ReOrient Histography and Social Theory

Andre Gunder Frank
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ORIENT: The East; lustrous, sparkling, precious; radiant, rising, nascent; place or exactly determine position, settle or find bearings; bring into clearly understood relations; direct towards; determine how one stands in relation to one's surroundings. Turn eastward.

*Oxford Dictionary of Current English*

I. HOW WESTERN PERCEPTIONS OF THE EAST CHANGED

Until about 1800, the predominant Western perception of the East was favorable. Europeans were attracted to and sought to learn from many parts of the Orient that were seen as civilizationally, culturally, politically, socially, economically, and technologically more advanced than any or all of Europe. Indeed, "Orient", as still recorded in *The Oxford Dictionary* whose first edition dates from 1911, meant what I just quoted in the epigraph above. What happened to make all those nice meanings disappear and have the *American Oxford Dictionary* [1980] now say instead:

ORIENT: The East, Countries East of the Mediterranean, Especially East Asia.

Before 1880, Europeans and Arabs at least had a much more global/ist perspective that was then suppressed and replaced by the rise of Eurocentric historiography and social theory in the nineteenth century. For instance, the Tunisian statesman and historian, Ibn Kaldhoun [1332-1406] evaluated and compared the "wealth of nations" before and at his time:

This may be exemplified by the eastern regions, such as Egypt, Syria, India, China, and the whole northern regions, beyond the Mediterranean. When their civilization increased, the property of the inhabitants increased, and their dynasties became great.... Their prosperity and affluence cannot be fully described because it is so great. The same applies to the merchants from the

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East ... and even more so to the Far Eastern merchants from the countries of the non-Arab Iraq, India, and China. (Ibn Khaldun 1967:279).

Even in the eighteenth century Father Du Halde, the most learned French publicist of matters Chinese [who never left Paris and used Jesuit and other travelers and translators as sources] still wrote that in China

the particular riches of every province, and the ability of transporting merchandise by means of rivers and canals, have rendered the empire always very flourishing.... The trade carried on within China is so great that of all of Europe is not to be compared therewith (quoted by Chaudhuri 1991:430 [for a longer version also see Ho 1959:199]).

Lach and Kley (1965--) have written volumes [7 so far with others promised] about Asia in the Making of Europe. They observe for instance that "sixteenth-century Europeans had considered Japan and China to be the great hopes of the future" (ibid: 1890). By the end of the seventeenth century "few literate Europeans could have been completely untouched [by the image of Asia], and it would have been surprising indeed if its effects could not be seen in contemporary European literature, art, learning, and culture" (ibid:1890)). For in the meantime, hundreds of books about Asia had been written, reprinted and translated in all major European languages.

Adam Smith also recognized Asia as being economically far more advanced and richer than Europe in still in 1776. "The improvements in agriculture and manufactures seem likewise to have been of very great antiquity in the provinces of Bengal in the East Indies, and in some of the eastern provinces of China.... Even those three countries [China, Egypt and Indostan], the wealthiest, according to all accounts, that ever were in the world, are chiefly renowned for their superiority in agriculture and manufactures.... China is a much richer country than any part of Europe" (Smith 1937: 20,348,169).

Already by the mid-nineteenth century, European views of Asia and China in particular had drastically changed. Dawson (1967) documents and analyzes this change under the revealing title The Chinese Chameleon: An Analysis of European Conceptions of Chinese Civilization. Europeans changed from regarding China as "an example and model" to calling the Chinese "a people of eternal standstill." Why this rather abrupt change? The coming of the industrial revolution and the beginnings of European colonialism in Asia had intervened to re-shape European minds, if not to "invent" all history, then at least to invent a false universalism
under European initiation and guidance. Then in the second half of the nineteenth century, not only was world history re-written wholesale, but "universal" social "science" was [new] born, not only as a European, but as a Eurocentric invention. In so doing, "classical" historians and social theorists of the nineteenth and twentieth centuries took a huge step backward even from European, not to mention Islamic, perspectives that had been much more realistically world embracing up through the eighteenth century. Among those who saw things from this narrower [European] new perspective were Marx and Weber. According to them and all of their many disciples to this day, the essentials of the "capitalist mode of production" that allegedly developed in and out of Europe were missing in "The Rest" of the world and could be and were supplied only through European help and diffusion. That is where the "Orientalist" assumptions by Marx, and many more studies by Weber, and the [fallacious] assertions of both and all their many disciples to this day about the rest of the world come in.

Marx seems to have been selective in the sources he drew on to characterize "Asia" not to mention Africa. Marx followed Montesquieu and the Philosophes like Roussseau and also James Mill, who had instead "discovered" "despotism" as the "natural" condition and "model of government" in Asia and of "The Orient." Marx also remarked on "the cruelest form of state, Oriental despotism, from India to Russia." He also attributed to them and to the Ottomans, Persia and China, indeed to the whole "Orient." In all of these, Marx alleged the existence of an age-old "Asiatic Mode of Production" which kept all of Asia "divided into villages, each of which possessed a completely separate organization and formed a little world to itself." He alleged that in all of Asia the forces of production remained stagnant and stationary until the incursion of "The West" and "capitalism" woke it of its otherwise eternal slumber.

Alas however, so is its obverse "capitalist mode of production," which was allegedly invented by Europeans and has ever since been held to be responsible for European, Western, and then global development. For as this book intends to show, all these were much more a function of world economic, including especially Asian development, than of any alleged European or "capitalist" exceptionalism, which have been the central themes of all social theory about "the Rise of the West" ever since. We will see below that all of this Marxian characterization was no more than a figment of his and other Eurocentric imagination, which had no foundation in historical reality whatsoever.

Other social "scientists" may have risen to dispute Marx [and supposedly to agree with Smith], but they all agreed with each other and with Marx that 1492 and 1498
were the two greatest events in the history of mankind, because that is when Europe discovered the world. History and social theory have been marked ever since not only by the alleged uniqueness of [West] Europeans, which supposedly generated "The Rise of the West." What is worse, they allegedly also had to assume the civilizing mission of the white man's burden which bestowed "the development and spread of capitalism" on the world as Europe's and the West's gift to mankind. [Lately, some feminists have at least denied that this process has been a gift also to womankind].

For Max Weber of course agreed with Marx about all these European origins and characteristics of "capitalism," and with Sombart too. Weber only wanted to go them one better. Sombart had already singled out European rationality, and its alleged roots in Judaism, as the sine qua non of "capitalism" and its "birth" in Europe. Weber accepted that too. The additional acquaintance of Weber with Asian realities also complicated his argument and made it more sophisticated than the crude Marxian version. For instance, Weber recognized that Asia had big cities. And bureaucracies that worked. So they had to be somehow "fundamentally different" from European ones, both in structure and in function.

So what was the essential difference, the missing ingredient that "The West" allegedly has and "The Rest" does not? Have if Weber himself did not find all these factors missing in the Oriental societies he studied? For Marx it was "the capitalist mode of production;" and Weber added also the proper religion and how it interfaces with the other factors to generate that "capitalist mode." Weber went to the trouble to study various major world religions and concluded that all of them had an essential mythical, mystic, magical, in a word anti-rational component, which "necessarily" handicapped all their true believers in coming to grasps with reality rationally, unlike the Europeans.

This rational spirit is supposedly the missing secret ingredient that, when combined with all the others, distinguishes "The West" from "The Rest." Without it, the Asians could not possibly develop capitalism and therefore really "develop" at all, or even use their cities, production and commerce. Never mind that historical evidence belied that, from Catholics in Venice and other Italian cities to those gifted with the Protestant ethic in Eastern Europe and the European colonies early on in the South of the United States and still in the Caribbean, and elsewhere [as I already argued in Frank (1978b)].

