

**T.C.**  
**DOKUZ EYLUL UNIVERSITY**  
**GRADUATE SCHOOL OF SOCIAL SCIENCES**  
**DEPARTMENT OF INTERNATIONAL RELATIONS**  
**INTERNATIONAL RELATIONS PROGRAM**  
**MASTER’S THESIS**

**WORLD SYSTEMS APPROACH AND ANTISYSTEMIC  
SOCIAL MOVEMENTS: THE CASE OF PIQUETEROS  
IN ARGENTINA**

**Ezgi AKÇALI**

**Supervisor**

**Dr. Öğr. Üyesi Elif UZGÖREN**

**İZMİR – 2019**

**YÜKSEK LİSANS**  
**TEZ ONAY SAYFASI**

Üniversite : Dokuz Eylül Üniversitesi  
Enstitü : Sosyal Bilimler Enstitüsü  
Adı ve Soyadı : Ezgi AKÇALI  
Öğrenci No : 2014800671  
Tez Başlığı : World Systems Approach and Antisystemic Social Movements: The Case of Piqueteros in Argentina  
Savunma Tarihi : 05/08/2019  
Danışmanı : Dr.Öğr.Üyesi Elif UZGÖREN

**JÜRİ ÜYELERİ**

<b><u>Ünvanı, Adı, Soyadı</u></b>	<b><u>Üniversitesi</u></b>
Dr.Öğr.Üyesi Elif UZGÖREN	-Dokuz Eylül Üniversitesi
Doç.Dr. Müge AKNUR	-Dokuz Eylül Üniversitesi
Prof.Dr. Aslıhan AYKAÇ YANARDAĞ	- Ege Üniversitesi

**İmza**

  
.....  
  
.....  
  
.....

Ezgi AKÇALI tarafından hazırlanmış ve sunulmuş olan bu tez savunmada başarılı bulunarak oy birliği (✓) / oy çokluğu ( ) ile kabul edilmiştir.

**Prof. Dr. Metin ARIKAN**  
Müdür

## DECLARATION

I hereby declare that this master's thesis titled as 'WORLD SYSTEMS APPROACH AND ANTISYSTEMIC SOCIAL MOVEMENTS: THE CASE OF PIQUETEROS IN ARGENTINA' has been written by myself in accordance with the academic rules and ethical conduct. I also declare that all materials benefited in this thesis consist of the mentioned sources in the reference list. I verify all these with my honor.

Date

05/07/2019

Ezgi AKÇALI

## **ABSTRACT**

**Master's Thesis**

**World Systems Approach and Antisystemic Social Movements: The Case of  
Piqueteros in Argentina**

**Ezgi AKÇALI**

**Dokuz Eylül University**

**Graduate School of Social Sciences**

**Department of International Relations**

**International Relations Program**

**This thesis represents the social consequence of the systemic bifurcation of unequal development of capitalism towards peripheries since the neoliberal implementations of 1980s. From this point of view, the research question enquires that how does world systems approach contribute to the understanding of neoliberal deterioration in the world system, and under what circumstances do systemic cracks pave the way for the emergence of antisystemic social movements in Argentina? Thus, my argument is that implementations of the structural adjustment programs in Argentina since 1980s have evolved a direct relationship between deterioration in social standards and the dynamic growth of barrio-based mass movements and their centralization in the urban areas in 2001.**

**In order to develop this purpose, theoretical structure comprises the world-systems approach. Within this framework, the following attempt is to clarify the antisystemic social movements as the consequence of systemic deterioration on the basis of world-system approach. Consequently, the case study of Piqueteros/ Unemployed Workers' Movement in Argentina**

**demonstrates the failure of neoliberal structural adjustments in a peripheral state of the capitalist world system.**

**Key Words: World Systems Approach, Neoliberalism, Antisystemic Movements, Argentina, Piqueteros, Unemployed Workers' Movement**



## **ÖZET**

**Yüksek Lisans Tezi**

**Dünya Sistemleri Yaklaşımı ve Sistem Karşıtı Hareketler: Arjantin'deki  
Piqueteros Vakası**

**Ezgi AKÇALI**

**Dokuz Eylül Üniversitesi**

**Sosyal Bilimler Enstitüsü**

**Uluslararası İlişkiler Anabilim Dalı**

**İngilizce Uluslararası İlişkiler Programı**

Bu tez, 1980lerin neoliberal politikalarından sonra yaşanan sistem karşıtı toplumsal hareketlerin dünya sistemleri yaklaşımı ile incelenmesini amaçlamaktadır. Bu açıdan bakıldığında, tezin araştırma sorusu dünya sistemleri yaklaşımının neoliberal düzenlemelerin anlaşılmasında nasıl bir katkısı olduğunu ve hangi koşullar altında kapitalist dünya sistemindeki bozulmaların Arjantin'de sistem karşıtı hareketlerin ortaya çıkmasına yol açtığını sorgulamaktadır. Böylece, tezin temel argümanı, 1980lerden itibaren Arjantin'de uygulanan yapısal uyum programları sosyal standartların bozulmasında ve 2001 yılından kentsel temelli ayaklanmaların ortaya çıkıp merkezileşmesinde doğrudan etkilidir.

Bu argümanı geliştirmek için bu tezde dünya sistemleri yaklaşımı uygulanmaktadır. Bu çerçevede sonraki adım sistem karşıtı hareketlerin dünya sistemleri yaklaşımıyla açıklanmasıdır. Son olarak, bu tezde vaka incelemesi kapitalist dünya sisteminde çevre ülke olarak Arjantin'de yaşanan neoliberalleşme krizinin sonucu olarak 2001 yılında ortaya çıkan 'Piqueteros/

**Unemployed Workers' hareketi ve bu hareketin dünya sistemleri yaklaşımla incelenmesini kapsar.**

**Anahtar Kelimeler: Dünya Sistemleri Analizi, Neoliberalizm, Sistem Karşıtı Hareketler, Arjantin, Piqueteros, Unemployed Workers' Movement**



# **WORLD SYSTEMS APPROACH AND ANTISYSTEMIC SOCIAL MOVEMENTS: THE CASE OF PIQUETEROS IN ARGENTINA**

## **CONTENTS**

THESIS APPROVAL PAGE	i
DECLARATION	ii
ABSTRACT	iii
OZET	v
CONTENTS	vii
ABBREVIATIONS	x
LIST OF TABLES	xi
LIST OF FIGURES	xii
INTRODUCTION	1

## **CHAPTER ONE**

### **CONTRIBUTIONS OF WORLD SYSTEMS APPROACH TO THE LITERATURE**

1.1.	INTRODUCTION	7
1.2	WORLD SYSTEMS APPROACH AND ITS CONTRIBUTIONS	8
1.3	THE CRITIQUE OF NEOLIBERAL TRANSITION ACCORDING TO WORLD SYSTEMS APPROACH	15
1.3.1	Historical Capitalism as the Modern World System	15
1.3.2	Neoliberal Globalization of Peripheries and World Systems Approach	21
1.4	WHAT ARE THE CONTRADICTIONS OF NEOLIBERAL	

STRUCTURE IN THE WORLD SYSTEM?	28
1.5 CONCLUSION	34

## **CHAPTER TWO**

### **ANTISYSTEMIC MOVEMENTS AND WORLD SYSTEMS APPROACH**

2.1 INTRODUCTION	36
2.2 CONCEPTUALIZATION OF ANTISYSTEMIC SOCIAL MOVEMENTS	38
2.2.1 What are antisystemic social movements?	38
2.2.2 How did they emerge?	41
2.2.3 Transformation of the Antisystemic Social Movements	44
2.3 CONCLUSION	51

## **CHAPTER THREE**

### **ANTISYSTEMIC SOCIAL MOVEMENTS AS A CONSEQUENCE OF NEOLIBERAL STRUCTURAL ADJUSTMENT IN ARGENTINA**

3.1 INTRODUCTION	55
3.2 PIQUETEROS: UNEMPLOYED WORKERS' MOVEMENT IN ARGENTINA	57
3.2.1 Overview of the Argentine Economy	57
3.2.2 The Argentine Economy vis-à-vis The World Economy since 1945	59
3.2.2.1 Postwar Expansion in the World Economy	59
3.2.2.2 Neoliberal Globalization since the 1980s	61

3.2.3	Piqueteros: Unemployed Workers' Movements in Argentina	72
3.2.3.1	Unemployed Workers' Movement	72
3.2.3.2	Pink Tide and Unemployed Workers' Movement	75
3.3	CONCLUSION	77
	CONCLUSION	80
	REFERENCES	84



## **ABBREVIATIONS**

<b>CCC</b>	Corriente Clasista y Combativa
<b>CM'</b>	Commodity- Returned Money
<b>EZLN</b>	Ejército Zapatista de Liberación Nacional
<b>FDI</b>	Foreign Direct Investment
<b>FTV</b>	Federación de Trabajadores por la Tierra, Vivienda y Hábitat
<b>GDP</b>	Gross Domestic Product
<b>GATT</b>	General Agreements on Tariffs and Trade
<b>ILO</b>	International Labor Organizaiton
<b>IMF</b>	International Monetary Fund
<b>MC</b>	Money- Commodity
<b>MNCs</b>	Multinational Corporations
<b>MST</b>	Movimento dos Trabalhadores Rurais Sem Terra
<b>MTD</b>	Movimiento Trabajadores Desocupados
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>OPEC</b>	Organization of Petroleum Exporting Countries
<b>SCA</b>	Systemic Cycles of Accumulation
<b>TINA</b>	There Is No Alternative
<b>TNCs</b>	Transnational Corporations
<b>UK</b>	United Kingdom
<b>US</b>	United States
<b>WTO</b>	World Trade Organization
<b>WW II</b>	Second World War

## **LIST OF TABLES**

**Table1.** Inflation Rates in Argentina (% , annual)

**Table 2.** Balance of Trade, Exports and Imports (\$ US)

**Table 3.** Current Account Balance (Billion \$US)



## **LIST OF FIGURES**

**Figure 1:**      Unemployment (% of total labor force)

**Figure 2:**      GDP per capita growth (% , annual)



## INTRODUCTION

The breakdown of the postwar economic and monetary system, dominated by the US hegemony had prompted developed countries to promulgate a new system of accumulation within the capitalist world economy. In line with this purpose, at the beginning of 1980s, the Reagan/ Thatcher governments had convinced the world that 'There is no alternative' apart from launching a free market economy initiated the group of policies and regulations in order to prevent the existing capitalist world economy from falling apart. The aim of these structural changes in countries have primarily included trade liberalization, flexible exchange rates and decentralization of administrative force of governments under the roof of neoliberalism. In this sense, as a theory neoliberalism seeks to promote

*'privatization and liberalization aimed at opening up new frontiers for the expansion of capital; the globalised opening that would enable delocalization; the imposition of structural adjustment programmes on the countries of the South; and the liberalization of the rates of interest and currency exchange (Amin, 2011: 23).'*

Subsequently, the changing political conjuncture of world politics, combined with the globalization during the 1980s and 1990s, have accelerated an environment for the implementation of neoliberal structural changes on a world scale. Here, Chase-Dunn defines globalization as

*'...a long-term upward trend of political and economic change that is affected by cyclical processes. The most recent technological changes, and the expansions of international trade and investment, are part of these long-run changes (Chase- Dunn, 1999: 190).'*

Therefore, under the Washington Consensus structural adjustment programs have entered into force in the Global South with the help of international trade organizations. However, the structural adjustments of neoliberalism have provoked heavy consequences in the socioeconomic conditions of the periphery. At first, the

gap between the North (developed countries) and the South (developing countries) has expanded at an unprecedented scale. Then, the obligations of the Consensus have created such a catastrophe that almost all countries in the Global South have collapsed. As a result of the systemic chaos in the periphery, societies and masses who suffered from this transition have started to raise their voices and to express their grievances against this new order. This paved the way for major antisystemic social movements against inequality and ceaseless accumulation of capital in the world system.

In line with this, the purpose of this thesis is to discuss the deepening of dependency and the unequal development of the periphery during the neoliberal expansion of the US financialization since the 1980s, and the direct influence of neoliberalism towards societies in this region. To do this, I structure my purpose around the world-systems approach, which constitutes a multidimensional and holistic analysis that intertwines social, economic, and historical dimensions of the world system in explaining the matters of international relations. Within this structural framework, I will demonstrate the social consequences of systemic chaos in contemporary capitalism regarding the emergence of antisystemic social movements by specifically focusing on the piqueteros in Argentina.

Thus, the research question of this thesis is as follows: How does the world systems approach contribute to the understanding of neoliberal deterioration in the world system, and under what circumstances do systemic cracks pave the way for the emergence of antisystemic social movements in Argentina? Depending on this, my argument is that implementations of the structural adjustment programs in Argentina since 1980s has evolved a direct relationship between deterioration in social standards and the dynamic growth of barrio-based mass movements and their centralization in the urban areas in 2001.

The methodology I conduct in this thesis derives from the secondary data qualitatively and quantitatively. Qualitatively, secondary sources include books and articles from scholars who study the world systems approach and antisystemic social movements. Quantitatively, I utilized several sources of macroeconomic data in the

case study in order to demonstrate the triggering factors of the Unemployed Workers' Movement in Argentina.

This thesis employs the world system approach on several grounds. First, as a holistic approach, it comprises historical, social, and economic variables in explaining social dynamics and systemic contradictions on a world scale. In addition, the spatio-temporal basis of the world system approach develops a broad explanation on geographical transition of hegemonic axis towards Europe since the sixteenth century. Furthermore, the world system approach focuses on capitalism as the mode of production of modern world system, which is based on the ceaseless accumulation. The tendency towards maximization of accumulation and organization of division of labor on a world scale, according to the world systems approach, reveals the uneven and unequal exchange between the core and periphery. Thus, this dynamic and socially structured system of accumulation generates break points in itself.

Therefore, as I discuss in my thesis the ongoing exploitative tendency of unequal development in the periphery, which has sharpened with the neoliberal structural programs, this approach improves my argument on contemporary contradictions of capitalist system of accumulation by virtue of the interdisciplinary framework. The world system approach contributes to my thesis in terms of justifying the constant and intensified process of dependency in the periphery by focusing on the neoliberal structural adjustments programs since the 1980s. Correspondingly, the world system approach also provides a ground for explaining the consequences of the systemic contradictions of contemporary capitalism. Societies in the periphery reflect the destructive effects of neoliberal globalization through massive unrests against the existing system of exploitation. Because this thesis focuses only on one case study as singular periphery rather than a comparative analysis, I indicate my argument regarding 'periphery', not peripheries.

Within the scope of this methodology, my argument takes a step beyond and analyzes the complex networks of Argentine governments and imposition of the structural adjustment programs that eliminate the will of citizens for a long time because the decline in the effective governance in Argentina has reached tremendous

levels. I chose Argentina as a case study because it has been one of the most dependent countries among peripheries and one of the countries hardest hit by the neoliberal transition of world capitalism. In terms of mass movements against the systemic deterioration of globalized capitalism, the Piqueteros/ Unemployed Workers' Movements clearly exemplifies the reactions against the structural adjustment programs of globalized capitalism towards periphery.

In addition, I demonstrate in the case study that the exploitative nature of the ceaseless accumulation of capital in the contemporary world system mostly strikes the intensified urban populations and increased urban unemployment paved the way for antisystemic uprisings. Moreover, this wave of massive movements in Argentina made a significant contribution to the contemporary claims of social movements, which promotes grassroots mobilization and welcomes diversity in the essence of the movement. However, the contemporary position of the movement is open to dispute because the groups in the movement break down; while some groups supported the Kirchner government after the 2003 election, the rest strived to keep away from the boundaries of the state.

Overall, the thesis analyses the response of the masses in Argentina to the impact of contemporary economic globalization from the perspective of the world systems approach. The overview is that neoliberal implementation in the periphery resulted in massive inequality, unevenness and economic mistrust. The conditions society has suffered from since the 1990s in Argentina direct the attention to political unrest that is the Piqueteros/ Unemployed Workers' Movement. In order to achieve this, the first chapter contains the understanding of the world systems approach. As I attempt to examine in the first section, world systems approach defines the modern world system as a capitalist world system. Moreover, the next discussion in this section involves contributions of the world systems approach in the international relations literature by indicating power relations among agencies in the world system differ by the geographical positioning. The world systems approach argues that the world entails three major groups –core, peripheral and semi-peripheral countries, and their interrelations among each other. The second section constitutes the neoliberal transition of the contemporary world economy based on the world systems approach.

To put it precisely, the preliminary discussion I indicate derives from the historical development of capitalism in tandem with the modern world system. This leads the chapter to move on to the neoliberal globalization, which is the main determinant in this section. The last section of this chapter, I point out the systemic cracks of neoliberalism in the periphery. Here, there are four significant parameters, which consist of financialization, deregulation, global production, and increasing power of international institutions in the systemic cracks.

The second chapter comprises the antisystemic social movements as a consequence of the capitalist world system. In this context, the first section interrogates the meaning of social movements from the general to the specific. Generally, social movements define as a distinct social process with engagement in collective action. In this context, social movements are 'involved in conflicting relations with clearly identified opponents; linked by dense informal networks; and they share a distinct collective identity' (della Porta and Diani, 2006a: 20). On the other hand, specifically, according to the world systems approach, antisystemic social movements necessitate systemic transformation around the world as opposed to existing disorder (Wallerstein, 1990: 45). The second section is about the emergence of the antisystemic social movements by focusing on the main historical tenets of antisystemic movements' development. Therefore, in the third section, I explain the transformation of antisystemic social movements in line with the more recent phases of capitalist development in the world system.

The third chapter concentrates on the Unemployed Workers' Movements in Argentina. After I express the historical background of Argentine economy in the first section, I continue with the comparison between Keynesian economics and Neoliberal globalization during Peron, Alfonsin and Menem's governments in Argentina in order to indicate how accumulation cycles are directly influential on the Argentine economy. The indicators I address in this section seem to be the crucial elements in terms of exposing the increasing economic deterioration and social chaos in the country. Therefore, the inevitable consequence of such an environment reveals in the third section as the emergence of a massive uprising against the Argentine government because of Menem's loss of governance of the national economy. The

significant triggers of the movement include the privatization of several banks and companies, and the excessive urban unemployment due to hyperinflation, high inflation rates, and floating exchange rates. Moreover, I express the characteristic of the movement, which involve both old dynamics and new repertoire. Then, I discuss the subsequent outcomes of the movement such as renationalization of some companies and elections of the left-wing candidates during the Pink Tide years in Argentina.



## **CHAPTER ONE**

### **CONTRIBUTIONS OF WORLD SYSTEMS APPROACH TO THE INTERNATIONAL RELATIONS LITERATURE**

#### **1.1 INTRODUCTION**

The first chapter of the thesis represents the theoretical framework in order to understand how the world systems approach depicts deterioration in the capitalist world economy, which resulted in antisystemic social movements. To do this, the fundamental concentration of this chapter is the explanation of the world systems approach. Mainly, scholars of the world systems approach postulate that the system in which people live and societies are built has been composed of a capitalist world economy for more than five centuries (Wallerstein, 2006: 1-10). Thus, the research question I propose for this chapter is as follows: How does the world-systems approach interpret the contemporary implications of monopolized capitalism in the peripheries? Within this framework, I argue that since the neoliberal transition of the 1980s paved the way for a new form of accumulation, which caused an increase in unequal relations in the peripheries and resulted in social movements against the existing world economy.

