

THE AGE OF TRANSITION

Trajectory of the World-System, 1945–2025

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The World Labour Force

Faruk Tabak

The process of industrialization of the world-economy after 1945, which was perhaps as extensive as that which had occurred in the several centuries before then, involved two spatial shifts.* First, previously modern industry had been primarily located in core zones; now it had become established in semiperipheral and peripheral zones as well. Second, while the inter-enterprise system's epicentre of capital accumulation was narrowly located in the USA from 1945 to 1967/73, it spread out to include Western Europe and Japan as well after 1967/73. The ensuing transformations in the structure of the world-economy's production system did not, however, 'unfetter' a concomitant and sustained increase in full-lifetime proletarianization. Instead, the rise in part-lifetime wage labour and households has come to govern, increasingly and worldwide, the organization of labour and production processes, particularly since 1967/73.¹

This ongoing reorganization reflects and corroborates two tendencies reshaping the domain of work since 1945: a worldwide broadening of wage employment, albeit mostly part-lifetime; and a decrease in the

* Acknowledgements are due to Farshad Araghi and Sheila Pelizzon, both of the Fernand Braudel Center, whose working papers on rural and female labour contributed to the substance of this chapter. I am, of course, responsible for any errors of fact and interpretation.

1. By 'part-lifetime' or 'semiproletarian' households, I refer to those households that derive their income from a combination of wages (whether in cash or in kind), subsistence production, petty market operations, rents and transfer payments (including gifts). Full-lifetime proletarianization registers the fact that household units secure their income primarily and overwhelmingly from wages (see Smith, Wallerstein et al., 1992; also Wallerstein and Martin, 1979: 195-6; and Wallerstein et al., 1982).

share of the 'social' wage within aggregate household income, owing to a rise in 'incidental' or 'casual' wage labour. These developments mirror, in turn, a gradual enlargement in the realm of part-lifetime wage remuneration. From a long-term perspective, then, the postwar period can be said to have demonstrated, once again, how slow the pace of proletarianization of the world-economy has been, despite impressive economic growth rates, widespread and widening industrialization, and a continual and drastic contraction throughout the period under consideration in the relative share of the world rural labour force. The growth in part-lifetime waged work has thus come to fashion, directly or indirectly, the global realm of work since 1945, though it has become more pronounced and commanding since the beginning of the cyclical downturn in 1967/73. The pace of proletarianization on a global scale was slow, especially in view of the enormous boost given to it by the industrialization and employment programmes adhered to and implemented in the socialist world.

World-historically, however, even at the very height of the postwar boom, despite (or because of) profound transformations taking place within the domain of production and work, the sway and scope of full-lifetime proletarianization remained limited for two reasons. It was and is still located primarily in the core and the semiperiphery, but these zones enclose less than one-third of the world's labour forces, and this share is continually getting less. Furthermore, although the restructuring of world labour during the postwar upswing did extend the realm of full-lifetime proletarianization on an individual basis, it concomitantly diminished it on a household basis, sustaining what Hicks (1969: 135–7) calls a 'proletarian equilibrium'. This two-pronged movement has been best epitomized by the impressive rise in the core in the relative share of the female labour force, particularly in part-lifetime waged work, and by the remarkable growth in the semiperiphery (and the periphery) in 'the opaque and uncharted terrain' of production and work nurturing a plethora of semiproletarian households – the 'infra-economy' of Braudel (1981).² Preparing the setting for the proliferation in the number of semiproletarian households was the spectacular growth

2. Designed to highlight the two opaque zones between which the 'sunlit world of the market economy' is couched, Braudel's tripartite schema (1981: 22–3) depicts counterforces created in opposition to the market economy, both from above and from below. Lying below or alongside the market, which itself is presided over by the favoured and opaque domain of 'capitalism', is 'another, shadowy zone, often hard to see for lack of adequate historical documents: that is that elementary basic activity which went on everywhere and the volume of which is truly fantastic.... This infra-economy,

in rates of urbanization worldwide, the unyielding exodus from the countryside continually replenishing the global reserve army of labour. Within a span of merely four decades, as world population more than doubled to 5.2 billion in 1990, the rural population's share in it has shrunk to 57 per cent, down from 73 per cent in 1950 (Bairoch, 1988).

During the A-phase of economic expansion, proletarianization 'proper' was thus embedded in the countervailing mobilization of labour reserves which were potentially or actually comprised predominantly of part-lifetime wage-workers. It was indeed during the B-phase of economic expansion that the *largo tempo* of the increase in wage employment came to a halt, yet if there was a crescendo, it was reached owing to the growing proportion of 'intermittent' or 'irregular' wage employment. The period 1967–73 thus constitutes a moment marked by the sharp increase in the sweep and magnitude of one of the principal directional tendencies of historical capitalism, the non-universalization of proletarianization (Wallerstein, 1983; Broad, 1991).

Since 1945, wage labour as a proportion of the world's labour force has been steadily declining: the proportion of those remunerated with wages and salaries fell somewhat from 51 per cent to less than 40 per cent during the last forty years. These figures should be evaluated against the backdrop of a continual rise in the share of the world's potential labour forces by those under the age of 15, now comprising close to 40 per cent of the total population in most peripheral regions (45 per cent in Africa), an additional 20 per cent of the periphery's population falling within the 15–24 age group. The consequence is the incorporation into the workforce of growing segments that continue to expand the 'opaque terrain' of employment under conditions other than that of lifetime wage work.

To chart this continual enlargement in the realm of part-lifetime wage employment – that is, to anchor the trajectory of the world labour force in world-systemic trends since 1945 – I will trace the ramifications on the world's labour forces of the establishment, consolidation and decline of US hegemony. This vantage point, of course, does not allow one to take full stock of the panoply of productive activities that

the informal other half of economic activity, the world of self-sufficiency and barter of goods and services within a very small radius.' In employing this term for the post-1945 period, I refer not only to non-wage forms of employment, but also to those forms of wage employment remuneration which fall short of the 'social wage' – the 'direct wage', that is, which by definition is not inclusive of the so-called 'fringe and welfare benefits' and 'entitlements', not to mention 'intermittent' or 'casual' waged labour. I prefer to use the term 'infra-economy', primarily because, in Braudel's schema and usage, it is *of* the capitalist world-economy and thus an integral component of it rather than an 'incidental' outcome, as most theories of informal economy suggest.

provide livelihood to the overwhelming majority of the world's peoples. These modes of livelihood will be brought into our account only when they have a bearing on the overall trajectory of US hegemony in particular, and of the capitalist world-system in general.

Pax Americana and the Global Spread of Taylorism

The USA order furthered the organizing force and spatial stretch of the Taylorization of production in two ways. First, it widened the scope of the inter-enterprise system, which entailed the spread of the process of mass production. And, second, it facilitated and enforced the reorganization of production along Taylorist lines in the reconstruction of war-ravaged Europe and Japan, setting the stage thereafter for the inter-enterprise system to expand in earnest into these very locales.

Yet, in mapping the reconfiguration of the world-economy's labour forces in the immediate aftermath of the war, it should be noted that the increase in the pace of industrial and agrarian production during the war was anchored in the world-economic developments of the interwar period. The resumption of transnational expansion of US corporate capital after the war was contingent upon the reconstruction of war-devastated core zones as well as the sustenance of the economic momentum gathered in the non-core zones during the interwar period, especially in the Americas – that is, the 'Western hemisphere'; the primary field of operation of US corporate capital until the 1950s: This momentum accelerated further with the expansive effects of the war (Gordon, 1988). It was within this setting that transnational corporations resumed their cross-border operations and reshaped the realm of manufacturing on a global scale, administratively integrating production and labour processes across select locales.

The tempo and mode of restructuring of the war-torn regions depended upon their place within corporate capital's compass before the war. Spatially, given the limited reach during the 1930s and 1940s of US corporate capital, state-mediated flows loomed large throughout the 1950s in the reconstruction, first and foremost, of Europe, which had been within the corporate compass until the early 1930s, and, only secondarily of Japan, which had not. From the early 1930s on, and up to the remaking of Europe, the Western hemisphere remained the primary *locus operandi* of the inter-enterprise system. Corporate economic flows came to supplant state-mediated flows in Europe in the late 1950s with the establishment of the European Economic Community (EEC), and in the Pacific Rim in the early 1960s with the end of PL480 and US aid missions.

