

World System History and the World after September 11, 2001

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INTRODUCTION

By world system history I mean the systemically interrelated history of most of the "old world" in Afroeurasia over at least the past five thousand years. After 1492, the "new world" and then the whole world was also incorporated into the same world system. To read the histories of particular world regions and/or "civilizations" as interrelated processes of a single unified, albeit diverse, stream of world history offers a powerful antidote to Eurocentric or Western-centric distortions of history, which are as nearsighted as they are widespread. World system history offers an alternative as well to Sino-, Islamo-, Afro-centric, and other parochial alternatives to Eurocentrism. After some further references to Eurocentrism, I summarize some conceptual elements of world system history and then apply them in illustrative "case studies" during the bronze age, classical antiquity, early modern history, and contemporary times. In each case, I shall try to show how a this wider and longer perspective on world system history offers a more adequate reading of regional history during these periods.

The thesis is that the contemporary world system has a history of at least five thousand years. The rise to dominance of Europe and the West in this world system are only recent-and probably passing-events. This thesis challenges Eurocentrism and offers a humanocentric alternative, which has important cultural, philosophical, social scientific, and political implications. The thesis also addresses concerns and controversies in historiography, civilizationism, archaeology, classicism in ancient history, medievalism, modern history, economic history, macro historical sociology, political geography, international relations, development studies, ecology, anthropology, race, ethnic and gender relations, etc.

THEORETICAL CATEGORIES AND DISCUSSIONS

The main theoretical categories of this 5,000 year world system history are:

1. The world system itself. Per contra Wallerstein (1974), we believe that the existence and development of the same world system in which we live stretches back at least five thousand years (Frank and Gills 1992,1993; Frank 1990a, 1991a,b; Gills and Frank 1990/91, 1992). Wallerstein emphasizes the difference a hyphen [-] makes. Unlike our nearly World [wide] System, World-Systems are in a "world" of their own, which need not be even nearly world wide. Of course however, the "new world" in the "Americas" was home to some world-systems of its own before its incorporation into our (pre-existing) world system after 1492.
2. The process of capital accumulation as the motor force of [world system] history. Wallerstein and others regard continuous capital accumulation as the

differentia specifica of the "modern world-system." We have argued elsewhere that in this regard the "modern" world system is not so different and that this same process of capital accumulation has played a, if not the, central role in the world system for several millennia (Frank 1991b and Gills and Frank 1990/91, Frank and Gills 1993). Amin (1991,1993) and Wallerstein (1991a,1993) disagree. They argue that previous world-systems were what Amin calls "tributary" or Wallerstein "world empires." In these, Amin claims that politics and ideology were in command, not the economic law of value in the accumulation of capital. Wallerstein seems to agree.

3. The center-periphery structure in and of the world [system]. This structure is familiar to analysts of dependence in the "modern" world system and especially in Latin America since 1492. It includes but is not limited to the transfer of surplus between zones of the world system. Frank (1967, 1969) wrote about this among others. However, we now find that this analytical category is also applicable to the world system before that.
4. The alternation between hegemony and rivalry. In this process, regional hegemonies and rivalries succeed the previous period of hegemony. World system and international relations literature has recently produced many good analyses of alternation between hegemonic leadership and rivalry for hegemony in the world system since 1492, for instance by Wallerstein (1984), or since 1494 by Modelski (1987) and by Modelski and Thompson (1988). However, hegemony and rivalry also mark world [system] history long before that (Gills and Frank 1992).
5. Long [and short] economic cycles of alternating ascending [sometimes denominated "A"] phases and descending [sometimes denominated "B"] phases. In the real world historical process and in its analysis by students of the "modern" world system, these long cycles are also associated with each of the previous categories. That is, an important characteristic of the "modern" world system is that the process of capital accumulation, changes in center-periphery position within it, and world system hegemony and rivalry are all cyclical and occur in tandem with each other. Frank analyzed the same for the "modern" world system under the titles *World Accumulation 1492-1789* and *Dependent Accumulation and Underdevelopment* (Frank 1978a,b). However, we now find that this same world system cycle and its features also extends back many centuries before 1492.

The thesis is elaborated in *The World System: Five Hundred Years or Five Thousand?* (Frank and Gills 1993). In this book, this thesis is introduced by the early contribution of Kaisa Ekholm and Jonathan Friedman (1982). It is extended by David Wilkinson (1987) who argues that in 1500 BC relations between Egypt and Mesopotamia gave rise to what he calls "Central Civilization," which has incessantly spread out through the world ever since. The "one world system" thesis is then elaborated in the chapters by Frank and Gills. Immanuel Wallerstein and Samir Amin critique this thesis and defend their thesis that the "modern world-system" began five hundred years ago. They argue in particular that its capitalist mode of production distinguishes it fundamentally from "world empires" and all previous world-systems, which Amin calls "tributary." In his critical reply to us, Wallerstein emphasizes the above mentioned distinction between his plural "world -systems" with a hyphen and our singular "world system" without an

added hyphen. Janet Abu-Lughod (1989), whose work we also review below, contributes a critical discussion of these issues and defends the existence of a "thirteenth century world system," which she regards as distinguishable as it was distinguished.

The debate between 500 and 5,000 years of world system history is really about how to write a world [system] history. In our view therefore, we are dealing with the same world system over 5,000 years, even though it is not always the same. This debate is primarily about continuity versus discontinuity in world history. There are two main positions in this debate. One position is that political/ideological determination of the mode of production or social formation in world history before about 1500 AD and of ceaseless capital accumulation and economic determination [through the "law of value"] at least in the modern capitalist world-system thereafter makes for a sharp break or discontinuity between the pre-1500 and post-1500 periods. This first position is dominant among most historians and other students of world history; and among world system theorists it is shared by Wallerstein and his followers, including Amin, who at least therein represent the probably nearly universally accepted received wisdom on this matter. The other position is that the capital accumulation did not begin or become "ceaseless" only after 1500 AD, but has been the motor force of the historical process throughout world system history. Therefore, there was no such sharp break between different "systems" around 1500.

This second still very small minority position is taken by us as well as by Ekholm and Friedman. Though Wilkinson does not emphasize this aspect, his long term analysis also seems closer to this second position. Abu-Lughod seems closer to the first and still dominant position, despite her reference to a "13th century world-system." The real debate/disagreement revolves around the question of what structures constitute a "system" or a "world(-)system" in particular. We contend that a hierarchy of center-periphery (and hinterland) complexes within the world system, in which surplus is being transferred between zones of the hierarchy, necessarily implies the existence of some form of an "international" (though this is not the best term) division of labour. In our view, Amin and Wallerstein continue in the footsteps of Polanyi and Finley and underestimate the importance of capital accumulation via trade and the market in the ancient world system. Therefore, they do not see participation in the system the same way we do and look for the "incorporation" of peoples and their societies and economies into the world-system long after we see them as having long since been part and parcel of the historical development of the world system.

The real dispute then is over the character of the "international" or world system division of labor - not over its very existence. It may be true that as time passes the world system division of labor becomes ever more integrated, and time and space become ever more "shortened" (in the long run at least- allowing for temporary historical "set-backs" in the process - particularly in crisis periods). Wallerstein stresses what in our view is only a particular modern phase in the development of this world system division of labour at a higher level of integration than may have generally prevailed earlier.

A BRONZE AGE APPLICATION

A criterion of systemic participation in a single world system is that no part of this system would be as it is or was if other parts were not as they are or were. The following are among the identifiable - and researchable! - criteria of participation in the same world system: extensive and persistent trade connections; persistent or recurrent

political relations with particular regions or peoples, including especially center-periphery-hinterland relations, and hegemony/rivalry relations and processes; and sharing major [and minor] economic, political, and perhaps also cultural cycles.

By these criteria, already in the 3rd millennium BC the world system included Egypt, Mesopotamia, the Arabian Peninsula, the Levant, Anatolia, Iran, the Indus Valley, Transcaucasia, and parts of Central Asia - South of the East-West mountain ranges, which run across much of Asia. However, the analysis of E.N. Chernykh's (1993) *Ancient Metallurgy in the USSR: The Early Metal Age*, leads to the inclusion in this world system also North of the mountains of "a whole chain from the Atlantic to the Pacific: the European, Eurasian, Caucasian and Central Asian provinces, along with others outside the USSR." They "seem to have shared the same developmental cycle: the formation and decline of cultures at various levels generally coincided...over the vast expanse of Eurasia and the Old World as a whole." "The world system itself has turned out to be far more extensive than appeared earlier," Chernykh writes.

My suggested dating of the up [A] and down [B] phases for this entire Bronze Age world system is BC: A: 3000-28/2700, B: 2700-26/2500, A: 2600-2400, B:24/2300-2000, A:2000-18/1750, B:18/1750-16/1500, A:16/1500-1200, B:1200-1000, which was the Bronze "Dark Age" Crisis. Tentative Iron Age dates are: A: 1000-800?, B:800-550?A:600/550-450/400?, B:450-350? A:350-250/200? B:250/200-100/50, A: 200/100 BC - 200 AD (Frank 1993). During each of these mostly 200-300 year long periods, vast and distant parts of Afroeurasia experienced near simultaneous alternating phases of expansion and contraction. The most remarkable and best known one was the period of crisis of the bronze age itself from 1200 BC to 1000 BC. This transcontinental "dark age" has been remarked on by many writers from Gordon Childe (1936,1942) to the recent more popularizing *Centuries of Darkness* by P.J. James at al (1991). The identification of simultaneous periods of expansion and contraction across so distant, supposedly independent, areas of Afroeurasia in itself constitutes an operational definition of the extent and bounding of the "world system" already five millennia and more ago.

