitalism, Andre Gunder Frank, Immanuel Wallerstein*

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Andre Gunder Frank ve Immanuel Wallerstein Kontekstinde Dünya Sistemi-Modern Dünya Sistemi Üzerine Tartışma

ÖZET

Bu çalışma Andre Gunder Frank ve Immanuel Wallerstein açısından dünya sistemi modern dünya sistemi üzerine bir değerlendirmedir. Bu çalışmanın iki tarafı vardır. Tartışmanın bir tarafında Andre Gunder Frank, Chase-Dunn ve Wilkinson varken, diğer tarafında Immanuel Wallerstein, Giovanni Arrighi, Fernanda Braudel, Samir Amin ve Janet Abu-Lughod bulunmaktadır. Frank ve destekçileri dünya sistemini savunurken, Wallerstein ve aynı çizgiyi takip edenler modern dünya sistemi savunucularıdır. Wallerstein'e göre modern dünya sistemi, bir başka deyişle kapitalist modern dünya sistemi on altıncı yüzyılda inşa edilmiş olan son ve biricik sistemdir. Bununla birlikte Frank'a göre sınırsız sermaye birikimi, merkez-periferi ilişkisi ve hegemonya süreci gibi modern dünya sistemine özgü özellikler on altıncı yüzyıl öncesinde de bulunmaktadır.

Anahtar Kelimeler: *Modern dünya sistemi, dünya sistemi, kapitalizm, Andre Gunder Frank, Immanuel Wallerstein*

INTRODUCTION

There is still a continuing dispute over world system in terms of some basic concepts. Concepts such as center-periphery¹, surplus value, proletariat, hegemony, state, and empire play an explanatory role in arguments over world system. Center-periphery is one of these most significant concepts. Conceptualization of center-periphery is associated with power distribution. This power not only refers to a sense of

¹ The concept periphery was frequently used in 1950s and 1960s as a result of arguments among development economists such as Raul Prebisch, Paul Baran and Frank. It was suggested that the contrast between the wealth of industrialized countries and the poverty of "underdeveloped" countries represents both sides of the coin. Wallerstein took a step forward in the explanation of the birth of capitalism (Burke 1994: 77-78).

military but also to that of economy, politics and culture. There is a hierarchy of power. The countries situated on top of this hierarchy form its central position. On the other side of the center is the periphery itself.

Throughout the history there have been some core places such as Holland, England and USA in every period, and these places have had a great impact on their geography. Any incident that happens in the center produces a series of effects on areas in its orbit. An event witnessed in city-states of Italy in the fourteenth century and in the USA in the twenty-first century brought about a lot of effects on such as political, economic and cultural effects codified cities and states. For example, When taken into account within this context, world system might be defined as the mutual interaction of individuals, societies, states and transnational relations. This interaction is not only of economical but also of political, social and cultural.

WORLD SYSTEMS – MODERN WORLD SYSTEM

Debates on world systems have been carried out on the basis of political economy relations. It is admitted by many people that there exist more than one world systems. As expresses by Braudel, there is a variety of global economies all over the world. However, the difference arises from the starting points of capitalist modern world system and world system one. At this point world systems analysts such as Immanuel Wallerstein, Samir Amin, Fernand Braudel, and Giovanni Arrighi submit that there is a capitalist world system, and it is different from other world systems.

Wallerstein forms his opinions about world system argument on the basis of concepts like empire and economy. He asserts that the emergence of modern world system dates back to the fifteenth and sixteenth centuries, but Braudel decides on a fixed date: 1557, the downfall year of the Habsburg Empire. According to Wallerstein, there are lots of economic worlds, but modern world system has quite

different characteristics. He suggests that previous economy worlds have imperial features. The most significant attribute of empire is that it is a political structure. However, it is its capitalistic attributes of modern world system that significantly distinguish capitalist modern world system economy from other world economies. In other words, modern world system is an economic structure, contrary to political structure in empirical economy world (Wallerstein 2011: 15-16).