These economic flows defined the contours of work on a global scale. For one, the spatial expansion of corporate structures of accumulation, via administratively and vertically integrated multi-unit organizational apparatuses, was built upon the Taylorization of production. So were state-mediated economic flows, for the installation of aid programmes demanded the purchase or transfer of capital goods that embodied technologies requiring or favouring Taylorization of production (Armstrong, Glyn and Harrison, 1984: ch. 4; Harvey, 1989: 132). Of significance within this context was the effect on the spread of Taylorism of wartime mobilization, which helped to ingrain it into the very fabric of manufacturing, both in Europe and Japan. Furthermore, the policies of import-substitution industrialization, which had been embryonic in the 1930s and then became the order of the day in most non-core locales in the aftermath of the war, were quite in tune with the organizational logic governing the transnational expansion of capital and the worldwide application of Taylorism. Extending further the global compass of Taylorism were modes of industrialization subscribed to in the USSR from the interwar period on, and from the 1950s in Eastern Europe.

Taylorization was not a smooth process, however. It dictated a new patterning within the realm of work, especially in the core zones where the war's end had brought the rise in the share of female employment to a sudden halt or had arrested it momentarily. The postwar 'repatriation' of the male labour force precipitated a decline in the number of 'gainfully employed' women. For example, between 1945 and 1960, in France, Norway and Belgium, the share of female labour declined from 38 per cent to 32 per cent, 22 per cent to 18 per cent, and 19 per cent to 16 per cent, respectively (Deldycke, Gelders and Limbor, 1968). The attendant restructuring of the female labour force, in consonance with the relative and temporary decline in its overall share, determined the pace and the character of the process of proletarianization in most core locales. On the one hand, the transitory decline in the relative size of the female labour force notwithstanding, the share of single women entering the workforce increased remarkably, at the expense of married women, serving to restore a household structured around the male breadwinner. In Europe, throughout the 1945-1967/73 period, the rates of growth for single women joining the labour force were just under those of men. In the USA the pattern was slightly different. Although single women did constitute the majority of the female labour force, the rate of participation of married women aged 45-49 increased relatively faster than the rates of both single women and young married women (20-24 years). In this instance again, postwar household formation patterns sanctioned the position of the male worker as the breadwinner

in newly forming household units. It was in the 1960s that young married women began to enter the workforce once again, as a result of which by 1970, 31 per cent of married women in the USA worked for pay, up from 24 per cent in 1950 (Fox, 1984: 27).

On the other hand, the almost exclusive assignment to female labour of part-time work, steadily increasing in scope and significance (Darling, 1975: 73), secured permanent and 'full-time' work for the very same breadwinner. From the mid-1940s to the mid- or late 1950s, the female labour force grew intermittently, and notably less than its male counterpart. Moreover, the designation of part-time work as women's domain rendered the relative reduction in women's share particularly pronounced in manufacturing, given the tempo imposed by the Taylorization of production. The percentage of male labour in manufacturing increased constantly, across all locales, but most markedly in the core where it rose from 36 per cent in 1950 to 44 per cent in 1970, at the time that the share of manufacturing in total employment was growing in tandem, from 30 per cent to 37 per cent (ILO, 1986: V). Both the feminization of the labour force and the attribution of part-time work to female labour became common throughout the core zone, first in the USA in the 1960s, and then in Europe and Japan in the 1970s.

The so-called 'Fordist accord', reached in the USA during the 1930s and 1940s when corporate capital's global mobility was seriously hampered, prompted capital after the war to try to avoid its obligations by moving production beyond the suburbs and into small-town and rural America on the one hand, and to overseas locales on the other.³ The search for labour reserves that enabled capital to bypass the Fordist accord served to swell the group of non-unionized wage workers, made up mostly of women and 'minorities' of all shades (Piore, 1979), as well as the number of semiproletarian households, at home and abroad. At home, the end of easy access in the late 1950s to existing labour reserves speeded up the inclusion of young married women in the labour force while it relocated much production offshore. Abroad, the influx of US capital led to the reconstitution of production and labour processes – most notably in Europe and Japan. With the unmaking of the *Lebensraum*

3. This accord was symbolized by the Wagner Act of 1933 which 'had given the unions power in the market place (with explicit recognition that collective bargaining rights were essential to the resolution of the effective demand problem) in return for sacrificing powers in the realm of production' (Harvey, 1989: 133); see also Arrighi and Silver, 1984: 187–9; and Burawoy, 1979. Here I use the term 'Fordism' primarily to refer to the predominance of 'social wage' arrangements, characterizing mostly if not exclusively the corporate sector, private and/or stata.

for the one and of the co-prosperity sphere for the other, male labour reserves in these locales were quickly depleted, and female (and 'imported') labour was needed to replenish the reserve army of labour.

The resumption in the late 1950s of the growth in the share of female labour, however, took place against a changed background. First and foremost, the rise in part-time employment became such an integral part of the reorganization of work in the postwar period that it became largely, and almost exclusively, a female phenomenon. For example, in Denmark and Sweden the proportion of women in the labour force was already around 40 per cent in the early 1970s and accelerated further with the onset of the crisis (Darling, 1975: 30). The percentage was relatively lower in the Western hemisphere, rising from 26 per cent in 1962 to 29 per cent in 1972 in the USA, and from 19 per cent to 25 per cent in Canada. At the beginning of the 1970s, in the European core (notably the Federal Republic of Germany, France, the Netherlands, Great Britain), 80–90 per cent of all part-time workers were women; in the USA, the share was lower – 65 per cent (ILO, 1984, I: 50). The assignment of part-time work to women should also be evaluated against the fact that during the A-phase the share of female labour in the labouring population of the core zones rose from 32.5 per cent to 35 per cent, whilst that of male labour declined from 61 per cent to 56 per cent. This decline occurred at a time when the percentage of rural labour in the core zone labour force dropped inexorably, inflating the number of urban labourers; as a result of the fast pace of emptying out of the rural areas, by 1970 rural labour was under 10 per cent (Singelmann, 1978: 1228–31).

Second, in synchrony with the above-mentioned trend, the proportion of female labour in manufacturing declined in most core locales. The period from 1950 to 1970 saw its portion decline from 25 per cent to 20 per cent in North America, and from 35 per cent to 28 per cent in Northern Europe (ILO, 1984, I: Table 3). Relocation of production from the core to the semiperipheral and peripheral zones, which generated a quick growth in the service and administrative sector in the core, encouraged increasing employment of female labour. Providing the infrastructural basis for the emigration of capital overseas, this sector's growth in the USA took off, as was to be expected, from the late 1950s, and in Europe from the late 1960s, to be amplified considerably during the 1970s. These service functions provided a climate hospitable to part-time work and hence to increasing employment of the non-beneficiaries of the Fordist accord, women and 'minorities'.

And third, the reservation of part-time work for female labour was complemented, from the late 1950s on, by the mobilization and

subsumption of additional labour reserves by core capital to be employed primarily in manufacturing. Yet, the manner in which this mobilization was conducted in each core zone depended on the ongoing structuring of the Pax Americana. At the hegemonic epicentre, the transborder expansion of corporate capital was gaining pace, as attested to by the swift increase in the number of subsidiaries of US-based transnational corporations, primarily but not exclusively in Europe, and in the volume of US direct investments overseas (Vernon, 1979; Whichard, 1981).