Along with the broad explanations on world-system approach, this chapter specifically focuses on the interpretation of the capitalist world-system, and the framework of the neoliberal transition in the contemporary world. To this extent, these address the expected breaking points and cracks that conduce uprisings in the society from the unequal development in the system. Then, the following section concentrates on the role of globalization in this unequal capitalist transition. By doing this, the preliminary attempt is to clarify how world systems analysts interpret globalization in such a world system and how they describe neoliberalism in globalized capitalist world system. Then, the last section of this chapter concentrates

on the systemic contradictions of neoliberal transition of the modern world system that led to the deterioration of the systemic structure and become the primary source of antisystemic uprisings in the modern world system.

For a comprehensive structural framework, another important consideration for this chapter consists of the interpretation of neoliberal transition based on the world systems approach. To do this, the preliminary purpose is to discuss the concept of globalization within the perspective of the world systems approach. Then, the subsequent discussion focuses on the neoliberal impact on the world system by addressing the contemporary changes. Regarding globalization, this thesis mainly concentrates on the economic globalization with accepting social, political influences in the contemporary capitalist system. The reason is that the economic globalization transforms the social, political and cultural environment, and fuses all the contradictory consequences as a whole in the system. Thus, the following discussion addresses the understanding of globalization by focusing on its definition, economic globalization and how neoliberal transition emerged in the system. Subsequently, this transition leads the system to a significant structural degradation. In this way, there will be far-reaching perception regarding antisystemic movements in the system.

## **1.2 WORLD SYSTEMS APPROACH AND ITS CONTRIBUTIONS**

World systems approach stands for a perspective that describes the world in a structuralist manner. By the 1970s, the world systems approach had gained momentum in the structural theory by taking the system in a holistic view (Wallerstein, 2006: 1-2). Contrary to the modernization theory, the world systems approach emerged during the 1970s as a ‘grand narrative’ that aimed to explain social dynamics within a holistic perspective (Wallerstein, 2006: 20-21). The intersubjectivity of this approach brings the different ontological assumptions together and creates a striking analysis for interpreting the world as a whole. The intersubjectivity of this approach brings the different ontological assumptions together and creates a striking analysis for interpreting the world as a whole. In the

beginning, Wallerstein defined the world system as ‘a social system, one that has boundaries, structures, member groups, rules of legitimization, and coherence’ (Wallerstein, 1976: 229). However, the meaning of the world systems approach has been broadened by further studies. For instance, Chase-Dunn and Hall point out that ‘world system concentrates on the intersocietal networks in which the interaction are important for reproduction of the internal structures of the composite units and importantly affect changes that occur in these local structures’ (Chase-Dunn and Hall ed., 1993: 855). While they agree on the way of Wallerstein’s construction of the world systems approach, they bring a broader explanation of the world system. Chase-Dunn and Grimes continue that ‘capitalism became predominant in Europe because territorial states were weak and capitalist cities were closely packed. This facilitated the development of market exchange as the European economy grew out stagnation and isolation’ (Chase-Dunn and Grimes, 1995: 394).

In addition to this, Amin contributes that the essence of capitalist world economy embarked on the Renaissance period of Europe (Amin, 1993: 270). Amin emphasizes that the existence of capitalism as the world system did not bubble up in Europe; it has taken progressive steps such that specific characteristics of European system were convenient for the emergence of such a system (Amin, 1993: 271-3). For instance, Amin addresses that because of its peripheral status during the tributary system of the world economy has gained more flexibility for Europe as a distinct feature from other regions. Depending on this, there emerged a qualitatively different and hegemonic system in Europe (Amin, 1993: 273). Thus, this qualitatively different system has been governed by economics, rather than politics and ideology. This way of governing consists of the capitalist mode of production in which private ownership of the means of production has been constructed by different actors such as firms, corporate structures, and banking system (Amin, 1993: 247-9).

On the contrary, Frank has built a different framework on the world system analysis which is traced back to the early mid- 3<sup>rd</sup> millennia BC. By addressing that, Frank claims that the world system composes of a broader structural transformations and organizing bodies as oppose to previous considerations. Also, Frank indicates that the world system, with its long cycles and rhythms, is not just limited to the

European capitalist system. According to Frank, the contemporary capitalist system is the result of a greater economic shift from Eastern hegemony to Western hegemony (Frank et al., 1993: 28). Specifically, Frank expresses that the origin of the world system has started with 'the economic imperative of the urban-based states' (Frank et al., 1993: 83). In close to this argument, Abu-Lughod extends this discussion and contends that the idea of one world system that emerged when European capitalism has arisen creates discontinuity on a world scale. Instead, Abu-Lughod indicates that a developed world system traces back to the thirteenth century world where trade relations have facilitated from China to the West (Abu-Lughod, 1989: 353).

The origins of world systems approach has developed under the influence of the dependency theory in which argues the unequal exchange and uneven development of the world system emerges because surplus value flows from the periphery to the core (Wallerstein, 2006: 10-11). This structural set of unevenness promotes the unequal distribution and aims at pursuing the ceaseless accumulation process. Depending on this, world systems approach implies that such a system of structured accumulation and underdevelopment displays global division of labor in the world system which includes the core- like, semiperipheral and peripheral economic relations on a world scale. This system of labor and production relations on a world scale increases rivalry among nation states. This paves the way for the establishment of relative superiority of core states over the periphery to become the hegemon of such system of uneven accumulation in the world market (Hopkins and Wallerstein, 1982: 25-26). In the modern world system, this hegemonic rivalry intensifies unequal exchange relations of the regions.

Therefore, this mode of analysis concentrates on the socially structured issues as a whole within an interdisciplinary framework (Wallerstein, 2006:16). According to Wallerstein (2006), the origin of world system had begun during the early sixteenth century of Europe in which feudalism collapsed and the capitalist activities have emerged as the new economic system (Wallerstein, 2006:23). Thus, Wallerstein addresses the world systems approach such that 'the premise is that the arena within which social action takes place and social change occurs is not society in the abstract,

but a definite world, spatio-temporal whole' (Wallerstein and Hopkins, 1982:42). By meaning of spatio-temporal, the point specifies the constant mobilities of the economic areas geographically, the transformation capacity of the system through cyclical waves and secular trends. To this extent, Wallerstein indicates that the development of the modern world system depends on the progress of the world economy that was transformed into capitalist mode of production by the semi peripheral Europe (Wallerstein, 2006:23). This transformation has been seen as the most considerable for the world system because the capitalist system has been infused into the world economy and it has been going on longer than any other mode of production of all history. In this sense, Hopkins and Wallerstein point out that for the vigorous development of capitalist production, the economy needs to expand; states have to be broadened; capital-labor relations and the improvement of this structure have to be enlarged (Hopkins and Wallerstein, 1982: 11). Such an economy includes

*'... a collection of many institutions, the combination of which accounts for its processes, and all of which are intertwined with each other. The basic institutions are markets, firms that compete in markets, the multiple states within an interstate system, households, classes and status groups'* (Wallerstein, 2006: 24).

In international relations, as Linklater indicates that according to world systems approach 'the state and international relations are central to the explanation of the economic achievements of the West and a broader understanding and to a broader understanding of the origins and development of international inequality across the world as a whole' (Linklater, 1990: 119). Under these circumstances, the world systems approach provides breakthrough contributions to the literature of International Relations in social sciences.

The first contribution is the unit of analysis in the world systems approach. The world systems approach rejects the nation-state as a single unit of analysis (Wallerstein and Hopkins, 1982: 72). Rather, as Chase-Dunn and Grimes point out that 'the modern world-system is understood as a set of nested and overlapping interaction networks that link all units of social analysis' (Chase-Dunn and Grimes,

1995: 388). In addition, according to Elwell, any individual nation-states cannot constitute as a unit of analysis unless the system where it belongs to is excluded from analysis (Elwell, 2013: 165). Moreover, for a comprehensive, dynamic, and interactive relationship in the modern world system, the world system should be taken into consideration as the unit of analysis (Hall and Chase-Dunn, 2006: 33). Furthermore, Babones goes one-step further and indicates that the modern world system constitutes three zones in itself, which are the issue of third contribution of this section (Babones, 2006: 22). Overall, the understanding of unit of analysis in world systems approach involves the systemic level of analysis, which has holistic perspective in examining the events in the world system.

The second contribution consists of the mode of production in the world system. Because modern world economy constitutes capitalist activities, the mode of production is capitalist and based on the interactions of the actors in the world system. In this sense, the modern world economy is accepted as the capitalist world economy (Wallerstein, 2006: 23). The capitalist mode of production describes as 'land, labor, wealth, and goods are commodified and strongly exposed to the forces of price-setting markets; and accumulation is accomplished through the production of commodities using commodified labor' (Chase-Dunn and Hall, 1992: 85). The distinctiveness of the modern world economy derives from its capitalist mode of production, which became dominant in the sixteenth century in Europe because of its geopolitical position in the world system previously (Chase-Dunn and Grimes, 1995: 393-394). Wallerstein indicates that the modern world system presumes capitalism as mode of production only when ceaseless accumulation is given priority (Wallerstein, 2006: 24). This endless accumulation of capital in the world system is pursued in the market where the profit of owners is commodified as the primary objective (Hall and Chase-Dunn, 2006: 48).

Therefore, regarding capital accumulation, it would be accurate to indicate that the essence of the capital accumulation arises from the profit and the asset of value, of the production and/or labor force. The nature of the capital accumulation, in the capitalist world system, consists of the expansion of the production by itself (Hopkins and Wallerstein, 1982: 11). As the primary process of the capitalist

structure, the ceaseless accumulation of capital is indicated as "the growing extent and complexity of productive forces in the form of increased mechanization owing to pressures on capitalists to lower overall costs of production" (Wallerstein and Hopkins, 1982: 14). From this point of view, the world system expands the concentration of capital for production processes, which affects the mode of production by focusing on specializing the workforce. This changing focal point leads to centralized capital and increased competition. Hence, in the production process, the elimination of workers has increased on the basis of the deepening of unemployment and by enlarging the concentration of labor in the production in a world where the distribution is highly uneven (Wallerstein and Hopkins, 1982: 14-15).

In addition to the discussion of capital accumulation, Amin (1993) agrees with the consistent formation of the accumulation of capital as Wallerstein describes. Amin points out the importance of the law of value while describing the contemporary world system. Amin indicates that 'on the scale of capitalist world system, the worldwide law of value operates on the basis of a truncated market that integrates trade in goods and the movement of capital but excludes the labor force' (Amin, 1993: 249-250). By this, Amin expresses the measurable obtaining of the value of the products by belonging directly and/or indirectly to the labor force. In the globalized capitalist system, this situation takes place as the rivalry among the owners of the production that leads them to aggregate the capital quantitatively (Amin, 2010a: 30). Furthermore, Frank also claims that the fundamental impulsive force of the world system is the capital accumulation in order to expand and develop the system. Frank defines the world system as 'the area/ system of effective surplus transfer and interpenetrating accumulation' (Frank et al. 1993: 144). Thus, the endless and uneven accumulation continues for the increase in the surplus value. This unequal accumulation of capital in the world system leads to discuss on the next contribution of the world systems approach.

The third contribution includes the special kind of division of labor, according to world systems analysts. This axial division of labor, for Wallerstein, creates unique relationship among regions in the capitalist world economy

(Wallerstein, 2006: 28). According to Wallerstein, world economy includes a 'single division of labor'. This division constitutes relational perception that purports the maximization of profit in the production process (Wallerstein, 1974: 400). In addition, this division of labor, according to Chase-Dunn and Robinson, does not only correspond to the functionality of the system but also it pursues the flow of exchange geographically (Chase-Dunn and Robinson, 1977: 454). Therefore, the worldwide understanding of the division of labor is rooted in the transnational and intercontinental exchange and production process.

According to Wallerstein and Hopkins, the division of labor constitutes the world economy as double-sided that separates the world into the interrelated parts (Hopkins and Wallerstein, 1982: 45). This contradictory pattern in the world system is illustrated by the core-periphery on the basis of their production capacities and the way of exchange. This division addresses in the world variously that core-like production process contains the manufactured goods and processed products in trade; besides peripheral production-process consists of agricultural and mineral products that are raw materials in the international trade (Wallerstein and Hopkins, 1982: 45). This dense relationship demonstrates that core regions obtain the largest extent of production, and, thus peripheries are subsequent beneficiaries in the system which makes peripheral regions vulnerable to the core-like production process (Wallerstein, 2006: 24; Hopkins and Wallerstein, 1982: 14). While core regions hold the production of manufactured goods and the periphery provides raw materials; the semiperiphery, which is in between core and periphery contains mixed economic and social progress in the world system (Chase-Dunn and Robinson, 1977: 454; Chase-Dunn and Hall, 2006: 35). According to Amin, the existence of the accumulation process paves the way for the unequal relationship between the core and the periphery because the tendency of the world economy includes the persuasion of the market, expansion, and continuous reproduction (Amin, 1970: 115). On a world scale, the system of core-periphery results in the flux of surplus value constantly to the core-like producers and this constitutes an unbalanced and irregular relationship (Hamme and Pion, 2012: 66). Furthermore, the concept of unequal exchange in the world system was based on the principal relationship of global surplus value transfer among producers in a global market (Hopkins and Wallerstein, 1982: 92; Chase-

Dunn and Grimes, 1995:396). In turn, this creates an unequal exchange in the world system among regions. The nature of unequal exchange in the world system includes geographically vicious circle of reproduction of division of labor worldwide (Hopkins and Wallerstein, 1982: 48). For instance, in the world economy, surplus value is supplied by periphery but the core exploits the periphery in order to pursue its profit. Therefore, this unequal and uneven accumulation results in the underdevelopment of periphery, especially Latin American countries, in the world system (Nemeth and Smith, 1985: 519-524).

Because the modern world system is a dynamic and socially entity, the fourth contribution addresses the cycles and trends in the world system. As Wallerstein and Hopkins quote that ‘cycles and trends are linked to a basic contradiction of the system which has to do with supply and demand’ (Wallerstein and Hopkins, 1982: 101). By addressing this argument, the very nature of capitalist expansion of the world system necessitates these kind of upward and downward fluctuations because overaccumulation and overexpansion have consequences. Therefore, the mini-crises in the world economy have control over the cycles and trends as contradictory dynamics in the system (Wallerstein and Hopkins, 1982: 102). These cycles and trends become irreversible points, this situation results in a terminal peak that leads to antisystemic movements, which is the main correlation of the thesis. The following section concentrates on the contemporary world economy and its interpretation by the world systems approach.

### 1.3 THE CRITIQUE OF NEOLIBERAL TRANSITION ACCORDING TO WORLD SYSTEMS APPROACH

#### 1.3.1 Historical Capitalism as the Modern World System

To concretely evaluate neoliberalism within the contemporary world system, I assess the historical development of capitalist accumulation cycles on the basis of the world systems approach. As the leading scholar of the periodization of capitalist accumulation process, Arrighi (2010) induces four systemic cycles of accumulation until the contemporary discussion on the development of capitalist accumulation. This conceptualization originates from Marx's critique of capitalism on the course of capital and Braudel's notion of long durée as 'life time of the capitalist world system' (Arrighi, 2010: 5). Braudel formulates 'symptom of maturity of a particular capitalist development' in his explanation of long durée (Arrighi, 2010: 5). Moreover, the structure of capitalist development constitutes the 'MCM' formula. Here,

*'Money capital (M) means liquidity, flexibility, freedom of choice. Commodity capital (C) means capital invested in a particular input–output combination in view of a profit. Hence, it means concreteness, rigidity, and a narrowing down or closing of options. M' means expanded liquidity, flexibility, and freedom of choice.'* (Arrighi, 2010: 5).

In this framework, capitalist development contains two stages, which interrelated with each other. The first stage (MC) characterizes as the material expansion, in which production processes and trade expands dramatically. The second stage (CM') involves the stage of financial expansion when material expansion reaches full development and goes into decline (Arrighi, 2010: 87). This stage is related to the signal crisis of any hegemony that enters into the transition period because of intense competition and militarism (Arrighi and Moore, 2001: 56-59). This means that hegemonic dominance in the capitalist world system proceed

with the accumulation process through material expansion of trade and production, then, the cycle falls into a decline when it reaches its maturity, and pursues its financial expansion until another potential hegemony supersedes the previous one.

Under this logic of conceptualization, Arrighi indicates that there have been four different systemic cycles of accumulation (SCA) in the capitalist world economy. Each of these ‘networks of accumulation intertwines with networks of power’ (Arrighi, 2010: 87).

Because of the peripheral advantages of Europe during the fourteenth century, the emergence and expansion of capitalist activities started in the Northern Italian city-states. Thus, the first stage of capitalism was the Genoese SCA. The general structure of this period constitutes the combination of ‘Genoese cosmopolitan capitalism’ and ‘Iberian global territorialism’ (Arrighi and Silver, 2001: 266; Arrighi, 2010: 123). The discoveries of the New World by Iberians and commercial advances of Genoese capitalists enabled to widen and expand material activities, which allowed the geographical expansion of the world capitalist system (Arrighi and Moore, 2001: 67; Arrighi and Silver, 2001: 267; Robinson, 2011: 273).

Contrary to the first period of capitalist development in the world economy, the second phase of the SCA switched to Dutch merchants and involved quite different form of accumulation. Unlike Genoese SCA, the Dutch regime had focused on the deepening of commercial activities on a world scale (Arrighi and Silver, 2001: 267). To this end, the Dutch merchants allied with the House of Orange because of its ‘war-making and state-making capabilities, particularly in the organization of protection on land’ (Arrighi, 2010: 139).

In the Dutch SCA, the material expansion phase consisted of the intense control over the profitable trade and market conditions. The source of this activity, mainly, was comprised of ‘supplies of grain and naval stores from the Baltic’ (Arrighi, 2010: 135). In addition, as opposed to the Genoese- Iberian alliance, the Dutch undertook the responsibility for protection costs. This internalization paved the way for the domination of the Dutch monopoly of capitalism in the world capitalist system (Arrighi and Silver, 2001: 266; Arrighi and Moore, 2001: 67-69; Arrighi, 2004: 534). As a result, Dutch capitalists expanded the benefits of deepening

capitalism on a territorial basis more efficiently than previous stages of accumulation (Arrighi, 2010: 139).

