

CENTRE-PERIPHERY RELATIONSHIP IN THE UNDERSTANDING OF DEVELOPMENT OF INTERNAL COLONIES

Wilson O. Simon

*Department of Political Science
Nasarawa State University, Keffi, Nigeria.
E-mail: wilsjane@yahoo.com*

ABSTRACT

This paper attempted to identify the rudiments of the relationship that exists between the centre and the periphery both at the international and national level in the light of the centre periphery model. It equally x-rayed the nature and effects of the relationship as it affects development of the underdeveloped economies which is a lesser partner in the asymmetrical arrangements within the International Economic System. The paper devoted to the critical issues arising from the question of inequalities in the division of labour between the center and the periphery. The rising value of unemployment and underemployment indices in the underdeveloped economies and the challenges it poses to their development. The research also identified the causes of the uneven development that exist between the metropolitan centers and the suburbs at the international and national levels. It has been discovered that the occurrence of low income in the urban centers is reflected in the rural areas as a trickle down or bandwagon effect, and that development is not taking place in the underdeveloped nations due to unemployment of the majority of the population who are the youths. The industrial base of the periphery is weak, and the resources which should be meant for development has been siphoned by corrupt leadership. The relationship of the first and third world has been marked by great hope and even greater disappointment. This paper argued that this relationship has been unequally consistence in spite of the various cooperation and integration attempts. Periphery state's relations with the first world also roughly parallel this distinction moving through three phases of colonial domination, confrontation with threats at nationalization and finally negotiation globalization.

Keywords: *centre-periphery, capitalist, socialist, developed and developing economies*

INTRODUCTION

The centre-periphery (or core-periphery) model is a spatial metaphor which describes and attempts to explain the structural relationship between the advanced or metropolitan 'centre' and a less developed 'periphery', either within a particular country, or (more commonly) as applied to the relationship between capitalist and developing societies. The theory was popular among scholars such as Samir Amin, Immanuel Walerstine, A.G Frank and other radical Marxist scholars of the third world. In sociology, however, centre-periphery models are most likely to be encountered in studies of economic underdevelopment and dependency and tend to draw on the

Marxist tradition of analysis. The use of the centre-periphery model in this context assumes that the world system of production and distribution is the unit of analysis. It also assumes that underdevelopment is not a simple descriptive term that refers to a backward, traditional economy, but rather a concept rooted in a general theory of Imperialism. According to Amin's (1976) centre-periphery model, underdevelopment is not the result of tradition, but is produced as part of the process necessary for the development of capitalism in the central capitalist countries and its continued reproduction on a world scale. The theory assumes a central core of capitalist countries, in which the economy is determined by market forces, high organic composition of capital, and wage-levels are relatively high. In the peripheral countries, on the other hand, there is a low organic composition of capital and wage-levels do not meet the cost of reproduction of labour. Indeed, the cost of reproduction of the labour-force may be subsidized by non-capitalist economies, particularly rural subsistence production. Likewise, in peripheral economies, production and distribution may be determined largely by non-market forces such as kinship or patron-client relations.

The centre-periphery model thus suggests that the global economy is characterized by a structured relationship between economic centres which, by using military, political, and trade power, extract an economic surplus from the subordinate peripheral countries. One major factor in this is the inequality between wage-levels of the core and periphery, which makes it profitable for capitalist enterprises to locate part or all of their production in underdeveloped regions. The extraction of profit depends on that part of the cost of the reproduction of the labour-force that is not met by wages in the non-capitalist sector.

Thus, according to proponents of the core-periphery model, the appearance that capitalism is developing traditional and backward societies by locating enterprises in underdeveloped regions marks the structural relationship by which capital develops and prospers at the expense (or progressive underdevelopment) of non-capitalist economies (Canan, 1983). The centre-periphery model has led to two main debates. The first concerns the elaboration of a theory of mode of production, which attempts to conceptualize different economic forms in terms of the relationship between production and distribution in each mode. The other tries to tease out the exact links between particular areas of the centre and periphery through examining the articulation of different modes of production. Both debates may often appear to be excessively theoretical or at least of little practical significance. The centre-periphery model is also implicated in various types of world system.