This Eurocentric idea consists of several strands, some of which are privileged more by political economists like Marx and Sombart, and others by sociologists
like Durkheim, Simmel, and Weber. All are summarized in the telling title *The European Miracle* by Eric L. Jones (1981). Moreover, this is only a particularly visible tip of the iceberg of almost all western social science and history from Marx and Weber, through Spengler and Toynbee, to the spate of defenses of supposed Western "exceptionalism" since World War II, particularly in the United States.

This Eurocentrism also had nineteenth century sociological great-grandfathers in the "father of sociology" Auguste Compte and in Sir Henry Maine who distinguished between supposedly new forms of thinking and of social organization based on "science" and "contract," which allegedly replaced age old "traditional" ones. One grandfather was Emile Durkheim who idealized "organic" vs. "mechanical" forms of social organization and another was Ferdinand Toennis, who alleged a transition from traditional "Gemeinschaft" to modern "Gesellschaft." In a later generation, Talcott Parsons idealized "universalist" vs. "particularist" social forms, and Robert Redfield claimed to have found a contrast and transition or at least a continuum" between traditional "folk" and modern "urban" society and a certain symbiosis between "low" and "high civilization." The Marxist and contemporary neo-Marxist version is the alleged fundamental difference between "Asiatic," "feudal" or other forms of "tributary" modes of production on the one hand and the Western "capitalist" one on the other (Wolf 1982, Amin 1991,1993, 1996).

Now we are all - knowingly or not - disciples of this completely Eurocentric social science and history. Talcott Parsons enshrined Weberianism and this Eurocentric historiography in sociology and political science when the United States became economically and culturally dominant in the world after World War II. His mistitled *Structure of Social Action* and *The Social System* as well as the derived "modernization theory," and the economist W.W. Rostow's (1959) *Stages of Economic Growth* were all cut from the same Eurocentric cloth and followed the same theoretical pattern. Alas we may ask, what was the point? Rostow's "stages" were little more than a "bourgeois" version of Marx's stage by stage development from feudalism to capitalism to socialism -- all starting in Europe! Like Marx, Rostow claimed that now the United States, following England, would show the rest of the world the mirror of its future. Rostow (1975) also explains How it All Began: Origins of the Modern Economy through the scientific revolution that allegedly distinguished modern Europe. David Landes (1969) finds the cultural conditions for *The Unbound Prometheus: Technological Change and Industrial Development in Western Europe* only in Europe itself. Cipolla (1976:276) summarizes: "that the Industrial Revolution was essentially and primarily a socio-cultural phenomenon and not a purely technical one, becomes patently obvious
when one notices that the first countries to industrialize were those which had the greatest cultural and social similarities to England."

Other authors also offer only "internal" explanations to account for the alleged superiority and ascendance of the West over the rest of the world. For these writers, the rise of Europe was also a "miracle," which was due to allegedly unique qualities that Europeans had and all others lacked. Thus, White Jr. (1962), Hall (1985) or Baechler, Hall and Mann (1988) 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. The claim is that presence in "The West" of what was allegedly lacking in "The Rest" gave "us" an initial internal developmental advantage, which "we" then diffused outward over the rest of the world as the "civilizing mission" of "the white man's burden."

Among the worst offenders of all Eurocentrists are western economic historians, Marxists, and a fortiori Marxist economic historians. The vast majority of self-styled "economic historians" totally neglect the history of most the world, and the remaining minority distorts it altogether. The Study of Economic History: Collected Inaugural Lectures 1893-1970 (Edited by N.B Harte 1971) collects 21 such lectures by the most eminent English speaking economic historians. They in turn review and comment on the 'economic history' written by their colleagues in the profession over most of the preceding century: Almost every word is about Europe and the United States and their "Atlantic economy," which hardly even includes Africa. The rest of the world does not exist for them.

Take for instance a recent review article on "Maritime Asia, 1500-1800" written by Wills (1993) for the American Historical Review. Wills revealingly subtitles it "The Interactive Emergence of European Domination." He reviews over a dozen books and cites perhaps one hundred others that deal with some "interaction" between East and West. However, most of the action reviewed remains directed from Europe toward Asia, and almost none the other way around. Moreover, the claim in the reviewer's title that European "domination emerged" already from 1500 onwards to 1800 is not at all substantiated. Indeed, it is disconfirmed even by the evidence supplied by the authors that Wills himself reviews and cites. So the very title of his article still reflects Eurocentric prejudice far more than it describes reality.

Also in more recent decades, the International Congress of Economic History has met periodically and then published its conference proceedings. Going through their tables of contents reveals that some ninety percent of the "international"
contributions are about the West. Lately, a couple of the congresses and/or volumes of proceedings have had titles like *The Emergence of the World Economy 1500-1914* (Fisher, McInnis & Schneider, Eds. 1986). Yet the preponderance of the contributions are still about the West. Another current example of the same is the innovative publisher Variorum. Its newest series of books is published under the umbrella title "An Expanding World: The European Impact on World History, 1450-1800." The title of one of the edited volumes in this series is *The European Opportunity*. Yet the books in that series also concentrate on what Europe did, rather than on the opportunities in the world economy and especially in Asia, of which Europe only took advantage.

A special Eurocentric charge is that the evidence does not support any contention that Europeans did anything other than by their own good efforts. Years ago, Bairoch (1969,1976), O'Brien (1982) and others already explicitly countered the earlier theses of Frank (1967, 1978) and/or Wallerstein (1974) that colonial and neo-colonial trade contributed to European investment and development. Bairoch (1969) denied that commercial capital made any significant contribution thereto. Patrick O'Brien (1982,1990) has on several occasions dismissed overseas trade and colonial exploitation as contributors to capital accumulation and industrialization in Europe, since by his calculations this trade, not to mention profits therefrom, amounted to no more than 2 percent of European GNP in the late eighteenth century. O'Brien (1982:18) contends that "for the economic growth of the core, the periphery was peripheral." O'Brien (1997: 76-77) goes even further and categorically contends under the sub-title "The Formation of a Global Economy, 1846-1914" that economic "interconnections across continents and countries down to the middle of the nineteenth century seem limited."

Marxist economic history, against whom Rostow, Bairoch, O'Brien and others also rail, may seem different; but it is equally, indeed even more, Eurocentric. Thus, Marxist economic historians also look for the sources of "The Rise of the West" and "the development of capitalism" within Europe. Examples are the famous debate in the 1950s on "the transition from feudalism to capitalism" among Maurice Dobb, Paul Sweezy, Kohachiro Takahashi, Rodney Hilton and others (reprinted in Hilton 1976) and the *Brenner Debate* on "European feudalism" (Aston and Philpin, Eds. 1985). The very existence of a world economic system was explicitly denied by Marx and only belatedly acknowledged by Lenin. However, his "imperialism" also was of recent European origin. In Rosa Luxembourg’s version, the "world" capitalist economy had to rely on "external non-capitalist" space and markets outside of the capitalist system into which to expand. As Teshale
Tibebu (1990: 83-85) aptly put it, all this Marxist economic history and theory is no more than 'Orientalism painted red.'