In Europe, on the other hand, the combination in the production process of a reduced proportion of high-wage, skilled labour with a higher proportion of low-skilled or unskilled labour was rendered possible, thanks to the importation of immigrant labour from its semi-peripheral southern rim. This influx began in earnest in the latter half of the 1950s and went on unabated throughout the 1960s. For instance, the number of workers imported into the Federal Republic of Germany increased from 55,000 in 1958 to 250,000 by 1960. In most parts of Europe, the proportion of imported labour to that of the total labour force ranged from 10 to 15 per cent, at times reaching 30 per cent, as in Switzerland (Salt, 1981: 138–9). It should be mentioned that, though transborder expansion was of cardinal significance, labour inflows into the USA from Europe were also considerable during the 1960s (around 300,000 per year); this number is nonetheless small when compared with the huge influx of the 1970s and 1980s. In the Pacific Rim, corporate capital based in Japan found its mobility rather constrained in its erstwhile co-prosperity sphere because of the radical changes in the political landscape of the region. These changes prompted a Japanese policy of contracting out production rather than relocating production offshore via direct investments (Bunker and O'Hearn, 1993). In turn, the predominance of subcontracting created an environment not conducive to labour mobility.

At the level of the world-system, these three seemingly divergent patterns were in fact conjointly framed by the transnational expansion of US-based corporate capital beyond the confines of the Western hemisphere beginning in the late 1950s. With the formation of the EEC, the meteoric rise in labour inflows to Europe spurred a parallel expansion in industrial activities, an expansion that deepened Taylorist productive organization and induced Europe-bound emigration of US corporate capital. In the Pacific Rim, too, the supplanting of US aid at the turn of the 1960s with corporate capital flows – originating both in the USA and in Japan – set in motion new developments in the region's labour markets. Japan's recovery took place within the confines of a

productive structure largely formed at the turn of the 1950s. For one, the financial bottlenecks which surfaced after the war rendered idle a vast body of fixed capital. In addition, the Korean War boom was followed by fierce labour struggles, as exemplified in the case of the automobile industry. The imperative to sustain the turnover of the former by bypassing unionized labour led to the establishment of subcontracting of production as an integral and ever more crucial component of the principal organizational network (Smitka, 1991).

Owing to the gradual downgrading under growing competition of the textile/garment industries in the world-scale divisioning of labour, this organizational setting became the organizing framework for these industries in the early 1960s. They followed the tracks of cheap labour, and decentralized their centres of production, first to small towns and then to outlying jurisdictions such as Hong Kong and Singapore (Yoshihara, 1976: 117). This distinctive path was the outcome of three closely related factors which reflected the structure of regional labour markets during the 1950s and the earlier part of the 1960s: the highly rural character of the Japanese (and East Asian) female labour force; the relatively low rates of rural-to-urban migration; and the geographically dispersed nature of the then predominant textile and apparel industry.

The combination of these three factors favoured subcontracting of production, with emphasis on the use of a female labour force. Eventually, the full incorporation of female labour into the urban workforce in Japan had to await the transferral of such activities 'across-the-border', as well as the impact on rural labour of land reforms of the 1950s. The rapid expansion of agricultural production in the 1960s allowed a continual flow of rural-to-urban migration: the proportion of women working for pay in urban areas soared from 13 per cent in 1963 to 40 per cent in 1989 (Ogawa, Jones and Williamson, 1993).

Rather than marshalling labour into its centres of production, as in the case of Europe, or expanding its productive base worldwide via vertical integration, as in the case of US-based corporate capital, Japanese industry then contracted out and effectively orchestrated the integration of production processes spread over neighbouring territory. This complex and sprawling organizational hold of the region was consolidated by the replacement of US aid by corporate capital flows, especially in the former Japanese colonies of Taiwan and Korea, where these flows in effect strengthened the suppliers' end of the subcontracting nexus. As a result, in this second area under reconstruction, yet a different pattern of establishing the command of capital over labour emerged.

In broad outlines, then, subsumption of labour in the core zones dictated the mobilization of female labour on a part-time basis, a reserve

army supplemented later by immigrant labour from the semiperiphery (Europe); by labour *in situ* in semiperipheral zones (US); or by mobilization of family labour via subcontracting of production (Japan). Instituted thanks to the steady and massive outflow of rural labour and/or to the ability of capital to extend its organizational net outside and beyond *intra muros* production, all these modes of labour control arrested the full-lifetime proletarianization of households in the core. Emigration of corporate capital produced a similar structuring in the semiperipheral regions by mobilizing semiproletarianized labour reserves. Thus, the deepening proletarianization of households in the core zones despite the partial incorporation of female labour into wage employment was complemented and counterbalanced by the growth of part-lifetime proletarianized households in the semiperipheral and peripheral zones.

The Global Reach of Taylorism

A wide array of processes framing the division of labour in the world-economy accelerated the burgeoning of infra-economies in the non-core zones throughout the 1950s and 1960s – processes ranging from rampant urbanization to mass migratory movements, from demographic upheavals to the institution of new modes of labour control, not to mention attempts by businesses to escape state regulation. By catering to the protean infra-economy, these processes facilitated corporate capital's foray into the vast field of part-lifetime waged work.

Given the wide spectrum of mechanisms underlying and reproducing infra-economies in different quarters of the world-economy, a substantivist reading of the development of a 'regulated' (that is, Taylorist) realm in the post-1890s period has to account for the modalities by which an enlargement in the 'unregulated' terrain has also occurred (or rather recurred). The geographical distribution of these wide-ranging trends was not random; the differences reflected the world-historical structuring of productive activities. In what follows, I shall dwell upon these modalities, and perforce operate through a score of ideal-types of infra-economies which have hitherto served to secure the non-universalization of proletarianization in the semiperipheral and peripheral zones of the world-economy.

In certain quarters of the semiperipheral world, the momentum provided throughout the 1950s and 1960s by the speed and magnitude of urban growth triggered a phenomenal surge in the number of part-lifetime proletarian households. The expeditious emptying out of rural areas, the salient feature of the postwar era, furnished the urban/industrial/corporate sector with 'unlimited supplies of labour'. To be

sure, the rate of urbanization was sustained, if not instituted, by the extension of state machineries plus import-substitution industrialization and/or transnational expansion of capital. As a result, by the late 1960s the urban population in the semiperiphery in Eastern and Southern Europe had reached 55 per cent, and 65 per cent in the USSR and Latin America (UN, 1986; Jackson, 1987).

The statist framework governing the process of industrialization, an integral part of Pax Americana's interstate order, favoured growing rates of urbanization, for the most part particularly but not only the capital cities. The concentration of manufacturing and service activities in a rather limited number of cities in each national jurisdiction was the overarching factor in the organization of the post-1945 spatial order. Embodying this wave of industrialization in Latin America and Southern Europe, Mexico City, Santiago, São Paulo, Madrid, Barcelona, among others, exemplify the trend. In Latin America, at least 40–50 per cent of the GDP, manufacturing production, and services and employment were concentrated within sprawling metropolitan agglomerations. Soaring urbanization and spatial concentration of manufacturing activities in the semiperiphery were marked characteristics of the A-phase.

Where corporate capital monitored the ongoing division and integration of manufacturing processes, as in Latin America and the southern rim of Europe, the share of the urban labour force rose the most, and emigration from the rural areas was accordingly massive. The timing of corporate capital's transnational expansion and the nature of migration resulted in different modalities of semiperipheral development. In both regions, the integration into corporate structures of production extended the spread of Taylorization of production, promoting the employment of male labour on the shop floor. Yet, differences arising from the nature of available labour reserves, especially rural, found expression in differing modes of semiperipheral structuring. While agrarian structures in Latin America favoured plantation-like agricultural units, Southern Europe saw the reconstruction after the war of family-farm enterprises. The two paths of transformation created differing modes of income pooling.

In Latin America, migration was primarily to cities within the state, and female migration was not only part of it but actually its main component. The consequence was the expansion of an urban infra-economy that provided the livelihood of close to 30 per cent of the urban labour force, creating and catering to semiproletarianized households. It was just the opposite in Southern Europe, where migration was primarily emigration to the core zones, and almost exclusively male. In consequence, householding crossed state boundaries, spanning rural

and urban areas, and hard currency remittances strengthened the hold of households over land.