EXAMPLES FROM CLASSICAL ANTIQUITY

Cicero already remarked that political troubles on the borders of China caused financial panic in the heart of Rome. Pliny attributed a significant balance of payments deficit to [some] Roman women and their luxurious dress in imported silk from China. Two generations ago, Frederick Teggart (1939) analyzed the close relations between such events in Rome and China: *A Study of Correlations in Historical Events*. However, the close relations extended far beyond Rome and China. Indeed, the period 200/100 BC to 200 AD was a high-water-mark of expansion with the simultaneous and well known rise to imperial grandeur of Han China, Kushan India, Parthian Iran, Axium East Africa, and Imperial Rome. McNeill (1976: 96-114), writing about "Plagues and People," observes demographic expansion during the period of this A phase and epidemic disease related population decline in the following B phase at both the Chinese and Roman ends of Eurasia. In this regard and writing from another perspective, Jacques Gernet notes

Just as the power of the great nomad empire of the Hsiung-nu in the steppe zone was probably created and strengthened by import of iron and silks from China, Han expansion in Asia was certainly due fundamentally to the economic upsurge of the Chinese world. Not only were Han China's strength and prestige abroad based on this

economic prosperity, but it was also the trade with Mongolia, Korea, central Asia, South China, and northern India... (Gernet 1982:129).

Agreed, except for the [also Western] Sino-centric perspective that sees the "economic upsurge" in all these regions and even the power of the Hsiung-nu in Central Asia as propelled fundamentally by "the Chinese world." Apparently the A phase economic upsurge was not confined or due fundamentally only to China, or else it would not have so easily included all the other areas Gernet mentions, not to mention many more across Eurasia.

George Coedes (1964: 44-49) attributes the reorientation of Indian commercial interests to changing political conditions in the Mediterranean and Central Asia" which created a shortage of gold in India, which the Indians sought to meet by looking for gold in Southeast Asia (Wheatley 1975:232-3). Kushan unification of Central Asia and Northwest India between the 1st and 3rd centuries AD also "facilitated commercial, cultural and ideological transmission through a vast region, extending from East Asia to the borders of Europe." (Liu 1988:2-3). "Through all India the merchant community prospered.... Not surprisingly, the religions supported by the merchants, Buddhism and Jainism, saw their heyday during these centuries (Thapar 1966:109). Liu also emphasizes how shifts in trade routes affected the locus of accumulation. "The shift of trade routes caused the rise and fall of these cities as effectively as warfare or other political crises" (Liu 1988:178). From the 1st century AD, direct Roman trade with India and Africa struck a heavy blow at the urban centres of Arabia, especially those of South Arabia and Yemen, which were dependent on the incense trade (Bowen and Albright 1958). Thus, this period of inter-linking hegemonies was characterized by constant rivalries among the competing hegemonies and pretenders in Rome, Armenia, Parthia, Kushan and farther east.

For this period and the Afro-Eurasian Ecumene as a whole, Hodgson noted that mercantile trade was extended and industry fostered; for instance, both the import of silk from China and its working within the empire. Cities increased in wealth and importance; [after 226] the Sasanian monarchs were notable as founders of cities and protectors of trade. The mercantile development represented in part a response to the ever quickening pattern of trade throughout the Afro-Eurasian Oikoumene. Direct trade by sea and land between China and the Indo-Mediterranean regions opened up....Trade elsewhere in the Southern Seas (the seas of the Indian Ocean and eastward) had likewise expanded, as had trade both north of the Mediterranean in Europe and south across the Sahara. The people from the Nile to the Oxus not only took full advantage of their crossroads. They helped develop new fields of trade (Hodgson 1974: I,142).

Writing of course quite independently, Chernykh (1993) also remarks that "the period of renewed stability, which lasted from the second century BC to the second/third century AD, was related to the existence of three major empires: the Han Empire on the eastern flank of the Eurasian landmass; Rome on the western flank; and the Parthian and Kushan kingdoms in the centre" before they all gain succumbed to the "truly colossal" "destructive processes and migrations," which were "linked to the destruction of this system."

These processes fall in the next and major B phase from 200 to 500 AD, when all of these empires again declined -- also simultaneously in another B phase crisis from 200 to 500 AD.

From the 3rd through the 5th centuries AD, the previous period of expansion and consolidating hegemonies was followed by a major world systemic crisis on a Pan-Eurasian scale. During this world systemic crisis the Han and Roman, as well as the intermediary Kushan and Parthian hegemonic structures simultaneously disintegrated. Frederick Teggart (1939) examined international political economic linkages through Central Asia for the Roman period.

When war occurred on the routes in the Tarim Basin [in what is now China's western Xinjiang region] disturbances broke out in Parthia and either in Armenia or on the border of Syria. Evidently then, war in the Tarim occasioned an interruption of traffic on the silk route, and this interruption aroused hostilities at points along the route as far west as the Euphrates (Teggart 1939: 240).

Teggart correlated and compared the timing of wars and barbarian invasions in Rome and China and concluded that Thus the effects of wars which arose out of interruptions of the great "silk route" through Persia are plainly visible in the internal history of Rome.... Seemingly there could be no better illustration of interdependence of nations than the consideration that a decision of the Chinese government should have been responsible for a financial panic in the capital of the Roman empire (Teggart 1939:x).

However, even Teggart seems to have considered wars and other political disturbances more as the cause of interruptions of trade, rather than the other way around. Yet, it may also be argued with equal or greater reason that many uprisings, wars, alliances and other political developments were themselves stimulated if not caused by changing local, regional, or even system wide economic conditions and interests.

Liu maintains that "from the third to the fourth centuries a series of political changes in Asia and Europe disturbed the trade network connecting China and the West through the western-north-western Indian routes" (Liu 1988: xx). These upheavals appeared across all of Eurasia: China was divided for three centuries after the disintegration of the Han empire (AD 220), except for a brief unification of north China under the Chin (AD 280-316). The Kushan Empire (which controlled Kashmir, Bactria, Kabul and north-western India) collapsed under the weight of White Hun deprivations in the 4th century. As a result, many urban centres in Central Asia declined or became depopulated during the 4th and 5th centuries. Major cities like Bactra and Taxila and many lesser ones experienced significant decline, "became desolate" and ended up "all in ruins" (Liu 1988: 32,27). Bactria "might have temporarily lost its nodal function because of the pressure of Sassanians, and subsequent damage done by the Hephthalites or White Huns" (Liu 1988:27). The Roman Empire disintegrated and led to the establishment of the eastern Byzantine empire (AD 395).

Thus first the rise and then again the decline of Han China (and their Central Asian Hsiun-nu neighbors), Kushan India, Parthian Persia, and Western Imperial Rome occurred at very much the same time. The political economic decline of these empires was also manifested in the notable simultaneous decline of Central Asian and maritime trade among them. The 4th and 5th centuries AD seem to have been a period of major Eurasian (system) wide economic and political decline, indeed. This apparently interrelated series of declines is another important instance of what we see as a major world system wide crisis.

Western Europe suffered perhaps more than any other region in the world system from the economic retrogression that this world systemic crisis set in train. Moreover, many

centuries passed before Western Europe recovered, and then only partially. A unique amalgamation of late Roman and Germanic institutions took form in the Western European provinces of the Roman empire. The institutions of feudalism were in place by the time of the death of Charlemagne in 814, and Western Europe declined into the "dark ages." However, we agree with the evidence and arguments of scholars like Dopsch (1918/1937) and Lombard (1975) to the effect that even in Europe, trade and markets never declined as much as the more dominant tradition of Max Weber and Henri Pirenne had taught us. Nonetheless, western Europe became an economic backwater in the world system, with concomitantly backward and primitive political institutions. Thus, Western Europe would be largely bypassed by the next world economic upturn, which began in the 6th century. When Western Europe finally did get some recovery, it was as part of a process of reintegration into the world economy whose center was then located in the East (Gills and Frank (1992) and Frank and Gills (1992)).

RE-READING EARLY MODERN HISTORY

Much of modern history has been written from a Eurocentric bias, which has distorted world history "wie es eigentlich gewesen ist." Modern world and economic history has been [mis]read from the vantage point of the ascendancy of the West, which in turn has also been interpreted in almost exclusively Eurocentric terms. This Western-centric bias in modern and economic world history is so well nigh universal as to make its documentation hardly necessary or even possible. Almost all modern and economic world history since 1500 and even before has (at least since the nineteenth century) been written as though it began in Europe and then spread out from there to "incorporate" and "modernize" first the Americas and then Africa and "traditional" Asia. Moreover, the ancient roots of this "modernizing" process of recent "capitalist" economic development and "enlightened" cultural/civilizational progress are also sought first within [Western] Europe itself and earlier on in Rome and Greece, while the "orientalising" influence of Egypt and Mesopotamia upon Greece and Rome is too often ignored. Even their ancient history is "Europeanized" as a supposed direct descendant of modern European developments, and they drop out of sight and out of mind again after their momentary "contributions" to European history have been extracted from a Eurocentric perspective. Afro-Asians' history is not regarded in their own right, and their place in world and economic history, as well as their far-reaching contributions to Europe itself, are completely disregarded other than to note in passing the Asian origins of such "items" as numbers, compass, gun powder, etc. -- but omitting even printing, which originated in China centuries before Gutenberg was born! "Economic history" is even more confined to the West. The Study of Economic History: Collected Inaugural Lectures 1893-1970 (Edited by N.B Harte 1971) collects such lectures by 21 of the most eminent English speaking economic historians, who in turn review and comment on what their colleagues in the profession have written on economic history over most of the century past -- and almost every word is about Europe and the United States. "The People Without History" (Wolf 1982) elsewhere in the world appear to have even less economic history, and it seems to have had absolutely no bearing on that of Europe or on the rise of "the West." We will argue below that this [mis]interpretation of modern and economic world history is seriously erroneous, counter-factual and anti-historic.