All of these "ideal type" West Yes/East diads [or triads in the case of the alleged Great Transformation of Karl Polanyi (1952, 1957)] are idealizations of the West that have several things in common. The most important ones are that first they posit essentialist socio-cultural features and differences that are far more imaginary than real, and then they allege that the differences distinguish "us" from "them," or in the latter day terminology of Samuel Huntington (1993, 1996) separate "The West" from "The Rest." Indeed, allegedly these features also distinguish modern [Western] society from its own past as well as from other societies' often still lingering present. Moreover, these "ideal" types attribute some kind of pristine self-development to some peoples - mostly to "us" - but not to others, and their subsequent diffusion [when positive] or imposition [if negative] from here to there. "The quintessential culmination of this "tradition" was Lerner's (1958) The Passing of Traditional Society. In the real world, the only practical holistic choice has been "none of the above."

II. SOME NECESSARY BUT STILL INSUFFICIENT CRITICAL BEGNNINGS
We may group our review of the new - and necessary but not sufficient - historiographic and theoretical departures as those that really do examine the East, those that re-examine the West, those that compare East and West, and those that propose a step toward more holism by looking at both from the perspective of a 'world-economy' and 'world-system,' which nonetheless remain European and western centered.

A. The East Never Was as the West Made It Out To Be
Historians and social scientists from Asia, Africa, and Latin America began [or better continued!] to re-examine these areas and their peoples. Particularly important work has been done by many Indians on South Asia, also by European on Southeast Asia, on China and more recently on Japan. In and on India, the major pioneers with perhaps also the broadest perspectives were Irfan Habib, for instance in his works on agriculture, technology and commerce in Mughal India (1963a,b, 1969, 1980, 1990) and N.K. Chaudhuri on Trade and Civilization in India and on Asia Before Europe (1978, 1985, 1990). Some of the other important Indian authors who have 'told it as it really was' are Arasaratnam (1986, 1995), Das Gupta (1979, 1987, 1990), Ganguli (1964), Mukerjee (1991/2, 1994,), Prakash (1983, 1994, 1995), Subrahmanyanam (1990, 1994, 1997)) and the Cambridge Economic History of India edited by Rayachaudhuri and Habib (1982). Some non-Indians who merit special mention are Barendse (1998), Bayly (1983, 1987, and 1990),

Indeed conceptually, if not always chronologically, the first critique of the received wisdom is to recognize that Kipling's famous rendition that "the East is East, and the West is West" is no more than Western mythology to begin with. The very idea of and distinction between 'East' and 'West' is no more than a Western invention to 'distinguish' itself. An important opening gun was the scathing critique of the very idea of *Orientalism* itself by Edward Said (1978). Coming from another direction, another critique was my own "The Sociology of Development and the Underdevelopment of Sociology" (Frank 1969) and Susanne Jonas Bodenheimer's (1971) "Dependency and Imperialism: The Roots of Latin American Underdevelopment." We denied that the Third World South, then including the "Oriental" East, ever was 'traditional' as received theory had painted it to be. We and the theory of 'dependence' sought to distinguish between 'undevelopment' and 'the underdevelopment of development,' However successful, this challenge was nonetheless insufficiently holistic.

Another, more recent, variant are 'post-colonialism' and other variants of 'post-modernism,' which also deny the colonially imposed 'reality,' but often at the cost of denying that there is any reality at all to speak of. In India, this variant has gained much popularity under the name of "subaltern" studies, whose limitations
and confusions have been rightly analyzed in various issues of EPW, especially that of April 18, 1998.

B. But the West Itself Never Was or Did What its Advocates Claimed Either.

The second conceptual leg to collapse has been "The Myth of Western Exceptionalism." That is the telling sub-title of James Blaut (1993) in what he calls The Colonizer's Model of the World: Geographical Diffusionism and Eurocentric History. Blaut microscopically examines, exposes and demolishes the myth of "The European Miracle" in its myriad forms of biology [racial superiority and demographic continence]; environment [nasty-tropical Africa; arid, despotic Asia; temperate Europe]; exceptional rationality and freedom [as against "Oriental despotism", the centerpiece of the Weberian doctrine, and part of the Marxian one]; alleged European historical superiority in technology, despite its borrowings from and dependence on earlier Chinese, Indian and Islamic advances; and society [development of the state, significance of the Church and "the Protestant ethic," the role of the bourgeoisie in class formation, the nuclear family, etc].

Thus, Blaut effectively demonstrates that each of these alleged European "exceptionalisms" and the whole "European miracle" is no more than a myth that is firmly based only in Eurocentric ideology. Therefore, its derived social "science" is empirically and theoretically untenable as well. Therefore, Blaut correctly argues that it is wrong to attribute the subsequent development of Europe and the West to any of these supposedly internal European exceptionalisms. Jack Goody (1996) goes over some of the same ground again for the West, and comparatively finds similar or functionally analogous attributes also in studies like those mentioned in section A above about West, South, and East Asia. Goody again effectively refutes especially the Weberian allegations of the alleged "uniqueness [of] specific and peculiar achievements of Western rationalism." Yet, "the framework of such ideas has been the bread and butter of sociologists, historians, demographers, economists and, from a somewhat different angle, anthropologists" (Goody 1996:5). Many monographic and analytic studies on particular aspects of Western economic history, of course, also show that it departed more than considerably from its Weberian 'ideal types'.

C. Comparing East and West Illuminates Both

Another attempt to break down this Eurocentrism is to compare 'East' and 'West' to show that they were never so different after all, or at least to find what differences there really were. Indeed, this approach already has a long history and venerable tradition. Weber deliberately adopted it in his comparative study of world religions, even if it was to end up with the European exceptionalism of "the Protestant Ethic
and the Spirit of Capitalism." Since then, more and more comparisons have pulled the historical rug out from under Weberian, Marxist, Polanyian and other Eurocentrism. Notable among these have been the American Marshall Hodgson (1974, 1993), the European Fernand Braudel (1992) and especially the Asian N.K. Chaudhuri (1990). Of course, the same has been an element also in the arguments of Blaut (1993) and Goody (1996) already cited in section B above. Rutten (1994) also favorably compares European and Asian capitalists. My own ReOrient: Global Economy in the Asian Age (1998) also makes numerous East-West comparisons of patterns and changes in population, production, trade, science, technology, institutions, etc.

The book China Transformed: Historical Change and the Limits of European Experience by Bin Wong (1998), because it not only pushes such comparisons much further but also offers them as a theoretically sufficient alternative to the received wisdom, which Wong rightly rejects like I do. Wong begins by observing that since the nineteenth century most studies on China have been guided by the search for what China did not have or do by European standards. Instead, he proposes to examine Chinese reality itself and then proceed to ask how it can shed new light not only on China but comparatively also on the European experience. Wong writes:

One can find with little effort any number of differences between China and Europe, but assessing which of these differences mattered is difficult.... A foundation of commonalties would locate more sharply the arena within which important initial differences could be located.... Without first identifying a set of commonalties, however, all differences compete for primary attention. The economic similarities to be considered here begin with Adam Smith [cited from manuscript]

That is, the "Smithian dynamic" of the relation between the division of labor and the extent of the market was operative in China just as much as in Europe. So were the Ricardian ones of comparative advantage and the Malthusian demographic ones. Wong, like Pomeranz (1997) and alas only much more superficially Frank (1998), also shows that per capita incomes, standards of living and death rates were quite comparable. Moreover, Wong observes as we also did in Sections A and B above, that most of the alleged cultural, social, and political differences either did not exist in reality or that their supposed differential effects on the observed differences in European and Chinese developments after 1800 are very dubious. Therefore he
suggests that "other differences can then be introduced to explore further the distinctive paths followed by different parts of Eurasia" (Wong 1998).