Sharing the same mind with Wallerstein, Samir Amin displays the difference between modern world system and other economy worlds in terms of imperial features. This distinction lies at the process of surplus accumulation. Like capitalist world system, other economy worlds take hold and possession of surplus accumulation. Yet, Amin states that this process of surplus seizure is made by empire through exaction, and thus he exposes the characteristic that clearly separates the capitalist world economy from others.²

Likewise, Braudel and Arrighi concentrate on capitalist world economy. They disagree with Wallerstein on the matter when capitalist world economy took shape. Arrighi, especially making use of Braudel's views, adduces that the first thick contours of capitalist system were first drawn in city states of Italy in the thirteenth and fourteenth centuries. He points out that the foundations of capitalism's fundamental peculiarities were laid in city states such as Florence, Milan, Venice and Genoa (Arrighi 2010: 112-129). Another point that makes different from other modern world system advocates is Arrighi's point of view on the future of capitalist mechanism. Arrighi predicts the collapse of the US supremacy and its likely replacement by Asia (Arrighi 2007: 277-285). For him, Asia is carrying out this leadership process with a newly growing consciousness different from idiosyncratic structure of hegemony struggle existing since the fourteenth century. The difference lies in the way China practices a

² See Amir 1977.

different shade of capitalism. In Arrighi's estimation, while the power struggle in West Europe takes place by artificial means of capitalism, present-day China's power struggle ensues the natural ways of capitalism (Arrighi 2007: 41-42). Indeed, this is the starting point for Arrighi's criticism against Andre Gunder Frank. Because Frank supports an Asiatic world system, particularly China as being central. On the contrary, Arrighi, on the other hand, draws a sharp distinction between China of the twenty-first and eighteenth centuries. Modern China, reaching its present central position, bears no characteristics peculiar to the eighteenth century.

Janet Abu-Lughod is one of the thinkers positioned himself firmly in a quite different place in comparison with others in arguments over modern world system and world system one. For her, though being less organized, there was an economic system in the thirteenth century and in fact, this system collapsed in the fourteenth century. Modern world system arose, following this breakdown (Abu-Lughod 1984: 185-191)

In arguments over world system and modern world system, Frank takes up a different stance from Wallerstein, Arrighi, Braudel, Amin and partially Lughod. Frank rejects the periodization of modern world system and insists on the existence of one world system. He attempts to develop the notion of 5000-year world system against that of Wallerstein's 500-year modern world system. He endeavors to prove the existence of conditions peculiar to capitalist world system suggested by Wallerstein also in previous periods. Furthermore, Frank remarks that hegemonic power shift in world system came about mainly in the eighteenth century, not in the fourteenth century. In the eighteenth century did Europe become a hegemonic power. By his statements about a present-day power shift towards Asia all over again, he sides with Arrighi.

Another world system defender is Chase-Dunn. Chase-Dunn joins the fray from the viewpoint of polity. He advocates that modes of governance should be addressed within the scope of 8000 years, not 500 years, respectively tribes, states and empires. Common thread to all these body politics is that they each have a rise and fall (Chase-Dunn 1994: 361-363). Thus far Chase-Dunn indicated that power balance in a system and hegemonies have their own ascension and descension, but these ups and downs represented a significant shift in modern world system.

Another thinker, who is in line with Frank, is Wilkinson. He tried to explain the world system within the frame of central civilization. Instead of Frank's notion of world system, he uses the concept of "central civilization". This central civilization is not a single civilization but it is an aggregation of periods of change in civilizations, in which there are constant alterations occurring in core and periphery. This process made a start in about 3000 B.C., not in the sixteenth century (Frank and Barry 1993: 221-231).