A whole library full of books and articles has been devoted to explaining "The Rise of the West" in terms of its own supposed "exceptionalism." Interestingly, William McNeill (1963), the dean of world historians who used this title for his pathbreaking

book, is among the few western historians to take exception to this exceptionalism. Not so E.L. Jones (1981), who revealingly entitles his book *The European Miracle*, and many others, like White Jr. (1962), Hall (1985) or Baechler, Hall and Mann (1988). They all find the rest of the world deficient or defective in some crucial historical, economic, social, political, ideological, or cultural respect in comparison to the West. Therefore, these authors also revert to an internal explanation of the presumed superiority of the West to explain its ascendance over the rest of the world. For all of them, the rise of Europe was a unique "miracle" and not a product of Eurasian history and of shifts within the world [system]. However, as the Islamicist and world historian Marshall Hodgson writes

All attempts that I have yet seen to invoke pre-Modern seminal traits in the Occident can be shown to fail under close historical analysis, once other societies begin to be known as intimately as the Occident. This also applies to the great master, Max Weber, who tried to show that the Occident inherited a unique combination of rationality and activism [Hodgson 1993:86]

Hodgson (1993) and Blaut (1991,1992) derisively call this "tunnel history" derived from a tunnel vision, which sees only "exceptional" intra-European causes and consequences and is blind to all extra-European contributions to modern European and world history. Yet, as Blaut points out, in 1492 or 1500 Europe still had no advantages of any kind over Asia and Africa, nor any distinctively different "modes of production", and there would then have been no reason to anticipate the triumph of Europe or its "capitalism" three and more centuries later. The sixteenth and seventeenth century development of economic, scientific, rational "technicalism" that Hodgson regards as the basis of the subsequent major "transmutation" nonetheless also occurred, as he insists, on a world-wide basis and not exclusively or even especially in Europe.

Yet even Blaut fails to see the Afro-Eurasian continuity in early modern world and economic history, for he marks a supposedly crucial breaking point with the voyage of Columbus in 1492. Political scientists concerned with political hegemony prefer the year of the division of the world between Spain and Portugal in 1494 (Modolski and Thompson 19xx). Both dates, of course, are chosen from a European perspective, even if they radically altered the course of history in the Americas. The voyage of Columbus in 1492 and that of Vasco da Gama in 1498 are also the dates and events that Adam Smith (19xx:) and Karl Marx (19xx:) already identified as "the most important in the history of mankind." The recent five hundredth anniversary of that date occasioned countless memorials that commemorated the benefits or commiserated the "untold misfortunes" (as already Adam Smith 19xx: 00) called them of the succeeding events. However, all agree that this date marked a new departure --whether for good or bad-- in world history. Yet this consensus about the new departures since 1492 or 1500 obscures the perhaps even more important continuity in the history of Afro-Eurasia across this supposed historical divide. Thus, the reverse side of the European exceptionalist coin has been the equally Eurocentric theses about "Orientalism," which have been justly criticized by Edward Said (19xx), Martin Bernal (1987), Samir Amin (1989), and Hichem Djait (1985) writing against Eurocentrism. All of them show how 19th century European liberalism invented a single "oriental" grab bag from which to distinguish European "exceptionalism."

A particularly Eurocentric example of this kind history is *The Rise of the Western World: A New Economic History* by the 1993 Nobel laureate in economics Douglass C. North and Robert Paul Thomas (1973). It merits special note not only for the

recognition given to its author but also because of the explicitness of its title, its emphasis on "new," and the revision of received theory. Yet under their subtitles "Theory and Overview: 1. The Issue" and on the very first page, they clearly state "the development of an efficient economic organization in Western Europe accounts for the rise of the West" (North and Thomas 1973:1, our emphasis). They then trace this institutional change, and especially the development of property rights, to increased economic scarcity, which was generated in turn by a demographic upturn in Western Europe. The rest of the world was not there for them. Moreover, as North and Thomas (1973:vii) emphasize in their preface, their economic history is also "consistent with and complementary to standard neo-classical economic theory, which we may suppose influenced the award of the Nobel prize.

In recent years, Fernand Braudel's *Perspectives of the World* and Immanuel Wallerstein's *Modern World System* deliberately try to break away from some Eurocentrism. So did Frank's (1978) *World Accumulation 1492-1789* and the above mentioned Samir Amin. Yet the last three [Frank even in the title!] still mark 1492 or thereabouts as a breaking point, and they still read all succeeding history as having been centered on Europe and its westward and eastward expansion. Only Braudel (1982:57) writes that "I do not share Immanuel Wallerstein's fascination with the sixteenth century" as the time the modern world-system emerged in Europe. Braudel is "inclined to see the European world-economy as having taken shape very early on." Nonetheless, he also concentrates on the emergence and expansion of a supposed autonomous "European world-economy"-- even though his book is replete with evidence that Europe was part and parcel of a wider world economy, whose main economic activity in all manner of ways remained in Asia through the eighteenth century (Frank 1994 a,b cites Braudel chapter and verse to this effect). Indeed, Wallerstein (1989, Palat and Wallerstein 1990) also supplies abundant evidence of economic life Asia in close relation with that of Europe before the latter supposedly incorporated the former into its "Modern World-System."

Braudel also stresses the difference between world economy and world-economy. "The world economy is an expression applied to the whole world.... A world-economy only concerns a fragment of the world, an economically autonomous section" (Braudel [hereinafter B]: 20-21). A similar "difference a hyphen makes" is stressed by Wallerstein (1991). "Immanuel Wallerstein tells us that he arrived at the theory of the world-economy while looking for the largest units of measurement which would still be coherent" (B:70). Braudel and Wallerstein emphatically deny that there was any such "coherent" world economy before very recent times. Yet time and again in his book, Braudel's own data and analysis of his "world-economies" demonstrates that they were not economically autonomous. Instead, he shows again and again that they were intimately connected and dependent on each other in what should instead be termed a world economy or world system, which included them all. Moreover, apparently this world economy or system also had a coherence of its own, which not incidentally had the very same characteristics as Wallerstein's "modern-world-system" -- except that it was not European centered and that it was not uniquely "capitalist." However, Braudel asserts that "there have always been world-economies" (B:24) and "the world-economy model is certainly a valid one" (B:69). He analyzes several contemporaneous "world-economies" during the time span covered by his book, which contrary to its title reaches back to the 13th and even the 11th centuries: In Europe, Russia, the Turkish Empire, Islam, India, and China. He is uncertain whether the last three should be considered as three separate world-economies or as the "greatest of world-economies," a "super-

world-economy" that also included Southeast Asia and Japan in the Far East. Finally, he considers the creation of a "fourth world-economy" with the arrival of the Europeans in the East. Yet Braudel and Wallerstein themselves show time and again that all these supposedly autonomous "world-economies/systems" were in fact part of a single world economy and world system. The terms "world economy" and "world system" [without hyphen] should be used to refer to the Afro-Eurasian "world" economy/system that was already in place and functioning well before 1500 AD. Indeed, as I have argued elsewhere, this world economy/system's unitary and continuous development and expansion can be traced over at least the last 5,000 [not 500] years (Frank 1990a,1991a,1993b; Frank and Gills 1992, 1993; Gills and Frank 1992).

A more Asian-centered alternative reading of modern and economic world history gives Asia more of its historical due. Two recent pioneering departures stand out: Janet Abu-Lughod (1989) described a 13th century *Eurasian world system Before European Hegemony*, and Chaudhuri (1990) analyzed *Asia Before Europe* [also see Chaudhuri 1985]. As their titles imply, these writers recognize the significance of Asia before European Hegemony. However, Abu-Lughod limits her purview to the thirteenth century and does not pursue Eurasian economic history into more modern times. Only Chaudhuri recognizes that Asian economic life continued to prosper long after the supposed sixteenth century "rise of the West." Paradoxically however, as we will note below, so does Braudel (1982) when he is not blinded by fixation on "the European world-economy."

Although he was not a close "relative" of this group, another important precursor in this recognition was Marshall Hodgson. His magistral three volume *Venture of Islam* (1974) not only claimed the central place in world history for Islam from the seventh through the ninth centuries, he also argued that Islam still or again merited this place through its expansion (again) in the fourteenth to sixteenth centuries. Similarly, Hichem Djait (1985:110) observes that in 1600 the greater part of the human race was in Islamic lands ruled by the Turkish Ottomans, Persian Safavids, Indian Mughals and other Muslims ranging from Africa to Southeast Asia. Hodgson (1993: 100) finds Muslims at both their political and cultural peak in the sixteenth and still in the seventeenth centuries.