So far, so good. This kind of more careful discrimination between real commonalities and alleged and real differences in 'causes' may indeed be necessary to account for differences in 'effects.' But is or indeed can that scientific procedure be theoretically and empirically sufficient to account for the differential effects that we observe. My answer is that NO, it can NOT.

For even more important however, what emerges from our review of early modern world economic history is that many of the specific "differences" are themselves generated by structured interaction in a common world economy/system. Far from being appropriate or necessary to understand this or that specificity here or there, differentiation then becomes an obstacle to accounting for and comprehending it. All attempts to account for features and factors of "development" on the basis only or even primarily of local antecedents and in the absence of their world economic "function" can result only in the neglect of factors that are essential to any satisfactory explanation. Only a holistic perspective on and from the global whole that is more than the sum of its parts can offer any adequate comprehension of any part and how and why it differs from any other!

Therefore, all studies that compare "Western" and "Oriental" societies are already vitiated by their choice of the features or factors to be compared, which is itself derived from focusing on a part, be that Britain, Europe, the West or wherever. Indeed, van Leur (1955: 19) already wrote in his Indonesian Trade and Society that "justice cannot be done to the economic history of other periods and areas when one uses the categories of Western European economic history as the point of departure." But that is the very design of the studies from Marx and Weber to Braudel and Wallerstein et al. They all suffer from the misplaced concreteness of looking for the explanandum with a magnifying glass or even a microscope, but only under the European streetlight. The real task is first to take up a telescope to gain a holistic view of the global whole and its world economy/system. As the keen observer of India Frank Perlin rightly insists that

we need to move beyond comparison in an attempt to draw broader structural conclusions.... We need to ask questions about the possible existence, at the same particular moment in 'world' history, of similar, even identical [larger structural] forces operating on these different types of local political economy .... In short, commercial manufactures in Europe and in Asia
formed dependent parts of wider international developments (Perlin 1990:50,89-90).

D. "Europeans Built a World Around Europe, as Historians Know."
That is what Fernand Braudel wrote on the dustjacket of Wallerstein's (1974) *The Modern World-System*. Both sought to extend the critiques summarized in Section B above by looking for other sources to account for "The Rise of the West." So does Jack Goody who recommends going farther and farther back through world history, and writes

> A neglect of this common history over the long term lies behind a large body of research in sociology, in history, in economics and in anthropology that has dominated Europe over the last two hundred years and takes as its problematic the Rise and Uniqueness of the West.... I am arguing for the reverse, for the necessity of looking at Developments in Europe from a wider perspective, of taking a global point of departure.... [Then] we find a swing of the pendulum with one advancing on one front at one time, another at a different stage.... And it is a pendular movements that continues today (Goody 1996:240,230,231).

Alas although Goody may take a global point of departure beginning in the Bronze Age in his final chapter entitled "Revaluations," he does not pursue it to offer even the barest outlines of a global process since then and certainly not for the early modern period, for which he reverts to making only comparisons between Europe and Asia. Others who also go farther backward in history but try to do a more holistically global analysis are the Islamicist Marshall Hodgson's (1993) *Rethinking History* [written before his death in 1968], the Australians Graeme Snooks (1994) *Dynamic Society* and David Christian's (1994) "Case for Big History" and in the Netherlands Fred Spier (1996) *Big History* and Johan Goudsblom (1992,1996), although the latter's co-author Eric Jones still cannot divest himself of Eurocentrism regarding the early modern period.

An important early attempt to go back further was *The Rise of the West* by William McNeill (1963) with which he can be said to have fathered contemporary world history as a field of study. He criticized Toynbee for treating world history in terms of twenty-one different civilizations, when McNeill suggested that there were only three major contributory "civilizational" streams to world history and to the rise of the West. So far so good. However looking back twenty-five years after the publication of his book, McNeill (1990:9) recognized that "the central methodological weakness of my book is that while it emphasizes interactions
across civilizational boundaries, it pays inadequate attention to the emergence of
the ecumenical world system within which we live today... [and that the] three
regions and their people remained in close and uninterrupted contact throughout the
classical era" since 1500 BC, and therefore a fortiori since 1500 AD! Nonetheless
in this modern period, McNeill still sees the driving motor force of world history in
the West and its development. Despite his important contributions to world history
McNeill still testifies to the difficulties in overcoming a Eurocentric perspective
and adopting a truly global world perspective of or on the world.

These same difficulties were also insuperable for Braudel and still are so for
Wallerstein and their many disciples. Braudel's "Perspective of the World" since
1500 is broader than most. He divided the world into a "European world-economy"
and several other and separate external "world-economies" outside the same.
Braudel did, of course, also study and describe at least parts of these "other" world
economies, especially in Volume III of his trilogy on Civilization & Capitalism. Indeed, so did Marx in his own Volume III of Capital!
Yet both neglected to incorporate the findings of their third volumes into the model and theory of their
first volumes. Moreover, their neglect was quite conscious, intentional and
deliberate: Their Eurocentrism convinced both that any and all historical model and
social theory, be it universal or not, must be based on the experience of Europe
alone. Their only concession was that Europe and its model did have consequences
for the rest of the world.

It was Immanuel Wallerstein's (1974) The Modern World-System [and if I may say
so also my own simultaneously written World Accumulation] and the companion
Dependent Accumulation (Frank 1978a,b)] that sought to systematize these
consequences of European expansion and "capitalist" development for both Europe
and the rest of the world. Both of us emphasized the negative "underdeveloping"
impact of European expansion in many other parts of the world and their
contribution in turn to capital accumulation and development in Europe and then
also in North America. However, both of us still limited our modeling and
theoretical analysis to a modern "world" economy/system, which we saw and
Wallerstein still sees as centered in Europe and expanding from there to incorporate
more and more of the rest of the world in its own European based "world"
economy. In his perspective, Europe's expansion did incorporate parts of Africa,
the Caribbean and the Americas into the world-economy/ system. However as
Wallerstein explicitly explains, this economy was only world-like, and not at all
world encompassing. For in his view, West-, South-, and East- Asia, and indeed
Russia, were only incorporated into this European world-economy/ system after
1750. So Wallerstein's "world-system" perspective, theory and analysis not only
does not encompass most of the world before that. He even claims explicitly that most of the world, including all of Eurasia east of the Mediterranean and Eastern Europe played no significant part in his "world-economic/system" history.

Eric Wolf (1982) is rightly critical of others' neglect of the impact of Europe on the People Without History. He shows that people outside Europe did have histories of their own and how the expansion of Europe impacted on them. However, he still underestimates their mutual impact on each other; and he does not ask how the one world in which all participate together impacts on each of them. Moreover he retains, indeed even resurrects, the primacy of "modes of production," from kinship, to tributary, to capitalist based ones. Thus Eric Wolf (1982) and Samir Amin (1991) refer to a so-called "tributary mode of production," which supposedly characterized the whole world before 1500 according to the former and much of it still until 1800 according to the latter.

Little is gained in my view, and much better opportunities at global reformulation are needlessly squandered, by inventing new latter day variations of these old European derived categories with fuzzy and euphemistic prefixes that characterize particular 'societies' as pre, proto, semi, quasi, commercial, petty, ersatz, or even post 'capitalist' and 'feudal' or 'socialist' for that matter. The same must be said about the recent discussions about 'merchant capitalism' in Wallerstein's Review (XX, 2, Spring 1997).