On the one hand, there is a current of thought, shared by thinkers such as Frank and Wilkinson, that world system should be addressed integrally as a whole and that everything is a part of it, or that the entire summation of the whole parts form a single world system. These thinkers deal with world system as an aggregation of all the world economies. They see no difference between them. Even if each of the world economies is idiosyncratic, they resemble one another in terms of intrinsic characteristics. As we explained above, all of these economy systems have the same qualities such as core-periphery relations, hegemony process. On the other hand, thinkers such as Wallerstein, Arrighi, Braudel, Amin and, to a certain degree, Lughod, who are taking an opposing stand in the discussion, object to the notion of a single world system. As a matter of fact, both sides are in agreement on the existence of a plenty of world economies. It is true that there are a great number of world economies and their main features are quite

different from one another. The most distinctive feature of modern world system is that it is a capitalist system. Owing to its capitalist characteristics, the system is positioned upon a place, dissimilar to previous world economies. Previous world economies carried no main features of capitalism. Even though adherents of modern world system, on the point of the emergence of modern world system, have different opinions on the formation, and development of capitalism's main characteristics, they accept the existence of a modern world system and they separate capitalist world economy from other previous world economies.

In arguments on modern world system and one world system, Frank attempts to show the existence of some peculiarities such as endless accumulation of capital, core and periphery relation, hegemony, competition and economic cyclical phases labeled as characteristics inherent in capitalist system, by modern world system proponents, exist also in the world system.

Process of Capital Accumulation

Modern world system adherents focus on the process of capital accumulation as the primary and the most preeminent feature of capitalist world economy. If capital accumulation process is handled as purchase and store of all goods and merchandise, there will not be any diversity of views between the supporters of world system and modern world system. But the two schools of thought differently tackle with process of capital accumulation. This difference lies in the fact that capital accumulation in modern world system has an incessant characteristic. Arrighi explains this process of capital accumulation as follows:

It is not the drift towards specific merchandise (e.g. labor force) or a productive activity that renders capitalist an institution or a social stratum. An institution is capitalist since its capital has "production force", without being dependent upon the nature of specific goods and

activities that are incidentally [investment] environment in a definite time (Arrighi 2010: 8).

Braudel is another thinker who draws attention towards capital accumulation in capitalist world economy. He claims that “if capital assets are only a part of the renewed production process then they are qualified to bear this title, and money in an unused treasury is not capital anymore.” (Braudel 1996: 51-52)

Capitalist world economy defenders, albeit disagreement among them, address the starting of capital accumulation process as the fourteenth or sixteenth century. Those who speak out the existence of one world system, particularly Frank, point out that this uninterrupted accumulation process of capital as distinctive character of modern world system should not be confined to a specific date; in other words, the starting of capital accumulation process does not date back 1500s. According to Frank, modern world system is not so different from world system because the same capital function in world system throughout a few thousands of years (Frank and Barry 1993: 3).

Frank thinks that the foundation of world system was laid just after 3000 B.C. in the south of Mesopotamia. We could observe the characteristic of capital accumulation since then. This process is, indeed, not an isolated phenomenon. Frank asserts that, by way of interregional trade in the early dynastic period, monopolized circulating media was seized by other strata of upper class, and a new noble class emerged as well as the clergy, and secular royal individuals grew out of the clergy and above all, nonstate accumulation of wealth occurred as an intrinsic phenomenon (Frank and Barry 1993: 66-68).

In the process of gross capital accumulation, the foremost factor is the density of commercial networks. Wallerstein discussed this within the frame of Holland, Britain and the USA as of the sixteenth century. Braudel and Arrighi initiated this discussion with the examples of

Italian city states. Nonetheless, Frank carried this debate to Mesopotamia of 2000-3000 B.C. Frank explains as follows:

South Mesopotamia, surrounded by the mercantile states such as Assyria in the north and Phoenicia in the west, was a center for agriculture based production. Mercantile states, specialized in certain modes of industrial production, wholesale trade and financial intermediation between other production areas. They were obliged to take control of wide market network in which they took part (Frank and Barry 1993: 69).

In arguments over world system, capital accumulation process will have been explained more explicitly when examined within the scope of core and periphery relation. Therefore, core and periphery relation must be examined meticulously, being as another characteristic of capitalist system.