The recent compilation of some of Hodgson's still earlier published articles and of manuscripts that remained unpublished at the time of his death in 1968 again underscores the importance of *Rethinking World History* (Hodgson 1993) to give Afro-Eurasian peoples and regions outside of Europe their historical due. Long ago already, Hodgson (1993) wrote:

A Westernist image of world history, if not disciplined by a more adequate perspective, can do untold harm; in fact it is now doing untold harm. That is why I lay so much stress on not assuming "decadence" in Islamic society before the 18th century unless one has really good evidence.... One of the most important tasks of world history, as I see it, is to give people a sense of the pattern of time periods and geographical areas which is free of the multifarious Westernist presuppositions. [94]

It has become clear that historical life, from early times at least till two or three centuries ago, was continuous across the Afro-Eurasian zone of civilization: that zone was ultimately indivisible...[and] is the only context large enough to provide a framework for answering the more general and more basic historical questions that can arise [17]

We must recognize the limited role in history of our West, as one region among others, during much of its development [sic] distinctly peripheral; and even in modern times, as not the substance of the age [292]

We must force ourselves to realize what it means to say that the West is not the modern world, gradually assimilating backward areas to itself; but rather a catalyst, creating new conditions for other forces to work under [290]

The great modern Transmutation presupposed numerous inventions and discoveries originating in all the several citted people of the Eastern Hemisphere, discoveries of which many of the earlier basic ones were not made in Europe.... At least as important was the very existence of the vast world market, constituted by the Afro-Eurasian commercial network, which had cumulatively come into being, largely under Muslim auspices, by the middle of the second millennium.... Without the cumulative history of the whole Afro-Eurasian Oikoumene, of which the Occident had been an integral part, the Western Transmutation would be almost unthinkable [68] ... [for only therein] European fortunes could be made and European imaginations exercised [47] Indeed, even the master Europeanist Braudel finds that "it was only because the accessible markets of the Far East formed a series of coherent economies linked together in a fully operational world-economy, that the merchant capitalism of Europe was able to lay siege to them and to use their own vitality" (Braudel 1998: 496).

The so-called "European hegemony" in the modern world system was very late in developing and was quite incomplete and never unipolar. In reality, during the period 1450-1750, sometimes regarded as the period of "primitive accumulation" leading to full capitalism, the world system was still very predominantly under Asian hegemonic influences. The Chinese Ming/Qing, Turkish Ottoman, Indian Mughal, and Persian Safavid empires were economically and politically very powerful and only waned vis a vis the Europeans toward the end of this period and thereafter. Therefore, if anything, the modern world system was under Asian Hegemony, not European. Likewise, much of the real dynamism of the world economy also still lay in Asia throughout this period, not in Europe.

The most important European impact was the injection of new supplies of American bullion -and thereby themselves - into the already well established Eurasian economy. The Europeans did not in any sense "create" either the world economic system itself nor "capitalism". What the injection of new liquidity into the world economy actually seems to have done was to make important, though also limited, changes in financial flows, trade and production patterns within the world economy, and to permit the Europeans to participate more actively in the same. However, Europe itself was not a first rank power nor economic core region during these three centuries. The core regions, especially of industrial production, were in China and India; and West Asia and Southeast Asia also remained economically more important than Europe. We will try to present estimates of GNP or something like that by major regions before 1800. Braudel uses estimates by Bairoch according to which the Asian economy was still five times larger than the European-American one in 1750.

Likewise, China and India were the primary centres of the accumulation of capital in the world system, and China was in overall balance of trade surplus throughout most of this period. Indeed, Europe was in deficit with all regions to the East. West Asia was in surplus with Europe, but in deficit with India. India was in surplus westward but in deficit eastward to Southeast Asia and China, whence India re-exported bullion received

from the West. In political terms, the hegemonic influence of China, India, and the Ottomans was considerably greater than that of the Europeans. In our terms (Gills and Frank 1990/91, 1992, Frank and Gills 1993), the candidates for the position of "super-accumulator" in the world economy are all in Asia during this period. China is the frontrunner, exporting huge quantities of valuable commodities and importing vast quantities of silver. India, however, does not seem to have been far "behind" China in this regard, being the seat of very significant industrial centres, particularly in cotton textiles, and importing huge quantities of bullion, being a "sink" for gold in particular. West Asia too seems to have continued to prosper both from its own industrial base, in cotton and silk textiles for instance, and from trans-shipments of commodities between Europe and the rest of Asia. Both Southeast Asia and Central Asia appear to have prospered, largely on the trans-shipments of bullion and goods between regions, but in the case of Southeast Asia also in terms of silk exports of its local production, especially to Japan. One thing is very clear: Europe was not a major industrial centre in terms of exports to the rest of the world economy, and in fact it had a chronic balance of payments deficit due to the bullion drain to Asia. Only its colonial sphere in the Americas explains its viability in the world economy, without which it could not have made good its huge deficits in the commodities trade with Asia. This problem was not overcome until the 18th century.

Thus, Asian hegemony was not seriously threatened before the second half of the 18th century. Islam's geographic expansion continued through the 16th century. Hodgson (1974, 1993) and Djait (1985) are emphatic that Islam was still decidedly dominant [hegemonic?] in the world at the end of that century or even later and that any contemporary observer had good grounds for anticipating more of the same. Even the European[ist] Braudel had long insisted that the world economic center of gravity did not even begin to shift westward until after the end of the 16th century. So it is not so far-fetched for us not to see it until the end of the 18th century. As far as changes in the "locus" of accumulation are concerned, Asians were preponderant in the world economy/system in production, capital formation, trade, and hegemonic power until circa 1750. Thus, the "locus" of accumulation and power in the modern world system did not really change much during these three centuries. China and India in particular remained first ranked overall (i.e. areas in surplus and also the areas of largest GNP), with West Asia not far behind. Whereas Europe was a deficit area and clearly of less significance than Asia in the world production system and in size of GNP. It is also difficult therefore to detect even any significant change in the relative position among the Asian powers, Europe excluded. Europe did not emerge as a challenger "NIC" until the 18th century, Before that time its profits were based on imports not exports, the sine qua non of industrial ascendance, then as now. The fundamental shift in locus in the modern world system, and of industrial centres in particular, did not occur until the period of transition 1750-1850. That is when the fundamental hegemonic shift to Europe began to take place, and not before.

Up to that time, i.e., the emergence of the distinctive European centered world hegemonic order of the 19th century, there continued to be an Asian cultural flowering, and particularly of Islamic and Sinic culture, with an Indic Islamic variant as well. There was no unipolar cultural system nor set of international norms or mores. This only occurred in the 19th century and was imposed through force by the Europeans' cultural imperialism. It was then projected backward into previous world history by a triumphalist West seeking to convince the world of its inherent superiority. It is from this same 19th century imperialism that we still derive so many of our most distorted

notions of European hegemonic influence since the time of supposed "contact" with Asia in the 16th century.

Thus, we can conclude that the world economy remained firmly under Asian hegemony until the 1750-1850 period, when Asian economic and political power waned. The "Rise of the West" in Europe, therefore far from pulling itself up by its own bootstraps, should more properly be seen as being possible by ascending at that time in the world economy/system over the shoulders of the Asian economy and hegemonies, which were then declining [cyclically?]. We are led to ask whether this period may have begun a "B" phase world political economic decline in Asia to the benefit of the previously relatively marginal and now rapidly ascending Europeans. The world system cycle we identified previously (Gills and Frank 1992) implies that the simultaneous "fall" of so many important hegemonic states, i.e. the Ottomans, Mughals, Safavids, Qing, and the Hapsburgs would be the accompaniment of a world system crisis and B phase.

Long before the birth of the "European world-economy" and still long after its advent, the world economy had a far-flung division of labor and intricate trade system, which was preponderantly Asian. The introduction of American silver [and to a lesser extent gold] and with it of Europeans into this Afro-Eurasian economy only increased and accelerated quantitative economic growth in an otherwise qualitatively ongoing system. The accompanying maps and charts are a very preliminary attempt to summarize this network of world trade -including many bulk commodities, even of daily necessities such as rice - for the period between about 1450 and 1750. Various major "regions" and inter-regional trade, especially in and through West and Central Asia, but also in China, still receive short shrift. Moreover, the [non]identification of both cyclical and tendential changes, and local or even regional ups and downs, is - in this preliminary version - sacrificed to emphasizing the essential stability and continuity in this world economy.

The major producer/exporters of silver bullion were Latin America and Japan and of gold, Latin America, Southeast Asia, and Africa. Both West and South/east Africa had been a or the major source of gold for centuries, but parts of Africa also exported slaves westward and eastward. The other regions were importers of precious metals and copper for their own monetary, coinage, and hoarding use -- or for re-export to cover their own balance of trade [b/t] deficits.

The major importer and re-exporter of both silver and gold bullion was Western and Southern Europe, to cover its own perpetual massive structural b/t deficit with all other regions, except [perhaps] with the Americas and Africa, although the Europeans received African and especially American bullion without giving much in return. Western Europe, had a b/t deficit with and therefore re-exported much silver and some gold to the Baltics and Eastern Europe, to West Asia, to India directly and via West Asia, to Southeast Asia directly and via India, and to China via all of the above as well as from Japan.

West Asia had a b/t surplus with Europe, but a b/t deficit with South-, Southeast-, and East Asia [and with Central Asia?]. West Asia covered its b/t deficits to the East with the re-export of bullion derived from its b/t surplus with Europe, the Maghreb and via it with West Africa, and gold from East Africa, as well as some of its own production of both gold and silver, especially in Persia.

India had a massive b/t surplus with Europe and some with West Asia, based mostly on its more efficient low cost cotton textile production and export. These went westward to Africa, West Asia, Europe, and from there on Across the Atlantic to the Caribbean and the Americas. In return, India received massive amounts of silver and some gold from the West, directly around the Cape or via West Asia. Since India produced little silver of its own, it used the imported silver mostly for coinage or re-export, and the gold for coinage [of pagodas], jewellery and hoarding. India also exported cotton textiles to and imported spices from Southeast Asia, and also via the same exchanged cotton textiles for silk and porcelain and other ceramics from China. However, India had a b/t deficit with Southeast Asia and especially with China. Therefore, India was obliged also to re-export especially silver both to Southeast Asia and to China.