Yet, as Marshall Hodgson (1993) already wrote before his untimely death in 1968 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.... 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;.... At least as important was the very existence of the vast world market, constituted by the Afro-Eurasian commercial network (Hodgson 1993:290, 68, 47).

That is, most received economic and other history not only neglect and/or distort especially the Asian parts of real world [economic] history. Perhaps even more significant is that thereby Eurocentric history and social theory cannot even account for or explain the fundamentals of European and Western [economic] history itself. Therefore, it is useless to look for the "causes" of this rise only or even primarily under the Western streetlight.

III. A HOLISTIC GLOBAL ALTERNATIVE
How then did the West "rise," if there was nothing exceptional about it or its mode of production and it did not even entertain any hopes of hegemony before 1800? Instead, the entire question of "The Rise of the West" then and of the East now must be re-conceptualized and re-phrased in terms of the whole world economy/system itself and not just to any British, European, Western, and/or now East Asian part/s of the same. The only solution is to cut the Eurocentric Gordian knot and approach the whole question from a different paradigmatic perspective. The "Rise of the West" in Europe, therefore was not a case of pulling itself up by its own bootstraps nor even with the exploitation of its colonies. More properly, the "Rise of the West" must be seen as occurring at that time in the world economy/system by engaging in NIE import substitution and export promotion strategies to climb up on the shoulders of the Asian economies. The [cyclical?] decline of Asian economies and regional hegemones, facilitated this European climb up, then as the subsequent renewed decline of the west facilitates the also renewed rise of the east now. East Asia's rise to world economic prominence makes it all the more urgent to focus on the long historical continuity of which both processes are parts.

THE EARLY MODERN WORLD ECONOMY 1400-1800
A WORLD ECONOMIC SUMMARY
Despite all the allegations to the contrary, on the evidence there can be no reasonable doubt that there was a globe encircling world-wide trading system and division of labor long before "Europeans built a world around themselves, as
historians know." Janet Abu-Lughod (1989) outlined a "thirteenth century world system" with some "regional" patterns, which persist in the world economy through the eighteenth century. She identified three major - and within each of these some minor - regions, in eight mutually overlapping regional ellipses that covered Afro-Eurasia in her account of the world economy. These included regions centered - going from west to east - on Europe, the Mediterranean, the Red Sea, the Persian Gulf, the Arabian Sea, the Bay of Bengal, the South China Sea, as well as Inner Asia. All of these regions continued to play more or less major, but not equal, roles in the world economic division of labor and system of "international" trade, despite the addition of an Atlantic ellipse in the sixteenth century.

This global economy and multilateral trade, also in Asia, was expanded through the infusion of American money by the Europeans. Indeed, that is what permitted Europeans to increase their participation in the global economy, which until and even through the eighteenth century remained dominated by Asian and particularly Chinese and Indian production, competitiveness, and trade. A number of works by mostly Asian historians are helping to put the Indian Ocean economy on the map, as its important place and role in history well merits. China was the focus of a Sino-centric sub-system in East Asia, whose economic weight in the world has been grossly underestimated, even when it has been recognized at all, which itself has been all too rare.

The work of Hamashita (1988,1994) and the proposed research by him and Arrighi and Selden (1996) are designed to help remedy this serious deficiency. There were also longstanding bilateral relations of China with Central Asia and the trilateral ones with Korea and Japan, and the significant roles of the coastal regions of China, of emporia and other ports on the South China Sea and in Southeast Asia and the Ryukus, and of the trading diasporas especially of "Overseas Chinese," which not incidentally continue to play their vital roles today. None of this global pattern of inter-regional division of labor and trade corresponds to the received image of a "modern capitalist world-economy" that began in Europe and only then expanded to "incorporate" one region after another elsewhere in the world until the West dominated them all.

Instead, the international division of labor and relative sectoral productivity and regional competitiveness in the world economy were reflected the pattern of trade balances and money flows on a global scale. In the structure of the world economy, four major regions maintained built-in deficits of commodity trade: The Americas, Japan, Africa and Europe. The first two balanced their deficit by producing silver money for export. Africa exported gold money and slaves.
West Asia also produced some silver and gold money, which contributed to balance their trade. Unlike Europe however, they were able also to produce some other commodities for which there also was an export demand. Both Southeast and West Asia also realized "export" earnings from their respective locations at the southeastern and southwestern trade turntables of the central Asian economies. To some extent, so did Central Asia.

That is in economic terms, all of these deficitary regions nonetheless also produced some "commodities" for which there was a demand elsewhere in the world economy. The fourth deficitary region, Europe, was hardly able to produce anything of its own for export with which to balance its perpetual trade deficit. Europe managed to do so primarily by "managing" the exports of the three other deficitary regions, from Africa to the Americas, from the Americas to Asia, and from Asia to Africa and the Americas. The Europeans also participated to some extent in trade within Asia, especially between Japan and elsewhere. This intra-Asian "country" trade was marginal for Asia but nonetheless vital for Europe, which earned more from it than from its own trade with Asia. However, none of this European participation in world trade and the global division of labor would have been possible without European colonial access to American silver, of which more below.

The two major regions that generated and export surplus and were most "central" to the world economy were India and China. That centrality rested primarily on their outstanding absolute and relative productivity in manufactures. In India, these were primarily its cotton textiles that dominated the world market, and to a lesser extent its silk textiles, especially in India's most productive Bengali region. Of course, this competitiveness in manufacturing also rested on productivity on the land and in transport and commerce. They supplied the inputs necessary to supply raw materials to industry, food to workers, and transport and trade for both, as well as for export and import.

The other, and even more "central" economy was China. Its even greater centrality was based on its even greater absolute and relative productivity in industry, agriculture, [water] transport, and trade. China's even greater, indeed the world economy's greatest, productivity, competitiveness and centrality were reflected in its most favorable balance of trade. That was based primarily on its world economic export leadership in silks and ceramics and its exports also of gold and copper coin and later of tea. These exports in turn made China the "ultimate sink" of the world's silver, which flowed there to balance China's almost perpetual export surplus. Of course, China was only able to satisfy its insatiable "demand" for silver;
because it also had an inexhaustible supply of exports, which were in perpetual demand elsewhere in the world economy.

Thus another "regionalization" of the world economy could be visualized in the form of concentric circles. Among these, China [and within that the Yangtze Valley and/or South China] would form the innermost circle. The "East Asian Tribute Trade System" studied by Hamashita (1988,1994) would form the next circle, which beyond China included at the very least parts of Central Asia, Korea, Japan, and Southeast Asia. Related other work on the South China Sea is that of Wang (1958), Blusse (1986), Klein (1989), Ikeda (1996) and Lourido (1996) and also on overland trade with continental Southeast Asia by Sun (1994). However, the boundaries of this circle were porous and uncertain, and Hamashita himself recognizes its extension to South Asia. That in turn of course had millenarian old close relations with West Asia and East Africa, as well as with Central Asia, which in turn became increasingly enmeshed with Russia and that with China. These regions could be said to form a next outer band, which we can then perhaps identify as an Asian, or Afro-Asian, regional circle. Europe and across the Atlantic the Americas would then occupy their rightful places in the outer band of the concentric circles, since Asia also had economic relations with Europe and through its mediation with the Americas. Apart from focusing on China, East Asia, and Asia respectively as major world economic regions, such a concentric circle mapping of the global economy also puts Europe and even the Atlantic economy in their marginal place.