The third phase of capitalist development comprises the British SCA. Several factors determine the material expansion of British capitalism. The preliminary trends of the British SCA within the capitalist world system managed 'imperialism' and 'industrialism' (Arrighi, 2010: 181). Regarding imperialism, Britain conquered territories, which were discovered during the first phase of capitalist development. The colonial activities of British capitalists enabled the widening of capitalist world system by making this empire the main base for colonial enterprise (Arrighi, 2010: 148). In terms of industrialism, thanks to the Industrial Revolution, Britain enormously expanded its capital goods industry. The perpetual expansion of mechanization in the textile industry, the construction of iron railways and iron ships led British industry to become the leading power of world capitalism (Arrighi, 2010: 164-165). Under these circumstances, the British accumulation process of capitalism turned into 'mode of production' during its material expansion (Arrighi and Silver, 2001: 267-268).

The advanced free movement of British capital from Americas to Australasia during mid- nineteenth century transferred the entrepôt trade to English ports (Arrighi, 2010: 165). Moreover, British overseas trade began with joint-stock chartered companies, but then, it turned into a network of trade relations with small and medium companies (Arrighi, 2010: 274-275). However, the vertical expansion of this unidirectional trade function of British accumulation process created internal contradiction within the world capitalist system (Arrighi, 2010: 169). Thus, the signal crisis of British SCA emerged from reversal of its leading position as a recurrent consequence of every phase of development, and this caused the Great Depression at the end of the nineteenth century. This situation increased inter-state rivalry, so that the intensification of competition paved the way for the destruction of thirty years of development, which was also the terminal crisis of the British SCA (Arrighi, 2010: 167).

The vertical fission rather than integration of British capitalist dominance and the inter-state struggles in the world system led the emergence of the US SCA during the twentieth century. At the beginning of wartime period, as the main supplier of

machines and raw materials, as well as liquidating British assets, the US surpassed the British hegemony and entered into capitalist world system as the new hegemony (Arrighi, 2010: 278-279). By obtaining physical advantages such as its size and natural resources, the material expansion of the US hegemony originated with 'internalization of protection and production costs' as well as 'transaction costs' (Arrighi and Silver, 2001: 266). In this sense, Arrighi points out that

*'US corporate capital thus benefited in two related and mutually reinforcing ways from the protectionist movement that was ripping apart the British world market. It benefited through its control of the largest, most dynamic, and best protected among the national economies into which the world market was being divided; and it benefited through its superior ability to neutralize and turn to its own advantage the protectionism of other states by means of foreign direct investment'* (Arrighi, 2010: 303).

This internalization constitutes the expansion of economies of speed within single corporations under the US protectionism via transnational corporations (TNCs) (Arrighi, 2010: 302). Hence, the US increased the worldwide trade balance dramatically and it became a 'virtual monopoly of world liquidity' by 'concentrating and centralizing productive capacity and effective demand' at the end of the WWII (Arrighi, 2010: 284). Subsequently, during the aftermath of WWII, the US hegemony boomed trade liberalization and spread the need for US private investment. To achieve this purpose, the US provided an opportunity for European and Japanese powers to recover their economies via the Marshall Plan, which enabled the 'take-off' trade expansion on behalf of the US hegemony (Arrighi, 2010: 289, 305). Thus, US became the world's leading creditor associated with New York's transition as the center of financial and monetary power all around the world (Arrighi and Silver, 2001: 275; Arrighi, 2010: 281-283).

However, this 'highly extroverted, decentralized, and differentiated' structure of the US capitalism became the major contradiction for the US SCA since 1970s (Arrighi, 2010: 291-292). Being allowed by the US hegemony, transnational corporations (TNCs) began to monopolize the economic processes, which have weakened the hegemonic control of the US in regulation and production of money.

This situation expanded internal contradictions and paved the way for signal crisis of the US SCA. To put precisely, several critical components triggered the closure of material expansion and the shift towards the CM' phase of the US SCA. In terms of inter-state struggles, when systemic bifurcation rose to the surface during the late twentieth century, the anticipated wars expected by Arrighi did not happen. As opposed to previous financial stages of hegemonies, small-scale conflicts, and the intensification of social upheavals and reactions became decisive for decline of the hegemon. For instance, US invasion of Vietnam was excessively influential for the decline in the US hegemony, and the social unrests against the existing system resulted in breakdown of the US SCA (Arrighi, 2010: 308-310).

Moreover, regarding economics and financial terms, the collapse of the Bretton Woods system, correspondingly the abolishment of gold standard, the explosion of Eurocurrency at the end of the recovery put the US ceaseless accumulation of capital on the hook since 1970s (Arrighi, 2010: 308; Amin, 2010b: 264). Furthermore, the Asian involvement in the capitalist world economy, the transition of capital flow towards China because of the lower cost of production, and the acceleration of the information-communication technologies took a turn for the worse (Arrighi, 2010: 344-9).

To take under the control of the loss of its hegemony within the world system, the US has provided a new system of accumulation process. Therefore, US systemic sustainability, during its financial expansion, began to rest on the withdrawal of Fordism-Keynesianism duo and, the implementation speculation, and the enforcement of flexible specialization under the name of neoliberalism (Arrighi, 2010: 3).

The overall explanation of capitalist development on a world scale demonstrates that systemic chaos is highly influential in the core of the capitalist world system especially during the latest stage of development. However, while these bifurcations have been happening as hegemonic rivalry in the core, this deterioration has severely influenced the periphery of the world system in terms of unequal and exploitative development. Therefore, the following section elaborates the contemporary stage of financial expansion of the US hegemony in periphery in conjunction with the neoliberal globalization of the world capitalism.

### **1.3.2 Neoliberal Globalization of Periphery and the World Systems Approach**

Previously argued, according to world systems approach's scholars, the general construction of capitalist development in the world economy has embodied within the concept of accumulation strategies of different hegemons on a spatio-temporal basis. From this perspective, this section elaborates on the structure of neoliberal globalization, which has been implemented as an escape from terminal crisis of US hegemony during the financial expansion of 1980s, in terms of its effects over periphery of the world system.

Correspondingly, the emergence of trade activities in the world traces back to the establishment of the East Indian Company in 1602. This has provided the spread of trade towards Europe in a multinational entity (Tilly, 2006: 99). Although trade-related interactions have occurred among regions on overseas trade routes, with the emergence of the nation states, these activities became more intense, and the inter-state and intercontinental trade relations have increased. An integrated world trade system has been experienced systematically since the 19th century when the British systemic cycles of accumulation became widespread. However, this systemic relationship being called 'globalization' traces back to the 1960s as a universal phenomenon. As being focal point of the section, the discussion of globalization will be narrowed down into the economic globalization, and the consequences in parallel with this concept. Therefore, in general, economic globalization stands for a system that includes the free market competition, and production process on a world scale in a supranational order. In such an order, the cornerstones of the system become no longer national rule-makers alone, instead, it is constituted by international organizations and institutions as well. Briefly stated, according to Adams, 'globalization translates into a greater mobility of the factors of production (capital and labor) and greater world integration through increased trade, FDI, and enforcement of intellectual property rights' (Adams, 2008: 725).

According to world systems approach's scholars, this new term has been adopted since the 1980s in order to apply the practice of the Washington Consensus

properly within the world system. This new phenomenon of world economy aims to imply this program for opening borders to FDI, reducing government control in the developing countries. According to Wallerstein, globalization pressures the all governments on removing barriers towards the free movement of goods and capital (Wallerstein, 2006: 93). In such a globalized world system, world systems approach describes the world as 'industrialized center and non-industrialized periphery' (Amin, 2000:3). Since the approach constitutes the world in this way, the existence of a country is also based on the competitive capacity in this free market structure. Since the countries have different geopolitical capacity in this hierarchy, according to Amin, core regions easily manipulate the peripheral regions in terms of holding certain monopolies such as technology and financial control of the market (Amin, 2000: 3-5). In addition, Amin points out that this twentieth century of globalization deepens the economic interdependence in the world system by only concentrating on the interest of capital accumulation and the sustainability of the market (Amin, 2000: 31-32).

Thus, as a dense relationship of international economy, economic globalization constitutes both cycle and trend in the capitalist economy (Hall and Chase-Dunn, 2006: 55-56). In the contemporary global market, the intersocietal relationship transforms the production and exchange relations. As a long-term trend, economic globalization improves market and finance interrelations in the world economy (Chase-Dunn, 1999: 189-192). In addition, the current trend of economic globalization constitutes trade and investment relations on a global scale. Therefore, the total production process and foreign investment is constructed in accordance with the scope of this current trend (Chase-Dunn, 1999: 194-195). Moreover, in this context, economic globalization alters the international division of labor by providing free movement of labor and capital in the sense that flexibility becomes dominant in the global economy (Sklair, 2006: 73). This free market structure deepens the unequal relations among developed and developing world by pressuring government for removing the barriers towards flow of goods and capital (Sklair, 2006: 74; Wallerstein, 2006: 93). In the contemporary world, while economic globalization addresses upward mobility in the world system, the stagnation periods of world

economy constitute the downward trends because of neoliberal implications since 1980s (Chase-Dunn, 1999: 196).

Furthermore, in relations with discrepancies in the US since 1970s, the interactions of neoliberal structural changes regarding international trade, market principles and increasing influence of global institutional and organizational factors have overstrained the position of peripheries. In general, Castells claims that even if the capitalist mode of production has had a long historical existence, the correlation between capitalism and global economy has been a new phenomenon. This mode of production has been transforming the world economy entirely since the 19<sup>th</sup> century in terms of infrastructural developments, liberalization of policies and the contribution of deregulation in economy (Castells, 2003: 311). To make it clear that there is a global economy because economies around the world depend on the performance of their globalized core. This globalized core maintains financial markets, international trade, transnational production, and to some extent, science, technology and specialization of labor.

By the 1950s, trade had occurred among certain actors within a limited scope. In the international trade, there had pursued specific market regulations under the rule of the Bretton Woods monetary system. In this system, IMF and World Bank were established in order to monitor parties of the agreement, to lend money to parties and to enforce the rules of agreement. In addition, this system of monetary regulations was supposed to maintain the Keynesian economy by controlling the capital, giving restrictive authority to central banks to pursue the value of dollar, and prevent competitive devaluations (McMichael, 2000:679). During 1960s, the decolonization of the Third World gained momentum in the system. It contributed new markets where the excess production could be spread out. Hence, the capitalist world economy provided the equilibrium between the production and consumption with these newly independent states. Regarding this, Amin indicates that ‘decolonization above all made it possible to break the relationship between wages and productivity and to reduce wages, which were at the center of the whole system’ (Amin, 2011: 23).

Correspondingly, during the 1970s and the early 1980s' the state-regulated form of capitalism started to lose its effectiveness. After an unspoken trial of neoliberal regulations in Chile in 1982, the pioneering countries of neoliberalism as a new form of capitalism were the US and the UK (Kotz, 2009: 306). So, it could be indicated that neoliberal capitalism has had primary features in these developed countries. The preliminary characteristic involves the privatization and deregulation in state services and investments both locally and globally. Then, the market principles had developed within the large corporations. In addition, in contrast to previously regulated state capitalism, these structural changes were comprised of uneven, ruthless, and unlimited competition in the global market. Moreover, neoliberal capitalism constitutes restructuring the social services by cutting them down more than ever before. Another primary feature includes tax regulation that favors investors and employers. Regarding labor regulations, neoliberal capitalism promotes the temporary and part-time workers in the business instead of long-term employees (Kotz, 2009: 307). Hence, when neoliberalism replaced the former regulated capitalism, the market became the pioneer in the neoliberal activities rather than public goods and services and the state turned into a subsequent actor in the global market. The Reagan and Thatcher project of neoliberalism expanded all over the world gradually (Kellner, 2002: 289; Chase-Dunn and Roberts, 2012: 270).

In the meantime, the multinational corporations emerged as intertwined actor of global economy and the European growth changed its direction from extensive to intensive. There are also crucial factors in the reshaping of the world economy into its contemporary form. These factors lead to the collapse of the Bretton Woods regulated markets, the tendency toward international security investment and running into debt to banks with high interest rates (Hirst and Thompson, 2003: 335). Depending on this, Castells indicates that 'the intrafirm international trade may account for over 1/3 of total international trade. Moreover, internationalization of production and finance are among the most important source of growth in international trade of services' (Castells, 2003: 316). The demise of the Bretton Woods system has created an environment that is based on currency fluctuations and variety of the monetary irregularities. This situation conceived the increase in the uncertainty in the global market. Hence, the unrestrained economic activities and

speculative action gained momentum on the financialization process. Regarding financialization, McMichael indicates that the liquidity in capital and the spread of this idea around the domestic and private investors in the international arena (McMichael, 2000: 680). In this context, Held expresses that the financialization in the world market became the most crucial activity in the sense that the flows of financial transactions excessively boomed. In this regard, as Held points out that 'most countries are, in the contemporary world system, incorporated into global financial markets, but the nature of their access to these markets is highly uneven' (Held et al., 1999: 493).

Moreover, these developments have affected the role of central banks in the world market as financialization has given the opportunity to redeem of the offshore markets which are not under any control of central banks. Furthermore, the capital transactions mostly held by multinational firms, hence their financial assets began flowing all over the world. Therefore, national monetary policies had lost its influence to a large extent, investors and multinational firms have increased the role of the market itself. Thus, the real interest rates have picked about twice higher since the 1980s as compared to the 1960s (Scharpf, 2003: 374-375). As quoted, Chase-Dunn and Roberts contributes that 'starting in the early 1980s, the US financial system had substantially grown in complexity and volume as new financial instruments and services were increasingly integrated into a dense global network of financial markets' (Chase-Dunn and Roberts, 2012: 279). At the same time, as the inseparable part of the contemporary world system, international institutions have had influence on these radically changed developments, especially in terms of trade institutions in the world. For instance, the liberalization and deregulation of the global market has promoted the restrictions and tariff regulations on goods and services by WTO and GATT together with the policy privatization all over the world via the core countries (Scharpf, 2003: 375).

At the same time, this transitional process during 1980s and 1990s has included the development of internationalization of the production process with the help of increased FDI and significant participation and intervention of MNCs in the world economy (Castells, 2003: 317). Starting from this, Castells illustrates that between 1980 and 1995 the FDI is doubled by 4%, majority of these investments

stemmed from core OECD countries. Furthermore, Castells claims that FDI and MNCs has collaborated in the world economy, however, the degree to which FDI is accounted by 25% of international production, MNCs are more integrated in the market with different and various supplements (Castells, 2003: 317). For instance, the national economies have incorporated with MNCs hence; they have become part of the transnational global networks. As consequence, the role of the national authorities has weakened for economic activities. These developments also have rendered the national and local economies in the same pot with this borderless, unrestrained world economy (Held and McGrew, 2003: 24). Thus, the general perspective on the MNCs demonstrates that they are crucial components of the contemporary world system. They do not only permeate in finance or technology, but also diffuse into the raw material trade by altering the classical trade relations amongst the world's major economic regions (Held et al., 2003: 26). Moreover, Castells agrees on that the proportion of MNCs on the international production was accounted for 2/3 of total world trade, additionally, 1/3 of world trade consists of different components of the same corporation (Castells, 2003: 317-18). As indicated above, MNCs have a central position in the world economy. With their activities in the global economy, the interdependence has taken to new degrees such that they become the considerable ranking members of world trade and production. Having expanded transnational networks, Held demonstrates that MNCs would able to turn into an opportunity of national policies and expenditures on production processes (Held and McGrew, 1999: 491-2).

On the other hand, these changes in the world economy have triggered the developing countries in terms of opening up their economic and placing their position in the world trade (Held et al., 1999: 490). In this context, after the mid-1980s, there have been prepared structural reforms for the governments of developing countries. These regulations were called 'Washington Consensus' which comprised the preparation phase of the developing countries into the neoliberal world order. The components of this consensus aimed at promoting free trade, floating exchange rates, free markets, and macroeconomic stability by promoting the rule of liberalization of national markets. The main reason involves the structural adjustment program that purposed the repayment of the Third World's external debt during the

1970s and the 1980s. Such that, developing countries have suddenly become the part of the developed world's neoliberal integration of the world system (Harris, 2002: 136-7). For instance, according to World Bank data, the FDI inflow of Latin America accounted for 3,865 billion US\$ in 1980s and 7,564 billion US\$ in 1990s during the peak of neoliberal implementation (World Bank, 2017). In addition, as indicated above, the Washington Consensus includes significant economic policy implementations in the developing world. For instance, free trade activities supported and regulated by international institutions such as WTO and GATT in order to reduce tariff barriers in these regions. In addition, IMF arranged the conditions of receiving money to these countries under the IMF loan programs. Thus, these international organizations were also associated with these structural programs by aiming at expanding global trade (Woods, 2003: 469).

The current discussion on view of the modern world system addresses several issues. Primarily, as indicated above, the Asian involvement of the world economy is a crucial development for the capitalist world system. However, at the same time, together with the development of Eurodollar zone the Asian existence in the market has jeopardized the hegemonic power of US, which caused the collapse of Bretton Woods and the emergence of the neoliberal structural implications as a new trend (Chase-Dunn, 1999: 197-198). Contrary to decline of US hegemony, Amin points out that the post-war era of growth of globalized economy itself was the consequence of unequal, exploitative, and flexible relationships among Asian countries (Amine, 2011: 21). To this extent, Amin provides an argument against this intense expansion of the capitalist world economy. In addition to discussions about deglobalization, another concept addresses the delinking as opposed to uneven development of globalization (Pieterse, 1994: 239; Zhang, 2013: 105).

In the interpretations of scholars about the neoliberal impact on the capitalist world system indicated above, there can be addressed that the very nature of destructive tendency of capitalist world economy systemically brings about its own self-deterioration. Therefore, the following section concentrates on the systemic fractures based on the world systems approach that subsequently caused antisystemic movements in the society.

#### **1.4 WHAT ARE THE CONTRADICTIONS OF NEOLIBERAL STRUCTURE IN THE WORLD SYSTEM?**

As both cycle and structural trend, the neoliberal implementation all over the world has had some consequences regarding market and society in general. In this sense, this section focuses on the main outcomes of the neoliberal regulations that have been causing systemic cracks in the capitalist world system in accordance with the world systems approach. These consequences are also in relation with the antisystemic movements in the world, especially in Latin America. In this context, as Amin has stated that the strategic transformation by Reagan and Thatcher over the accumulation of capital has increased its momentum especially after the demise of the Soviet bloc. According to the neoliberal regulations, liberalization and privatization of the world market, correspondingly expansion of capital in the core, the free market economy, implementation of structural adjustment programs in the South, flexible currency and exchange rates have been encouraged by organizations and institution in the system (Amin, 2011: 23). Thus, the preliminary attempt here is to clarify the results of the neoliberal reforms in the world. In this sense, this section covers the four significant highlights regarding systemic cracks as follows: increasing power of international institutions and organizations, financialization, deregulation, and transformations due to the global production process.