Different Indian regions also traded and had b/t surplus/ deficits with each other. The major coastal regions, Gujerat, Malabar, Coromandel, and Bengal all traded with each other - and with Ceylon - and also served each other as entrepots in transoceanic and continental caravan trade. [B/Ts among regions?]. They also competed with each other as "exporters" to the interior of India, where their market areas overlapped. However in general, the interior had an export surplus with the coastal ports and in exchange received imported goods and coin, which had been minted from imported bullion [or melted down foreign coins] in or near the ports. Silver tended to move north into regions governed by the Mughals, and gold went to the South, especially to Malabar and Vijayanagara.

Southeast Asia exported spices and tin of its own production to Europe, West Asia, India and re-exported imports from India to China, which were its major customers, some eight times more than Europe. Additionally, Southeast Asia exported gold from its own production to India, China, and Japan, although it received silver from India, some of which it also was re-exported to China via Malacca. So, Southeast Asia seems to have had a b/t surplus with India [and of course with West Asia and Europe] but still a b/t deficit with China.

China had a b/t surplus with everybody, based on its unrivalled manufacturing production and export of silks and porcelain and other ceramics. Therefore, China, which like India had a perpetual silver shortage, was the major net importer of silver and met much of its need for coinage out of imports of American silver which arrived via Europe, West Asia, India, Southeast Asia and with the Manilla galleons directly from Acapulco. China also received massive amounts of silver and copper from Japan and some through the overland caravan trade across Central Asia. Gold was both imported to and exported from China, depending on changing gold/silver/copper price ratios. In general over the centuries, silver moved eastward [except westward from Japan and Acapulco via Manila], and gold moved westward [except eastward from Africa] over both overland and maritime routes. Some eastward moving gold even reached Europe.

Japan, like Latin America, was a major producer and exporter of silver to China and Southeast Asia, but also of some gold and considerable copper as far as India and West Asia. [What did the Japanese receive in return other than some Chinese silks and Indian cotton textiles, and a few other items on our list?]

The complexity of the international division of labour and the network of world trade was of course vastly greater than anything we can represent here. A tip of the iceberg representative sample is a letter from the Director of the British East India Company,

Sir Joshua Child, detailing how the Company could profit from taking advantage of price differentials and availability of sources and markets in the intricacies of the inter-Asian trade.

EXAMPLES OF WORLD ECONOMIC CYCLES: THE RECESSIONS IN THE EARLY 1760s, 1770s AND 1780s

Braudel offers only a few indications, including some of which he seems unaware, of cyclical simultaneity across the boundaries of his world-economies. Braudel (1982:76, hereinafter cited only as B:) reproduces a graph of the yearly fluctuations of Russian exports and its trade balance between 1742 and 1785. He does not comment other than to observe "two short lived drops in the [trade balance] surplus, in 1772 and 1782, probably as a result of arms purchases" (B:463). Actually, the graph also shows a third big drop in 1762-63, and all three coincide with a sharp drop on the graph of Russian exports, whatever may have happened to imports of arms or anything else.

"Curiously" however, these three short periods also fall in the same years as three world economic recessions, which Braudel discusses at some length (pp. 267-273) in another chapter devoted to Amsterdam. However, he makes no connection to the same periods in Russia. In still another chapter, Braudel reproduces a graph on Britain's trade balance with her North American colonies between 1745 and 1776. It shows sharp declines in British imports, and lesser ones of exports, in these same years 1760-63 and 1772-3 [alas the graph does not extend into the 1780s]. But again Braudel does not look for connections either between the two graphs nor between either, let alone both of them, and the recessions they reflect. This omission is all the more curious in view of the comments he does make about these recessions: About the first one, he writes that "with the currency shortage, the crisis spread, leaving a trail of bankruptcies; it reached not only Amsterdam but Berlin, Hamburg, Altona, Bremen, Leipzig, Stockholm and hit hard in London" (p. 269). Regarding the next recession, Braudel observes catastrophic harvests in all of Europe in 1771-72 and famine conditions in Norway and Germany. Moreover, he goes further:

Was this the reason for the violent crisis, aggravated possibly by the consequences of the disastrous famine which hit India in the same years 1771-72, throwing into confusion the workings of the East India Company? No doubt these were all factors, but is the real cause not once more the periodic return of a credit crisis?... Contemporary observers always connected such crises to some major bankruptcy (B: 268).

Finally, in the chapter on the North American colonies, Braudel refers to the Boston Tea Party when, on 16 December 1774, a number of rebels disguised as Indians boarded three ships owned by the [East] India Company standing at anchor in Boston harbour, and threw their cargo into the sea. But this minor incident marked the beginning of the break between the colonies - the future United States - and England (B: 419).

Yet, again Braudel makes no connection between this event in America and others he analyzes elsewhere in the world for the very same years. Why does so experienced a world historian, who is also exceptionally sensitive to conjunctures not even seek such connections? Perhaps because he takes his world-economic hyphen too seriously and/or has serious doubts about "how wise is it for one historian to try to bring together in a single analysis the scattered fragments of a history still insufficiently explored by research" (B:468). Wallerstein (1979:198,228) briefly refers to a "postwar slump" after the Seven Years War in 1763 and only in passing to "the immediate postwar trade depression" in the 1780s after the war associated with the American Revolution. He

makes no mention at all of the intervening recession in the 1770s just before that Revolution.

Yet, all of these events and others were connected through a series of world economy/system wide business cycles within what may be termed a crisis "B" phase of a long Kondratieff cycle, as I argued two decades ago (Frank 1978a). Summarizing briefly, the Peace of Paris in 1763 concluding the Seven Years War was already signed under the influence of a recession and long downturn, which began in 1761. From 1764 on, so were the British Sugar, Quartering, Stamp and Townsend Acts, which caused so much dissatisfaction in the North American colonies that was exceeded only by the prohibition to issue bills of credit and paper money, which aggravated the deflationary conditions and hardship for debtors in the colonies. Yet the Colonists took even these in their stride, particularly during the subsequent cyclical recoveries - until another recession began in 1773. Moreover, the Bengal Famine of 1770-71 had lowered the profitability of the East India Company. It petitioned Parliament for relief and received it in the form of the Tea Act of 1773, which granted the Company the privilege to dump its tea on the American market. The Americans in turn dumped it into Boston Harbor in the "Tea Party" to which Braudel refers. The British reaction through the Quebec and Intolerable Acts of 1774 escalated the economic conflict into political repression as well, which then rallied enough support for "the shot heard around the world" in Lexington and Concord on April 19, 1775 and the Declaration of Independence in 1776.

In Braudel's third period of crisis, he notes changes in both British and Russian balances of trade, which were generated by these recessions [and not just increased Russian arms imports]. The same recession, however, also had other more important repercussions in France where they led to revolution in 1789 and in the new American Confederation. There, the economic bad times of the early 1780s and "the more acute economic downturn of 1785-86 and the [resultant] massive popular political movements, such as Shay's Rebellion in 1786, renewed and increased political support for the federalists" against the Articles of Confederation and for their replacement by the American Constitution in 1787 (Frank 1978:206-208). For his part, Braudel remarks on the 'Batavian' revolution of the mid-1780s in Holland, which "has been insufficiently recognized for what it was, the first revolution on the European mainland, forerunner of the French Revolution" (B:275). To return to Braudel's and our point of departure in Russia, it hardly seems that its or any of the other "world-economies" was as "remote" or "autonomous" as he claims. On closer inspection, the three apparently recession induced declines in Russia's balance of trade were connected to simultaneous and related events in many parts of continental Western Europe, Britain, North America, and far away India. All of these occurred during three important recessions in what should be termed a world system wide Kondratieff B phase world economic crisis from 1762 to 1790 (Frank 1978). Other world economy/system wide short cycles in modern history could surely be identified and analyzed, if only [economic] historians were willing to try.

A CONTEMPORARY APPLICATION: WHAT WENT WRONG IN THE SOVIET UNION AND EASTERN EUROPE?

What went wrong in the Socialist East? The usual answers range from "everything" by opponents to only "Stalinism" or even "nothing" according to erstwhile believers and/or supporters. The answers cover policies or ideologies and periods ranging from the first Soviet government and revolution in 1917 [or even earlier from the birth of Marxism in 1848] to those of the last government and reforms of Mikhail Gorbachev since 1985.

About this last Soviet period also, the answers range from the "if it ain't broke, don't fix it" position of those who thought nothing much was wrong to that of pronouncing the whole "system" as unworkable. Many critics in between, like Gorbachev (1987) himself, recognized failures and the need for some change like perestroika, but not complete transformation. Other critics, however, regard Gorbachev's reform efforts to fix things as themselves misguided and literally counter-productive. Some of these critics argue that were it not for Gorbachev's own policy errors, the Soviet Union and its economy could have survived for some time if not indefinitely. All these answers and others like them are at best half truths, of which the old adage has it that they are worse than none at all. All these answers fall very short because 1. they focus primarily if not exclusively on ideological reasons attributed to "socialism", and/or 2. they are concerned primarily with "organizational" and policy failures inside the Soviet Union and Eastern Europe, and 3. they leave real world economic reasons out of consideration completely or essentially. 1/ The answer to the question of "what went wrong" must be sought much more in the material reality of our one world economy than in any ideological discourse about "socialism" or even policy in the former Soviet Union and Eastern Europe.

To begin with, these regions entered the competitive development race under the "socialist" flag with an enormous historical handicap in their starting positions within the world economy. From a real[istic de-ideologized] world economic perspective, the efforts in the Soviet Union and Eastern Europe were [much] less to build "socialism" as to catch up. For a while, they seemed to succeed -- before they failed. However, not so much the now universally faulted and rejected ideological "socialism" or political "planning" but much more the historical economic differences and still contemporary relations between the two parts of Europe in the world economy is responsible for the backwardness of the East.