This Asian economic predominance also means that European the supposed technological 'advance' and especially its 'seventeenth century scientific revolution' and the latter's alleged contribution to technological innovation are pure Eurocentric myths (Adams 1996, Shapin 1996, Frank 1998). At least four different but related kinds of evidence and argument must lead us to reject the received wisdom's mythology about the alleged technological and institutional superiority of Europe over Asia before 1800. They are the evidence of technological advance and institutional sophistication in various parts of Asia and their comparison with European ones, the fact that in response to world economic relations and competition these technologies and institutions were widely diffused in all directions whenever it was profitable to do so, and the myth of the alleged contribution of the 'seventeenth century scientific revolution' in Europe to the development of technology itself. Another still more important reason that casts even more than doubt on the thesis of European technological superiority is derivative from the above observations: There was no European technology! The development of technology, like all economic development, was a world economic
process, which took place in and because of the structure of the world economy/system itself.

A SHORT HISTORY OF GLOBAL 'EAST'- 'WEST' RELATIONS
The present millennium began with a period of AfroEurasian-wide political economic expansion around AD 1000, which was centered at its far "eastern" end in Song China, but it also accelerated an accentuated re-insertion of its "western" end in Europe, which responded by going on several Crusades to plug its marginal economy more effectively into the new Afro-Eurasian dynamic. A period of pan-AfroEurasian political economic decline and even crisis followed in the late thirteenth and especially in the fourteenth century.

Another long period of expansion began in the early fifteenth century, again in East and Southeast Asia. It soon included Central, South and West Asia, and after the mid-fifteenth century also Africa and Europe. The "discovery" and then conquest of the Americas and the subsequent "Colombian exchange" and then European "Ecological Imperialism" were a direct result, and part and parcel, of this world economy/system wide expansion (Crosby 1972, 1986). So if there was a "new departure," it was the incorporation of the Americas and then also of Australasia into this already ongoing world historical process and then global system. However, not only the initiative but also the very causes and then forms of execution of this incorporation had been generated by the structure and dynamic of the AfroEurasian historical process itself. It was the renewed economic expansion that started in East, Southeast and South Asia in 1400 and reached Europe by 1450 which attracted Columbus and Vasco da Gama in 1492 and 1498.

For the "long sixteenth century" expansion in fact began in Asia in the early fifteenth century; and it continued in Asia through the seventeenth and into much of the eighteenth centuries. Indeed, this economic expansion was primarily Asian based, although it was also fuelled by the new supplies of silver and golden money now brought by the Europeans from the Americas. In Asia, this expansion took the form of rapid growth of population, production, trade including imports and exports, and presumably income and consumption in China, Japan, Southeast Asia, Central Asia, India, Persia, and the Ottoman lands. Politically, the expansion was manifested and/or managed by the flourishing Chinese Ming/Qing, Japanese Tokugawa, Indian Mughal, Persian Safavid, and Turkish Ottoman regimes. The European populations and economies grew more slowly than all but the last of the above, and they did so rather differentially among each other. So did some "national" and other quite multi-ethnic European states, all of which were however much smaller than the large ones in Asia.
The differentiation in productivity and competitiveness that underlay the division of labor and exchange were manifest in im-balances of trade and "compensated" by flows over long distances of mostly silver specie money. Reflecting the macroeconomic imbalances and also responding to corresponding microeconomic opportunities to make and take profit, the silver moved around the world in a predominantly eastward direction across the Atlantic and - via Europe - across the Indian Ocean, and westward across the Pacific from the Americas and Japan. Ultimately, the largest silver "sink" was in China, whose relatively greatest productivity and competitiveness acted like a magnet for the largest quantity of silver. However there as elsewhere, the incoming money generated increased effective demand and stimulated increased production and consumption and thereby supported population growth. The new supply of money failed to do so where the political economy was insufficiently flexible and expandable to permit growth of production to keep pace with the increase in the supply of money. In that case rising effective demand drove up prices in inflation, which is what happened in Europe.

As a result, population grew much more and faster in Asia than in Europe before inflecting after 1750. Indeed in the centuries before that, European population grew at only 0.3 to 0.4 percent per year and maintained a stable 20 percent of the world population total. At the same time, Asian population grew at 0.6 percent a year, and even faster in China and India, so that the Asian share of the world total rose from 60 to 66 percent. However, the Asian population was not only much larger and faster growing. To support its faster growing population, Asia also was able to produce more and more productively. Indeed, in 1750 Asia's 66 percent share of the world's population produced 80 percent of the world's GNP, while Europe's 20 percent of population produced less than the remaining 20 percent of world output, since Africa and the Americas also contributed to the same -- and to European GNP itself. Per capita income in Asia and especially in China was also higher than in Europe (Bairoch 1981, Frank 1998).

Europe's disadvantaged position in the world economy was partly compensated by its privileged access to American money. On the demand side, the use of their American money - and only that - permitted the Europeans to enter into and then increase their market share in the world market, all of whose dynamic centers were in Asia. On the supply side, access to and use of cheap - to the Europeans virtually free - money in the Americas afforded the wherewithal to acquire the supplies of real consumption and investment goods world-wide: servile labor and materials in the Americas to dig up the silver in the first place; slave labor from Africa; and from a European perspective virgin soil and climate also in the Americas. These
resources were used to produce sugar, tobacco, timber for ships and other export crops later including especially cotton at low cost for European consumption. West European imports via the Baltic Sea of grain, timber, and iron from eastern and northern Europe was also paid for with American money and some textiles. And of course their American supplied money was the only means of payment that permitted Europeans to import all those famed Asian spices, silks, cotton textiles and other real goods for their own consumption and also for re-export to the Americas and Africa. Asians produced these goods and sold them to Europeans only for their American supplied silver. That is, all these real goods that were produced by non-Europeans became cheaply, indeed nearly freely, available to Europeans; because they had and were able to pay for them with their American supplied money. Indeed, this silver - also produced by non-Europeans - was the only export good that the Europeans were able to bring to the world market.

Additionally moreover, this supply of goods produced by labor and raw materials outside of Europe also replaced and freed alternative resources for other uses within Europe: American sugar and Atlantic cod fish supplied calories for consumption for which Europe did not have to use their own farmland; Asian cotton textiles supplied clothes for which to European consumers and producers did not have to use wool from European sheep that would have eaten European grass. Otherwise, that grass would in turn have had to be produced on still more enclosures of land for even more 'sheep to eat [some] men' so as to produce still more wool to clothe others. Thus, the import of Asian textiles with American money indirectly also permitted Europeans to produce more food and timber in Western Europe itself. Thus, Europeans were able to use their position in the world economy both to supplement its own supplies and resources by drawing directly on those from the Americas to the west and Eastern Europe and Asia to the east. The supply of these additional resources to Europe from the outside also freed European resources for use in its own development.

So the turn of the eighteenth century was not marked by Europe's alleged absolute or relative development nor by any Asian 'traditional' backwardness or stagnation. On the contrary and perhaps paradoxically, it was Asia's economic development and Europe's backwardness that set the stage for the simultaneous cyclical "Decline of the East" and "Rise of the West." Europe's still productive backwardness may have offered some of the "advantages" to catch up, discussed by Gerschenkron (1962). Europe's backwardness incentivated and its supply of American money permitted Europeans to pursue micro- and macro-economic advantages, which were to be had from increased European participation in the expanding Asian economies from 1500 to 1800. The roots of the post 1800 "Rise of the West" and
"Decline of the East" can and must be accounted for in WORLD-wide economic and demographic terms, in which the economies of Asia played a major role.