Centre-Periphery Politics

The particular approach to political analysis comes in three forms. First, the commonly called modern system analysis is a theory of the international political economy rooted in a perspective which argues that since the rise of capitalism and the nation state in the sixteenth century global market forces, not domestic ones, have determined national economic development or underdevelopment (Egley, 1984).

The structural form of this process, which has persisted over time, is one in which core manufacturing states dominate, exploit and make dependent, peripheral (and sometimes semi-peripheral) states which operate primarily as raw material producers for the core. In short, peripheral countries exist, and have always existed to service the economies of core countries. World politics must be understood in terms of this unequal division of labour. Hence, capitalism, rather than contributing to the development of the global periphery, ensures the 'development of underdevelopment'. The theory does allow for dominant centers' within the core. Examples would be Britain in the nineteenth century and the United States in the twentieth century.

Second, the theory of internal colonialism is in many ways an offshoot of the first. Here, the stress is on the unequal division of labour, exploitation, and dependency within singleton core or peripheral countries. Internal colonialism is concerned with patterns of domestic territorial inequality and with the various ways (not just economic) a core, or centre region, controls and exploits a peripheral region or regions (Blaug, 1962). Thirdly, the centre-periphery framework has been employed by some analysts as an approach to central-local-relationship, alternative to the inter-governmentalist bias of the traditional literature. Here, the emphasis is on the variety of mechanisms by which the political centre seeks to control, manage, or avoid dealing with the rest of the national territory (the periphery or peripheries). This certainly opens up the study of central-local-relationship and inserts a much needed concern with the centre. On the other hand, it suffers from a degree of uncertainty about the precise principal actor focus in the periphery (Appleby, 1978).

The general process is summarized in the center/periphery model, a model which can be applied globally and at the national level. Globally, we may use the center/periphery concept to replace the older first world/third world dichotomy, because it emphasizes that the characteristics of the "third world" result not from the fact that it has lacked the opportunity to develop like the first world but from the fact that it was developed but as a dependent part, a periphery, of the center it gives us a true picture of global reality. More important, the concept underscores the relationship between the affluence of the center and the poverty, underemployment and increasing marginalization of the masses of the periphery. This affluence and that poverty are two sides of the same coin.

At the global level the center consists of those nations with high consumption levels, highly developed economic structures, and sophisticated technologies. The periphery consists of those dependent nations whose economies are tightly integrated with those of the center. The continuing underdevelopment of the periphery, resulting from the draining out of raw materials, human resources and profits is a prerequisite for the continuing development and increasing affluence of the center. The export of raw or semi processed materials to be worked up by the industries of the center represents an export of employment possibilities and is a partial explanation for the high levels of unemployment and underemployment which are typical of peripheral nations (Frank 1978).

DEVELOPMENTAL CONTRADICTIONS OF CENTRE AND PERIPHERY

We can carry this center/periphery model further-for it applies not only between groups of nations but within nations. Thus, each developed nation consists of a center and a periphery. Power, wealth and employment are concentrated in the center. For example, Britain, London and the southeast; France the Paris region, Italy the center/north. By contrast, the periphery is dependent and underdeveloped with a warped economic structure which leads to high levels of total or seasonal unemployment. In Britain, it comprises the Celtic countries (Wales, Scotland and Northern Ireland), much of northern England and the holiday colony of southwest England. The periphery provides semi processed materials which are worked up by the industries of the center, thus helping to maintain high levels of employment at the center. It is a tourist zone. It is also an important source of manpower, as the size of the Irish community in England or the continuing outward migration from Wales and Scotland illustrates.