The division of Europe into a more developed "West" and a less or under-developed "East," as well as a "Central Europe" both geographically and economically in between, stems at least from the 16th century -- or the 9th (Frank 1992b,c). Sz?cs (1983:133) observed that "a very sharp line was in fact to cut Europe into two parts from the point of view of economic and social structure after 1500." The dividing line has run remarkably close to the Elbe River and "Iron Curtain" of the 40 years following World War II for a long time. "It is as if Stalin, Churchill and Roosevelt had studied carefully the status quo of the age of Charlemagne on the 1130th anniversary of his death"(ibid.). Moreover "the old Roman limes would show up an Europe's morphological map, thus presaging right from the start the birth of a 'Central Europe' within the notion of the 'West' " (ibid.).

Western Europe exported manufactures and Eastern Europe agricultural and mineral raw materials already in the 16th century expansion. Moreover, Western Europe used its access to the gold and silver of the Americas to pay for its imports from, and economically to colonize, the East - in Europe and beyond. Later and until World War I, the whole history of the Hapsburg state was an attempt to balance the unbalanceable while being squeezed somewhere between the two extremes of East-Central Europe. The only consequent structural element in that formula...[was] the setting up by the Hapsburgs of a diminished --"East-Central European -- copy on an "imperial scale" of the division of labour drawn up by the nascent "world economy" on a larger scale.... The Hapsburgs had no chances in the Western sector of the world economy either. So the House of Hapsburg settled down to a division of labour between West (industrial)

and East (agricultural) through the economic structure within its own, East-Central European, political framework.... In the "Hapsburg division of labour", Hungary was cast in the East's role [with its hinterland, and Austria governing Bohemia in the West's] (Sz?cs 1983:172,173).

This apparently long standing economic structural and therewith political and cultural division of Europe has been perpetuated to this day -- and promises to continue yet for some time to come. This historical and contemporary economic reality appears ironical only in terms of the more common political and cultural interpretations of the divisions in and of Europe and the now excessively optimistic aspirations of many of its inhabitants. The irony is that many of the "Second World" East Europeans who sought to join the "First World" West will find themselves in the "Third World" South instead.

Thus, historically Eastern Europe, albeit culturally European, was never economically developed like Western Europe. Therefore, their people have little historical claim to become West European now. Only part of the Eastern part of Germany, the Bohemian and Moravian parts of Czechoslovakia, and in some sense part of Hungary, Slovenia and maybe part of Croatia in Jugoslavia in Central Europe plus perhaps the Baltic republics were historically similar to Western Europe.

Little wonder then that these countries sought to break out of this bind through "socialist" development. [Recall that Lenin himself defined the essence of "socialism" as "electricity plus soviets," but that he then immediately abolished the latter]. For a while and against "all odds," including post-war Marshall Plan help restricted to Western Europe and continued Western CoCom and other embargoes against the East, the East also seemed to succeed. 2/ They had the massive increases in electric, coal, steel and oil production to show for it. Then in 1957, the Soviet Union was the first to launch Sputnik and so outpaced the United States also in the "production" of engineers as to put a real scare into the Americans. Few people regarded Krushchov as a hollow boaster when a few years later he said "we will bury you" - in the competitive development race in the world economy. Little East Germany advanced to the world's 9th industrial power. By various indices of economic production of steel, energy, etc. and human capital or social welfare [health and education] several countries in Eastern Europe narrowed the gap and in some cases even overtook countries in Western, not to mention Southern, Europe in the 1950s and 1960s (Hofbauer and Komlosy 1992). In the 1970s, the Soviet Union and Eastern Europe still held their own and maintained the recently narrowed gap in this world economic competition. Eastern Europe did so, however, at the cost of running up debts to the West, when recessionary lower growth rates in the West fed western loans to the East and allowed eastern borrowing from the West. The Soviet Union achieved some kind of parity in the arms race and significant successes in space. In the 1980s however, the Soviet Union and Eastern Europe all missed the technological train - and lost the race. Thus, when it all came out in the wash, 70 years in the Soviet Union and 40 years in Eastern Europe of politics and ideology of "socialist development," literally not to mention the "development of socialism," seem not to have substantially and definitely changed the economic positions of these regions, neither relative to each other, nor relative to Western Europe. Thus, over the entire postwar period taken as a whole, the East-West gap and the relative positions within the East changed but little.

Indeed, there is some question of whether these 40 years even changed their internal class structure much. If there was any change of position or of class structure it was

mostly the decline of Bohemia, Moravia, Hungary, Slovenia and perhaps the Baltics in Central and "Socialist" Europe relative to the rise of parts of Spain, Italy, and Greece in "capitalist" Southern Europe. Industrialization, of course, modified the class structure everywhere in Europe, but apparently not more and perhaps less in the East than in the West and South. Therefore, only the above mentioned regions in Central Europe now have a fighting chance to recuperate their historical positions in Europe, and that in competition with Southern Europe. Public opinion in Southern Europe already shows itself very aware of this threat, while in Central and Eastern Europe it still appears even unaware of the problem (Hofbauer and Komlosy 1991, 1992).

The world economic crisis spelled the doom of the "socialist" economies, much more than their "socialist planning" "command economy," which is now almost universally blamed for the same. Not unlike the "Third World" economies of Latin America and Africa, the "second world" economies of the Soviet Union and Eastern Europe were unable to bear the pace of accelerated competition in the world economy during this period of crisis. Like every previous one, this economic crisis forces one and all to restructure economically and to realign politically. It is true that economic command organization and political bureaucracy were instrumental in depriving economies in Eastern Europe and the Soviet Union from the flexibility necessary for adaptation to the world economic crisis and the technological revolution and restructuring, which that same crisis engendered elsewhere. However, many Third World "market" economies and sectors in the industrial world and especially the United States also failed. In the meantime, Japan Inc. and the East Asian NICs relied on important state political economic commands to promote their technological advance and adjustment.

The world economic crisis has been expanding and deepening in Eastern Europe, the Soviet Union, and its successor states. The economic crisis and related economic factors contributed materially to the desire and ability of social (and also ethnic/nationalist) movements to mobilize so many people at this time for such farreaching political ends. The decade of the 1980s, indeed beginning in the mid 1970s, came to be called "the period of stagnation" in the Soviet Union and generated accelerating economic crisis and absolute deterioration of living standards in most of Eastern Europe, (as also in Latin America, Africa and some other parts of the world, vide Frank 1988a). Significantly especially in Eastern Europe, this period also spelled an important deterioration and retrocession in its relative competitive standing and standards of living compared to Western Europe and, even to the newly industrializing countries (NICS) in East Asia.

Regarding Eastern Europe, the 1970s and 1980s - and indeed again the 1990s - make amply clear that "socialism" was largely irrelevant to their failure. For East European policies - and the resultant experiences - were hardly any different than those of the "capitalist" Latin American debtor countries, which failed equally.

The Soviet economy was supposedly more isolated and independent than the East European ones. However, the Soviet economy also was integrated in the world economy through the East European ones on which it was dependent for industrial goods, as well as being directly linked into the world economy. Therefore, even in the Soviet Union domestic economic organization and policy were not the only or even the main reasons for its economic failure. To illustrate where and why those who argue as much are mistaken, we may examine the argument of a writer who does not like most

others simply ignore, but who considers "external" influences and the rejects them as insignificant.

Thus, Fred Halliday (1992) offers a singular answer to "what went wrong?" Not "socialism," nor even "capitalism." It was "A Singular Collapse." He argues correctly perhaps that "no explanation in terms of a single factor is possible." However, that does not warrant claiming as he also does that "internal weakness of the system [which] played a major role" compared with the "international factors ... of relevance" [p.121]. Among these factors of relatively minor relevance, Halliday specifically includes competition in technology and Afghanistan, which he tries to blow down as so many alleged straw men, but quite unsuccessfully so. On the one hand he admits that "it was a failure to compete internationally that, on top of the internal crisis, led to the post-1985 changes in the U.S..S.R." [p.133] Yet on the other hand he claims that "this interstate competition, comprehensive as it was, is not sufficient to explain how, why, and when the communist system collapsed" [p.137].

Halliday [p.126] erroneously concludes "it was not the 'market,' in any direct sense, of intervention within these societies and economies, that contributed to their demise." How not? Halliday [p.129] correctly notes that the rise in the price of oil gave the USSR a windfall profit. However, he conveniently disregards that the same imposed an unexpected stormy cost for oil importing countries in Eastern Europe and that the renewed decline in oil - and gold - prices since 1981 deprived the Soviet Union of the much needed foreign exchange. It was generated by the oil and gold exports, which were over 90 percent of its hard currency earners in this market, which according to Halliday did not intervene in Soviet economy or society! Moreover as already noted, the Soviet Union, like the East European NICs, pursued export economic strategies of promotion no less than others, only with less success. The deepening economic crisis in the economies of Eastern Europe also affected the Soviet Union. It was dependent on them for imports of essential manufactures from Eastern Europe that they produced with technology, which they had to but increasingly could not import in turn from Western Europe.