First, the increasing power of non-governmental agencies have been responsible for the decline in the national economic policies by reducing taxes, rearranging and accommodating the flexibility of the national policy instruments in favor of the market (Hymer and Rowthorn, 1970: 80-91). Structural changes in the capitalist world economy have strengthened decentralization in the system. This gap in the market has been filled with the increasing influence of the international institutions and corporations. Precisely, since the end of 1970s, MNCS have constituted large portions of the economy. Not just regional, but also transcontinental production of goods and services has been under the control of MNCs, which could arrange ever aspects of the production process (Castells, 2003: 319). The principal idea here is that the concept of globalization became an integral part of capitalist

world economy, so that cosmopolitan idea of financial markets and production process by reducing the national existence became the most predominant economic motive (McMichael, 2000: 684-685). As a result, in such a decentralized world economy, the production of goods and services and financial activities were compelled to the regions where these regulations do not provide proper solutions on the market. Under the regulations of Washington Consensus, trade organizations, e.g. the WTO and the IMF, have been crucial function in the implementation process of neoliberalism. However, the compelling reforms of the Washington Consensus does not correspond the needs of the developing world; instead, they have worked on behalf of the developed world's economic growth. For instance, developing countries, especially Latin American countries, have suffered from these irregular arrangements.

The precise result of decentralization of the neoliberal capitalist world system includes the decline in the effectiveness of nation-states in periphery because of the binding treaties and institutions (Amin, 1997: 61). Correspondingly, this disintegration has paved the way for 'the emergence of a generalized capitalism of oligopolies' and their severe control over the Third World, which occurred explicitly when the structural adjustment programs were enforced on peripheries (Amin, 2011: 23-24). Parallel to these external enforcements, the interest groups and small groups of elites have supported the decentralized effects of neoliberal regulations in these regions.

Moreover, decentralization of the state system has serious results both in the market and in society. In such a world, the capitalist world system comes up with the development of regions unevenly, which also causes polarization in society. In addition, the unequal income distribution between the states and amongst the sectors has been creating a world where the rich become richer and the poor become poorer. Under such a speculative, decentralized world economy, the unpredictability, flexibility, and decentralization of the market have defined the uprising of the financial crisis by inducing excessive growth of production and unemployment (McMichael, 2000: 684).

Second, the results in the fusion of purchasing power in the world economy since 1970s has comprised an actual controversy which has included both the increasing inflation and the explosion of transferring the capital in offshore money markets (Arrighi, 2010: 315). In this sense, as addressed above, the collapse of the Bretton Woods system had resulted in an excessive expansion of the financial market. Subsequently, in order to provide systemic cycle in the market flexibility of the exchange rate and fluctuating currencies have benefited from the process of financialization. As Amin indicates that even if every attempt in the world economy has done for the maintenance of growth, the actual attempt has been to pursue the distribution of capital on behalf of the core of the capitalist world economy. This expansion of investment in the monetary market has conversely boomed the quantity of operations annually more than \$1.000.000 billion which has surpassed the amount of the world's GDP, and of the international trade (Amin, 2011: 25-28).

Moreover, regarding the financialization of the market, fluctuations in exchange rates and interests have weakened trade in goods and services in the world market. The corporate capital has been responded to this situation by adapting themselves to such mobility in the market. This attempt was to secure their activities from any possibility of deficiency. From this standpoint, the small amount of shareholders in the core has derived profit from this process such that 40% of their total profits are generated by the financial operations alone (Amin, 2011: 28-29; Arrighi, 2010: 320-321). Within this environment, this shift towards financialization has provided expansion, but not growth. The uneven explosion of surplus value around the oligopolies has pushed its activity. Meanwhile, the real economy has affected the extension of the financial markets in the sense that the rate of unemployment in general has increased and additionally the real wages have decreased radically (Amin, 2011: 30). For instance, ILO report indicates that the value of real wages have reduced in Latin America during the 1980s and 1990s (ILO, 2003: 2). In addition, according to the reports during the 1980s point out that real wages in Latin America countries have dropped between 20% and 70% (ILO, 2003: 4). In addition, Amin contributes that the increasing monopolies of the financial operations have become correspondent for the crisis of capital accumulation in the system (Amin, 2011: 30). In such a financialized world economy, redistribution of

profits is organized in favor of monopolies in the market in order to increase the control of corporate capital stakeholders and business organizations over capital accumulation (Amin, 2010b:309). As Amin contributes this unequal distribution in income on behalf of monopolies reduces the investments rates, which also causes the decreasing in productivity and limits growth (Amin, 2011: 30).

The result of financialization in the world economy illustrates the downward cycle and trend in the system. By doing so, this process demonstrates the contemporary financial debt crises in the world especially in Latin American countries. Therefore, this situation indicates the systemic vulnerability of the periphery (Pfister and Suter, 1987: 240- 245). Moreover, financialization in the current rhetoric is responsible for the underdevelopment of the Third World, especially by intervening in the region via international financial institutions where core states have more rights than periphery. The flow of financial capital constitutes underdevelopment of periphery by implying borrowing and speculative activities (Pfister and Suter, 1987: 266). Therefore, the peripheral areas cannot cope with the strict implementations of these institutions. The most striking example in this issue contains Argentine debt crisis because of financialization (Pfister and Suter, 1987: 256-258).

Third, the following deterioration of the system is the deregulation in the market. Since the neoliberal regulations became the fundamental ideology of the world order in the 1980s and the 1990s, governments have intentionally preferred the neoliberal choice. In order to do this, they experienced unforeseen openness of the national economies in general. The openness in the market has developed not only the globalization of the market, but also the globalization of the companies, information, and technology. The government initiatives and international institutions have encouraged the reduction of government regulation in international trade (Castells, 2003: 329-330). According to Mosley, the level of openness has prompted the lack of legal barriers, tax restrictions for the flow of capital, goods and services all over the world (Mosley, 2007: 107). At this point, as pointed out previous section, the repeal of the government regulation in the world market has resulted in the growth of the role of the MNCs and international trade organizations

such as WTO and IMF. The excessive interference of such organizations and institutions has aimed at adopting the neoliberal order to core and periphery at the same level. This tendency towards agencies in the world market caused irregular growth and pressure in the developing world. Deregulation of markets in peripheries resulted in the direct influence on the emergence of urbanization of poverty because the reduction in government control over market ruins the equal competition in the industry.

Fourth, another critical point of the downturn of the world system by neoliberal transition consists of the modification of the global production process in the world economy. The principle of open economy in the world trade among actors in the system had caused unrestricted regulation in the economic sphere. It involves the flexibilization of both workspace and of the labor in this process. Borderless production activities have lowered the cost of production in general which involves unequal labor conditions among regions. Cheap labor became favored by the monopolies of global production such that producers have relocated the factories mostly across continents.

Globalization of production process and the flexibilization in workforce demolish the value of labor on a global scale. In addition, neoliberal regulations, which are based on maximizing profits and minimizing costs, causes unequal trade between regions. Under these circumstances, Held and McGrew point out that diversification of the workforce between winners and losers because of neoliberalization, disproportional increase of poverty between developing and underdeveloped workforce, and limited national protection of governments for removing vulnerability have constituted the gap between rich and poor apparent in the world economy (Held and McGrew, 2003: 28-29). Thus, neoliberalism and economic globalization has constructed a world where the global monopolies and the production raise the uneven and unequal growth of the economy.

In this context, the social influence of neoliberalization of world economy has damaged society in general. At both social and systemic levels, these changes in the production process had brought some consequences such as instability and fluctuation in the economy, increasing rate of unemployment, overproduction, and

unequal growth of economy (Hoogvelt, 1997: 111-113). However, Amin quotes that society as a whole

*'... is capable of taking the full measure of the issues of this systemic crisis, of freeing themselves from the illusive responses that seem to prevail at the present moment, to invent appropriate forms of organization and action, and to transcend the fragmentation of their struggles and overcome the contradictions that result from it' (Amin, 2011: 27).*

Within a wide-ranging framework, there could be indicated that neoliberal capitalism has resulted in global poverty in developing world that has caused serious reactions from the society. In Latin America, 150 million people have to work for under 1\$ per day (Castells, 2003: 436). Even if the neoliberal transition has assumed to provide an access to goods and services easier than ever before, since then, developing countries have faced more than a hundred currency crises (Mosley, 2007: 116). Thus, these lower conditions of the socioeconomic environment and unequal distribution of income and living conditions became the fallacies of the capitalist system that forced people in these regions to get up against systemic order.

## **1.5 CONCLUSION**

In this chapter, I have attempted to evaluate the theoretical framework of the thesis within the framework of world systems approach. Therefore, I argue that in periphery neoliberal globalization of the world system has caused systemic bifurcation of capitalism in the contemporary accumulation process.

To do this, first, I concentrated on the meaning of the world systems approach within international relations. As a system of holistic analysis, world systems approach concentrates on the systemic accumulation of capitalism as the mode of production, its historical basis, and development on a world scale. It is important to understand the significance of the world systems approach in order to understand

how to emerge antisystemic movements in accordance with this analysis's explanation.

Then, to establish the contemporary evolution of world economy precisely I have addressed the historical development of capitalist development. The idea of structural historical evolution of this accumulation process belongs to Arrighi. As the main scholar of this examination, Arrighi classifies four main periods of accumulation periods based on specific hegemons of these periods. With this, this chapter evaluated that the contemporary phase of capitalist development deepens the British heritage of widening activities via conquering regions to create an empire of capitalism. On the contrary, the contemporary process of accumulation process aimed to protect its position with the internationalization of the external costs of necessities of capitalism. As Arrighi (2010) addresses that every phase of capitalist development not only creates its expansion, but also it evolves its crisis. In the contemporary phase, the rise of the US hegemony constitutes the internalization of costs of increase of the corporate capitalism. However, same structures caused the signal crisis of the US hegemony.

In order to prevent the decline, US hegemony impeded its decline with the emergence of a new type of accumulation, which reduces the control of governments and increases the position of MNCs within the system. This system doubled with the contemporary form of globalization creates and constitutes the increase of monopolization in the world economy on the basis of neoliberalism. Therefore, as indicated above, the signal crisis of this phase, associated with systemic contradictions of capitalist development, expanded the decline in state control over society, the loss of governmental control over the economics, deregulation of the market and the transformation of the mode of production, which is based on flexible specialization, in periphery of the world economy

This structural deterioration resulted in the bifurcation in the existing capitalist world and the systemic chaos within societies, and then increased the discontent from the society. Therefore, in the following chapter, I focus on the antisystemic social movements as a consequence of the deterioration of capitalist system of accumulation and its unequal development in periphery.

## **CHAPTER TWO**

### **ANTISYSTEMIC SOCIAL MOVEMENTS AND WORLD SYSTEMS APPROACH**

#### **2.1 INTRODUCTION**

The term antisystemic movement covers each attempt against the existing system in the world. However, here, specifically antisystemic movements include the way of collectively organized group and/or groups' actions to change and to transcend the world in which we live (Tilly, 2004: 1-7). These struggles intend to construct an alternative against the current inequalities in the system. For the world systems approach, the focal point of systemic bifurcation, which is caused mostly by signal crisis of world economy, is the emergence of antisystemic movements in the peripheries of the world system. In addition, with the signal crisis of the current systemic cycle of accumulation, resistance in core and/or peripheries may target the state, TNCs and other global institutions (Subramaniam, 2014: 2). In this sense, the research question of this chapter is as follows: To what extent did neoliberal globalization, which has been effective since 1980s as prevention for hegemonic decline of the US SCA, provoke antisystemic social movements in peripheries? Throughout the history of world systems, the preliminary influence of the systemic crisis has been observed in the peripheries. The outcome of these revolts has resulted in the transformation of the system to a different form of accumulation process. Therefore, the main argument is that the systemic crisis of the contemporary period of capitalist development since the 1980s has deteriorated the social and economic position of peripheries with its severe obligations, and paved the way for intense movements against the existing world system. For the purpose of this analysis, in this chapter I concentrate on the construction of antisystemic movements within the framework of capitalist world system by addressing three questions and trying to elucidate these inquiries.

First, the preliminary inquiry contains the definition of antisystemic movements based on world systems approach. To put it precisely, I address the general understanding of social movements, then, I conceptualize the term within the framework of world systems approach. Subsequently, the trajectory of antisystemic movements for thesis comprises the correlation between antisystemic movements and world systems approach regarding its regional breaking point in the contemporary world system.

Second, the subsequent consideration points out how antisystemic social movements emerge. To do this, I constitute a comprehensive historical analysis of the social movements from the nineteenth century movements to the contemporary revolts within the capitalist world system. The discussions about the emergence of the social movements cover the historical processes concerning the region specific explanations. For instance, according to world systems approach, before the 1968 revolution, the national liberalization movements and labor movements represent the main feature for the social uprisings. This, in turn, transformed into a different version for each region. In the core countries labor movements succeeded to confiscate the parliaments in the countries; and the periphery countries, as in Latin America were successful regarding achievements of independence, especially in the aftermath of the Second World War (Amin et al., 1990: 1-13). The progressive developments of the antisystemic movements obtain both successful consequences and at the same time, they were full of failures concerning their very nature of fulfillment of the movements. Even if I detail these arguments below, it should be noted that the capitalist intervention to the governments, in the countries that left parties had held power, had indisputably constrained the policies and regulations of the governments. In addition, the role of neoliberal regulations from the advanced core capitalist countries has increasingly promoted these limitations. These demonstrated that the movements became part of the system instead of transforming it.

Third, these unsuccessful attempts of antisystemic movements led to a transition in the way of protesting against the inequalities in the system. Therefore, the third inquiry contains this transition in the spirit of the uprisings in the

contemporary world. For Frank, this transition constitutes new social movements within the world system. This new way of revolting against the system proposes that the previous experiences in the antisystemic movements led to changes in the cultural expectations and demands in society, so the sub-groups in the world system, either locally or globally; raise their voices against inequality in the world. These subgroups consist of women, identity, gender, and ethnic and/or ecological movements and so on both locally and globally. In addition, these movements carry the heritage of the old movements with these new dimensions (Frank and Fuentes, 1987: 1506-1507). Then, I explicitly address the evaluation of the main argument in the conclusion. Thus, the first section concentrates on the idea of antisystemic social movements.

## **2.2 CONCEPTUALIZATION OF ANTISYSTEMIC SOCIAL MOVEMENTS**

### **2.2.1 What are antisystemic social movements?**

Throughout the history of humankind, the utterance of grievances has emerged as a kind of resistance against authorities who restrict the rights and freedom of society. In general, as a political action, social movements represent ‘a distinctive form of contentious politics’ (Tilly, 2004: 3). In addition, della Porta and Diani demonstrate that the combination of collective action, collective identity and collective mobilization in a heterogeneity leads to the constitution social movements. These actions represent distinguishing features of social movements contrary to other social and political unrests (della Porta and Diani, 2006: 20-21).

As the main theoretical purpose of thesis, scholars of world-systems approach agree on this general idea of social movements, which contain collective action, information networks, and other common purposes. As Arrighi, Hopkins and Wallerstein put forward

*'The concept of antisystemic movements is one which presumes an analytic perspective about a system. The system referred to here is the world-system of historical capitalism which, we argue, has given rise to a set of antisystemic movements. It is the contours of this process that we are proposing to outline here. We are in search of the system-wide structural processes that have produced certain kinds of movements and which have simultaneously formed the constraints within which such movements have operated' (Arrighi, Hopkins and Wallerstein 1989: 1).*

Therefore, antisystemic social movements contest social, political and economic inequalities within the existing system. The scholars primarily assert that in the middle of the nineteenth century, there arose new organizational grievances within the capitalist world economy as for both long- and short-term objective (Arrighi et al., 1989: 30). Therefore, the purpose is to eradicate the unequal distribution and uneven articulation of capital in the world system.

Primarily, Wallerstein claims that 'antisystemic movements are a remarkable social invention' within the modern world system (Wallerstein, 1990: 13). According to Wallerstein, the capitalist system that combines with state mechanisms and capital accumulators empower the social tension with its restrictive, interventionist and limiting tendencies (Wallerstein, 1991: 57). Under these circumstances, the system starts to deteriorate irreversibly and falls into a systemic crisis. Therefore, Wallerstein defines antisystemic social movements as a movement that is far beyond the momentary action, it includes collective action in perspective (Wallerstein, 2006: 76-77; Wallerstein, 1991: 56).

In addition, Arrighi indicates that what makes the political and social movements as antisystemic is its existential contribution to the structural shift and their relational struggle against the system (Arrighi et al., 1989: 42). Thus, the movement itself and its path become antisystemic in its essence. According to Arrighi, the antisystemic social movements are the self-defeating consequence of capitalist accumulation in world economy. This self-destructive behavior constitutes intense and strained relationship between the bourgeoisie and the proletariat. Subsequently, Arrighi assumes the labor movements are an inevitable consequence

of capitalist world economy because of systemic polarization and dichotomy (Arrighi, 1990: 55-60)

Moreover, Amin indicates that antisystemic social movements and struggles should be described as anticapitalist in the sense that they take a stand against the inequalities in the system and they disobey the outcome of capitalist actions – including unequal regulations and uneven expansionism all over the world. In other words, peripheries of the world system are the indicative for the issues for uprising in the system (Amin, 1990: 99-100).

Within the light of this definitive understanding of antisystemic social movements, the eruption of antisystemic movements occur in peripheral zones where the systemic inequality arises and polarization intensifies at most in every cycle of capitalist accumulation. To indicate precisely, the essence of US hegemony and its principles under neoliberal globalization have significantly dissolved regional differences among societies and constituted transnationalization of movements (Arrighi, 2001: 469). This generalization, as I discuss in detail in the third section, has paved the way for movements appearing as the Global Left, which has aimed at resisting against inequalities of existing capitalism. However, before this discussion, the following section focuses on the emergence of antisystemic movements in the world system.

### **2.2.2 How did antisystemic social movements emerge?**

Every study related to social movements acknowledges that social movements have a long history that dated back to the eighteenth and nineteenth centuries of Europe, which is also parallel to the capitalist expansion of the world system. For instance, during the mid-eighteenth century, John Wilkes's grievances on the purpose of equal rights for all citizens gathered the masses in England (Tilly, 2004: 16; Rudbeck, 2012: 581). During this period, there have been important dynamics that triggered increasing social objection. These mainly include the

capitalization and the proletarianization of the modern world economy. Wide spreading of the capitalism, with the change in the economic activities, became visible and this expansion has increased in Great Britain and North America rapidly. While capitalization was at every phase of the production process, industrial capitalism became a new phenomenon of the accumulation process. Another consequence of the capitalization has been the explosion of the American slavery after 1750s. Since capitalism has begun the construction of the class society in itself, this situation has been observable in Great Britain and North America during the eighteenth century. In every sector, the distribution of paid workers has increased and workers are compelled to be the part of the production cycle in order to survive (Tilly, 2004: 26). These dimensions during the eighteenth century had transformed into being mostly unequal and exploitative, so the organized and collective form of class struggle has placed in the politics during the following century. Therefore, even if contentious gatherings trace back to those times, organized movements within the world system had originated primarily during the nineteenth century. To this end, this section deals with the emergence and the dynamics of antisystemic social movements from the beginning of the nineteenth century and its peripheralization.