A similar pattern is found in the dependent nations of the periphery, for within each of these nations, wealth and power, and job opportunities are concentrated in the great cities and a great gulf separates these from the impoverished back country which constitutes their periphery. And as wealth and manpower are drained out of the countryside towards cities, the gap grows progressively wider, "A Life Full of Holes". For instance, in Nigeria with particular reference to Federal Capital, Abuja is surrounded by periphery villages such as Karimo, Gwa-Gwa, Nyanya etc, which are responsible for providing the City Centre with cheap and unskilled labour such as labourers and artisans who provide essential services for the inhabitants of the city centre. These suburbs also provide agricultural products for the sustenance of the huge populations of the city centre. These suburbs are characterized with poverty, unemployment and infrastructural underdevelopment, such as poor road network, inadequate health facilities and shortage of portable water. Majority of the population who work in the city centre resides in these suburbs which are densely populated.

These areas are plagued with the problem of inadequate town planning that will address the problem of underdevelopment which is visible in the attitude of tension and frustration on the dwellers of these suburbs. There is very little government effort to develop those areas into a modern urban centre. The processes enable us to understand the broad global pattern of unemployment, as well as some aspects of national patterns. Unemployment rates in the nations of the center have drastically increased, and seem likely to further increase since the beginning of the present recession. Yet intolerable as they are, but a fraction of those in the nations of the periphery. Comparison of employment statistics from various parts of the world is not easy and can give us only a very approximate picture of the true situation. Nevertheless, data from the ILO and similar sources suggest that the real levels of unemployment in many nations of the periphery are higher than those experienced in the developed nations during the Great Depression and that taking into account the vast numbers who are underemployed (those living in what has been termed the "hand-to-mouth sector") and convert to "unemployment equivalent" units, the proportion of the active population that is unemployed exceeds 50 percent in many

peripheral nations (ILO, 2004). These are the twilight folk whose lives are that of less-than-men and less-than-women, the folk whose philosophy of despair was summed up by a North African writer, Driss Hamed Charhadi in 1964 that "even a life full of holes, a life of nothing but waiting, is better than no life at all". Thus, in a world in which by the early 1980s military spending was running at \$660billion a year, is an affront to God and humanity. Another North African, the Algerian Planner, Remili, A. in 1986 stressed that an examination of what he calls the "economy of waste" is fundamental to an understanding of poverty. Such an examination would draw attention to the intolerable waste of precious human resources resulting from unemployment and underemployment in the periphery.

In non-socialist Asia, this may be conservatively estimated at 200 billion man-hours yearly and it is a waste which is one of the major causes of poverty. If this tremendous potential wealth can be mobilized, it becomes possible to begin the long upward climb to decency and to a truly human existence, as has been demonstrated by the Chinese People's Republic. The Chinese under Mao knew and they acted on this knowledge that of all things in the world, people are the most precious. Those in the centre and the people who speak for the centre know that the most precious things in the world are the profit-making dollar and the profit-spinning technology. For 40 more than years the centre has forcibly administered the economic nostrums to the peoples of the periphery and have profited mightily by it, but for most of humankind these 40 years have been years "on the very borderline of animal needs," lacking food, lacking meaningful work, lacking human dignity. The majority of men have less food now than in 1945, less actual care in sickness, less meaningful work, less protection. More people suffer from hunger, pain and exposure than they did at the end of World War II, not only numerically but also as a percentage of the world population. This, of course, is not the picture we are given by the media, which somehow manage to ignore what is happening to two thirds of fellow human beings, which somehow manage to conceal from us the center's dogged refusal, at one conference after another, to entertain for a moment the periphery's demand for a more just world order.