Core and Periphery Relation

In arguments over modern world system and world system, core and periphery relation is the second fundamental attribute, particular to modern world system. As stated above, core and periphery relation is closely linked with capital accumulation process. The most significant concept here is “surplus value”. This notion includes transfer of surplus between different regions. Capitalist world economy defenders uphold that this core and periphery relation made a start from 1492, within the frame of capitalist system. Frank, on the other part, purports that this could also be applied to the previous system. Wallerstein distinguishes this process: Center, periphery, semi-periphery. This hierarchy of core and periphery relation has a tendency towards increasing the economic and political vacuums among diverse regions (Wallerstein 2011: 300-320). Frank uses the metaphor “development of non-development” for this situation. In core and periphery relation while the core is on the stage of constant development, the periphery displays less development compared to the core itself. Capitalist process that brings about this

development of non-development manifests itself being predicated on metropolis and satellite relations. Metropolitan countries commandeer economic surplus coming from satellite countries in order to maintain their power; contrary to this, satellite states stay underdeveloped since they could not obtain their surplus. And the structure of core and periphery becomes polarized as a result of this relation (Arrighi 2007: 21).

Core and periphery relation might be studied in three dimensions: economic, political and cultural. When studied in economic dimension, the periphery produces staple food and supplies raw material to the core; the core processes these raw materials and exchanges these goods all over again. The core's maintenance of this supremacy depends on its control over resources of others. However, this process has carried on in a similar way not only in Europe but also in Mesopotamia. Frank point out this fact as follows:

Mesopotamia is the most remarkable sample to show to what extent the industrial base of the core might be established by means of import. Insisting that the evolution of high cultures depends on agricultural surplus produced by large-scale irrigation – this is a general statement – is nothing but systematically ignore the fact that surplus crop cannot be converted on a local level to bronze, cloth, palaces, precious stones and weaponry. Even stones and woods were imported in Mesopotamia (Frank and Barry 1993: 61).

The second point to be studied in the core and periphery relation is a hierarchy in political terms. When politically examined, core and periphery relation also brings with imperialist-mercantilist expansionism. That was the policy followed by Ming Dynasty, Ottoman Empire, Safavid Dynasty and Roman Empire. Core and periphery systems bear imperialistic qualifications as the center of the system gains strength depending on production in another region (Frank and Barry 1993: 63).

One of those who examine surplus profit rate in core-periphery relation, in terms of states and regions, is Ernest Mandel. Mandel interprets surplus profit rate on the basis of uneven development.³

As stated above, Frank says that it is a necessity to study the existence of the modern world system not within a period of 500 years but in 5000 years because all characteristics peculiar to modern world system are present in the entire world system with this point of view, Frank endeavors to find out core and periphery structure in the early periods of the long history of the world system.

Thus, surplus accumulation together with core-periphery relation takes us to the third characteristic of capitalist system: hegemony and competition.

Hegemony and Competition

Frank tries to depict hegemony and competition, not from 1492 onwards, but throughout the world system. Core-periphery relation, aptly-named by Frank as metropolis-satellite relation, portrays the reason for this hegemony. In order to maintain its position and strengthen its power, the core itself must exert its impact on the periphery. It uses force over periphery. This power relation is related to

³ See Mandel 1975: 102; “The entire capitalist system thus appears as a hierarchical structure of different levels of productivity, and as the outcome of the uneven and combined development of states, regions, branches of industry and firms, unleashed by the quest for surplus-profit. It forms an integrated unity, but it is an integrated unity of non-homogeneous parts, and it is precisely the unity that here determines the lack of homogeneity. In this world system development and underdevelopment reciprocally determine each other, for while the quest for surplus-profits constitutes the prime motive power behind the mechanisms of growth, surplus-profit can only be achieved at the expense of less productive countries, regions and branches of production. Hence development takes place only in juxtaposition with underdevelopment; it perpetuates the latter and itself develops thanks to this perpetuation.

the structure of hegemony. Although there are many perspectives such as Gramsci, Althusser, and Chomsky about hegemony, it is tackled three different points of view on the concept hegemony in terms of integrity of working. From the point of view shared by Merasheimer, one of the Neorealism supporters, hegemonic state wield power over other states, and not any of others hold military power to resist against that of the core (Gökten 2013: 29). However, neorealist view is not so sufficient to explain power relations in modern world system. For neorealist view only deals with power in terms of military based on the state and brings military superiority into the forefront. Yet, chains of events in modern world system do not occur only in military area. Roberto Cox criticizes this point of view just because it is trifocal. In other words, neorealist perspective cannot explain basic elements of modern world system. This perspective does not refer to economic and cultural elements, so this neorealist perspective is not enough to explain modern world system