During the nineteenth century, free trade was booming and the revolution in transportation as the supplementary fact for this expansion created a huge gap between workers and the ruling class (Amin et al., 1990: 56). In addition to this, the acceptance of the Reform Act of 1832 by the bourgeoisie, which aimed to decrease the effectiveness of the workers in the parliament, made this discrimination deeper and undeniable, thus the lower class started mass uprisings against this reform. In these resistances, organized laborers and their radical supporters took joint action for demanding equal rights for all, because this reform caused the liberalization of the political economy that would be in turn a disadvantage for ordinary citizens (Tilly, 2004: 46).

The rapidly spreading capitalism, paralleled by the existence of the class and status groups, unequal accumulation between bourgeoisie and proletariat, and the restrictive and limiting regulations of the parliament played a fundamental role in the emergence of the antisystemic social movements in the nineteenth century (Arrighi,

1990: 59-60). In this sense, Arrighi argues that 'labor plays an active role in transforming the self-destructiveness of capital into political revolution' (Arrighi et al., 1989: 8). That is why the 1848 French Revolution has been a significant event for the emergence of the antisystemic social movements. In addition to previous experience of the social uprisings and resistances, thanks to the 1848 French Revolution, the term collectivity has developed and this has provided mass movements instead of regional or small groups' resistance. These organized political movements have been accepted within the society legitimately by transforming into more secular version of any uprising. In addition, more considerably, the French Revolution led to the expansion of massive political movements over the world (Wallerstein, 1990: 13-16). This spread has been observed in different regions of the world in extensive ways between 1810 and 1826 Latin American independence conflicts, North American antislavery mobilizations and female suffrage protests, Argentina's Union Civica in 1890 and the Boxer Rebellion of 1899 in China (Tilly, 2004:67).

Under these circumstances, these organized collective activities have manifested themselves in two varieties: social movements and national movements. Social movements' purpose is to move against 'the oppression as that of employees over wage owners, the bourgeoisie over the proletariat' (Arrighi et al., 1989: 30). National movements, on the other hand, apply to 'the oppression as that of one ethno-national group over another' (Arrighi et al., 1989: 31). In other words, the first version has emerged against the inequality between bourgeoisie and the proletariat in terms of unequal distribution of the labor, on the other hand, the latter argues against the unfair distribution of the rights among the population in principle (Wallerstein, 1991: 57).

While capitalist accumulation has strengthened its presence in the world economy dominantly, this situation has increased importance of the antisystemic forces worldwide. However, this process also assured that the capitalist accumulation in the modern world economy widened regionally, and has powered 'the spatialization of class polarization' (Wallerstein, 1990: 26). Hence, in core regions, expansionist Europe at those times has experienced social movements in order to

prevent anticapitalist activities. In addition, the periphery of the world faced with nationalist movements as antisystemic attempt to concentrate on anti-imperialism (Wallerstein, 1990: 22; Amin, 1990: 96-97). According to Amin, the bourgeoisie of the periphery has attempted to construct a capitalist society, which indeed results in the aggressive response from society in order to keep their national independence (Amin, 1990: 102). This is because, in addition with the expansionist tendency of the core, the movements have peripheralized both among regions and, subsequently, within the states.

In the interpretations of scholars about the emergence of antisystemic social movements indicated above have stated that the boom in the capitalist production during the nineteenth century under the British SCA became the significant contributor to the emergence of the antisystemic political movements. This revolution in the production process has widened the gap between class and status groups, so the definition of the social order has constituted upon this distinction. This meant that the social movements of the eighteenth and nineteenth centuries challenged the expansion of the capitalism and its consequences such as mass misery, oppression, and unequal regulations in Europe (Arrighi et al., 1989: 77). However, the results of these movements demonstrate that, according to Amin, they did not destroy the capitalist destructiveness; instead, they created a new form of market relations by strengthening the peasants mostly. In addition, the French Revolution could claim as another form of bourgeois revolution in addition to its socialist/revolutionary tendencies (Amin, 1990: 103-104). In this sense, for example, based on the political and cultural heritage, the socialist-labor movements have observed in contemporary core countries, and the nationalist movements have occurred mostly in the periphery of the world (Wallerstein, 1990: 13). The national interdependence movements of Latin America during the nineteenth century constitute significant instances on these movements. In this regard, the following section focuses on the transition of the antisystemic social movements regarding the world systems approach.

### **2.2.3 Transformation of the Antisystemic Social Movements**

Once the social and political resistance became the part of the political agenda, this form of political action was classified as a social movement thanks to its distinctive characteristics. These uprisings have emerged within the framework of demanding social, political, and economic equality for each stratum both locally and globally. To this extent, with the parallel to capitalist production process, the nature of the antisystemic social movements has changed all over the world in to oppose the systemic inequalities in the world system. These movements have emerged from one specific point to a widespread entity all over the world simultaneously. Thus, this section concentrates on the transformation of the antisystemic social movements within the circumstances of the expansion of capitalism, and social and political demands from the society by adding influential dimensions to the classic established forms of resistance. In order to demonstrate the changes to the antisystemic social movements, one has to examine the following three periods, which also correspond to the expansion of global capitalism in the world system.

The first period, during the nineteenth and mid-twentieth centuries, consists of traditional social movements against the system. These movements have been observed differently in the separate regions of the world: the socialist movements in the East, nationalist and national liberation movements in the Third World, and social democratic movements in the West (Wallerstein, 1990: 23). During the nineteenth and mid-twentieth centuries, antisystemic social movements followed the heritage of the 1848 French Revolution. In order to achieve its objective, the strategy of the first wave of antisystemic social movements constructed the idea of mobilizing society to hold state power with all the implications of French Revolution ideals (Wallerstein, 1990: 27). These ideals demonstrated themselves as social democratic movements in the West, Marxist-socialist movements in the East, and national liberation movements in the South (Arrighi, 1990: 96). However, these movements had fallen apart from their preliminary objectives and they had become lost in the capitalist world system. The success and failure of these classical movements are important in the explanation because the consequences of these movements seem to

be significant in terms of their contribution to the transition process. In reality, interstate struggles, the lack of labor protection, and increasing polarization within society have weakened the role of state as transformative power on behalf of the society (Arrighi, 1990: 64- 69; Wallerstein, 1990: 26-27). Moreover, Amin indicated that these traditional movements were not an effective strain for delinking society from the existing world system (Amin, 1990: 183).

The second period covers the time between the aftermath of the Second World War and the 1970s because in this period structural changes have occurred to the understanding of antisystemic social movements. In this wave, some important determinants affected the movements' nature directly. First, the US intervention of Vietnam and the demise of the Bretton Woods monetary system demonstrated that global hierarchy was fragile, and that the US could not rule the market anymore as a single power (Amin et al., 1990: 73-74). Second, the economic boom and production expansion started to deteriorate because of excessive production, and of the end of postwar reconstruction in Europe. Third, the OPEC oil crisis caused the crisis in oil trade between periphery and core during the 1970s. Fourth, the world became less isolated than previous periods and the Asian markets were officially involved in the world economy (Tilly, 2004:101). Thus, the competitiveness all around the world expanded horizontally.

In such an environment, the new ways of resistance against the systemic forces gave a new impulse to movements. The ways of resistance had changed during the 1960s. Within this context, especially 1968 has been an important turning point in the shape of the social movements. It was not only the opposition to capitalism, but also it aimed at transforming the old ways of antisystemic social movements (Wallerstein, 1990: 39). In this sense, because the economic globalization caused the deepening of unequal development in the world system, the new wave of uprisings against economic globalization led to mobilize the society both through traditional and new ways of movements. This meant that there occurred new conflictual matters like gender issues, environmental problems, identity politics. During this period, movements also united around the new ideas and concepts of students' movements during the 1960s on the basis of opposition to intervention on

the self-determination of nation states, and of supporting students' rights. Regarding self-determination of nation states, in the South, this new wave of discontent occurred as an anti-Westernization movement that paved the way for decolonization of the region (Amin et al., 1990:42-43, 112). However, the very condition of workers in peripheral areas has continued to compete with mass misery because of the polarization of the world proletariat (Amin et al., 1990:81). Therefore, the uneven accumulation has moved towards the peripheries of the world because they were the disadvantaged regions of world from the old movements.

The last period includes contemporary social movements that traces back to between the 1980s and the contemporary discussion on antisystemic social movements. The motto of TINA by British Prime Minister Margaret Thatcher has caused the widespread implementation of neoliberal policies all over the world. These regulations have severely influenced very specific parts of the world. The governments of the Third World were mostly compelled to implement the structural regulations of neoliberalism because of their dependencies on the core-led international organizations, and the strong MNCs. The further constraints over policies of nation-states have not only weakened the power of governments, but also deteriorated the social conditions, specifically in periphery. The unequal development has created bigger gaps among countries by increasing the importance of the financial and multinational corporations. Thus, economic activities were monopolized, and this paved the way for the rise of uneven accumulation of capital at an unprecedented scale. These structural changes in the world market transformed social change and the perspective of the society regarding unequal development on a world scale.

Under the US SCA, as indicated in the first chapter, the dominant mode of production became different from previous stages. A big leap in technology and the emergence of small working groups replaced the Fordist mode of production that was based on the standardized mass production (Diani and della Porta, 2006b: 38). These transformations in the world economy caused the decline of the collective behavior of the workplace and increased the individualization of labor (Castells, 1996: 265). Moreover, this social change constructed a new middle class who

actively participate in social struggles. The very nature of this new middle class contains heterogeneity by forming and gathering highly-educated workers in the service sector, but those workers could not compete with the managers and other old-fashioned professionals (Diani and della Porta, 2006b: 55).

By the 1980s, changes in economic activities had affected the nature of the antisystemic social movements. Neoliberal transition of the world economy infused in terms of deregulation, financialization, and privatization (Kellner, 2002: 28; Chase-Dunn and Roberts, 2012: 270). Amin indicates that neoliberalism convinces society that there is no democracy without the market. Thus, the capitalist system expanded and intensified its activities under the regulations of neoliberalism (Amin, 1990: 115-117). This neoliberal turn of the 1980s, therefore, has contained control over transnational production and distribution of networks as a common feature of core capitals of all nationalities in order to limit the exceeding expansion of the economy (Arrighi, 1990: 76-78). The new developments in technology, finance, and other transformations, led by globalization, have constructed a new version of the global capital (Amin et al. 1990: 117). The transcontinental effect of the globalization supposes that the increase in the international trade has enabled the rise of capitalist investment. However, this interest-based investments have occurred where the marginal benefit was at the highest level if it is possible and where the labor cost would be at the minimum (Tilly. 2004: 99-101).

In this vulnerable atmosphere, the importance of the power hierarchy between the core and periphery is very important because this exploitative uneven relationship pursues the unequal development in the world economy (Chase-Dunn and Hall, 1992:103; Hamme and Pion, 2012: 66). Therefore, for the sake of sustainability in the capitalist world system, the Washington Consensus had been implemented in the Third World during the last decades of twentieth century. The purpose was to construct a system of financial stabilization and structural adjustment (Harris, 2002: 136-7). Regarding this international financialized world economy, world systems analysts address that this structural system contains both a cyclical flow and a long-term trend in the Third World, which is subject to review of the following chapter (Pfister and Suter, 1987: 266). However, most importantly, this new form of

economic governance caused an increase in debt in the periphery of the world system especially in Latin America. In other words, the contemporary financial market is extremely fragile so that as a long-term trend, international financial system depends on the cycles of the world economy. This, in turn, results in the increasing vulnerability of Third World economies on financial flows, and embodies debt-crises in peripheries (Pfister and Suter, 1987: 240-244).

Under these circumstances, the grievances raised from the society against unequal distribution that depends on the neoliberal economic activities in the world system (Diani and della Porta, 2006: 3). Different from previous periods of movements, contemporary antisystemic movements contain a horizontal expansion in the system (Wallerstein, 2014: 170). The resistance in the new social movements reflects itself as 'responding to the failure of the market and other economic institutions to satisfy people's demands' (Frank, 1990: 140). In this period, the new social movements advanced their power and importance by addressing issues not based on political parties and state (Frank, 1990: 141-142). These new identity-based social resistances against the system have formed in different variations all around the world. For instance, contemporary movements sought to mobilize the public opinion by using different channels of modern means of communication such as the Internet and social media (Tilly, 1986: 395-396). They also attempt to mobilize society by 'making claims of different types on different individuals' (Della Porta and Diani, 2006: 168).

To this extent, in the West, Frank emphasizes that the uprisings in the contemporary world system have formed around the newly emerged middle class whose has been lost its existence within the industrial labor and arisen in the service sector and/or freelance. These conflicts and economic-based aggression in society are also demonstrated through the other movements that consists of feminist, ecological, ethnic, and ideological and peace movements (Frank, 1990: 168). In this part of the world, the movements aggregate on the purpose of the anti-globalization by gathering under the global justice movements. The contemporary century constitutes significant extension of intergovernmental organizations in order to point out

transnational issues, antisystemic movements target to diminish the effect of modern world economy as alternative (Smith et al., 2018: 381; Gagy, 2017: 68).

The most result-oriented event in this period was the Seattle 1999 that started in the North to oppose to monopolized power of WTO and their core members. The political struggle reconstituted in 1999 against the WTO's new treaty towards its members that was related to intellectual property rights. Here, the protestors gathered mainly in Seattle in order to rise up against this new treaty. Subsequently, the success of the movement spread out all over world as a protest technique (Wallerstein, 2014: 168-169). Therefore, anti-globalization movements provide a room for the destruction of boundaries of neoliberal globalization in core regions in order to provide delinking from society (Smith, 2008: 204; Amin et al., 1990: 186).

Most importantly, in the South, the popular and working classes became involved in social uprisings. The social movements take their forms based on world economic crises, thus class struggle has persisted and deepened which demonstrate complicated economic, political, social and cultural structure and process (Frank, 1990: 168-169). The main objective, regarding the social movements during this period, for Amin, was to dispose the neoliberal illusion in the periphery (Amin, 1990: 117).

Moreover, the new millennium has consisted of a different version of the labor conflict such that the unemployed unrest has increased in the South by cooperating with the grassroots mobilization networks (Diani and della Porta, 2006b: 40). Furthermore, the austerity measures, which are imposed by financial institutions, led groups to resist existing structure of the world system. The most visible example in this issue traces back to the end of twentieth century when the structural adjustment in the South failed and governments took austerity measures (Shefner et al., 2015: 467).

Therefore, primarily in the South, these measures increased grievances broadly because these measures irreversibly restrict the basic civil rights and deteriorate the working sphere. In the contemporary world economy, debts in the nations of the peripheries increased tremendously, so governments took austerity

measures at the peak. The IMF loans subdued this region under the structural adjustment programs. In such a society, interest rates increased, financial flows decreased because of instability in the market, and urban workers became unemployed (Shefner, 2015: 462). These conditions generate hardships in the Third World, especially in Latin America. Therefore, these debt crises paved the way for anti-austerity movements in Latin America via urban unemployed workers. Landless Workers' Movements (MST) in Brazil and Zapatistas (EZLN) in Mexico are the most discussed examples of this kind of antisystemic movements. In addition to these collective actions in the South, the claim of 'another world is possible' was born as a respond to neoliberal influence on the socioeconomic life under the idea of World Social Forum (WSF), which neither has leadership and nor vertical organizational structure. Their main attempt is to display a worldwide social and economic equal redistribution as oppose to neoliberal globalization of capitalism (Santos, 2006: 37).

Within these circumstances, the neoliberal policies have constructed an unjust distribution all over the world in which each society would take their share at some level. In addition, the neoliberal transition has revealed the consciousness that it is inevitable to cope with the capitalist world system because of the weakness of the nation-state politically in time and the monopolization of the economic activities on behalf of the international financial and monetary organizations and the multinational corporations. However, this belief has collapsed to some degree because of the arrogance of the neoliberal capitalist position that also caused the deterioration of the lives of societies in every place on the planet. This has indispensably brought with it resistance and the social movements.

Overall, this section introduces several continuities and changes in the very nature of the antisystemic social movements within the framework of world systems approach. On the one hand, the heritage of intention to change the system of inequalities and the peak of mass mobilization during the phase of systemic crisis of capitalism in the world system have been pursuing the solid continuity in the contemporary antisystemic social movements. On the other hand, the main difference between old and new movements drives from the how to expand movements on a global scale. The contemporary antisystemic movements involve horizontal

expansion which make the heterogeneous grassroots organization privileged. In parallel to this horizontal form of movements, the problem of hierarchically structured organizations in the old movements has demised. Alternatively, as I discuss in Chapter 3, the collective action based on no leadership status has emerged in the new social movements as a new phase of strategic tactics in action. Therefore, previous movements that tended to revolutionary objectives have transformed into progressive revolutions under the head of grassroots mobilizations in diversity.

Moreover, in the capitalist world system, neoliberal transition of the world economy has launched a new phase of antisystemic social movements transnationally. This transformation has paved the way for the anti-globalist, anti-neoliberal and anti-austerity movements on world scale (Gagyi, 2017: 68). As world systems approach indicates that these contemporary concept of the social movements have returned the class analysis in the concept of uprisings (Gaygi, 2017: 63, 65). In this sense, Gaygi expresses that

*‘new anti-austerity movements, dominantly thematized by a globally networked middle class, feature similar repertoires and slogans, but fit into different social currents, alliances and interests within the same systemic reorganization’* (Gagyi, 2017: 69).

Hence, neoliberal conjuncture of the contemporary world system has dominated the very nature of new antisystemic social movements because of rapid urbanization in the industrialized workforce in peripheries.

## 2.3 CONCLUSION

In this chapter, I argued that the contemporary antisystemic social movements in peripheries are the consequence of the neoliberal globalization of the US hegemony since it has entered into its signal crisis. I evaluated this argument within the framework of the world-systems approach that directs the resistance against the existing system as a result of bifurcation and decline of the hegemony.

Initially, I concentrated on the meaning of antisystemic movements according to the world-systems approach. As indicated above, social and political uprisings necessitates the collective action by drawing the whole society together for one purpose which consists of structural transformation in order to construct an alternative society. In this regard, antisystemic social movements purport to be organized and to resist against fundamental inequalities in the existing system that is based on the capital-labor and core-periphery (Wallerstein, 1991: 57). In general, the world systems approach claims that organizational emergence of antisystemic movements contains cyclical shifts in the world system. When the downward mobility occurs and terminal crisis of any hegemony begins in the world system, strict regulations take place that led systemic crisis (Wallerstein, 2014: 161, Arrighi, 2010: 308).

Following this, I discussed the emergence of antisystemic social movements in the capitalist world economy. The cyclical nature of the capitalist world system historically started to experience during the nineteenth and the beginning of the twentieth centuries, however, the vertical expansion of antisystemic movements failed to pursue their preliminary objective. The failure of vertical expansion of traditional antisystemic movements and post-war order ceased the widespread of antisystemic movements in the twentieth century. However, by the 1960s, the excessive expansion in the economy has demonstrated its destructive side economically and some regulations had been arranged in order to take control of this surplus in production because this would not bring the development and sustainability (Chase-Dunn, 1999: 193). As indicated in previous sections, the antisystematic aspect of the social movements has become questionable because of the failure of the classical movements' unsuccessful attempts to change the system and collapse the self-perpetuating power and its manipulative mechanisms of the capitalist system.