In Latin America, it was the capital-intensive nature of agricultural production which drove large numbers of rural inhabitants, mostly women, to metropolitan conglomerates to be employed in the ever-expanding infra-economy. As the rate of rural population swiftly dropped, female labour's share of the total increase in employment jumped from 18 per cent in 1950 to 38 per cent in 1975, despite the fact that the increase in manufacturing employment was quite meagre. More often than not, women dropped out of the formal labour force after marriage, but they comprised the most substantial portion of the infra-economy, providing between 45 and 70 per cent of its labour. The concentration of population and manufacturing in a few urban centres where household members were engaged in a score of pecuniary pursuits enabled these units to increase that portion of their income accruing from part-lifetime employment (Boserup, 1970).

The changing face of agriculture was reflected in the decline not only of family farms but also in the size of their holdings. Between 1950 and 1970, the number of small farms in Latin America as a whole grew by an estimated 92 per cent, or 2.2 per cent a year; and the average size of smallholdings declined from 2.4 to 2.1 hectares in the same period, a contraction of -0.4 per cent a year (de Janvry et al., 1989). Non-farm employment in the rural areas shrank along with the contraction of the farm sector, and accounted for only one-third of rural labour, considerably lower than that in Asia or Africa (where the ratio is closer to two-thirds). The share of agricultural wage employment actually fell, due to the attendant contraction of family farms during the 1960s (Haggblade, Hazell and Brown, 1989: 1174-77; ILO, 1984).

Rural emigration in Latin America was so unyielding and continuous that the increase in the rural labour force failed to catch up with that in the agricultural labour force. The former, which grew by 0.6 per cent per annum during the 1950s and 1960s, was outstripped by the rise in the latter, which increased by 1 per cent in the 1950s and by 0.8 per cent in the following decade (Anderson and Leiserson, 1980: 220-21; Buttari, 1979). Also, the massive emigration from the rural areas has to be placed within the context of increasing intercontinental migration, the volume of which at the turn of the 1970s added up to approximately 3.5-4 million persons, mostly from peripheral zones to the semiperiphery (ILO, 1984). These developments also found their echo in the USSR and Eastern Europe, where the tempo of rural depopulation and urbanization rivalled those of other semiperipheral regions. The

demographic loss of the Slavic republics during the war, now estimated to be 40 million, twice as high as previously believed, was only recovered in the early 1970s. It was due to the sheer size of this loss that the period beginning in the mid-1950s witnessed the relaxation of many of the controls on labour mobility in the USSR. Despite the passport system, close to 25 million people emigrated from the countryside between 1956 and 1970, leading to the enormous growth of Moscow, Leningrad, Kiev and Minsk (Helgeson, 1986: 148, 151–2).

In Southern Europe, the outflow of labour to the core zones and the inflow of remittances to the countryside implied a different agrarian structuring.⁴ The growth of the labour force, which was about 0.3 per cent per annum during the 1950s, declined to 0.01 per cent in the 1960s due to the magnitude of core-bound migration. In Southern Europe, since it was largely males that migrated, the rate of growth of the male labour force fell drastically in the 1960s. In most cases it was negative: the rate went from 0.7 per cent to -0.2 per cent; in Italy from -0.05 per cent to -0.2 per cent in Greece; from 0.3 per cent to -0.9 per cent in Portugal, and from 0.5 per cent to 0.2 per cent in Spain (ILO, 1986, IV: 7–9). Rates of growth of female labour, on the other hand, increased region-wide, from 1 per cent in the 1950s to 1.3 per cent in the 1960s. The drop in agricultural employment in relation to total employment came much later than it did in Latin America, and was particularly marked between 1960 and 1973. The proportion of female labour in manufacturing rose impressively in Southern Europe (from 20 per cent in 1950 to 28 per cent of the female labour force in 1970), whereas in Latin America the share of female labour in manufacturing declined from 23 per cent to 20 per cent during the same period.

Along with a series of other 'invisible' exports, remittances made up a significant portion of the aggregate income of the households domiciled in Southern European countryside, and allowed them to provide corporate capital with part-time and casual workers, remunerated in part in 'traditional' wages (Keyder, 1985; Vergopoulos, 1979). This migratory pattern changed during the latter half of the 1960s. Labour outflows from these territories declined, or were overshadowed by the appearance on the global scene of a new family of migratory movements, emanating mostly from peripheral regions (Sassen, 1988).

4. For the impact of emigration on large-scale agriculture (for example, by raising rural wages), or on family-holdings (for example, by increasing households' ability to purchase land), or on patterns of land-use (for example, shifting from intensive cultivation [vegetable produce and industrial crops] to extensive [cereal] cultivation), see Filias, 1972 and de Oteyza, 1972.

The dissimilarity in the paths of rural transformation of these two semiperipheral regions is reflected in the expansion in Latin America of rural towns which emerged as increasingly important locations for new employment. Unlike Southern Europe, the rate of growth of the population of small towns in the 1960s was comparable with and often greater than the rate of growth of large metropolitan areas. In the light of the overwhelming predominance in Latin America of the infra-economic scaffolding, the fact that most studies trace its (conceptual) origins to *l'economia sommersa* in Italy is ironic. Even more, it neatly documents how restricted (and core-based) our points of reference are in trying to diagnose supposedly new social phenomena.⁵

Until the beginning of the cyclical downturn in 1967/73, it was thus primarily in the semiperipheral zones that the deepening/consolidation of stateness by means of formation/extension of a parastatal corporate sphere was accompanied by the relocation of labour-intensive manufacturing processes under the aegis of transnational corporations. Subsequently, wage employment in the 'formal'/'modern' industrial sector registered striking rates of growth, although the significance attached to full-time wage employment in this sector as a sign of 'development' certainly underestimated the sheer size and widespread nature of complementary forms of employment by the corporate sector (parastatal or private). The growth in the labour force employed in the corporate sector, albeit considerable, was outstripped by that of the non-agricultural labour force. Conversely, the sheer size of the reserve army of labour permitted corporate capital to extend its operational domain by direct hiring on a casual basis and by subcontracting of production and marketing (see Portes and Benton, 1984: 596-7). Complementing this double movement was the new life given to 'traditional' wage (as opposed to 'social' wage) arrangements, and hence to the perennial infra-economy.

Whereas urbanization and migration, both resulting from and compounding the exodus from the countryside, furnished households – either through 'informal' activities or through remittances – in the Latin American and Southern and Eastern European semiperipheries with opportunities and means to widen their income mix, households in East Asia did not rely on either, due to the spatially dispersed nature of

5. Discussions of the 'third Italy' as the original site of 'nascent flexible production', argued to be radically and structurally dissimilar from 'third-world-like' informal economies, reflect a similar optic.

the predominant industries (textiles and food processing).⁶ The well-knit network of secondary cities and the land reforms that altered the agrarian structure of the countryside prevented, at least until the 1960s, the kind of urban growth the other semiperipheral regions underwent (Durand, 1975: 149). In addition, subcontracting can be said to have discouraged labour migration in so far as *extra muros* production in the countryside was available. It was mostly during the B-phase that, given the fast pace of growth in the late 1960s and 1970s, the mobility of labour within and across the region became widespread,

Consequently, in stark contrast to other parts of the periphery, urban growth in East Asia was relatively low throughout the 1950s, reaching a mere 28 per cent in Korea in 1960. The peak of the population growth was reached during the latter half of the 1960s when it soared to 2.5 per cent per annum. The agricultural reforms of the 1950s had led to increased migration to the cities. Once employment on the farm became a thing of the past with the world-economic developments of the 1960s, the share of manufacturing in total employment went from 11 per cent in the 1960s to 21 per cent in the 1970s (van Ginneken and van der Hoeven, 1989). A big jump in female labour-force participation was also under way during the 1960–75 period, from 17 per cent to 33 per cent in South Korea, 22 per cent to 35 per cent in Hong Kong, and 14 per cent to 30 per cent in Singapore (Ogawa, Jones and Williamson, 1993: 52; Jones, 1984).