Shortcoming of neorealist view in defining hegemony shows the urgent need to redefine the concept hegemony. Neo-liberalism attempts to fill this deficiency. It examines the concept hegemony within the aspect of economy (Gökten 2013: 34). When compared to neorealist view, the way neo-liberalism defines the hegemony is more functional in terms of modern world system because the distinctive character of modern world system is its being a capitalist economy. Neo-liberalism relevance of modern world system is emphasis on economic elements. The point that renders neo-liberalism more functional than neo-realism is its particular emphasis on economy. Concordantly, a relation between liberalism and capitalism is a subject of discussion (Wallerstein 2009: 22-26). Yet, when neo-liberalism is thought just as an economic and military power, it is not sufficient to give a full description of modern world system. For modern world system is, as predicated by Wallerstein, only a social system. This social system also includes culture. To sum up, neo-liberalism thought is more functional than neo-

realism thought because neo-liberal thought refers to economic elements which are main point of modern world system, while neo-realism perspective refers to military factor which is secondary factor in compared with economic elements in terms of modern world system.

At this point, a more functional definition for hegemony in describing modern world system was made by Gramsci. Hegemony as defined by Gramsci brings also economic and cultural superiority together with political and military superiority.⁴ Hegemony holding superiority over civil society also involves the concept “consent”. Gramsci’s definition of hegemony that emphasizes civil society, is relatively more functional on defining modern world system than other definitions because Gramsci’s definition of hegemony includes main elements of modern world system. Arrighi is another modern world system adherent who, in this context, addresses hegemony in connection with military, economic and cultural power relations. Arrighi’s definition of hegemony is based on Gramsci’s perspective. Especially the USA, on the containing military, economy and culture stage of modern world system, established its hegemony in a way defined by Gramsci. The perception was built up that the power and interests of the US are also acting in favor of all the world (Arrighi 2007: 175-177). Also winning the consent of other countries, through the perception it created, the USA has maintained its domination all over the world. To make it clear the concept of hegemony from the viewpoint of Gramsci:

Hegemony, not only in the sense of having absolute economic and political phenomena and activities but also in that of its consciousness of being a state and of ‘approval’ of cultural phenomena,

⁴ For more information, Forgacs 2000.

cultural activities and a cultural frontier, exactly comprises of the suggestion that it has principal importance (Forgacs 2000: 194).

This might be also presented as an expression to ratify the above-mentioned citation:

Hegemony implies the establishment of moral, political, and intellectual leadership by one class, creating a discursive equalization of the interests of the class itself and the society (Demir and Göymen 2012: 95).

According to Gramsci, hegemony is based on the consent. In defining the concept `hegemony`, Gramsci makes use of the concepts such as civilized society and political society. Political society forms the military and indirectly political wing of the hegemony. The most significant factor in political society is state itself. Yet, the component that adds meaning to hegemony is civilized society itself. Civilized society is the most important factor for hegemony to continue its existence in modern world system. As stated by Anderson, it is civilized society that helps capital hegemony keep going. Sustainability of the system is possible by way of receiving consent, not use of force (Anderson 1987: 48).

When hegemony is studied from the held by Gramsci's, dissimilarity between modern world system and world system might be observed unquestionably. Gramsci's definition of hegemony consistent with Wallerstein's definition of modern world system. As stated above, Wallerstein's objection is based on the difference between world empire and world economy. Wallerstein states that world empire has political characteristics, whereas world system holds economical features (Wallerstein 2011a: 14-17). Likewise, Gramsci draws attention not only to military and political power, but also to economy, culture, civilized society in general terms, and underlying notion of consent. Emphasis on "economy", "culture" and "consent" in Gramsci's definition of hegemony is in accord with capitalistic characteristics of Wallerstein's

modern world system. In other words, hegemony from the viewpoint of Gramsci might be seen in the world system that is a political, economic, cultural structure based on ‘consent’, not in world empires that is a structure based upon political ‘force’.