Then, in the transition of antisystemic movements, I considered the breakthrough developments of the twentieth century and contemporary world, which includes neoliberal transition of capitalism with the help of globalization in the modern world system. Therefore, the following generation of the antisystemic social movements reflects the economic policies of the period such as neoliberal regulations

and the economic globalization. It is because those alterations are the concrete determinants that cause to increase the economic interdependency. Through this, living standards decreased and societies became vulnerable to exploitation. These regulations over expansion have harshly influenced the vested rights of the workers and living standards in general. In addition to this, like a domino effect, the unexpected events in politics and in economics have occurred in world politics, such as the collapse of the Bretton Woods system and the US intervention on the Vietnam, so resistance against the existing system has become inevitable.

In this context, free market regulations imposed towards Third World countries in the name of Washington Consensus at the end of twentieth century. This structural adjustment program involves reducing export prices, opening borders to free trade, increasing debt in order to reconstruct developing economies, and financialization of the highly intensified market economy. In this privatized, deregulated market, role of international monetary institutions such as IMF has increased in order to provide debt for developing countries for structural transformation. (Shefner et al., 2015: 462). Thus, transnational corporations and organizations have significant role in maximizing accumulation and maintaining dependency (Subramaniam, 2014: 4).

Furthermore, the collective movements at the mid-twentieth century have resonated with most of regions in the world by engaging with the masses and other movements (della Porta and Diani, 2006a: 20-22). This shift has mainly contributed to the transformation of the traditional understanding on the systemic changes and the emergence of the new social movements. In this sense, at the end of twentieth century, scholars on world systems approach pointed out that there are some substantial ways for the social movements to meet the expectations and provide place for the systemic changes. As addressed in the previous sections, the combination of the old and new social movement strategies could interoperate (Wallerstein, 1990: 50-52).

Therefore, such external restrictions explain the antisystemic movements in Third World, especially in Latin American countries. Positioning in the world system as periphery denotes that the distribution of surplus value from peripheries to the

core demonstrates hegemonic interference of the core over peripheries (Shefner et al., 2015: 463+ 467). For world systems approach, unpaid debts, increasing financial flows from developing countries and uncertainty in the market affect Third World acutely. In this context, the following chapter focuses on the case study that the implementation of the neoliberal transition of capitalist world economy over the antisystemic movements. Therefore, the case study examines the Unemployed Workers' Movements in Argentina.



## **CHAPTER THREE**

### **ANTISYSTEMIC SOCIAL MOVEMENTS AS A CONSEQUENCE OF NEOLIBERAL STRUCTURAL ADJUSTMENTS IN ARGENTINA**

#### **3.1 INTRODUCTION**

Up to this point, in theory, I attempted to demonstrate the consequential effect of neoliberal conjuncture towards peripheries on the basis of the world systems approach. To this extent, I addressed the process of accumulation in the modern world economy and transformation of these processes under certain cycles and trends. Therefore, world systems analysts indicate that the crisis of Keynesian accumulation of capital led the core to alter the world capitalist economy (Arrighi, 2010: 307-308). In this context, neoliberal implementation, with the help of limitless aspect of globalization as a cyclical trend in the world system, emerged as the safeguard for the persistence of the system after the 1980s (Chase-Dunn and Roberts, 2012: 265). This new trend triggered uneven development among peripheries by ‘pauperization’ as form of exploitation of capitalism (Amin, 2010b: 263). In addition, since 1980s, the severe enforcements of corporate-led and monopolized powers over peripheries have become irreversible (Amin, 2013: 49). Hence, as the world systems approach argues that the contemporary tendency of neoliberal restructuring of capitalism and intervention of the financial institutions in national economies create chaotic consequences in the peripheries in the world economy.

As indicated in Chapter 2, the inevitable result of such deterioration and bifurcation in the world economy has unveiled the emergence of antisystemic movements. For instance, as I detail in this chapter, the unequal implementations of the structural adjustment programs of the 1980s and 1990s were crushed by the immense economic crisis in Argentina, then consequentially, the imminent occurrence of the Unemployed Workers’ Movements in Argentina.

Therefore, I assess in this chapter how neoliberal transition in Argentina became influential in the emergence of Unemployed Workers' Movements/ Piqueteros within the framework of the world systems approach. As a periphery in the world system, Argentina is one of the most crucial countries in terms of its rebellious tendency as part of this country's heritage. The research question in this chapter inquires how did neoliberal structural adjustment programs strike the Argentine economy, and then how did Argentine society react? To address the research question what I argue is as follows: The uneven development and social inequalities of neoliberal policies in Argentina triggered the spread of antisystemic movements as a result of the destructive tendency of the financial expansion of the US hegemony.

It is important to point out that Argentina is a typical peripheral state in the capitalist world economy in the sense that it has applied the neoliberal implementations and regulations substantially. This transition of economic and political changes contributes to the main argument of the world system approach's bifurcation point as indicated in Chapter 1. In this sense, the Piqueteros/ Unemployed Workers' Movement in Argentina has been an immediate reaction to the systemic deterioration of the industrialized urban workforce.

In order to evaluate this, I address the historical background of Argentine economics. In this section, after a brief introduction of general economic activities in the first section, I indicate the industries of the country. Then, in the second section, containing two sub-sections: first, the structural development of Keynesian economy world economy and its reflection in Argentina and second, with the collapse of Keynesianism, the evolution of neoliberalism in the world system and its response in Argentina within the light of the world-systems approach. These sub-sections are directly related to the contemporary cycle of accumulation under the US hegemony and these are the US hegemony's way of protection from a terminal crisis. To explain the impact of these two contemporary accumulation models on Argentina, I utilize five important macroeconomic indicators: GDP (gross domestic product) per capita, inflation rates, unemployment rates, current account balance, and balance of trade. These indicators are important because they demonstrate the focal point of

deterioration of Argentine economy and triggering points that paved the way for the social unrests in Argentina.

In turn, the third section indicates that the contemporary structure of the Argentine economy, which has pursued its dependency on the world economy in every government and macroeconomic deterioration because of neoliberal globalization, has destroyed the national economy and political will in Argentine society. Increasing unemployment rates, hyperinflation, and deficiency in trade balance collapsed Argentine economy in 2001. Subsequently, 'Unemployed Workers' Movement/ Piqueteros' emerged as a consequence of internal contradiction of neoliberal globalization. As the fundamental point of this chapter, I illustrate the emergence and development of this movement from the perspective of the world-systems approach. Then, this section follows the outcomes and the current situation of the movement under the Pink Tide period of Argentina. Therefore, the first section contends the economic background of Argentine economy.

## **3.2 PIQUETEROS: UNEMPLOYED WORKERS' MOVEMENT IN ARGENTINA**

### **3.2.1 Overview of Argentine Economy**

To begin with, having colonized for a long time, Argentina gained its national independence in the midst of the nineteenth century. Therefore, Argentine economy has evolved as a main provider of raw materials towards core regions. These raw materials have limited to agricultural products, livestock, and infrastructure industry. As Keen and Haynes indicate

*'Nation's prosperity depended on its ability to export huge amounts of agricultural commodities, to import the manufactured goods it required,*

*and to attract a steady stream of large-scale foreign investment' (Keen and Haynes, 2009: 357).*

Therefore, in terms of foreign investment Argentina's dependency has been primarily based on the infrastructure, energy, telecommunications, and transportation sectors. This caused the expansion of foreign control deeply in Argentina (Keen and Haynes, 2009: 358).

As an independent nation state, Argentina's first elected president was Baltimore Mitre in 1850 (Keen and Haynes, 2009: 209). The elected government took significant economic and political measures, which in turn demonstrated the growing power of the government at national level. For instance, the government founded nationalized customhouse, constructed railways and telegraph lines that helped deepening the power of military within the country (Keen and Haynes, 2009: 208-209; Conde, 2009: 15-16). In addition, during this period, with the help of reduction in imports and of rise in transportation and industry, Argentine economy faced an expansion that was mainly based on the foreign capital (Conde, 2009: 16; Keen and Haynes, 2009: 252). In this environment, government sought to test convertibility of currency, which resulted as an immense failure. Subsequently, the reliability of the country's economy decreased and capital flow became unstable. Thus, the increase in inflation, the decline in real value of wages, destruction in stock markets and doubling bankruptcies created the financial crisis of 1890 (Conde, 2009: 17; Keen and Haynes, 2009: 253-254).

In the wake of such a financial crisis, thanks to the recovery period of last decade in the nineteenth century, Argentine economy also started arousing the attention of foreign capital at the beginning of the twentieth century (Conde, 2009: 17). With the recovery, there became a strong and politically stable country that could be able to be a party of developed nations with the growth of GDP per capita and with the considerable boom in farming and livestock exports (Keen and Haynes, 2009: 356; World Finance, 2016). At this point, Conde indicates that there were two major reasons in the expansion of Argentine economy during the first decade of the twentieth century. The first was a fixed exchange rate, and the second was technological innovation. These two, therefore, paved the way for a sustainable

environment to invest for foreign investors in several sectors such as transportation, construction and industry (Conde, 2009: 17-20). However, following decades demonstrated that there were deeply consequential measures, which caused the stagnation and the downward in the Argentine economy. During the First World War, because of Argentine economy's dependence on the foreign market strictly, the country encountered the import and export shock. Thus, the value of currency dropped drastically, which resulted in economic and financial inconsistency in the economy (Conde, 2009: 42-45; Reuters, 2014).

Then, aftermath of the war, the demand from the postwar nations re-boosted the Argentine economy as a supplier of raw material and primary foods (Conde, 2009: 56). Because Argentina was not party of any group in the war, this created a smooth conditions for the foreign investors. Hence, the economy in Argentina gained its momentum after 1924. Depending on this, construction grew 32.5 percent and the industry increased 4.8 percent annually (Conde, 2009: 55). Unfortunately, Argentina suffered from the global economic crisis of 1930 during the next decade. Argentine government responded this crisis by engaging with the industrial developed countries intensely, i.e. the country retained the access of British market (Skidmore and Smith, 2005: 52). However, as the acute influence of the crisis, export demands and export prices reduced dramatically, which accounted for nearly 41 percent (Conde, 2009: 116). Moreover, agricultural production decreased by 42 percent, the shortage accounted for 27 percent in construction sector (Conde, 2009: 117). Thus, high inflation rates and unemployment pursued as the primary problems in the country (Keen and Haynes, 2009: 357- 358).

Under these circumstances, in order to recover the economy, the preliminary attempt of the government was to pay foreign debt back. However, when the government decided to leave gold standard and to devalue peso, the repayment of foreign debt became over costing (Conde, 2009: 86; Conde 2009: 99). Even though the overall economy felt down considerably, trade relations with the Allied countries during the Second World War enlarged the Argentine economy. For instance, balance of trade was positive for the first time after a long time an export prices swelled by 39.8 percent (Conde, 2009: 111; Conde, 2009: 117). However, these

slight improvements did not protect the Argentine economy from capital shortage and protectionist measures of postwar world economy (Conde, 2009: 111; Keen and Haynes, 2009: 360). As a result, the country's exports declined by 40 percent, foreign investment ceased, and unemployment increased tremendously, which worsened social discontent in the country (Keen and Haynes, 2009: 365; Keen and Haynes, 2009: 367-368).

The export dependency and foreign influence have paved the way for vulnerability in international market activities (Keen and Haynes, 2009: 358). Moreover, increasing foreign investment has caused economic difficulties because the more a country depends on exports, the higher interests payments on foreign debt have become. Furthermore, since imports have been exceedingly higher than exports, deficits in trade, which subsequently have revealed the balance of payment problems, have been another negative aspect of the Argentine economy (Keen and Haynes, 2009: 357). Likewise, these immense dependencies on exports and foreign investments for money flow in the country have prompted income inequalities because the share of exports profits have distributed within the country (Keen and Haynes, 2009: 358).

These unequal interactions and interdependence of Argentina have reached their peak during the US material expansion aftermath of the Second World War. However, when the world economy began to reach its limits and the US hegemony launched the financial expansion period, the signal crisis of the world economy were also strikingly influential on the Argentine economy because of its deep vulnerability on foreign market, which in turn destroyed macroeconomic conditions in the country due to the contemporary explosion of neoliberal globalization. Thus, under these circumstances, the following section concentrates on the world economy since 1945 in general, and then focuses on the economic structure of Argentina.

### **3.2.2 The Argentine Economy vis-à-vis The World Economy since 1945**

#### **3.2.2.1 Postwar Expansion in the World Economy**

The end of the Second World War demonstrated that the US hegemony became the leading power of contemporary phase of capitalist development. The structural characteristics of this period have evolved around the implementation of Keynesian/Fordist production process in connection with the Bretton Woods monetary system. This model of development was based on the system of mass production under centralized mode of regulations with the fixed dollar-gold exchange rate (Amin, 1997: 47; Arrighi, 2010: 287; Lipietz, 2001: 18).

Correspondingly, during material expansion of the US hegemony, the Marshall Plan promoted monetary aid for the Eurasian recovery (Wallerstein, 1996: 210). Therefore, the world economy has engaged in massive and constant industrial production and industrialization of production. During 1950s and 1960s, this led the emergence of 'bureaucratically- managed corporations' of the US on a world scale (Arrighi and Silver, 2001: 262; Wallerstein, 1996: 210).

While Keynesian/ Fordist economy has dominated the core, developmentalism has prevailed in peripheries during the postwar. Wallerstein points out that because the industrial expansion in core has boomed this period, the expansion of the primary products has become inevitable (Wallerstein, 1996: 211). Thus, the model of development has rested on the import-substitution industrialization, which depended on the flows of loan money and technological materials. In this, Frank highlights that

*'The import-substituting countries pursued two policies in an attempt to maintain this process. One was to get financed by international agencies like the World Bank and by government such as US through AID. The other was to welcome the multinational or transnational corporations*

*that sought to invest there to produce for the national and in some cases for regional market in the South' (Frank, 1984: 92).*

Likewise in Argentina, the governance during the postwar economy pursued with the Perón government. When Perón came into power, his government enforced the state-led corporatist economic structure under the name of 'Peronism' (World Finance, 2016b). Therefore, the driving force of this period was to emphasize on the national economic development under the Five Years Program (Almeida, 2006: 21; World Finance, 2016b). For instance, the nationalization of railroads and public utilities, and the foundation of state-owned companies attempted in order to provide a consistent growth (Keen and Haynes, 2009: 370; World Finance, 2016a). Thus, the populist governance between 1946 and 1948, the positive indicators in trade balance attracted investors, rose living conditions, and expanded the economy with the limited foreign influence (Conde, 2009: 185; Almeida, 2006:21).

In addition, with the expansion of exports, there emerged a surplus in balance of payment, increase in real wages and trustworthy place for investments (Keen and Haynes, 2009: 370; Conde, 2009: 125). Thus, as the main purpose of the developmentalism in peripheries, in Argentina the populist government between 1946 and 1948, the positive indicators in trade balance attracted investors, improved living conditions (Conde, 2009: 185; Almeida, 2006:21).

Moreover, Peron sought to establish a relationship between urban proletariat by enhancing and fulfilling their rights and demands (Almeida, 2006: 21; Keen and Haynes, 2009: 369). In line with this, Peron's government pursued 'an equal pay for equal work in textile industry', which increased wages of industrial workers up to 20 percent (Keen and Haynes, 2009: 369-370). In addition to that, the government persist full employment with the help of the customs tariffs, restrictions on imports by overvaluing the peso (Conde, 2009: 125). Therefore, Peron saw the coalition of multiclass, urban workers as his primary political ally during his term of office (Skidmore and Smith, 2005: 55).

Furthermore, although Argentina pursued ISI strategies until the mid-1970s with approximately 4.4 percent of GDP growth on the average, because of the decline in European demand of Argentine agricultural products created balance of

payment problems (Conde, 2009: 126; Keen and Haynes, 2009: 370; Stanley 2018: 89). In order to overcome this problem, Perón's second cabinet implemented the Second Five Years Program (Keen and Haynes, 2009: 371).

Although these attempts have provided a little improvement in the economy by 1954, this situation did not last very long. The capital-intensive investment of foreign investors, inconclusive solutions in the economy, and serious problems in infrastructure such as transportation and electricity affected the Argentine economy rigorously (Keen and Haynes, 2009: 373). The increasing unemployment, the rise in the public debt up to 100.052 pesos, the drop in the real wages became the inevitable reasons for Peron's exile by military (Conde, 2009: 178; Reuters, 2014).

### **3.2.2.2 Neoliberal Globalization since the 1980s**

Correspondingly, in the world system, the extensive growth of US hegemony reversed during the late 1960s. The preliminary determinant was the crisis of profitability. As Arrighi points out that 'the incumbent and rising centers of capital accumulation rapid economic growth, low levels of unemployment and the actual spread of high mass production' had proved the limits of the world economy (Arrighi, 2003: 60). Likewise, the OPEC oil crisis of 1973 and the defeat of the US in the Vietnam War triggered the profitability crisis in the world economy (Arrighi, 2003: 64).

The acute consequences of the war paved the way for the abandonment of fixed exchange rates of dollar-gold standard, and the collapse of the Bretton Woods System (Arrighi, 2003: 42; Amin, 2011: 22). In parallel to this, because of the end of Eurasian postwar recovery, 'the growth rates of output and productivity between the US and its rivals in the world economy' have increased the international rivalry on a world scale (Frank, 1984: 72). The rise in competitiveness has introduced the boom in the Eurocurrency and the expansion of other external markets (Arrighi, 2003: 62; Chase-Dunn, 1999: 197). Thus, the fixed exchange rates system had transformed into flexible exchange rates in the contemporary capitalist world economy.

Thus, the demise of Keynesianism in resolving the recession of the US hegemony, increasing transnational trade relations, the Asian involvement in the capitalist economy and the collapse of the Soviet Union imposed the US hegemony on introducing a new form of accumulation in the world economy. Therefore, the second wave of the accumulation process during the financial expansion of the US has constituted neoliberal globalization under the control of flexible exchange rates. The Reagan/Thatcher governments initially had promoted this new strategy of accumulation as an escape from the downfall existing world system.

In general, neoliberalism was founded as a new process of accumulation on a world scale under the flexible exchange rates by ensuring free market principles (Petras and Veltmeyer, 2007: 29). Regarding peripheries of Latin America, this new model of accumulation prevailed to the continent during Pinochet government in Chile. Then, the debt crisis of these countries have obliged Latin American countries to enter the neoliberal structural programs into force. In this sense, Petras and Veltmeyer express that

*‘... [A]ll adjuncts of US imperial state formulated a program of policy reforms designed to open up the economies of the developing world to the forces of economic freedom, to integrate these societies and economies into the world order’ (Petras and Veltmeyer, 2007: 32).*

These market principles of neoliberal structural programs have constituted numerous methods under the Washington Consensus: currency devaluation, market determination of interest rates, competitive exchange rates, trade liberalization including FDI inflow, promotion of privatization, decentralization and deregulation of national economies (Petras and Veltmeyer, 2007: 32; Wallerstein, 2006: 86). As addressed in Chapter 1, these regulations were introduced and monitored by international trade organizations, mainly the IMF and the World Bank.