Thus, both the external and thereby the internal economy of the Soviet Union was affected by the economic crisis in Eastern Europe at the same time that it was already directly hard hit by the decline since 1981 of the prices of gold and oil and gas. This denied the Soviet Union the foreign exchange necessary to by-pass Eastern Europe and buy directly from the West. Then Halliday considers but also virtually dismisses the significance of the arms race in general and "Star Wars" in particular. "Important as it is, there are reasons to qualify the import of the arms race explanation as the major factor behind the Soviet collapse" [p.127]. How so? "The very high rate of [Soviet] military expenditure as a percentage of GNP is but another way of saying that GNP itself was rather low. ... In absolute terms the U.S.A. was outspending the U.S.S.R. The focus must, therefore, be as much on the efficiency and allocative mechanisms of the civilian sector as on the claim of the military on GNP" (p.128). On the face of Halliday's argument alone, it could equally well be the other way around: GNP was already low and growth rates were declining and then stagnated in the 1980 (Ellman and Kantorovich 1992). Therefore, it could equally well be argued that the increased military expenditures coming on top of declining foreign exchange earnings affected efficiency and allocative mechanisms negatively or at least impeded their betterment. In that case and contrary to Halliday, both the "market" and the "arms race" did indeed intervene in Soviet economy and society.

So, Halliday and many others could not be more mistaken in claiming that the [world] market did not intervene in Soviet economy or society. Halliday like so many others claims instead that "the central feature of the collapse" was "the ideological dimension ... [that] was in some ways decisive" pp.137,138]. "The central feature of the collapse...[was] the collapse [of] underlying self-confidence ...first among the leadership and then within the population as a whole" [p.135]. That supposedly led to Gorbachev's purportedly capricious change of heart. Yet, Gorbachev himself asserted time and again that there was no alternative to perestroika in view of the serious problems faced by the Soviet economy. Of course, these were vastly aggravated by the pressures emanating from the world economy of which it was a part. Thus, in the opening pages of Chapter 1 of his book *Perestroika*, Gorbachev (1987:17-19) explained its "origins":

Perestroika is no whim.... Perestroika is an urgent necessity.... The country began to lose momentum.... Analyzing the situation, we first discovered a slowing economic growth ... to a level close to economic stagnation.... A country that was once quickly closing on the world's advanced nations began to lose one position after another ... [in] scientific and technological development, the production of advanced technology.

To summarize in other words,

1. There is only one world system, and the claims by Stalin in *The Economic Problems of Socialism* shortly before his death in 1953 and others still since then that there are now "two world systems," one capitalist and another socialist, were an optical illusion. This illusion was derived from the notion of "politics [and ideology] in command," which was renowned by Mao and Lenin, but is equally shared by Reaganites and Fukuyama. In the real world, economics is in command.
2. In particular, the world wide competitive process of capital accumulation is the motor force of history. In this regard, Marx was right to stand the idealist Hegel on his head. In this competitive race for capital accumulation, the "socialist" economies/states in the East of Europe started out with an enormous handicap, which - except temporarily - they were not able to make up, let alone to overcome. So they lost the race. As is the rule also in other races, most others also lose; and only a few win -- and that only temporarily so.
3. The center-periphery structure in the world system is alive and well. Indeed, polarization is growing apace in the "really existing world capitalist system," as Samir Amin emphasizes at every opportunity. Immanuel Wallerstein also sees polarization growing tendentially. Even the World Bank calculations show the same. The main center-periphery division in the world between the rich North/West and the poor South/East has been around for a long time, and it is growing deeper and deeper. Within Europe, THIS same division has been here for over 1000 years. The fact of center-periphery division has characterized the world system for millennia, and THIS division between two "worlds" has been here for some half millennium.

This apparently long standing economic structural and therewith political and cultural division of Europe has been perpetuated to this day -- and promises to continue yet for some time to come. Ironically, many of the "Second World" East Europeans who sought to join the "First World" West will find themselves in the "Third World" South instead.

As the quotation above about the history of Eastern Europe and the Hapsburgs as well as experience since 1989 suggest, it was an ideological illusion to regard the East in

Europe and the Soviet Union as a "second" world of its own, relegating the South to a "third" world. Both the East and the South were and remain in the "second" world.

So we may return to the question of "what went wrong?." Far from looking for the answer only or even primarily in the "internal" structure, policies or "socialist" ideology of the Soviet Union and Eastern Europe, we must seek it in the structure and development of the world economy in general and in the recent world economic crisis and its present 5th recession in particular.

THE WORLD SYSTEM AFTER 11 SEPTEMBER 2001

If the IMF is right, a global economic recovery could start sometime around the middle of next year. But for the world's second-largest economy, Japan, the prognosis is far worse. Japan is now in its fourth recession in a decade, and a prolonged one at that, with GDP expected to contract both this year and next. Economists agree that Japan's [and other "national" economies'] problems are much more serious and will require much more radical policy action than the authorities there have yet delivered.

The IMF forecasters, and also those of the OECD and the U.S. government ARE and HAVE NEVER BEEN RIGHT, as demonstrated by comparison between their published [also their internal un-published?] estimates and subsequent real world events. They have ALWAYS BEEN OVER-OPTIMISTIC, because over-optimism is BUILT IN-to their estimation mechanisms, if only because POLITICAL economic reasons mandate them to AVOID ANY REALISM and make UN-realistic prognoses that are meant to act as self-fulfilling prophesies, which are also designed to maintain political SUPPORT FOR THEIR CONTINUED EXISTENCE. The IMF -which de facto is an arm of the US Treasury Dept but is NOT accountable to anyone other than the US Treasury - does have some power to make prophesies that are in part self-FULLFILLING FOR AMERICAN and some other BIG BUISINESS INTERESTS by sinking currencies, economies and income especially in the "Third" and now also the former "Second" world at whose costs the economies in the FIRST world - that yes IS FIRST first but in another sense - rest much of their own relative prosperity [see below].

Nobody is yet suggesting America is suffering from deflation, which can trigger a downward spiral of falling prices, shrinking demand and financial distress: a vicious circle America last experienced in the 1930s depression. Wise policymakers will not ignore the risk, however.

I and James Tobin [author of the "Tobin Tax" proposal] already in the mid-1980s published and predicted DE-flation, and "wise" policy makers DID IGNORE this risk [not really risk, but necessary consequence] while continuing their policies designed to fight IN-flation. Nonetheless, since then commodity prices have fallen sharply and consistently. Moreover in WORLD economic terms, high inflation in terms of their national currencies [pesos,rubles, etc.] and their sharp DEVALUATION against the DOLLAR world currency has been an effective de facto major DE-flation in the rest of the world. That has REDUCED their prices and made their exports CHEAPER to those who buy their currencies WITH DOLLARS, primarily of course consumers, producers and investors IN - AND FROM ! - THE UNITED STATES. These additionally, which is hardly ever mentioned!, can and do buy up the rest of the world with dollars that "cost" only their printing and distribution, which for Americans have virtually NO COST. [The \$ 100 dollar bill is the world's most used cash currency on which runs the entire Russian economy, and there are two to [now?] three times as many of them

circulating OUTSIDE as inside the US]. The American boom and welfare and then "balanced" federal budget 1992-2000 Clinton administration, contrary to its populist claims, only happened to coincide with this boom and the also same 8 year long PROSPERITY OF THE UNITED STATES WAS ENTIRELY BUILT ON THE BACKS OF THE TERRIBLE DEPRESSION, DEFLATION AND THUS GENERATED MARKED INCREASE IN POVERTY IN THE REST OF THE WORLD [during this one decade, life expectancy in Russia DECLINED BY 10 - TEN - years, infant mortality, drunkenness, crime and suicide increased as never before in peacetime. Since 1997, income in Indonesia DECLINED BY HALF and generated its ongoing political crisis].

All this has among others the following CONSEQUENCES: The US EXPORTS from here to elsewhere the INFLATION that would otherwise be generated by this high supply of currency at home, whose low rate of inflation in the 1990s was therefore no miracle result of domestic "appropriate" Fed monetary policy. The US has been able to cover twin its balance of trade and budget DEFICITS with cheap money, AND the deflation/devaluation elsewhere in the world has like a magnet ATTRACTED speculative financial CAPITAL from the rest of the world - both American owned and foreign owned - which has BOUGHT US TREASURY CERTIFICATES [stopping up the US budget deficit] and INTO WALL STREET this feeding and supporting its 1990s BULL MARKET, which in turn has increased, supported and spread wider a speculative and illusory increase in wealth for American and other stock holders and through this also ILLUSORY "WEALTH effect" has supported higher consumption and investment. The subsequent and present bear market decline in stock prices nonetheless is a still a profit boon for enterprises who issued and sold their stocks at bull market high and rising stock prices and are now BUYING back their OWN stocks at what for them are bargain basement low prices, which represent an enormous profit for them at the expense of small stock holders who are now selling these stocks at low and declining prices.

The US "prosperity" now rests on the knife edge not only of an unstable enormous domestic corporate and consumer [credit card, mortgage and other] debt. The US is also vastly OVER-INDEBTED to FOREIGN OWNERS of US Treasury certificates, Wall Street stock and other assets, which can be called in by foreign central banks who have been keeping reserves in US dollars and other foreign owners of US debt. Indeed, it is the very US POLICY that has contributed so much to DESTABILIZATION elsewhere in the world [eg. through the destabilization of Southeast Asia that undermined the Japanese economy and financial system even more than it would otherwise have been] that now threatens and now soon makes much more likely that especially Japanese and European holders of US debt must cash it in to shore up their own ever more unstable economic and financial systems.