The confinement of transnational expansion of capital and the redistribution of productive activities to a few semiperipheral locales until the early 1970s left the state corporate sector in the periphery as the most sizeable source of wage employment. The expansion of the state corporate sector, however, precipitated similar processes of increasing rural-to-urban migration with consequent skyrocketing rates of urbanization, again to a few select centres, mostly to capital cities as bureaucratic seats of power. The coupling of urbanization with industrialization as a means of consolidation of nascent state structures was the particular mark of the 1950s and 1960s. Yet, the relatively limited size of this urban/corporate sector (employing less than 20 per cent in China and in certain parts of Africa less than 10 per cent of the population) set in motion a dynamic different from that in the semiperipheries (Doctor

6. For a typology of household migration patterns, and the ramifications on the mix of economic activities the households are engaged in, Boserup's seminal work, *Woman's Role in Economic Development* (1970), still stands out, despite all criticism levelled against it.

and Gallis, 1966). The need to diversify their sources of income compelled households to grow in scale, ushering in or reinforcing the demographic growth of the 1960s (Meillassoux, 1975). In the peripheral areas of the world-economy, it was thus the difficulty of reproducing the conditions of existence of infra-economies that accelerated population growth.

The predominance of an import-substitution ideology in much of the world, complemented by the need of US corporate capital to maintain protective barriers up to the late 1960s and by the absence of corporate flows to the periphery, fuelled autarchic industrialization policies that helped give an appearance of universality to the Taylorist élan of the era. The low ratio of exports to GDP in the core – the 1960s, the golden age of US hegemony, were an all-time low (Lipietz, 1987: 69) – was a key element in the postwar boom of the peripheral economies, but it was a precarious base.

From the vantage point of the world-economy, the growing ability of households to reallocate their labour supplies and to engage in multifarious economic activities provided the setting within which the process of proletarianization had been embedded. But in most (semi)peripheral locales, the expansion during the 1950s and 1960s in the infra-economy was intimately linked to the process of industrialization. The absolute annual growth during the 1950–80 period of wage employment in Latin America and Southern Europe, for instance, fell consistently below that of the non-agricultural labour force, and the share of agricultural wage employment actually decreased (ILO, 1984).

This proliferation in the range of non-wage-earning economic activities was hence more than merely a product of the B-phase, performing its usual counter-cyclical function. The widespread restructuring in the core zone of the structures of work in terms of Taylorism and Fordism during the A-phase created and relied heavily on the breadth and the protean nature of the infra-economies. On the one hand, the conspicuous absence in most parts of the periphery of transnational expansion of capital set limits on the extent of wage employment. From the vantage point of the periphery, despite major differences between the pre-1945 and post-1945 economic orders, two closely related systemic traits of the world-economy have exhibited a remarkable degree of continuity since the turn of this century: first, the inexorable boxing-in of capital flows within and among core and semiperipheral locales (and correspondingly, the dwindling share of the periphery in these flows), and second, the continuously growing share of manufactured goods within global merchandise flows. Both trends were consecrated in the Bretton Woods arrangements and even more by GATT.

On the other hand, the deepening of both interstateness and stateness, by promoting centrifugal tendencies, had a perverse effect on the restructuring of labour markets. The gradual expansion of state structures during the 1950s and 1960s stimulated attempts by enterprises to escape their reach and encouraged a proliferation in the number of non-state-administered enterprises (rather than, say, the increase of individual enterprises in size). This swelled the ranks of the infra-economy in the semiperiphery and the periphery. In the former, this centrifugal movement provided additional support to the widespread utilization of casual hiring and subcontracting. In the periphery, the broadening of the Taylorist realm had merely flowed from the consolidation of state apparatuses (via import-substitution industrialization) and attendant urbanization, notwithstanding the relatively limited presence of core capital.

Changing Modes of Expansion of Capital and Labour Control

What followed during the B-phase accelerated rather than reversed these tendencies. Part-time work, temporary employment and similar arrangements have in fact become indispensable elements of the reorganization of production in the core zones. And the 'informalization' of production and work in the semiperipheral and peripheral zones has reached colossal proportions. In Eastern Europe and the USSR, this took the form of the growing significance of piece-rate work (Haraszti, 1977). Since 1945, growing proletarianization in the core, comprising in the 1970s more than 80 per cent of the labour force (and unemployment ranging from 2 per cent to 3 per cent in Europe and 4 per cent to 7 per cent in the USA) has eventually increased the pace of the shift of labour-intensive manufacturing processes from the core to the semiperipheral and peripheral zones. Since 1967/73, the multiplication of the sites of provenance of capital emigration – adding Japan and Europe to the USA (Fröbel, Heinrichs and Kreye, 1980) – has in turn fostered both tendencies by increasing the share of temporary/part-time work and rates of unemployment (now reaching 11–12 per cent) in the core zones and the furthering of 'informalization' in the non-core zones.

Indeed, the relative share of wage labour in the world's labour forces climbed most notably not at the zenith of US hegemony but during the subsequent B-phase. The explanation, however, lies in the increase in part-time and 'casual' (part-lifetime) wage employment that accompanied the decline in full-lifetime wage arrangements. The rise in wage employment since the mid-1960s in the peripheral and semiperipheral zones of the world-economy is one consequence of this; although, of course, it

is partially merely the reflection of the utilization by state agencies of new classificatory categories, designed to register newly added categories of wage employment rather than dwell exclusively upon the full-lifetime proletarian.) The B-phase thence became the locus of two closely related developments which altered the terrain on which post-1945 tendencies were founded.

First, in the 1970s there was a shift in the locus of the transnational expansion of capital, increasing significantly the amount invested in peripheral locations. Previously, capital flows were confined predominantly within and among core and semiperipheral locales. After the brief interlude of the 1970s, however, capital flows, triggered by the onset of the 'debt crisis' in 1981, once again moved mainly within the core. This did not restore, however, the post-1945 order. Rather, the extension in the territorial reach of capital during the 1970s had prepared the ground in the semiperiphery for the licensing and subcontracting of production. This 'outsourcing' served in part to compensate for the outflux of core capital as well as to render it 'more' mobile due to the low ratio of fixed capital in most subcontracting arrangements.

The global widening in corporate structures of accumulation signalled an important change within the inter-enterprise system. It incorporated (albeit at arm's length) a wide range of cascading units/firms. The increasing reliance within the corporate world on new modes of integration (such as subcontracting of production, licensing, and joint ventures) took place at the expense of the familiar web of subsidiaries and in-house operations (that is, vertical integration).⁷ The impetus given in the late 1960s to the slowing down of vertical integration by corporate restructuring was supplemented in the 1980s by the momentum of the debt crisis. The deceleration in semiperipheral growth induced by the crisis led to the retrenchment of corporate capital at the core, and the decline in capital flows and direct investments favoured modes of integration other than that of vertical. Therefore, the scaling-down since the late 1960s of the TNCs and their subsidiaries nurtured a climate conducive to conducting a wide spectrum of productive activities, previously enclosed within corporate structures via Fordism and Taylorism, beyond the confines of these conglomerates (Harvey, 1989). This process has either grafted new groups of producers onto, or re-assembled under, the organizational edifice of the TNCs certain fragments of the already existing reservoir of labour forces. Particularly in

7. On subcontracting and the hiving off of formerly internalized transactions, see Hirschman's discussion of 'hierarchies' versus 'markets' (1986: 85-7).

the Pacific Rim and its bordering regions, the widespread introduction of subcontracting attuned the world of work to its modes of functioning.

Second, the increasing condensation of trans-state relational networks woven by TNCs after 1967/73 provided additional impetus to inflate the opaque half of global economic activity. Prevailing state-subversive trends dealt a fatal blow in the periphery and semiperiphery to activities tied to the parastatal corporate sector and/or import-substitution industrialization. By default or by design, the waning capacity of state apparatuses to monitor and police 'social' wage arrangements – that is, employment covered by labour codes and legislation and regulated by the state – increased the amplitude of 'casualization' of work. As a result, trans-state processes, primarily originating from above in the transnational expansion of capital, were fortified from below by a widening in the latitude of the non-Fordist realm.

