Wallerstein: World Systems Analysis Reading Guide

This is to accompany copied pages 24-31 as supplied to class in a copy

***capitalist world-economy***: large geographic zone of many states within which there is a division of labor and exchanges of basic goods, and flows of capital and labor.

-consisting of many cultures and groups, yet they do evolve some common cultural patterns – a *geoculture*

Reading guide pages 24-31

how a capitalist system is defined:

what holds world-economies together:

reason why a capitalist system cannot exist within any framework except that of a world-system

list of the basic institutions of a capitalist world-economy (give six)

Related concepts of:

***concrete market***

***virtual market***

***complete virtual world market***

The totally free market functions as (finish quote exactly as it appears):

Why would a totally free market make impossible the endless accumulation of capital? Explain.

Key characteristics of the idealized totally free market:

Sellers prefer a \_\_\_\_\_\_\_\_\_\_\_\_\_\_ over a free market. Explain.

Why is a strong state needed to maintain a quasi-monopoly?

Six ways that a state can create/maintain quasi-monopoly:

“The modalities by which states interfere with the virtual market are so extensive that they constitute a fundamental factor in determining \_\_\_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.”

What are two forces that make quasi-monopolies self-liquidating?

When a quasi-monopoly does cease to exist, the large accumulators of capital do what two (related) things?

Why are the failures of some firms a necessary condition for the endless accumulation of capital?

As a firm gets larger, there are forces that work against its continued growth. Describe.

“Large size gives firms more \_\_\_\_\_\_\_\_\_\_\_\_\_ clout but also makes them more vulnerable to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_assault…

Core-periphery is a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ concept.

What is meant by core-periphery is…..

Core-like production processes are:

This then makes peripheral processes truly \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Explain what unequal exchange is, using the concepts of core-periphery developed above.

Besides unequal exchange, what is another way of moving accumulated capital from politically weak regions to politically strong regions?

In what type of states (states here means countries) are quasi-monopolies mostly located in? Explain why.

“As quasi-monopolies exhaust themselves, a core-like process today will become…”

Does these shifts of processes from core to periphery have a significant effect of the structure of the system itself?

The mix of production processes found in semiperipheral states that have a relatively even mix of production processes find themselves in “the most difficult situation”. Explain.

List three countries labeled as semiperipheral

A description of what happens through time with the slow dissolution of the quasi-monopolies is worth reading. Think about the sequence: extensive employment and rising wages, overproduction, price competition, falling rates of profit, relocation of production to lower wage semiperipheral countries, falling wages in core region. What was insufficient demand in core areas due to overproduction becomes falling demand in these same areas because of wage declines there reducing effective demand. This is to some degree the story of the United States beginning in the 1950s!