Moreover, neoliberal globalization has transformed the mode of production transnationally thanks to the increasing size and significance of the transnational and multinational corporations. Therefore, transnationalization of capital has accelerated the monopolization of capitalism with ‘generalized oligopolies’ (Chase-Dunn, 1998:

71-74; Amin, 2011:23). This transnationalization also began to undermine the effectiveness of nation states severely (Chase-Dunn, 1998: 75).

In Argentina during the 1970s, the military junta had taken over power from the government. Within this environment, in order to suppress the social discontent because of the chronic macroeconomic problems, the military declared a coup d'état in the country (Stanley, 2018: 89). During this period, in politics, the government proclaimed a 'Dirty War' to control the society by imposing severe enforcements against the opponents of military administration (Almeida, 2006: 21; Keen and Haynes, 2009: 512). In term of economics, in order to cope with balance of payment crisis and external debt in Argentina the military government signed an agreement with IMF, which forced the government to promulgate a liberalization package. In 1976, government allowed the intervention in fundamental macroeconomic rules and regulations by imposing a floating exchange rate regime, deregulating export taxes, diminishing import duties and excluding the limitations on payments and transfers (Conde, 2009: 257; Stanley, 2018: 89). Thus, 'new conditions reversed in the flow of capital, as a significant amount entered from abroad, including many Argentinean's savings' (Conde, 2009: 257).

Since the international market dependency has been excessively immense in Argentina, the subsequent military government and the IMF also signed for a recovery package during the economic recession of 1978. This bailout mostly adversely affected the annual rate of inflation, which leaped up to 500 percent (Conde, 2009: 266; Keen and Haynes, 2009: 512). Moreover, the debt of entrepreneurs within the country raised because of the high interest rates and the increased inflation rates. Therefore, the entrepreneurs inflicted their debt on the banks which created enormous monetary problems and caused the banking crisis of 1980-1981 (Conde, 2009: 267-268). The debt crisis of 1980-1981 paved the way for demolishing the stabilizing program and resignation the military government.

Since neoliberal globalization needs a democratic environment in order to pursue its existence, the trend for military junta had diminished and the process of democratization was promoted throughout the continent. Therefore, in Argentina, with the democratic election of 1983, President Alfonsín became the second democratically elected president since Perón's election in 1943. The preliminary

objective of Alfonsín presidency was to overcome the high inflation rates in the economy as indicated Table 1, because it jumped 626.7 percent in 1984 and the inflation rates burst during 1990s sharply (Keen and Haynes, 2009: 513; Conde, 2009: 275). Thus, both to convince the IMF to give new loans and to solve inflationary problems, the Alfonsín government established a new monetary program, which was called the ‘Austral Plan’ (Almeida, 2006: 21; Conde, 2009: 274). This plan constituted the equation of 80 cents of austral peso to \$1 dollar. By this way, government planned to manage wage and prices, devaluation of peso, and to obtain IMF’s monetary subsidization (Keen and Haynes, 2009: 513; Conde, 2009: 277).

<b>Table1: Inflation Rates in Argentina (% , annual)</b>			
Year	Inflation Rate	Year	Inflation Rate
1960	27.3	1987	131.3
1961	13.4	1988	343.0
1962	28.3	1989	3,079.8
1963	23.9	1990	2,314.0
1964	22.2	1991	171.7
1965	28.6	1992	24.9
1966	31.9	1993	10.6
1967	29.2	1994	4.2
1968	16.2	1995	3.4
1969	7.6	1996	0.2
1970	13.6	1997	0.5
1971	34.7	1998	0.9
1972	58.4	1999	-1.2
1973	61.2	2000	-0.9
1974	23.5	2001	-1.1
1975	182.9	2002	25.9
1976	444.0	2003	13.4

1977	176.0	2004	4.4
1978	175.5	2005	9.6
1979	159.5	2006	10.9
1980	100.8	2007	8.8
1981	104.5	2008	8.6
1982	164.8	2009	6.3
1983	343.8	2010	10.8
1984	626.7	2011	9.5
1985	672.2	2012	10.0
1986	90.1	2013	10.6

Source: World Bank, (11.06.2019).

The following government, under Menem's presidency between 1989 and 1999, implemented strict neoliberal regulations even though he pursued anti-neoliberalist discourse during the election campaigns. These neoliberal regulations have conveyed the denationalization, deregulations, and market intervention over monetary reforms (Almeida, 2006: 21-22; Keen and Haynes, 2009: 529).

In the beginning, Menem's government primarily entered the Convertibility Program of 1991 into the force, which means that one peso would be fixed into one dollar (Dinerstein, 2001: 170; Stanley, 2018: 90; World Finance, 2016b). The aim of this dollarization process was to demolish hyperinflation by devaluating money, and subsequently, to facilitate a stable economy and promote foreign investment (Almeida, 2006: 22; Dinerstein, 2001: 170; Stanley, 2018: 90). As Stanley indicates, Menem's presidency enforced an immense procedure on denationalization and deregulation in the economy in order to reduce tariffs and other barriers in trade (Stanley, 2018: 90).

Correspondingly, the intense intervention of neoliberal regulations such as currency convertibility and abolishment of trade restrictions affected the trade balance and current account in Argentina. However, the pegging of exchange rates and export dependency of the country resulted in the decline of competitiveness of the Argentine economy in the world market. In the Table 2, the trade imbalance

ranked as -\$829 million dollars in 1999 because the floating in exports and imports prompted an excessive gap (Nataraj and Sahoo, 2003: 1641).

<b>Table 2: Balance of Trade, Exports and Imports (\$ US)</b>		
Year	Exports (\$ US)	Imports (\$ US)
1980	3.896 billion	4.99 billion
1983	9.516 billion	6.068 billion
1985	10.377 billion	5. 547 billion
1989	10.008 billion	5.042 billion
1991	11.97 billion	8.28 billion
1992	12.24 billion	14.87 billion
1993	13.12 billion	18.76 billion
1994	15.84 billion	21.53 billion
1995	20.83 billion	19.91 billion
1996	24.04 billion	22.28 billion
1997	26.43 billion	28.55 billion
1998	26.44 billion	29.56 billion
1999	23.33 billion	24.11 billion
2000	26.25 billion	24.01 billion
2001	26.61 billion	19.19 billion
2002	27.73 billion	13.06 billion
2003	33.38 billion	18.77 billion
2004	39.26 billion	27.73 billion
2005	46.19 billion	34.39 billion
2006	53.55 billion	40.48 billion
2007	65.16 billion	52.56 billion
2008	79.76 billion	66.31 billion
2009	65.13 billion	48.26 billion
2010	80.20 billion	67.93 billion
2011	97.81 billion	88.83 billion
2012	88.65 billion	78.01 billion

2013	80.69 billion	81.24 billion
2014	75.81 billion	73.69 billion
2015	63.67 billion	70.06 billion
2016	69.82 billion	75.11 billion
2017	71.27 billion	88.21 billion

Source: World Development Indicator, World Bank; Economist Intelligence Unit Country Report for Argentina, (25.03.2019).

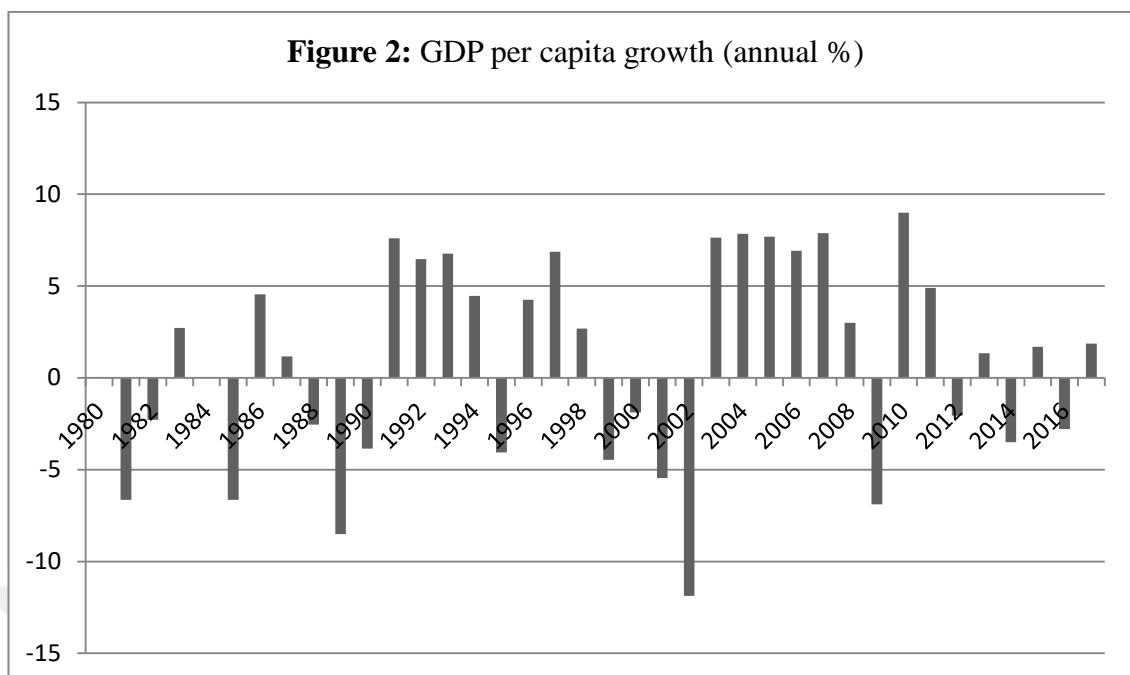
Moreover, the government held enormous initiatives in terms of its privatization process in order to provide for money flows (Stanley, 2018: 91; Petras, 2003: 2255). During the 1990s, the Menem administration immediately privatized more than ninety state-owned enterprises but privatization of ‘Entel’, ‘Aerolineas Argentinas’ and ‘Yacimientos Petrolíferos Fiscales’, which were three most profitable companies in three different sectors had a shock effect on the Argentine economy (Almeida, 2006: 22; Keen and Haynes, 2009: 529; ). As a result, Argentina became primary exporters in telecommunication, airlines technologies, and oil and gas.

Contrary to expectations, this neoliberal domination had a negative influence on the macroeconomic indicators in the country. These regulations worsened social conditions. Deterioration in living standards, privatization of local entities, perpetual increase in foreign debt, fluctuations in capital flows and hyper-urbanization subsequently provoked unemployment with low wages (Almeida, 2006: 3). For instance, there emerged an intensive rise in the unemployment and poverty rates. In 1995, the unemployment rates boomed from 13.1 percent to 17.4 percent and the poverty line was 20 percent in 1993 (Keen and Haynes, 2009: 530). Furthermore, the unemployment was recorded at more than 15 percent, and wages decreased by 65 percent during the de la Rúa presidency (Nataraj and Sahoo, 2003: 1644; Petras, 2003: 2255). As figure 1 illustrates, the unemployment rate peaked at 20 percent at the beginning of the new millennium.



Source: World Development Indicator (ILO estimate), World Bank, (18.10.2018).

The Argentine economy fell by 3 percent annually and GDP fell below zero at the end of 1990s (Keen and Haynes, 2009: 531; Nataraj and Sahoo, 2003: 1641; Stanley, 2018: 91). Because of the loss of established and stable fiscal and monetary policies, GDP per capita in Argentina became fluctuating. The more neoliberal policies expanded severely, the worse the economic activities floated, and reached approximately -5.95 percent annually (Figure2).



Source: World Development Indicators, World Bank, (15.10.2018).

In addition, regarding trade relations in the economy, traditional exports dependency of the Argentine economy and lack of competitiveness because of the overvalued exchange rates resulted in inconsistency in trade, which in turn caused deficiency in current account balance as -829\$ million dollars in 1999 (Nataraj and Sahoo, 2003: 1641-1642). This adverse situation doubled with the excessive amount of foreign debt, which created almost irreversible current account deficit in the economy. As in Table 3, the amount of deficit accounted for below zero for a long period.

<b>Table 3: Current Account Balance (Billion \$US)</b>	
Year	Current Account Balance (Billion \$ US)
1989	-1.3
1990	4.5
1991	-647 million
1994	-10.9
1995	-5.1
1997	-12.1

1998	-14.4
1999	-11.9
2000	-8.9
2001	-3.7
2002	8.7
2003	8.1
2004	3.2
2005	5.2
2006	6.4
2007	6.04
2008	5.4
2009	7.2
2010	-1.6
2011	-5.3
2012	-2.1
2013	-13.1
2014	-9.1
2015	-17.6
2016	-14.6
2017	-31.3

Source: World Economic Outlook Database, International Monetary Fund, (25.03.2019).

Thus, these conditions paved the way for intensive economic collapse and depreciation, which also contributed to the emergence of the massive social movement of the century for Argentina.

### **3.2.3 Piqueteros: Unemployed Workers' Movements in Argentina**

On a global basis, as indicated in the Chapter 1, the accumulation strategies of neoliberal globalization have begun to exceed its limits since the end of 1990s. As a consequence of financial expansion of the US hegemony, the enforcement of structural adjustments programs have triggered social problems such as increasing inequalities among regions, high rates of unemployment and excessive urbanization in periphery. Thus, this generalized bifurcation of the world system led the emergence of the new 'Global Left', which has arisen from the idea of resistance against the existing inequalities of contemporary capitalist world economy. As addressed in Chapter 2, according to world systems analysts, this new way of resistance involves both the heritage of old movements and contemporary dynamics of new social movements. Therefore, Chase-Dunn expresses that

*'The New Global Left contains remnants and reconfigured elements of earlier Global Lefts, but it is a qualitatively different constellation of forces because: (1) there are new elements; (2) the old movements have been reshaped; and (3) a new technology is being used to mobilize protests in real time and to try to resolve North/ South issues within movements and contradictions among movements' (Chase-Dunn, 2012: 271).*

#### **3.2.3.1 Unemployed Workers' Movement**

The history of organized strikes and upsurges in Argentina traces back to the nineteenth century when Wars of Independence began within the country (Skidmore and Smith, 2005: 69). The following strike waves of Argentina emerged between 1918 and 1919 because of the reduced purchasing power of workers in response to global economic degradation. However, these general strikes held by syndicalists,

were suppressed by the Argentine Patriotic League and the upsurges have reduced for a while (Skidmore and Smith, 2005: 81).

Until Peron's presidency, the corporatist vision has dominated the socioeconomic sphere in Argentina. Because the preliminary target of Peron was the support of urban workers, which constitutes the majority of the sociopolitical life in Argentina, Peron has systematically encouraged strikes against the government until the government decided on standby in favor of labors (Skidmore and Smith, 2005: 86). Therefore, Peron has tightly gained the labors' support and implemented nationalist regulations as indicated above. After the Peronist era, the most striking deterioration in social life has begun with the military government's implication of IMF-styled shock therapy. In this period, urban workers organized general strikes against Frondizi government in April, May and September in 1959, and there was railway strike in November, thus Frondizi agreed on an arrangement with urban labors and nationalist left in the country (Skidmore and Smith, 2005: 92).

The worldwide transformation of antisystemic movements has reflected in Argentina in the environment of socioeconomic challenges of military junta. The guerilla movement in this period was subjected to abolish the government and establish a revolutionary socialist regime. Therefore, they organized many antigovernment protests and labor strike action (Skidmore and Smith, 2005: 95). However, these were repressed by military government, called 'Dirty War' (Skidmore and Smith, 2005; Keen and Haynes, 2009).

The origins of contemporary urban unemployment movements trace back to the SAP particularly in the late 1990s. Primarily, the privatization of national companies triggered a strike movement by telephone workers in September in the mid-1994 (Skidmore and Smith, 2005: 104-105). At the end of twentieth century, the deterioration in living conditions and passivization of the government under the obligations of the structural adjustments have demonstrated that deepening of economic downfall in urban industries paved the way for the economic collapse and a massive unemployed movement in 2001. In general, this wave of movement constitutes urban areas where the influence of industrial privatization processes and

underemployment has expanded (Petras, 2001: 4235; Dinerstein, 2001: 177). According to Petras,

*'... the absence of stable employment, declining living standards, growing social discontent, increasing violent outbursts and the enormous growth of illicit economic activities emanating from the barrios called into question the idyllic picture painted by mainstream ideologues of self-help' (Petras, 2001: 4265).*

Since the economic crisis became worse during de la Rúa presidency's extensive neoliberal policies, the collectivity of protests against the structural adjustment program have expanded its effect at national level. (Dinerstein, 2001: 172; Buckstein, 2008: 123).

The 'piqueteros' has emerged in this environment as

*'.. the main contentious actor in the resistance to consequences of neoliberalism and the struggle for reincorporation of popular sectors into Argentina's political arena' (Rossi, 2013: 929).*

The term piquetero derives from their contentious repertoire as picketing and/or blocking the main highways in Argentina in order to express their actual goal, which was to abolish the destructive effects of neoliberal globalization in the country (Petras, 2001: 4266; Rossi, 2013:929; Rossi, 2015: 117). The original participants of the movement includes unemployed urban workforce and labors in informal economy in the country (Birss, 2005). Like an umbrella organization, MTD gathered different political ideologies, sectors, and workers' groups under the unemployed workers' label. This means that MTD aimed to become a popular organization collectively for all (Buckstein, 2008: 127).

Many social movements organization during this period were established by piqueteros such as the Movimientos Trabajadores Desocupados (MTD), the Corriente Clasista y Combativa (CCC), the Federación de Trabajadores por la Tierra, Vivienda y Hábitat (FTV) as the main groups of piqueteros since the very beginning (Buckstein, 2008: 124; Rossi, 2013: 929). The Unemployed Workers' Movement (Movimientos Trabajadores Desocupados) has been the leading movement under the head of the piqueteros. The MTD has utilized their protest tactics by picking and

blocking the main roads and highways in Argentina (Buckstein, 2008: 137). They use this contentious repertoire via direct action for fulfilling their demands on disposing of neoliberal enforcements (Petras, 2001: 4268).

In addition, MTD is an independent movement with no leadership status, which, therefore, pursues horizontal organizational structure in general (Dinerstein, 2001: 173). Moreover, decision-making within the MTD is based on the 'direct representation model' (Petras, 2001: 4266). Therefore, the decision-making process constitutes democratic and open-ended structure from below up under independent assemblies (Buckstein, 2008: 128). Furthermore, the claims and purposes of the MTD involve clear-cut demands. For instance, the preliminary attempt of the movement is to diminish unemployment for urban areas caused by neoliberal regulations that include structural adjustment programs, austerity plans, etc. (Rossi, 2013:1; Petras, 2001:4267). In a similar vein, the general demands of the unemployed workers concentrate on 'state-funded jobs, redistribution of food parcels, freedom for jailed unemployed militants and hosting public investment in water, paved roads and health facilities' (Petras, 2001: 4268).