In the core zones, the massive emigration in the late 1960s and 1970s of capital 'overseas' was accompanied by the proliferation in the core of industrial home-work along with the ever-growing significance within the realm of employment of temporary and market-mediated work arrangements.⁸ This reshuffling in the core helped to mobilize the reserve army of female and immigrant labour and scaled down the share of the traditional cadre of White male full-time wage workers. These intimately linked developments of the past two decades, colouring the changes in the place of production from factories to sweatshops, are attested to by the discussions surrounding 'flexible specialization', 'post-Fordism', and 'new forms of investment' (see, for example, Piore and Sabel, 1984; Williams et al., 1987). The transformations in structures of production and work, already under stress due to the wave of labour insurgency in the late 1960s, proved to be long-lived.

Stated briefly, then, the labour force formation patterns of the Kondratieff A-phase, which had laid the ground for a gradual yet progressive build-up of semiproletarian households, were given a vigorous boost by the developments of the B-phase (Fröbel, 1982). In the core, with the onset of the downswing, the employment of female labour reached new heights in the 1970s, and part-time and contract jobs became an indispensable part of the world of work in the 1980s. For example, in Great Britain, whereas the female labour force has risen by 3.1 million, that of male labour has increased by only 300,000. In fact,

8. In Europe, this tendency manifests itself in the diminution of employment protection by relaxing restrictions on the use of temporary workers and of fixed-term contracts, and by the reduction and organization of work time (see Osterman and Kochan, 1990; also Aglietta and Brender, 1984: 173–9).

by the end of 1994, the number of 'gainfully employed' women is expected to exceed that of men. Again in Great Britain, one worker in four is today outside permanent, full-time employment. When temporary staff and self-employed are added to the figures, then the percentage rises to 40 per cent (Beechey and Perkins, 1987: 37).

In addition, the world-scale centralization in the core of the tasks of servicing and monitoring the global productive apparatuses has proven compatible with, indeed has encouraged, the expansion of part-time employment (Sassen, 1991). In the USA it is primarily migrant labour that has been employed in this rapidly expanding sector of the 1980s, thus keeping part-time employment from being the sole preserve of female labour. In Europe, the assignment of migrant labour to manufacturing activities has made part-time female employment in the service sector relatively more secure. This partly explains why women have fared better in Europe in this recession than men: 5.6 per cent of women are currently unemployed, as opposed to 12–14 per cent of men. As a result of these developments, regulations in Europe monitoring part-time employment and contract jobs are being refashioned, in a piecemeal fashion, to conform to this emergent situation; whereas in the USA, where such regulations were never in effect, part-lifetime employment has boomed. The increase both in the volume of this kind of employment and in the number of persons ready to accept its non-Fordist package have resulted in falling wages instead of unemployment in the USA, in contrast to Europe.⁹ The proliferation of contract-employment and self-employment, of piece-rate and home-based work, have involved the hiving-off of activities formerly internalized within corporate entities to separate enterprises, fortifying the foundations and development of non-Fordist employment patterns.

The overwhelming presence in the Pacific Rim of subcontracting of production has given the region its *sui generis* character. The regional latticework in the Pacific Rim mirrors in part the degree of multilateral dependencies woven under Japan's aegis. The territorial sway of subcontracting became the essential thread constituting the regional division of labour (Arrighi, Ikeda and Irwan, 1993; Cumings, 1984). An indispensable if not the central component of the organization choreographed by Japanese corporate capital, the continual growth in subcontracting of production, is evident in the structuring of the manu-

9. The nominal figures for Europe are relatively higher than the figures for the USA (around 11–12% as opposed to 6–7%), but the latter figure excludes 'discouraged job-seekers'.

facturing sector in Hong Kong: 57 per cent of its exports originate in local companies with fewer than fifty employees and marketed through 14,000 small import-export houses. This local weave has been corroborated by the character of migration in the region, which to date has been largely family migration. In sharp contrast with the trends colouring the rest of the world, urban households in the region have grown bigger in size than their rural counterparts elsewhere, and the difference between rural/agricultural families and their urban counterparts is the lowest in the world (1:1.5 against 2:4 in Latin America). The networks of subcontracting enveloping the Pacific Rim within corporate structures of accumulation thus cast a radically different setting for labour flows than the one provided by the vertical integration of production by the TNCs.

Regional integration in the Pacific Rim has gone on unabated in spite of the massive outflux from the region of Japanese corporate capital during the last two decades to other core locales. Though capital flows have of late resumed their overwhelmingly interregional character, the networks in place are no longer exclusively dependent on capital movements originating in Japan; they now stem from other parts of the region as well (via Hong Kong and Taiwan). Along with recent changes taking place in former Soviet Asia and China, it seems likely that these multilateral networks woven by Japanese corporate capital, originally involving only the so-called four dragons (South Korea, Taiwan, Hong Kong and Singapore), will undergo further modification. The opening up of new territories is rendered obligatory by the strengthening of labour in the four dragons. Subcontracting networks, previously almost exclusively enclosing the four dragons, are in the process of extending their spread to parts of Southeast Asia (for example, Indonesia, Thailand, Malaysia) (Singh and Kelles-Viitanen, 1987) as well as to southern China.

These seemingly divergent yet complementary developments signal that the longevity of these subcontracting networks is not necessarily bound up with the present downturn. Subcontracting of production has been more than a countervailing force deployed against the vagaries of the downturn. The acceleration during the last two decades in subcontracting has either added a new array of producers to, or reassembled under, the organizational edifice of the TNCs certain fragments of the existent reservoir of labour forces. For example, in Indonesia, 75–80 per cent of the manufacturing workforce is and remains in rural areas – in manufacturing hamlets, so to speak. Economic flows emanating from the core and channelled through networks enveloped within the gargantuan ‘general trading companies’ (*sogo shosha*) have effectively discouraged core-bound labour flows. Whatever mobility there

is, mostly from the peripheral regions of the Pacific Rim, is channelled towards the Persian Gulf, and from the semiperiphery to the USA. The passing of huge sums in remittances back home without the intermediation of banking institutions or state agencies has in effect helped to reproduce the (financial) conditions of existence of the units/firms at the outer perimeters of the subcontracting networks, hence strengthening the existing pattern.

This structuring has delimited the sphere of circulation of migratory movements to the shifting margins of the Pacific Rim, to some degree insulating the Japanese epicentre from labour inflows. Despite the rapid growth during the past two decades in the region, the magnitude of labour flows has been relatively unimpressive. Of the 3.5 million people who have migrated so far, only 1.2 million have done so within the region; most of the rest emigrating to the Persian Gulf (Stahl, 1986). Prospects of an expansion in the hinterland (for example, by the unification of the Koreas or the further opening up of Guangdong via Hong Kong) are likely to reproduce the conditions of existence of these networks on a larger scale. These ever-growing concentric circles may in the near future continue to generate relatively low levels of labour mobility within the region.

In harmony with the ebbs and flows of Japanese corporate capital, the highest rates of urban growth in the outlying regions were reached in the 1970s, up from 4.2 per cent in the 1960s to 5.2 per cent; they have since fallen to 4.5 per cent. And the highest growth rates since the 1970s have been reached in the category of cities with populations less than a million (Douglass, 1988). That the urban artery in Asia has a relatively well-developed ancillary of secondary cities has helped this phenomenon take a firm grip in the region. In 1975, in East Asia less than one-fifth, and in South Asia less than one-third, of the urban population lived in secondary cities (Rondinelli, 1983: 53-7). This also explains the fact that, in South Asia, the fastest growth took place in cities with populations less than 2 million while the rate of growth of the primate cities declined considerably. The present trends in urbanization strengthened the existing fabric of production in the region.