**A WORLD DEMOGRAPHIC/ ECONOMIC/ ECOLOGICAL EXPLANATION OF THE DECLINE OF THE EAST AND THE RISE OF THE WEST**

My explanation has three related parts. A combination of demographic and micro-/macro-economic analysis identifies an inflection of population and economic productivity growth rates that led to an "exchange" of places between Asia and Europe in the world economy/system between 1750 and 1850. Microeconomic analysis of world-wide supply-and-demand relations and relative economic and ecological factor prices can show how they generated incentives for labor and capital saving and energy producing invention, investment and innovation, which took place in Europe. On the other hand, macroeconomic analysis of cyclical distribution of income and derivative effective demand and supply in Asia illuminate the opportunity to do so profitably in world economic terms.

This summary explanation of the related "Decline of the East" and "Rise of the West" may be briefly elaborated as follows: The simple hypothesis is that technological innovations were a function of demand and supply and of relative factor prices of inputs like labor, capital, and land. Therefore it was primarily the higher wages and relatively abundant capital in Europe that eventually generated labor saving and energy producing technology. This argument may be challenged by the observation [e.g. by Pomeranz 1997] that the "industrial revolution" was less labor "saving" than labor "extending" and that it increased the productivity of both labor and capital. Direct wage rates or costs may also have been as high [or even higher] in some parts of China, e.g. in the Yangtze Valley and the South, though probably not anywhere in India, than in some parts of Europe, especially England.

An unequal distribution of income generates luxury and import demand at the top and a large supply of cheap labor at the bottom. I contended that this was the case more so, and Pomeranz (1997) that it was not so, in China than in Europe, although we agree that it probably was more unequal than either in India. Additional research on these questions is being done by Barendse (1998) and by Pan (1998). But the problem of absolute, relative and world wide comparative wage costs - in entrepreneurial calculation as in our analysis of the same - is related also to local and regional problems of labor allocation. And there were some economic differences in labor allocation especially between agriculture and industry, which were related to some institutional differences. However, it is less clear to what extent these differences were underlying causes or of the observed allocation of labor or whether they were only different institutional mechanisms through which
the labor allocation were organized. Particularly important differences were: A. Bonded labor in India (Pomeranz 1997). B. Women were tied to the village and their labor was restricted to agriculture and domestic industry, e.g. spinning, in China (Goldstone 1996). C. Some industrial workers could still draw directly on some subsistence goods produced by women-village-agriculture in China but less so in England without having to acquire these through the market (Pomeranz 1997). D. Enclosures [to produce more cheaper wool for textiles on more land - "sheep ate men"] expelled male and female labor from the land into urban un/employment in England [and elsewhere in Europe?].

The industrial "revolution" was initiated with cotton textiles, but these required both a growing "external" supply of cotton [for Europe - from its colonies] and a "world" market for all in which everybody had to compete [except China, which still had a growing and protected domestic and regional market]. The industrial "revolution" also required and took place in the supply and production of more and cheaper energy, especially through coal and its use in making and using machinery to generate steam power, first stationary and then also mobile. The critical role of coal and its replacement of wood as a source of fuel in Britain is demonstrated by Wrigley (1994). These sources of power technically and economically first required [and permitted] concentration of labor and capital in mining, transport, and production. Then they also permitted faster and cheaper long distance transport via steam powered railway and shipping.

Investment in such "revolutionary" industrial power, equipment, organization and the labor necessary to make them work was undertaken wherever, but also only where, it was economically rational and possible to do so, in terms of A. Labor allocation and cost alternatives; B. Location and comparative costs of other productive inputs [eg. timber/coal/animal/human sources of power and transport, as well as raw materials like cotton and iron], which were related to the geographical location of these resources and to ecological changes in their availability; C. capital availability and alternative profitable uses; and D. Market penetration and potential.

At the turn of the eighteenth-nineteenth centuries the above mentioned factors in world economic competitive and comparative circumstances, changes, and transformation generated the following results:

- India continued but was threatened in its competitive dominance on the world textile market on the basis of cheap and also bonded skilled labor. Domestic supplies of cotton, food and other wage goods continued to be ample and cheap; and productive, trade and financial organization and transport remained relatively
efficient despite suffering from increasing economic and political difficulties. However, supplies of alternative power and materials, e.g. from coal and iron/steel, were relatively scarce and expensive. Therefore, Indians had little economically rational incentive to invest in innovations at this time. They were further impeded from doing so first by economic decline beginning already in the second quarter of the eighteenth century or earlier; then by the [resulting?] decline in population growth and British colonialism from the third quarter onwards; and finally from a combination of both decline and colonialism as well as "Drain" of capital from India to Britain. India switched from being a net exporter to being a net importer of cotton textiles in 1816. However India did continue to struggle on the textile market and began again to increase textile production - by then also in factories - and exports in the last third of the nineteenth century.

- China still retained its world market dominance in ceramics, partially in silk and increasingly in tea, and remained substantially self-sufficient in textiles. China's balance of trade and payments surplus continued into the early nineteenth century. Therefore China had availability and concentration of capital from both domestic and foreign sources. However, China's natural deposits of coal were distant from its possible utilization for the generation and industrial use of power, so that progressive deforestation still did not make it economical to switch from wood to coal for fuel. Moreover, transport via inland canals and coastal shipping, as well as by road, remained efficient and cheap [but not from outlying coal deposits].

This economic efficiency and competitiveness of the Chinese on both domestic and world markets also rested on absolutely and comparatively cheap labor costs. Even if per-capita income was higher than elsewhere, as Bairoch notes, and its distribution was no more unequal than elsewhere [as Pomeranz and Goldstone claim], the wage good cost of production was low, both absolutely and relatively. Labor was abundant for agriculture and industry, and agricultural products were cheaply available also for industrial workers and therefore to their employers, who could pay their workers low subsistence wages. Goldstone (1996) emphasizes one reason: Women were tied to the villages and therefore remained available for [cheap] agricultural production. Pomeranz (1997) emphasizes a related reason: Urban industrial workers were still able to draw for part of their subsistence on "their" villages, which was produced cheaply in part by the women to whom Goldstone refers. In other words from an entrepreneurial industrial employer and market perspective, wage goods were absolutely and relative cheap; because agriculture produced them efficiently and cheaply also with female labor. The "institutional" distribution of cheap food to urban and other workers in industry, transport, trade and other services was functionally equivalent to what it would also
have been if the functional distribution of income had been MORE unequal than it was. The availability of labor was high, its supply price low, its demand for consumer goods attenuated; and there was little incentive to invest in labor saving or alternative energy using production or transport. Elvin (1973) sought to summarize such circumstances in his "equilibrium trap." Even so, China still remained competitive on the world market and maintained its export surplus. Emperor Ch'ien Lung said in his 1793 message to King George III of England "I set no value on objects strange and ingenious and have no use for your country's manufactures" (Schurman and Schell 1967, I: 108-109).

- Western Europe and particularly Britain were hard put to compete especially with India and China. Europe was still dependent on India for cotton textiles and on China for ceramics and silks that Europe re-exported and from which it profited in its [economic and/or political] colonies in Africa and the Americas. Moreover, Europe remained dependent on its colonies for most of the money it needed to pay for these imports, both for re-export and for its own consumption and other use, e.g., as inputs for its own production and export. In the late eighteenth and early nineteenth centuries, there was a decline in the marginal if not also the absolute inflow of precious metals and other profits through the slave trade and plantations from the European colonies in Africa and the Americas. To recoup and even to maintain - never mind to increase - its [world and even domestic] market share Europeans collectively and its entrepreneurs individually had to attempt to increase their penetration of at least some markets, and to do so either by eliminating competition politically/militarily or by undercutting it by lowering its own costs of production, or both.