Another point that should be studied after the argument on hegemony according to Gramsci is transitivity level which is one of the most significant characteristics of hegemony. Hegemony has an intrinsically transitional characteristic. When it is dealt with regards to world system, it becomes evident that different areas and fields are a center to world system and they have a sort of effect on others. In this case, centers are in constant alterations, but the case itself never undergoes a change: this case is the world system itself. Hence, hegemony in this system continuously forms a transitional stage. That is to say, a transition between hegemonies is not out of question. When studied from Frank’s point of view, it is easily observed that there is a hegemonic transition first in Mesopotamia and Egypt, then in Ancient Greek Kingdom of Macedon, Roman Empire, Ottoman Empire, Persian Empire, Asia in general and China in particular (Gunder 1998: 64-70). In fact, it is these hegemonic transitions that enable the continuity of the system. World system has not continued its existence only by a single hegemonic power.

Interaction is an important point in hegemonic transition. While hegemonic power is on the rise, it is in a relationship with the would-be hegemonic state. However, this relation and power shift have not been determined by precise lines yet. Hegemonic power is not stable. No sooner does hegemonic power reach the peak than it loses its characteristic of being a central power (Wallerstein 2011b: 37). Yet, hegemonic power’s apperception of this has more often than not become possible in later periods. While the power of hegemonic structure decreases, it is true that there is an increase in that of others. When we deal with modern world economy from the viewpoint of

Wallerstein, the shift of the center from Amsterdam to London and then from London to New York is a clearest-cut example for this.

Hegemony does not act by itself while taking over central power, it is also in connection with other centers. It is remarkable phenomenon that while the central power of Holland is on the skids, France and England are mutually in interaction with each other, and subsequently whereas the central power is on the decline, Germany and the USA are in an interactive relation.

World system is one that comprises the whole of hegemonic transitions. Whereas Frank handles this within a 5000-year of period, Wallerstein determines the sixteenth century as the starting point. Although both world system supporters and capitalist world economy proponents deals with this hegemonic transition in different centers and dimensions, we may suggest that they are in agreement on hegemonic transition and a set of results and characteristics of it. This characteristic takes us to economic cycles described as peculiar to modern world system by Wallerstein and specified as existing throughout the world system by Frank. In Frank's opinion, hegemonic transitions might be seen as a chain of both perpetual and cyclical links of change that entails cumulative development (Frank and Barry 1993: 123-124).

Economic Cycles (Phase A – Phase B)

There is a dialectical relationship between hegemonic transition and economic cycles. While cyclical stage ensures hegemonic transition, hegemonic transitions reconstitute the duration of cyclical stage. This dialectical relation makes permanent the expansion of the system. Cyclical stage has two periods, or phases. First, it is phase A, the period in which the system shows expansion. An expansion is possible at all points. Yet, this period of spread is not permanent, but ephemeral. Each phase of expanse brings with it a phase B. Phase B bears reverse characteristics of phase A. System operates in this circle. Thinking from the viewpoint of Wallerstein, we could conclude that

phase A was experienced under the leadership of Holland from 1450 to 1650 whereas economic cycles were in phase A from 1250-1450. Soon after a recession in the seventeenth century, phase A led by Britain was experienced from 1750-1900. In the twentieth century, another phase B was practiced, but since 1945 a new phase B has been lived through under the leadership of the United States of America.⁵

When examining cyclical period from the point of world system, Frank dates it back to 3000 BC. When we study the periodization made by Frank, we may observe:

Phase A: 3000-2000 BC; purchasing power became widespread in Mesopotamia. During 1700-1400 BC, phase B emerged. In this period interrelated hegemonies went through simultaneous crises. During the period of 1400-1200 BC, dependent hegemonies regained their strength and stormed in Anatolia. A crisis arose during the period of 1200-1000 BC, This period continued with the replacement of hegemony centers until 1250 BC. As to recent cycles, another phase A might be observed during the period of 1000-1250. We can give examples of events that happen in this phase A such as the commercial adventure of the Crusades, enrichment of city states like Venice, Genoa and others, and fierce growing of rivalry. Later, phase B took place between the years 1250 and 1400. Mongol invasion was the most prominent factor in this period. Both Mongolic invasion and plague together with other diseases of that time made fiercer this period.⁶