Though similar organizational readjustments within other core zones have been the order of the day since the late 1960s, the extent of this renovation has been comparatively modest. The relocation of production abroad via subsidiaries and the continuing force of the USA rendered the liquidation or renovation of this existing corporate network extremely difficult. The relatively limited extent of transnational expansion of European corporate capital until the late 1960s and its subsequent reliance on the import of migrant labour were, of course, limitations on

its ability to resort to subcontracting of production. Even though its latecomer status has absolved it from the necessity of liquidating (part of) its corporate network, the full integration of Southern Europe (the former frontier of the Community, now placed on a par with the rest), and to a limited extent of Eastern Europe; have imposed serious limits on the extension and widespread employment of this other mode of integration. Indeed, recent developments in Eastern Europe, where subcontracting for European – mostly German – firms had become a frequent phenomenon in the 1970s and 1980s (van der Wee, 1986: 397) have rendered it an increasingly arduous undertaking. The ‘economic labour collectives’, which leased state-owned plants and machinery outside working hours, have virtually disappeared in consequence of the recent industrial privatizations.

The Expanding Dominion of Semiproletarian Households

The broadening of the non-Fordist sector in the core has been accompanied by a swift expansion in the number of semiproletarian households in the semiperipheral zones as well. It was triggered by a decline in the state’s capacity to control and regulate economic flows and labour markets, because of both transformations in the interstate system and the ‘footloose’ expansion strategies employed by corporate capital. The processes underlying the reproduction of semiproletarian households during the A-phase – urbanization, migration and demographic growth – lost their force as a result of the changes in the interstate and inter-enterprise systems. In fact, all three have become, during the past two decades, attributes of peripheral rather than of semiperipheral regions.

For one thing, during the 1970s, the urban ‘bias’ inscribed in import-substitution industrialization came to a sharp halt, tilting the balance at the expense of the biggest conurbations. Seen from this angle, the fast pace of urban growth experienced before the debt crisis started to subside revealed that it was basically the extraordinary growth of lesser cities (and, at times, of towns) which has kept the overall rates of urban growth high since the 1970s.

This decline is fully consonant with the world-economic developments characterizing the post-1967/73 period. Having radically altered the balances established during the 1950s and 1960s which favoured urban concentration and deruralization, these recent developments perforce dictated a new spatial patterning on a world scale. By downplaying the urban geography of the former period, the reversal of the ‘enclosure’ movement which had concentrated (agrarian and industrial)

production predominantly within the inter-enterprise and interstate networks triggered secondary urbanization, facilitated 'ruralization' of manufacturing activities, and refashioned the agrarian landscape. In short, it called into question the rural-urban nexus of the post-1945 period.

With the downturn, the withering away of import-substitution industrialization and the burgeoning of commercial agriculture and husbandry unleashed centrifugal tendencies, reducing the growth rate of the primate cities. The change in capital flows during the 1970s favouring the periphery made these changes visible first in the semiperiphery. But the debt crisis and the ensuing movement of capital toward the core in the 1980s ensured that the full impact of the downturn would be felt in peripheral and semiperipheral areas alike, with however some nuances for the semiperiphery, given the pivotal role they played during the A-phase.

The concentration of industrial production in metropolitan areas slowed down. For example, in Chile, Santiago's proportion decreased from 49 per cent to 38 per cent between 1973 and 1980 (Gwynne, 1985: 82-131, 234). Subsequently, the rate of metropolitan growth decelerated. In São Paulo, secondary cities of the state with a population of over 100,000 increased, at an annual rate of 5.3 per cent, faster than the 4.6 per cent of the metropolitan area itself (Townroe and Keen, 1984). It was during the 1970s that the cities with populations between 0.5 and 4.0 million had the lowest growth rates. Those with populations between 100,000 and 500,000 were growing at an average of about 3.9 per cent annually, whereas the rate declined to 3.1-3.2 per cent in those with populations ranging from 0.5 to 4.0 million (Preston, 1988).

Between 1965 and 1975, even though the total population in cities over four million in peripheral and semiperipheral regions grew from 55.9 to 120.6 million - that is, at a phenomenal rate of 7.7 per cent - almost half of this growth resulted from an absolute growth in the number of cities in this group, from nine to seventeen. If calculations are somehow 'corrected' on this basis, then 32 million should be added to the former group. In other words, the urban growth rate 'through graduation' would be in excess of 3 per cent. That the absolute increase in the number of megalopolises needs to be taken stock of in tracing trends in urbanization goes without saying. However, it should not inflate the growth rate attributed to metropolitan conglomerations. One cannot claim the end of the predominance of primate cities. The centralization of industrial pursuits is still with us, although signs of its abatement are also evident and abundant (Storper, 1991). The corporate restructuring, flowing from the renovation in the informational infrastructure, has

inaugurated the supersession, if you will, of the importance of physical concentrations by a network of information and economic flows orchestrated 'from without'.

The decline in rates of urban growth has followed different modalities in different parts of the semiperiphery. In highly urbanized Latin America, the change is exemplified in the deceleration of rates of urban growth: down from 4.5 per cent in the 1960s to 4.2 per cent in the 1970s, and to 3.7 per cent in the 1980s. The highest rate of growth in the 1980s was in the category of cities with less than 2 million inhabitants, while the primate cities also grew fast. Equally, the populations of secondary cities grew about 8 per cent faster than the total population of the largest cities. In the Pacific Rim, where a considerable influx during the A-phase of US corporate capital favoured primate cities, the outlying cities (for example, in the Philippines, provinces adjacent to Manila; or in Malaysia, Penang) were as affected as the metropolitan provinces during the drastic contraction in property markets in 1992 (*Far Eastern Economic Review*, 30 April 1992: 37-48).

As parastatal corporate entities encountered formidable difficulties because of the retrenchment of capital to the core in the 1980s, the infra-economy serving as an adjunct to this economic realm contracted too. The contraction in employment was accompanied by attendant declines in informal earnings, partly due to the rapid rise in labour reserves in the infra-economy and, more importantly, because of the parallel decline in demand by a shrinking corporate sector due to the drop in urban wages. With the share of urban population in the Latin American semiperiphery now reaching 80 per cent of the total population, the contraction in the state/corporate sector and the very slow tempo of industrialization were translated as incessant growth in the realm of the infra-economy.

This is partly why, despite the fact that 'formal' sector (corporate or parastatal) has either been auctioned off or has downsized considerably, employment in the 'marginal' sector has not shown any corresponding quantum leap. Rates of urban unemployment in metropolitan agglomerations in Latin America as well as in Southern Europe have skyrocketed and have persistently been higher than overall 'national' rates of unemployment. Here again, the Latin American semiperiphery exhibited a path different than that of the Southern European semiperiphery. In the latter, where female employment in manufacturing has been relatively higher, unemployment of women, more so than that of men, has also been the order of the day. In the former, by contrast, where the feminization of the labour force employed in the infra-economy reached significant proportions, owing to the gradual slackening in this sector in

concert with the transformations in the corporate sector, female-headed households mushroomed' (Schminck, 1986; Schultz, 1990).

Hence, centripetal forces shaping urbanization patterns during the A-phase, at variance with recent historical developments, have of late lost their spatially organizing force. The reversal is signalled by a deceleration in the growth of primary cities and a complementary rise in that of secondary cities at the semiperiphery, and in the loss of the agglomerative power of the metropolitan conglomerations at the core. At the same time, natural increase became a more important factor in the growth of the urban areas, at times accounting for more than 70 per cent (Roberts, 1978: 105). There was also a metamorphosis in migratory flows, which have become more intra-urban in character, within or across national boundaries (Roberts, 1990).

In sharp contrast to the A-phase, during the B-phase the relatively limited size of the agricultural labour force in the semiperiphery, the closely intertwined nature of urban and rural labour markets, and the high levels of urban unemployment acted in harmony to bring down the rate of demographic growth. The trends sustaining secondary urbanization played a role in this. The commercialization of non-cereal agriculture, and the growing importance of exports of more lucrative non-food crops, used to replenish foreign-exchange reserves rather than to subsidize the corporate/urban sector, have opened up new areas of temporary employment. The mobilization of this agrarian reserve army by labour contractors in relatively centralized small-town labour markets has fuelled the development and growth of such towns. These largely pendular and periodic sojourns in small towns rendered the recruitment on a temporary basis of these town-based workers by landowners easier for their own needs or those of rental farms. The agricultural labour force has become more and more urbanized, mainly based in small towns.