Philippe Beaulieu in 1985 observed that 29 major industrialized countries, capitalist and socialist, are moving toward the creation of a "zone of high development." Increasing trade within this "zone of super-wealth" cements yet further its unity. The zone's links with the impoverished nations of the periphery become limited to the supply of certain indispensable raw materials, notably energy and the strategic metals and to the supply of labour (since workers in the center are already refusing to undertake certain labouring jobs and in any case their wages demand are several times as high as those of workers in the periphery). The energy "crises" and certain aspects of the center's policies in Africa illustrate how critical important the resources of some peripheral countries are to the center. It is indeed doubtful whether the economy could survive the withdrawal of these supplies. However, the raw materials situation is perhaps less relevant than the availability and use of human resources,

and the centre have underestimated the importance of the muscles and brains of the unemployed masses of the periphery in sustaining economic growth in the center. These human resources are incorporated into the center's economy in three ways: through the brain drain, through the migrant labour flow, and through their use in situ by the development of branch factories and export platform economies. Let us look briefly at each.

The brain drain: The scientific establishment as well as the social service systems of the center has benefited and continued to benefit from the import of doctors, scientists, cadres of all sorts from the periphery. As far back as 1990's the United States was importing over 11,000 university graduates from the periphery; one fifth were doctors. The cost of training these at that date was estimated at \$3.6billion, more than the entire U.S. public aid program to the periphery in that year. Very evidently, this loss of skills to the benefit of the center contributes to widen yet further the gap between center and periphery. India in the same year, 140,000 university trained graduates including over 9,000 engineers were unemployed as were two thirds of a million folk with secondary school training. Ten percent of all Indian doctors are working abroad and thirty percent of those who qualify emigrate.

Migrant workers: The center needs the doctors, nurses and scientists of the periphery (but the periphery needs them more) and it also needs the muscle and brawn of workers who will take on jobs the working class in the center rejected. These are readily recruited from the unemployed masses and constitute an ideal and expendable labour force. They are sometime partly trained in the prime of their life; they are kept socially and politically marginal to the society in which they work, like the South African blacks they are sent back to their homelands when their contract expires or if they are sick or politically "difficult". At the peak of the migrant labour phase, twelve percent of Algeria's active population worked abroad, nine percent of Yugoslavia, eight percent of Greece, five to six percent of Tunisia, Turkey, Morocco and Spain. Such workers represented about ten percent of the active population in France and West Germany, one quarter that of Switzerland, six to eleven million in Europe and now between one third and three quarters of the labor force in some of the oil-producing countries, an annual saving to the center of at least \$12billion.

Export platform industrialization: The labour resources of the periphery can also be used by the center by taking the factories to selected areas of the periphery. An increasing number of transnational firms are doing this, taking advantage of the fact that wage rates are one tenth those in the center. This type of development has been particularly important in the case of light industries such as textiles and electronics which use large quantities of female labour. Hong Kong, Singapore and South Korea illustrate this phenomenon. So do the peripheries of the developed nations such as Britain's Celtic fringe, "Wales," has the highest concentration of Japanese industrial investment in Britain, comments the Guardian. The limitations of this type of industrialization as far as the periphery is concerned are obvious, industry is for export

and not related to local needs, it is transient, tending to be relocated as wages rise, and the need to keep down wages pushes peripheral governments into an anti-union stance. And the labour force (as in the case of young women employed in the electronics industry) is expendable, being replaced as soon as dexterity is lost or sight is impaired. For all intents and purposes such industry parallels the industry established in South Africa on the fringes of the bantustans or in the United States close to the Mexican border. And its overall impact on peripheral unemployment levels is negligible.