Another major consequence is that the US - and world! - economy is now in a bind from which it most probably can NOT extricate itself by resorting to Keynesian pump priming and much less to full scale macro-economic policy and support of the US and Western/Japanese economy, as the Carter and Reagan administrations did. Military Keynesianism, disguised as Friedman/Volker Monetarism and Laffer Curve Supply-Sideism, was begun by Carter in 1977 and put into high gear in 1979, when Carter the Fed was run by Carter appointee Paul Volker, who in October 1979 switched Fed monetary policy from high money creation / low interest rate thereof to attempted low money creation / high interest [to 20 percent monetary!] to rescue the dollar from its

1970s tumble and attract foreign capital to the poor US. In that he then succeeded. At the same time, Carter began Military Keynesianism in June 1979 by un-doing the Nixon-Brezhnev detente and starting the Second Cold War with a NATO member countries' real 3 percent a year [adjusted for inflation] increase in military spending [at the same time he began the "two-track" policy of stationing high altitude Pershing missiles in Germany and low altitude Cruise missiles as well to bargain with greater strength with the Soviet Union. The alleged re-initiation of the Cold war by the Soviet invasion of Afghanistan in December 1979 has been a US myth from the beginning, since Carter re-initiated the Cold war in June and the Soviets did not invade Afghanistan until December 1979. Personally, I have always argued that the latter was a Soviet response based in part on the - it turned out mistaken - supposition that the US had already escalated about as much as it could. The US super-escalation response was unexpected but designed - I argued - in part, as was also the new shift to a right wing economic policy strategy, in order to take the wind out of Ted Kennedy's challenge to Carter for the coming Democratic Party nomination. Brzinsky now reveals that HE deliberately reved up Afghanistan in order to provoke Soviet reprisal and permit a US counter-reprisal, in which he succeeded. In a word, the Second Cold War and Military Keynesianism were launched by Carter [in the UK Thatcherism was launched in 1976 by Labour PM Callaghan], and Star Wars Reaganomics were only its continuation/ further escalation. The former was designed to force the SU into bankruptcy and the latter to support not only the US but the entire Western - also European and Japanese - world economy after the 1979-1982 recession. Both policies succeeded, but they avoided bankrupting the US as well only because the resulting US twin trade & budget deficits were shored up by capital inflows from forced Latin American debt service [a result again of Volker's creation of the Debt Crisis by pushing the interest rate from nothing to 20 percent] and by massive capital inflows from Europe and Japan - especially into Treasury Certificates - after the US switched from being the world's largest creditor still in 1985 to becoming its largest debtor ever since 1986. Otherwise, the US would have gone bankrupt with endless inflation, just as the SU did, which however had no one to bail it out as the US did. Moreover, the SU external account was wiped out in the 1980s after the 1981 sharp decline in the world price of both oil and gold from which the SU derived 90 percent of its foreign exchange. As a net importer of oil, the US - although not its oil interests - benefited instead.

Why do I now recount this ancient history? Because today and tomorrow the US would need to do the same for itself and its allies, now BUT IT CAN NOT do so! The US may [should? must ??] now attempt a repeat performance to spend itself and its allies [now minus Japan but plus Russia?] out of the present and much deeper world recession and threatening depression. The US would then again resorting to massive Keynesian deficit [using September 11 as a pretext for probably military] RE-flationary spending. Moreover, to settle its now enormous and ever growing foreign debt, the US may chose also to resort to IN-flationary reduction of the burden to itself of that debt and its also ever growing foreign debt service. But even the latter could - in contrast to the above summarized previous period- NOT avoid generating a further SUPER trade balance particularly if market demand falls further and pressure increases abroad to export to the US demand/er of last resort. But this time, there will be NO capital inflows from abroad to rescue the US economy. On the contrary, the now downward pressure to devalue the US dollar against other currencies would spark a CAPITAL FLIGHT from the US, both from US Government bonds and from Wall Street where significant stock price declines generate further price declines and deflation in world terms even if the US attempts domestic inflation.

The price of oil is yet another fly in the political economic ointment, whose dimension and importance is inversely proportional to the health or illness of the ointment itself. And today that is quite sick and deteriorating already. The world price of oil has always been a two edged sword whose double cutting edges can be de-sharpened with the help of successful alternative economic and price policies. On the one hand, oil producing economies and states and their interests need a minimum price floor to produce and sell their oil instead of leaving it underground and also postponing further oil productive investment while waiting for better times. Thus, a high oil price is economically and politically essential for important states like Russia, Iran and especially Saudi Arabia, as well as US oil interests. On the other hand, a low price of oil is good for oil importing countries, their consumers including oil consuming producers of other products, and supports state macro economic policy, eg in the US. These days, the high/low price line between the two seems to be around US\$ 20 a barrel - at the present value price of the dollar! But nobody seems to be able to rig the price of oil at that level. The present conflict, long since no longer within OPEC, is primarily between OPEC that now sells only about 40 percent of the world supply and other producers that supply 60 percent, today especially Russia but also including the US itself as both a significant producer and a major market, although that is increasingly shifting to East Asia. Recession in both and the resultant decline in demand for oil drags its price downward.

But US Keynesian spending re-flation as well as in-flation can no longer put the floor under the price of oil needed today and tomorrow. Only a recovery generated demand that economic policy can not now provide and a future world economic recovery and limitations in the supply of oil could again raise, or even prevent a further fall, in the price of oil - and of its deflationary pull on other prices. And further deflation in turn will increase the burden of the already vastly over-indebted US, Russian and East Asian, not to mention some European and Third World, economies.

Thus the political economy of oil is likely to add to further deflationary pressure. That would - indeed already does - again significantly weaken oil export dependent Russia. But this time it would also weaken US oil interests and their partners abroad, especially in Saudi Arabia and the Persian Gulf. Indeed, the low price of oil during the 1990s has already transformed the Saudi economy from erstwhile boom to a bust. That has already generated middle class unemployment and a significant decline in income that has also already generated widespread dissatisfaction and now threatens to do so even more at precisely the time when the Saudi monarchy is already facing destabilizing generational transition problems of its own. Moreover a low oil price would also make new investment unattractive and postpone both new oil production and eliminate potential profits from laying new pipelines in Central Asia.

All of these present problems and developments now threaten to [will?] pull the rug out from under US domestic and international political economy and finance. The only protection still available to the United States still derive from its long since and still also only two pillars of the "NEW WORLD ORDER" established by President Bush father after "Bush's Gulf War" against Iraq and the dissolution of the Soviet Union in 1991. President Bush son is now trying to consolidate his father's new world order [no doubt with the latter still as a power behind the throne] beginning with the WAR AGAINST AFGHANISTAN [and perhaps once again against Iraq] and the Bush-Putin effort now also to construct a US-Russian Entente -- or is it Axis.

The two pillars of this new world order remain the same: 1] the dollar as the international reserve currency and medium of payment and 2] the US military might is right to lord it over the rest of the world. The US does so cover using such pretexts as "defending humanitarianism" to trample on and destroy it as in the NATO WAR against Yugoslavia, "defending civilization" by destroying two of its most precious achievements, international law and institutions abroad and liberal democracy and civil rights at home, on pretext of "fighting terrorism" by using and generating still more terrorism.

However, the dollar pillar is now threatening to crumble, as it already did after the Vietnam War but has so far remained standing through three decades of remedial patch work. But as we have seen, the US is now running out of further economic remedies to maintain the dollar pillar upright. Its only protection would be to generate serious inflation in the short run by printing still more US dollars to service its debt, which would then undermine its strength and crack the dollar pillar and weaken the support it affords still more.

That would leave only the US military pillar to support US political economy and society. But it and reliance on it also entails dangers of its own. Visibly, that is the case for such as Iraq, Yugoslavia, and Afghanistan and of course all others who are thereby deliberately put on notice to play ball by US rules in its new world order on pain of eliciting the same fate for themselves. But the political blackmail to participate in the new world order on US terms also extends to US - especially NATO - allies and Japan. It was so exercised in the Gulf War [other states paid US expenses so that the US made a net profit from that war], the US war against Yugoslavia in which NATO and its member states were cajoled to participate, and now by the War against Afghanistan as part of President Bush's policy PRO-nouncement [using the early Cold War terminology of John Foster Dulles] that "You Are Either With Us Or Against Us". But US reliance on this, the then only remaining, strategy of military political blackmail can also lead the US to bankruptcy as the failing dollar pillar fails to support it as well; and it can come also to entail US "OVERSTRETCH" in Paul Kennedy terms and "BLOWBACK" in CIA and Chalmers Johnson terms.

In summary and plain English, the US has only two assets left to rely on, both admittedly of world importance, but perhaps even so insufficient. They are dollar and its military political assets. For the first, **THE ECONOMIC CHICKENS IN THE U.S. PONZI SCHEME PYRAMID OF CARDS ARE NOW COMING HOME TO ROOST EVEN IN THE UNITED STATES ITSELF.**

The second pillar is now in use to prop up the new order the world over. Most importantly perhaps is the now proposed US/Russia entente against China instead of [or to achieve?] a US defense against a Russia/China[and India?] entente [the NATO War against Yugoslavia generated moves toward the latter, and the US War against Afghanistan promotes the former]. God/Allah forbid that any of these nor their Holy War against Islam blow us all up or provoke others to do so. However that may be, **US IMPERIAL POLITICAL MILITARY BLACKMAIL may still BLOWBACK ON THE UNITED STATES ALSO, thus NOT OUT OF STRENGTH BUT OUT OF WEAKNESS.**

CONCLUSION

These "case study" examples from the past five thousand years illustrate how important a world wide perspective is, not only for writing for "world" history, but for understanding the historical - and still contemporary - experience of any part of the world at any time. All attempts to write any particular, let alone national[ist], history in disregard and isolation of its world historical context is subject to dangerous particularist [nationalist] bias. Euro-, Western-centric history, but also its Sino-,Islam-, Afro- centric alternatives, should be replaced by a more humano-centric history, and indeed also an world-wide eco-centric one. World system history is an attempt to offer such a systematic analysis of otherwise apparently disparate and unrelated events, which are really part of the single historical stream of wo/mankind [humanity?]. As Mikhail Gorbachev said addressing the United Nations, there is unity in diversity.