Next is a period on which Wallerstein and Frank conflict with each other. Whereas Wallerstein thinks of Europe as the center of expansion and shrinkage as of 1400, Frank claims that the phase A soon after the depression – this phase is timely between 1400 and 1750 –

⁵ See. Wallerstein 2011b.

⁶ See, Frank and Barry 1993: 179-180.

took place in China, and that next followed the phase B after 1750 and ultimately the phase A in which Europe became the center.

It is a necessity to study the formation of these phases, economic cycles with regards to world system since stages in each economic cycles bring with them the change of hegemonic powers. Alteration in hegemonic power accompanies geographic shifts in core-periphery relation. Thus, as stated before, world system is an order in which hegemonic transitions are experienced and correspondingly, an uninterrupted accumulation of capital takes place. One of the phenomena that enable the transition of phases in an economic cycle is, as stated by Arrighi, “overaccumulation crisis”. In Arrighi’s opinion:

Over-accumulation crises occur because there is such an overabundance of capital seeking investment in established channels of trade and production that competition among its possessors enables real wages to rise in step with, or even faster than, increases in labor productivity (Arrighi 2007: 81).

Overaccumulation crisis offers opportunity to make a remark about the relation between capitalism and war. Capitalism needs wars for both its sustainability and discharging. An evaluation of obtained product must be made for uninterrupted accumulation of capital. China and Britain might be given as examples contrary to each other. Surplus production has sparked off an economic crisis in China. Contrary to this, the proportion of surplus production acquired by Britain propelled it into industrial revolution. The most significant point here is the use of obtained surplus. Surplus rate in capitalism provokes wars. This density in capitalism is reduced with the help of wars. George Bataille has some supporting ideas about capitalist system in terms of surplus concept. In his book *The Accursed Share*, Bataille describes the surplus product as accursed. It is a curse since it provokes wars. For him, the thing that is reduced through wars is the excessiveness of production; the significance given to this excessiveness leads to intensive wars (Bataille

1988: 23-24). Expenditure explained by Bataille in terms of surplus concept is not the same as that described in Marxist sense. The one explained by Marxism is an economic and productive expenditure (Baudrillard 1975: 43-44).

One of those thinkers who attempt to tackle the relation between war and capitalism is Mann. He draws attention to the connection between surplus and war. According to him, the more surplus is produced, the more plunder rises (Mann 1992: 137-138). Another thinker who raises concern over this relation between war and capitalism is Mandel. In his opinion, surplus capital might be absorbed by way of continuous armament (Mandel 1975: 274-310).

As explained thus far, surplus product is the base of uninterrupted accumulation of capital. This basis is particularly relevant to hegemonic alterations and economic cycles. Arrighi has appraised this issue by way of the concepts “financial expansion” and “material expansion”. Since it is examined in details in the second part, we are alluding to them only by giving their conceptualization.

After studying the basic features of capitalism during the argument over world system and modern world system, we are coming to a point in which Frank is distinguished from modern world system adherents.

Frank assumes that Asia in general and China in particular take place at the heart of world system. According to him, China was the core of world system from 1400 to 1800, and Europe rose to this position in world system soon after the 1750s. When dealt with terms of world system, China being the core from 1400 to 1750 gave way to Europe. Frank is of opinion that the fundamental reason behind this replacement is the crack-up of China and the build-up of Europe (Arrighi 1999: 327-332). Frank explains the process of replacement in three steps.