THE MYTH OF MODERN INDUSTRIALIZATION

It is sometimes argued that the unemployment problem of the periphery can be solved by massive capital-intensive industrialization. This is simply not true. It is not true for several reasons. First, modern industrialization by eliminating the artisan or craft sector may actually increase unemployment. Thus in Indonesia the development of the modern textile industry created 86,000 jobs between 1966 and 1971, it wiped out 410,000 jobs in the traditional artisan pattern of textile production. In West Africa, a shoe factory making plastic sandals meant jobs for 40 people, but it wiped out the jobs of 5,000 peasant crafts people. This sort of industrialization develops underdevelopment and unemployment. Moreover, even where production is increased, modern industry creates few jobs. Industrialization in Brazil expanded output by 58 percent from 1969-1972, but expanded employment by only 10 percent and from 1980 - 2000 it expanded by 69 percent and unemployment only by 12 percent. Taking 20 developing countries, the rate of growth of unemployment is ten times the rate of population growth (See table 1).

Table 1: The rate of growth of unemployment and population in twenty developing countries

S/N	Country	Unemployment growth rate (%)	Population Growth rate per year (%)
1.	South Africa	25.3	0.55
2.	Somalia	64.60	2.92
3.	Kenya	40.0	2.65
4.	Cote d'Ivoire	40.02	1.84
5.	Niger	54.02	3.49
6.	Brazil	5.70	1.20
7.	Guatemala	56.01	2.47
8.	Malawi	30.0	2.57
9.	Nigeria	19.7	2.27
10.	Tanzania	35.0	2.47
11.	Venezuela	25.3	1.67
12.	Chad	56.08	2.88
13.	Syria	9.2	2.01
14.	Pakistan	3.8	1.84
15.	Egypt	9.4	2.03
16.	Malaysia	3.2	1.72
17.	Mozambique	60.0	1.79
18.	Ecuador	7.7	1.97
19.	Mongolia	12.2	1.49
20.	Cameroun	30.0	2.00

Source: UNDP Report on Developing Countries 2005 - 2010

In this decade (1990-2000) it is estimated that employment has to be found for another 308 million people in the countries of the periphery (including China), this estimate is based solely on the probable growth of the labour force and does not take into account the scores of millions who at the moment are unemployed or underemployed. By the year 2010, the total for which jobs are needed was 921 million. In the industrialized countries the comparable figure is 162 million.

Modern industry, often regarded as the panacea for a problem of this sort (as indeed it was in Hong Kong), can play only a limited role in absorbing this mass of workers-to-be. The estimated cost of creating a job in modern-type industry in the 'early 1970s was between \$4,000 and \$20,000. Taking the lowest of these figures and assuming that less than half of the projected increase in the labour force is to be found jobs in industry the costs would be $\$4,000 \times 450 \text{ million} = \$1,800 \text{ billion}$. Between 1972 - 1992 the total flow of capital towards the third world (public aid, loans, investments and private credits) was \$27 billion, but of this almost three quarters came back to the developed nations in the shape of debt repayments, interest payments, and profits so that the net inflow into the third world was then about \$7.4 billion sufficient to create 2,000,000 jobs. And this would leave the problem of the existing pool of unemployment and underemployment people untouched.

CONCLUSION AND RECOMMENDATIONS

These changes discussed are going to have profound repercussions on the nations of the center and they will necessitate a long-overdue socioeconomic transformation of the industrialized society. These changes mark the beginning of a new pattern of world development; they mark also an end, the end of the world built by the so called historical societies. The beginning of this process of change may, for future historians, be marked by the OPEC decisions of October 1973 which marked the end of human history. And to come to terms with this new reality to accept that what may appear as "the closing in of history" for the peoples of the center is for the majority of humankind, the peoples of the periphery, "the opening out of history." This is going to demand of us all our humanity and all our faith.

Development boils down on selfless attitudinal change. Development should be man targeted, initiated and centered. Viewed thus, the nameless and "irrelevant" masses of the periphery are the bearers of another future. If they are to escape underdevelopment they have to innovate, to go in another direction from that imposed on the world by the societies of the center. They are thus the precursors of another, alternative civilization, the bearers maybe of world revolution.