Hence, the difficulties encountered by rural producers in competing with these relatively well-organized labour supplies have placed additional checks on the tendency of households to expand via demographic growth. Besides, land concentration and the resulting increase in landlessness have accelerated rural out-migration since the late 1970s. Yet, the change in the structure of agrarian production and falling urban incomes have altered the character of labour flows. The out-migration is not primarily catering to urban labour markets. Rather, as discussed above, landless workers now have a tendency to cluster in the neighbourhoods of adjacent small rural towns (with populations of less than 100,000). Rural producers increasingly dependent on non-farm sources of income but unable to find sufficient employment opportunities to migrate and

abandon the agricultural sector, depend on seasonal, temporary work, for two reasons. On the one hand, the deterioration in employment opportunities in urban areas has led people to look for additional work in agriculture. The labour-intensive character of new lines of specialization (horticulture and livestock farming as opposed to grain cultivation) meant that the demand for labour had increased, albeit minimally, on the other.

These processes augur a fertility decline and a deceleration in migration originating in the semiperiphery. It is not the processes of urbanization and migration, supported by precipitous population growth, which have refurbished the infra-economy, but changing modes of corporate expansion and a weakening in statizing trends. The subcontracting armature knitting together the Pacific Rim has proved to be better equipped to weather the economic downturn, has increased the competitive pressure on the successful semiperipheries of the 1960s, and has quickened the dissolution of the Taylorist sector.

The belief in the developmentalist paradigm that the reach of Taylorism was all-encompassing has been belied by its relatively swift decline. In fact its reach was to a large extent coterminous with that of the semiperiphery. The post-1945 trajectory of the semiperipheries – that is, their impressive rise in the late 1950s and 1960s and their relapse thereafter – paralleled that of Fordism/Taylorism. The bypassing of the semiperiphery by core capital in the 1970s, and the favouring of peripheral locales in its search to reduce labour costs was compounded in the 1980s by the debt crisis. Therefore, the continual growth since 1945 of infra-economies, at first somewhat eclipsed by the strong performance before 1967/73 of the semiperipheries (and the concomitant growth of their 'corporate' sphere), has since captured the attention of social scientists.

The reversal at the periphery in statizing trends and hence the downsizing of the parastatal sector precipitated processes quite divergent from those characterizing the semiperiphery. The waning of the parastatal corporate sector and the growing intra-core and inter-core integration revealed the limits within the realm of work of the organizational edifice of the A-phase. Stated briefly, new trends fostered demographic and urban growth as well as migratory outflux to keep pace with its growing marginalization.

Given that high population densities and the predominantly labour-intensive agricultural systems dominate the agrarian landscape of southern Asia, and that cultivator holdings are usually small or middle-sized, cultivators with large families and smallholdings either cultivate the land very intensively or rent additional land from non-cultivating

owners. In sparsely populated areas, as in sub-Saharan Africa, large families can put into use more land than small ones. In both cases, child labour has been widely used, which in the long run does not restrict household size. Also, the fact that women in sub-Saharan Africa and South Asia, where higher proportions of males were forced to work in urban areas, have been relegated largely to the (subsistence) agricultural sector in rural areas provided additional incentive for bigger households and demographic growth (Meillassoux, 1994; Boserup, 1990). The importance of being populous was mirrored in the growth in the number of household members during the 1980s in many a peripheral region, but mostly in Africa and in South and Southeast Asia.

The need to diversify their sources of income along the rural-urban nexus still kept internal migration and urbanization rates high (UN Center for Human Settlements, 1987). Migration in Africa, for instance, has remained at high levels – over 6 per cent since 1965. In Southeast Asia, 62 per cent of Bombay's and 71 per cent of Dhaka's increase in population during the 1970s and early 1980s was attributed to net migration. In the case of the latter, the percentage was up from 63 per cent in the 1960s. The scenario held true for Manila and Bangkok as well, among many others. The social structuring brought about by these migratory flows was different in the various quarters of the periphery. Where male populations were perennially adrift, as in Africa, over 40 per cent of households came to be headed by women, 85–95 per cent of whom were employed in agriculture. In Asia, where family migration overshadowed the rest, the percentage was down to 16–20 per cent (UN, 1989: 190).

The rise in overall wage employment notwithstanding, a combination of falling/stagnating real wages and declining 'regular' wage employment has significantly reduced the full-time wage component of household income since the late 1960s. Of total household income in the periphery in the late 1980s, 10–20 per cent came from full-time wage employment, income from 'formal and subsistence' and 'informal and subsistence' each contributing 30–40 per cent (Evers, 1989; ILO, 1984).

Even though the transnational expansion of capital during the first two decades was generative of labour flows catering primarily to urban centres, its extension in the 1970s to new and mostly peripheral localities induced a sea change in the character of labour flows streaming into the core, as exemplified by the changing composition of imported labour both in Europe and in the USA. In the former, the provenance of labour flows now widened from Southern Europe to the Mediterranean basin at large, and in the latter, from Europe to Asia and the Caribbean.

As a result, core-ward migratory movements came to dominate global labour flows, reaching 75 million per annum in the 1990s (Golini and Bonifazi, 1987: 123; Barnet and Cavanagh, 1994: 296). Accompanying and underlying these inflows was the redistribution within the corporate world of production functions worldwide, and condensation of service functions at core locales – hence the literature on global cities.

As a result, the sheer reach of the capitalist world-economy vis-à-vis households has been modified by processes furthering, first, the almost- ceaseless growth of the infra-economy in the semiperiphery, stemming from the waning of the state sector and new modes of corporate expansion, furnishing labour with alternatives to wage labour. In the periphery, these two tendencies were complemented by demographic expansion. Second, the transformation of world agriculture, which has rendered grain production the preserve of core zones, has impelled rural producers in non-core locales to specialize in the production of export crops (Tabak and Kasaba, 1994). The relative decline in the periphery in the share of grain cultivation, which, in the course of the last thirty years, had come under the jurisdiction of a female labour force, mostly as a result of high rates of male out-migration from rural areas, is in the process of restructuring: the newly gained dominance in agrarian production in the periphery by non-grain export crops is in the process of rendering it an almost exclusive province of male occupational activity. This has the potential for downscaling the share of the female workforce in agriculture in the periphery and semiperiphery. Third, the waning of the parastatal corporate sector, or its shrinkage under financial austerity programmes, has increased the tendency to shift services back into the domain of communities and households. Mention should also be made of the fact that in China, starting from 1978, household production responsibility or the household contract system, which came to replace the commune system, similarly replicated, though in a different fashion, the trends characterizing the rest of the periphery. By the end of 1984, about 95 per cent of rural households were involved in the contract system (Rawski, 1979).

The perverse effects of the swift expansion in part-lifetime proletarian households worldwide underline the benefits to capital of a continual shrinkage in full-lifetime proletarianization. The growth during the B-phase in contracting out of production is, to be sure, a reflection of the periodic 'ruralization' of manufacturing activities. In the highly urban setting of the post-1945 period and the perpetually narrowing urban/rural divide, the description 'rural' needs to be interpreted to include the slums and 'temporary' quarters of major conurbations housing contingent workers and day labourers, not to mention secondary and

lesser cities and towns. This rhythmic occurrence has characterized the modern world-economy since its inception. In the short run, the present restructuring is not at variance with the pattern of cyclical rhythms of the world-economy and does not in itself register any systemic turning point.

In the long run, however, it may prove to be a secular trend. In the core zones, households of one or two person(s) have come to account for some 50 per cent of the total number of households (Sweet, 1984); this limits the array of householding strategies. Concomitantly, between one-fifth and one-third of all household income now derives from 'public revenue' (Therborn, 1984: 27), which renders the bypassing by corporate capital of social wage arrangements more than likely. Consequently, emigration of corporate capital to non-core locales in its search for semiproletarian labour and household preserves may prove to be a secular trend. That is, the B-phase starting with 1967/73 might represent, within the sphere of production and work, a break with the patterns of the past, both recent and distant.