Opportunity to do so knocked when the "Decline" began in India and West Asia, if not yet in China. Wage and other costs of production and transport were still uncompetitively high in Britain and elsewhere in Europe. However especially after 1750, rising incomes and declining mortality rates sharply increased the rate and amount of population growth. Moreover, the displacement of surplus labor from agriculture increased its potential supply to industry. At the same time, the imposition of British colonialism on India reversed the perennial capital outflow to India and turned it into "The Drain" from India and into Britain. Moreover, a combination of commercial and colonial measures would permit the import of much more raw cotton to Britain and Western Europe. Deforestation and ever scarcer supplies of wood and charcoal and rendered these more expensive.

At the same time since the second third of the eighteenth century, first relative and then absolute declines in the cost of coal made the replacement of charcoal [and
peat] by hard coal increasingly economical and then common in Britain. The Kondratieff B phase in the last third of the eighteenth century generated technological inventions and improvements in textile manufacturing and steam engines [first to pump water out of coal pits and then also to supply motive power to the textile industry]. At the turn of the eighteenth-nineteenth centuries, the "first" A phase [identified by Kondratieff] and the Napoleonic wars generated increased investment in and the expansion of these new productive facilities and then also of transport equipment. Ever more of the available but still relatively high cost labor force was incorporated into the "factory system." Production increased rapidly; real wages and income declined; and "the workshop of the world" conquered ever more foreign markets through "free trade." Yet even then, British colonialism had to prohibit free trade to India and resorted to the export of its opium to force an "Open Door" into China.

- Most other parts of the world still fall through the cracks of our world economic analysis. Yet in brief, we can observe that most of Africa may have had labor/land ratios at least as favorable to labor saving investment as Europe. However Africa did not have an analogous resource base [except the still undeveloped one in Southern Africa], and far from having a capital inflow, Africa suffered from capital outflow. The same was true of the Caribbean. Latin America had resources and labor, but also suffered from colonial and neo-colonial capital outflow as well as specialization in raw materials exports, while its domestic markets were captured by European exports. West, Central Asia, and Southeast Asia became increasingly captive markets for if not also colonies of Europe and its industry, to which they supplied the raw materials that they had previously themselves processed for domestic consumption and export. In the nineteenth century, only the European "settler colonies" in North America, Australasia, Argentina, and Southern Africa were able to find other places in the international division of labor, and China and Japan were able to continue offering significant resistance.

In short, changing world demographic/ economic/ ecological circumstances suddenly - and for most people including Adam Smith unexpectedly - made a number of related investments economically rational and profitable: in machinery and processes that saved labor input per unit of output, thus increasing the productivity and use of labor and its total output; increasing productive power generation; and increasingly productive employment and productivity of capital. This transformation of the productive process was initially concentrated in selected industrial, agricultural, and service sectors in those parts of the world economy whose comparative competitive POSITION made -- and then continually re-made -- such Newly Industrializing Economies [NIE] import substituting and export
promoting measures economically rational and politically possible. Thus, this transformation was and continues to be only a temporally localized and still shifting manifestation of a WORLD economic process, even if it is not spread uniformly around the world -- as historically nothing ever has been and still is not likely. But that is another - later - story, which will lead to the Re-emergence of East Asia in the world economy today.

CONCLUSIONS AND IMPLICATIONS
Received theory attributes the industrial revolution and the "rise" of the West to its alleged "exceptionality" and "superiority." The source of the same is sought in turn in the also alleged long-standing or even primeval Western preparation for take-off. This contention mistakes the place and misplaces the "concreteness" of the transformation by looking for it in Europe itself. Yet the "causes" of the transformation can never be understood as long as they are examined only under the European streetlight and must instead be sought under the world-wide global illumination in the system as a whole. That turns all received theory on its head.

The argument - and the evidence! - is that world development between 1400 and 1800 reflects not Asia's weakness but its strength, and not Europe's nonexistent strength but rather its relative weakness in the global economy. For it was all these regions' joint participation and place in the single but unequally structured and unevenly changing global economy that resulted also in changes in their relative positions in the world. The common global economic expansion since 1400 long benefited the Asian centers earlier and more than marginal Europe, Africa, and the Americas. However, this very economic benefit turned into a growing absolute and relative disadvantage for one Asian region after another in the late eighteenth century. Production and trade began to atrophy as growing population and income, but also their economic and social polarization, exerted pressure on resources, constrained effective demand at the bottom, and increased the availability of cheap labor in Asia more than elsewhere in the world. That world economic change also opened the door to the "Rise of the West,' which must be re-examined in terms the more important global historical continuity instead of any and all its dis-continuities. The perception of a major new departure in 1500, which allegedly spells a dis-continuous break in world history, is substantially [mis] informed by a Eurocentric vantage point. Once we abandon this Eurocentrism and adopt a more globally holistic world or even pan-EurAsian perspective, dis-continuity is replaced by far more continuity. Or the other way around? Once we look upon the whole world more holistically, historical continuity looms much larger, especially in Asia. Indeed, the very "Rise of the West" itself then appears derived from this global historical continuity.
East Asia's renewed rise to world economic prominence makes it all the more urgent to focus on the long historical continuity of which this process is a part. Decolonization began in South Asia with independence in India in 1948, liberation in China in 1949 and then in Indonesia and elsewhere in Southeast Asia marked a political beginning of this renewed shift. And only a half century later the 1997 return of Hong Kong to China heralded the completion of another 360 degrees round the world global shift. Economically, it began in industrialization in China including Taiwan and in Japan and then Korea, but also included Hong Kong and Singapore among the first set of the East Asian NIEs or "four tigers." Since then, revived economic growth has been spreading also to other "tigers" or "little dragons" elsewhere in Southeast Asia and to the "BIG Dragon" on the China coast. That is the same South [and East] China Sea region, also with its "overseas Chinese" diaspora, which had been so prominent in the world economy in the previous long political economic phase of expansion from the fifteenth through the eighteenth centuries.

The now supposed dis-continuous but really renewed rise of the "East" must be seen as part and parcel of the fundamental structure and continuity in global development. Recognizing and analyzing this continuity will reveal much more than myopically focusing on the alleged dis-continuities, like the newly discovered "globalization" and "new emergence of the East" of the 1990's, or indeed also like the wholesale misinterpretation that already sees a renewed "meltdown" in 1997. The widely mis-interpreted 1998 'meltdown' of East Asia is a largely but not entirely financial symptom of the renewed reality of the growing importance of East Asian productive capacity, market demand, and finance in the world economy: This is the first world recession again to begin in East Asia and spread from there to the West, instead of vice versa. That marked the beginnings of the return back 360 degrees around the world of the world economic center to Asia where it had always been before the already past period of temporary Western ascendance.

Thus, the contemporary economic expansion in East Asia may spell the beginnings of a return of Asia to a leading role in the world economy in the future as it had in the not so distant past -- with 'Middle Kingdom' China again at its 'center'. Wertheim (1997:169) recalls that the Dutch historian Jan Romein (1962) already called The Asian Century and predicted that in two or three decades China would become an industrial nation and rise to become the greatest power in the East if not the world.

These contemporary developments and future prospects demand new and better historiography and social theory to comprehend them and to offer at least some
modest guide to social policy and action. ReORIENT: GLOBAL ECONOMY IN THE ASIAN AGE (Frank 1998) is intended as another step in that direction.

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