From what is happening in the periphery the study has clear evidence that modern capital-intensive techniques of development and industrialization are not solving and cannot solve, the problems of unemployment and underemployment. New roads will have to be found. To wipe out underdevelopment and unemployment the periphery will have to embark on an integrated program of rural development, creating more jobs in agriculture by more intensive production techniques and more

jobs in the countryside by the development and wide dispersal of labour-intensive small industries requiring little capital investment, drawing on local raw materials and producing for a local market. Maoist China showed what could be achieved along these lines.

Underdevelopment, a less condition than a process and integration into the world system as presently structured is a sure prescription for deepening underdevelopment and increasing unemployment. Wallerstein (1974) observes that in many important respects it would be fair to conclude that the structure of underdevelopment has been created by centuries of association with the mercantile and colonialist nations. If this is true, the logic of withdrawal is obvious. The interrelated problems of underdevelopment and unemployment are thus to be solved not by closer integration into the world system but by withdrawal from that system. As the economist Francois Partant puts it: "the technological adventure of the center...is no more transposable to the periphery than the center's type of growth. To refuse it in a conscious manner, throwing out those activities which would imply dependence in this domain, would not lead to a regression except in the eyes and to the detriment of a minority." For the majority of humankind, the rejection of the world built and dominated by the nations of the centre would mean that for the first time they will enter history on their own terms. The issue to leadership crisis in the third world must be addressed squarely in order to achieve meaningful development. A focused, incorruptible and people oriented leadership must be desired and championed by the generality of the people of the third world, if the future dream of development must be achieved.

REFERENCES

- Albertini, J. M.** (1995). *Economic Efficiency and Social Justice: The development of utilitarian ideas in economics from Bentham to Edgeworth*. Aldershot,
- Amin S.** (1976). *Unequal Development*. New York: Oxford University Press.
- Appleby, J.** (1978). *Economic Thought and Ideology in Seventeenth Century*. England. Princeton: University Press.
- Bell, D.** (1967). *History of Economic Thought*. New York: Ronald.
- Blaug, M.** (1962). *Economic Theory in Retrospect*. Cambridge: University Press, United Kingdom.
- Blaug, M.** (1985). *Great Economists Since Keynes*. Cambridge: University Press.
- Bleaney, M.** (1976). *Underconsumption Theories: History and critical analysis*. New York: International.
- Cannan, E.** (1983). *A History of the Theories of Production and Distribution in English Political Economy*. New York: Augustus M. Kelley.

- Dictionary of Sociology** (1998). Originally published by Oxford University Press 1998.
- Eagly, R. V.** (1984). *The Structure of Classical Economic Theory*. New York: Oxford University Press.
- Feder, E.** (1990). *Labour and Development in the Third World: An overview*. London: Gateway Publishers.
- Frank, A. G.** (1978). *Dependent Accumulation*. New York: McGrawhill Publishers.
- Hamed Ben Charhadi D.** (1964). *A Life Full of Holes* (1st edition). New York: Groove Press
- ILO** (1996). *Wage Workers in Agriculture: Conditions of Employment and Work*. Geneva, International Labour Office
- ILO** (2004). Data on Unemployment in developing countries (Great Depression Period)
- Marx, K.** (1910). *Theories of Surplus Value 3 vols*. London: Lawrence & Wishart.
- Meek, R.** (1956). *Studies in the Labor Theory of Value*. New York: Monthly Review Press.
- Myrdal, G.** (1929). *The Political Element in the Development of Economic Theory*. London: Routledge and Kegan Paul.
- Philippe, B.** (1985). *A Science in its Youth: Pre-Marxian political economy*. Moscow: Progress.
- Remili, A.** (1986). Changing faces of African Labour. *African Studies Journal*, XVII.
- Singh, A. and Tabatabai, H.** (eds) (1993). *Economic Crisis and Third World Agriculture*. Cambridge: University Press
- UNDP** Report on Developing Countries 2005 - 2010.
- Wallerstein, I.** (1974). *The Modern World-System*. New York: Vintage Books.