As the first step, Europe boarded the train of China. The dominance and supremacy of China over trade whetted Europe's appetite for participation in this vivid area of commerce. In about 1400, China and Asia were both the center of the world. On the other hand, Europe situated in a completely different region was weaker in straitened circumstances. While circumstances are so sharp and clear, it is a burning question about how Europe got on the China's train of trade and took part in the process. Frank believes that this process takes place in three aspects. The first step was taken when Europe conducted trade with China. Yet, the prominent role in this trade belonged to America, not to Europe itself. Thanks to silver and gold supplied from America, Europe managed to ensure commercial collaboration with China.⁷

Utilizing the silver, Europe got into capitalist system. Especially Portugal and Spain played a major role in transforming the silver from America to China. The essential point here is that China did not bear the main characteristics of capitalism from 1400 to 1800. From the viewpoint of world system, these attributes were also available in periods of time before 1400-1800.

Luhod remarks that some of characteristics held by the system merge within the scope of Afro-Asian world system and labor division of eight regions in the thirteenth century. Luhod asserts that these are three main centers: the first of them is West Europe which predominates a great many places along the Mediterranean and the Atlantic Ocean. Secondly, it is Middle East that predominates both across the mainland in central Asian steppes and along the coasts of the Indian Ocean and the Eastern Mediterranean. And the last of them is the commercial cycle of the Far East connected with Southeast Asia and the lower mainland of India beyond China (Abu-Luhod 1984: 185-186). The biggest difference between Luhod and Frank in arguments over

⁷ See. Frank 1998: 5.

world system and modern world system is that Lughod places Europe into the center after mentioning about system in the thirteenth century. On the other hand Frank, while supporting his thesis, makes his second statement on the grounds of Lughod's views. Lughod remarks that in the thirteenth century the west was poor condition whereas the east was rich. Yet, he says that throughout the process the east displayed a decrease while the west an increase ((Abu-Lughod 1984: 188).

According to Frank, the most significant factor for the placement of Europe into the core of world system during the nineteenth century was the discovery of America in the sixteenth century. There emerged a triangle of trade between America-Europe and India/China. In this triangle the commercial connection of Europe with China was by way of America. The most important factor in the integration of Europe into the system was thanks to the provision of new products by the utilization of silver and gold extracted from the mines in America. By means of these precious mines raw materials were bought from China and India. After processing these raw materials were put on production.⁸ According to Frank, the third stage in the process of Europe's placement into the core is related to population. For him, overpopulation in Asia hindered technological development (Arrighi 1999: 331).

This scheme of world system from 1400 to 1750 drawn by Frank was criticized by Arrighi. According to Arrighi, Frank indicates that there was an expansion both in India and in China, but he does not remark about why we should take this expansion as a sign of global development. For Arrighi, this situation is in sharp contrast to the allegation that global economy is more than the aggregation of its particles (Arrighi 1999: 35).

⁸ Frank 1998: 74-75: "Europe, besides this, were exporting plenty of products made in Asia, selling Indian textile products to Africa, the Caribbeans and even to Spanish colonials in America".

However, Arrighi's criticism against Frank is controversial in terms of world system. The common trait of both modern world system and world system one is interrelatedness between areas and states. They establish a hierarchy within the boundaries of this relation. As it is explained above, this is a core and periphery relation. Core is "core" thanks to periphery, and periphery is "periphery" thanks to core. China being a central power, Europe communicating with China owing to silver and gold in the USA, African slaves working for this, also using white slaves on top of black slaves after the discovery of America, all these examples show that societies are under effect of power relations in world system. Economic wealth in China has helped Europe become rich. That other regions are influenced by the enrichment of Europe is a clear sign of the fact that economic expansion in China has a global effect.

CONCLUSION

In the study it has been drawn a conclusion that many of characteristics peculiar to modern world system such as process of capital accumulation, core and periphery relation, hegemony and competition, economic cycles might be observed even in the world system. Moreover, an inference has been drawn that characteristics claimed to be as pertaining to capitalist world economy and adapted to all world systems by Frank are not independent but rather mutually complementary. In this respect, features such capital accumulation process, surplus, core and periphery relation, hegemony and competition and economic cycles are not independent from each other. Furthermore, it indicates that hegemony in Gramscian term is more inclusive in defining power relations in modern world system. Thus, it has been found out that hegemony not only refers to one's use of force over someone else but also displays the consent given by the latter.

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