In 2001- 2002 period, the Assembly of piqueteros organized these strikes for resistance of the MTD. The most impressive protests during this period were twenty-four, forty-eight and thirty-six hours of national highway blockages, in which piqueteros gathered hundreds of thousands people from different social, political and religious group in order to voice their demands and gain the support nationwide (Buckstein, 2008: 128). Here, the main demand of unemployed workers was demolish austerity programs and debt repayment for the IMF by provoking nationalized economic development (Petras, 2001: 4268).

*'The 'nationalization' of the roadblock hitherto provincial or local marked a qualitative shift in the politics of resistance. The movement of the unemployed demanded at a national level the non-payment of the external debt on the basis that it was illegal and immoral, the re-nationalization of banks and former state-owned companies and the opposition to any further economic adjustment.'* (Dinerstein, 2001: 173)

In this context, the preliminary examples of picketing events of the unemployed workers inaugurated in Cutral Company and Plaza Huincul on June 20 and June 26, 1996 and April 1997 as well (Petras, 2001: 4266). After the economic collapse of 2001, unemployed protestors of the MTD organized nationwide strikes by collaborating with different groups and organizations within the country. During these blockages, by rallying more than one million people in the highways blockings, Piqueteros gained public recognition to their grievances (Petras, 2001: 4266-4267; Dinerstein, 2001: 172-173).

In line with this, there increased a sense of interclass solidarity among different groups and organizations under unemployed workers, which in turn, paved the way for the establishment of communities for local needs and demands. For instance, piqueteros launched cooperatives, soup kitchens, community gardens and new model for equal payment for all (Fiorentini, 2012). This meant that democracy and solidarity in socioeconomic sphere in favor of unemployed employees dominated the very nature of the movement (Fiorentini, 2012).

These expectations of urban middle class origin piqueteros increased awareness of the destructive effect of neoliberal regulations. They continued the protests whenever and/or wherever poverty and unemployment had had destructive consequences. Therefore, the 'unemployed workers' movement as a social movement had introduced a new tactic, piquete, whose very publicity, disruptive effect and organizational bases allow workers and the unemployed to channel their rights claims into the broader public arena' (Buckstein, 2008: 129).

### **3.2.3.2 Pink Tide and Unemployed Workers' Movement**

The overall resistance against neoliberalism in Latin America has increased a new wave of governance. The influences of social movements' organization on the politics and demand for diminishing structural adjustment plans have increased the number of leftist-populist government throughout the continent. The 'Pink Tide' has constituted the period of leftist governments in Latin America (Chase-Dunn and

Roberts, 2012: 271-2). Their motto of governance was to fight against the privatization and corruption (Chase-Dunn and Roberts, 2012: 273).

In Argentina, the Pink Tide years inaugurated with the election of Néstor Kirchner in 2003. The President Kirchner's government pursued anti-neoliberal discourse, provided a new economic plan, which doubled with the end of Convertibility Plan in 2002 (Undurraga, 2015: 26). During Kirchner's presidency, the intensification of the unemployed workers' movement has diffused because of the President's attempts to recovery of the hyperinflation and exports dependency, and to support for social programs for small enterprises and cooperatives initiated by unemployed organizations (Kaese and Wolff, 2016: 51; Pereya, et al. 2015).

Under these circumstances, the piqueteros in Argentina have divided two opposed groups since the Kirchner's presidency. Decisions and policies taken by the government has been both supported by some of the organizations in the movement, and opposed by some other groups as well. For instance, the dialogue-oriented piquetero organizations such as the Federacion Tierra y Vivienda (FTV) as the most significant piquetero organization and the Movimiento Evita have supported the government during both Nestor Kirchner and Christina Kirchner's presidency (Kaese and Wolff, 2016: 51-52). On the contrary, some organizations within the movement have pursued their opposition against the government. One of the most significant among them were the Corriente Clasista y Combativa (CCC) have taken a stand against government as 'having a radical, ant-capitalist rhetoric', which, in time, allied with the National Piquetero Bloc (Kaese and Wolff, 2016: 51).

The general argument of the unemployed workers' movement in Argentina indicates that since the populist governments have entered into politics in Argentina, the peak of the mass mobilization of piqueteros had begun to decline after 2003. There are several discussions in this sense. First, by recovering the economy, the Kirchner government has not only reduced unemployment and other macroeconomic deficiencies, but also restructured the political system that is based on more representative agenda (Perez, 2018: 288, 291). Second, more crucially, the cooperation of the movement's organization in the political agenda as the very nature of the populist regime between 2003 and 2015, Kirchner has gained the support of coalitions (Perez, 2018: 291). This has dissolved the coalitions in the movements and

the grassroots activism in Argentina's public politics. Then, therefore, this smooth and influential transition in the politics and economics in Argentina has decreased the public support from 40.8 percent to 15.9 since 2004 (Perez, 2018: 291).

Although the support for the government has accelerated within the piqueteros, 'the unemployed workers' movement remains a minor actor in what used to be its main form of protests' (Perez, 2018: 292). For instance, the dispute over exports duties on agricultural products paved the way for the increase in highways blockage as a means of contentious repertoire by agricultural associations in the Fernández de Kircher's presidency (Svampa, 2014: 162-163). Moreover, the post-neoliberal policies of Fernández de Kircher boosted the mass protests of piqueteros approximately 16 percent of roadblock until the end of Fernández de Kirchner's presidency in 2015 (Kaese and Wolff, 2015: 52; Perez, 2018:292).

### **3.3 CONCLUSION**

Overall, in this section, I attempted to discuss the Unemployed Workers' Movement in Argentina on the basis of the world systems approach. In this sense, I argued that the acute and deeply exploitative enforcement of the structural adjustment program in Argentina since the 1980s had prompted the movement.

In order to clarify this argument, I have focused on the historical background of the Argentine economy. As addressed above, Argentine economy has been vulnerable to exports of agricultural products and raw materials in return for manufactured goods and infrastructure. Then, the following section, I specified the economic situation of Argentina since the end of the Second World War. Although economic variables were relatively upward during the Keynesian mode of accumulation, the neoliberal accumulation process has shifted the economic conditions in Argentina. Essentially, the structural adjustment programs and flexibility in exchange rates have constrained government intervention in order to control the state initiatives.

In the contemporary economics of Argentina, the main constraints have been the hyperinflation, privatization, and exchange rate flexibility as a result of the Convertibility Program in 1991 (dollarization) that had deteriorated the socioeconomic standards in the country. For instance, because of the high inflation rates the interest rates of the debts has increased and this caused the irreversible vicious circle regarding foreign debt in Argentina. Moreover, the unemployment rate in urban areas has grown apace due to the privatization of national companies and banks, and uncontrollable flow of the MNCs in the country. Thus, this environment deteriorated competitiveness and diminished the credibility of the country in the world market. Specifically, the government's vulnerability to foreign intervention on the economy had intensified during the Menem's presidency and intolerably deepened during the de la Rúa's presidency.

The deepening uneven development, negative trade balance, boom in privatization, unemployment, and poverty, and the loss of state protection have aggravated tensions and contradictions in the society. The socioeconomic catastrophe in Argentina paved the way for the substantial movement of the unemployed workers under the Piqueteros. The MTD organized hundreds of thousands highway and road blockages in order to get the nationwide attentions towards the destructive consequences of the neoliberal regulations within the country. The MTD have drawn the different social, political, religious and even private groups with together because the common intention of society was to deal with this deterioration in Argentina. In this sense, the success of the MTD has layed down the re-nationalization of some banks and companies. Moreover, the widespread expansion of Global Left in Latin America has contributed to the movements' success in terms of elections of left-wing candidates.

In 2003, the elected President Nestor Kirchner took a strong stand with the piqueteros against the neoliberal programs in Argentina. Then, the government of Nestor Kirchner has conducted a political program that jeopardized the neoliberal free market economy in the country. Therefore, this government, mostly, gained the support of many of the organizations in the movement. Although, it would seem that that the effectiveness of the movement has been diffused thanks to the first years of the Pink Tide, the strength of the piqueteros had reappeared when Fernández de

Kircher introduced post-neoliberal orientation in 2008. This demonstrates that despite the influence of piqueteros may have been reduced, this grassroots struggle over could reunite the masses against any intervention of capitalist world economy.



## CONCLUSION

While neoliberals have sought to dictate the motto of ‘There is no alternative’ in order to pursue the existing capitalist system, the Global South has reversed this compulsion with the idea of ‘Another world is possible’. The main objective of this thesis is to contribute to the analytical framework on the destructive consequences of the capitalist world economy on a systemic level. Therefore, in this thesis, I have sought to answer the social consequences of the neoliberal transition in peripheries within the capitalist world system. To do this, I have evolved the main purpose of the thesis around the world system approach. The comprehensive and multidimensional dynamics of world systems approach provide an environment for explaining the social and economic destruction in developing countries. In order to support this purpose, I have focused on the Piqueteros/ Unemployed Workers’ Movements in Argentina in the case study. The study of Argentina contributes to this thesis that Argentina, on the one hand, demonstrates how fragile the peripheral economies in case of structural reforms dominated by monopolized capitalism in the contemporary world economy. On the other hand, this case study also demonstrates the significance grassroots mass movements have against the existing inequalities and poverty in the system comprising of many diverse groups and political ideologies. Thus, I have argued that neoliberal structural reforms coupled with weak governance, suppression of the elite and special interest groups and monopolized economic forces has diminished the living conditions in Argentina and evolved the emergence of the massive piqueteros movements when the crisis reached its peak in 2001.

In the first chapter, I have indicated the world systems approach by evolving this in the framework of contemporary discussions since 1980s. By this, I indicated that the neoliberal globalization and monopolization of capital revealed the increasing polarization and uneven development between core and peripheries in the world. The neoliberal impact on the world system has brought forth cracks and inconsistencies in the world economy, specifically in the peripheries. Since I discussed in the first chapter, inequalities, poverty, uneven development of capitalism because of neoliberal globalization in peripheries have intensified tensions

and contradictions, thus have reflected as massive unrests against the existing capitalist world system. These movements against the world system express demands on social and political changes in the second chapter.

In the third chapter, I have discussed the Unemployed Workers' Movement as the consequence of harsh enforcement of neoliberal structural adjustments in order to demonstrate the influence of neoliberal cracks on the periphery of the world system. To do this, I have pointed out the different accumulation process of capital since 1945, and their evolution in Argentina. In a similar vein, I have indicated the role of nation state during these periods. The focal point of this chapter claims that the decrease of the governance in Argentina since the 1980s had paved the way for social disaster in 2001 and social and political discontent. Then, another point I discussed about the Unemployed Workers' Movement is how the Global Left had altered the very nature of an antisystemic movement during Pink Tide years.

In general, the diffusion of Keynesian economy since the late 1970s had endangered the US hegemony but a new US-led production and accumulation process had reversed this. The neoliberal market economy has promoted globalized market economy on behalf of a generalized monopoly of capital since 1980s. The main target of this expansion was developing countries in the capitalist world system, which were forced to enter into this new market economy through structural adjustments programs in accordance with the Washington Consensus. Therefore, with this intervention towards peripheries, the existing world system has continued to grow even more unequally and unevenly, and has destabilized countries. Moreover, policies of decentralization of administrative forces in these programs have weakened the government in the political and economic decision-making processes in peripheries. This exploitative tendency of neoliberal globalization in terms of social, political, and economic polarization on a world scale has paved the way for irreversible discontent and massive protests against the acute conditions of neoliberalism in the Global South since the late 1990s.

Specifically, the crisis of Keynesian economy at the end of 1970s had brought forth the demise of military dictatorship and the rise of democratically elected governments in Argentina. During the military dictatorship in Argentina, traditional

exports economy and international market dependency had worsened by increasing vulnerability. On the other side, doubled with the debt crisis of 1980-1981, the following government – President Alfonsín, had settled for the IMF bailout program by accepting structural adjustments in the economy. This systemic weakness of the state therefore paved the way for neoliberal exploitation and increasing vulnerability for the country.

The following president in Argentina was Carlos Menem who intensively implemented neoliberal policies during his term of office. The following restrictions from neoliberalism in Argentina has continued with the adoption of the Washington Consensus in 1990s. Although Menem took hyperinflation under control, the regulations of Washington Consensus have brought about other social deterioration. For instance, because of the privatization of many national companies in several sectors such as telecommunications, energy and transportation have increased unemployment drastically (Figure 1).

Besides the decentralization of government administration, dollarization, hyperinflation and increasing urban unemployment, the privatization of largest company of Argentina – ‘Yacimientos Petrolíferos Fiscales’, fired the Argentine society up and the massive protests of ‘piqueteros’ begun.

Correspondingly, the economic crisis of 2001 in Argentina provoked general discontent and the piqueteros gained nationwide attention. The most striking organization of piqueteros has been ‘the Unemployed Workers’ Movement’ at the very beginning. In addition to their well-known contentious repertoire – highway blockages and mass movements, as an independent and horizontal organization, the MTD has pursued economic and social plans for unemployed workers and the urban poor. This grassroots, from below up organizational structure and their successes have caught the attention of the politicians.

In parallel to this, continental expansion of a new wave of governance – the Pink Tide, has constituted demand for left-wing governments in order to deal with deadly effects of structural adjustment programs. In Argentina, the leading power of this leftist- populism has been the President Néstor Kirchner in 2003. He had successfully pursued an anti-neoliberal agenda in order to provide social welfare in

the country. More significantly, thanks to his anti-neoliberal rhetoric, Kirchner had attracted the piqueteros. By cooperating with several branches of piqueteros during his presidency, the number of protests has decreased and stabilization in the country has gradually been fulfilled.

Overall, I have attempted to show a link between neoliberal structural developments and social protests in Argentina by illustrating the unequal development of contemporary capitalism between the core and peripheries, and the emergence of antisystemic movements as a result of systemic bifurcation of economic conditions in the country. In this direction, I have found several contributing factors in this study for further debate and research in the fields of world systems approach, antisystemic social movements and piqueteros.

Primarily, the capitalist world economy contains the source of the antisystemic social movements by imposing inequality, corruption, and polarization through its institutions, such as states, interest groups, international organizations, and multinational corporations. The neoliberal construction of the world economy has promoted the gradual collapse of social welfare in peripheries.

Another contributing factor asserted in the thesis that this complex structure of contemporary capitalism has intensely diminished the very condition of living standards in peripheries of world system, thus the antisystemic movements have burst on the scene when the systemic deterioration reaches its peak.

Moreover, this thesis has expressed that these sudden revolts against the system have boomed and been deflated within a certain period. Different from previous phases of antisystemic movements, these have seemed more random and progressive, and process-oriented. These sudden peaks and drops in movements may open a new discussion on the how come an alternative world would emerge persistently.

To conclude, the Piqueteros/ Unemployed Workers' Movement in Argentina reflects the degree of relentless, unequal, and uneven accumulation of neoliberal adjustments program in peripheries and heterogeneous characteristics of antisystemic movements in a contemporary world system. This demonstrates that globalized

capitalism under the US hegemony has continued to adapt itself to the world system by constraining the influence of governments in peripheries, dismissing the harsh conditions of neoliberalism towards socioeconomic welfare of citizens, and promoting the polarization of rich and poor in the capitalist world system. Therefore, the cracks in this system also generate the antisystemic protests and mass movements both in local and global. Whenever world capitalism brings forth intense constraints over societies, social discontent over the centralization of inequality develops and unites people to oppose it in order to reduce financial dependency and to promote equal distribution for world we would like to live in. However, an important concern may arise because of the boom and bust nature of the movements. Thus, the well-organized structure of a movement including all diverse tendencies under one purpose – to create an alternative world, would contribute to constant change in the existing system of dichotomies.

## REFERENCES

- Abu-Ludhog, J. L. (1989). *Before European Hegemony*. NY: Oxford University Press.
- Adam, S. (2008). Globalization and Income Inequality: Implications for Intellectual Property Rights. *Journal of Policy Modeling*. 30(5): 725-735.
- Almeida, P. (2006). *Latin American Social Movements*. NY: Rowman and Littlefield Publisher, Inc.
- Almeida, P., Ulate, A.eds. (2015). *Handbook of Social Movements Across Latin America*. NY: Springer.
- Amin, S. (1970). *L'accumulation à l'échelle mondiale*. Paris: Editions Anthropos.
- Amin, S. (1990). The Social Movements in Periphery: An End to National Liberation. *Transforming Revolution*. (pp. 98-137). US: Monthly Review Press.
- Amin, S. et al. (1990). *Transforming The Revolution*. US: Monthly Review Press.
- Amin, S. (1993). The Ancient World Systems versus the Modern Capitalist World System. (pp.247-277). *The World System: Five Hundred Years or Five Thousand*. London: Routledge.
- Amin, S. (1997). *Capitalism in the Age of Globalization*. NY: Zed Books.
- Amin, S. (2010a). *The Law of Worldwide Value*. NY: Monthly Review Press.
- Amin, S. (2010b). Exiting the Crisis of Capitalism or Capitalism in Crisis. *Globalizations*. 7(1-2): 261-273.
- Amin, S. (2011). *Ending The Crisis of Capitalism or Ending Capitalism*. Fahamu: Pambazula Press.
- Amin, S. (2013). *The Implosion of Contemporary Capitalism*. NY: Monthly Review Press.

Arrighi, G. (1990). Marxist Century-American Century: The Making and Remaking of World Labor Movements. *Transforming Revolution*. (pp. 54-95). US: Monthly Review Press.,

Arrighi, G. (2001). Global Capitalism and Persistence of the North-South Divide. *Science and Society*. 65(4):469-476.

Arrighi, G. (2003). Social and Political Economy of Global Turbulence. *New Left Review*. 20: 5-71.

Arrighi, G. (2010). *The Long Twentieth Century*. London: Verso.

Arrighi, G. et al. (1989). *Antisystemic Movements*. London: Verso.

Arrighi, G., Moore, J. W. (2001). Capitalist Development in World Historical Perspective. (pp. 56-75). *Phases of Capitalist Development*. NY: Palgrave.

Arrighi, G., Silver, B. J. (2001). Capitalism and World Disorder. *British International Studies Association*. 27: 257-279.

Arrighi, G. and Zhang, L. (2010). Beyond the Washington Consensus: A New Bandung. *Globalization and Beyond: New Examinations of Global Power and its Alternatives*. (pp. 1-48).US: Penn State University Press.

Babones, S. J. (2006). Conducting Global Social Research. (pp. 8-32). *Global Social Change: Historical and Comparative Perspectives*. US: The Johns Hopkins University Press.

Birss, M. (2005). Democracy and Social Change in Argentina's Informal Sector. *The Journal of the International Institute*. 12(2).

Buckstein, G. (2008). *A Time of Opportunities: The Piquetero Movement and Democratization in Argentina*. (Published Master's Thesis). Buenos Aires: University of Buenos Aires.

Castells, M. (1996). *The Rise of the Network Society: The Information Age: Economy, Society, and Culture, Volume I*. Oxford: Blackwell Publishers.

Castells, M. (2003). Global Informational Capitalism. *The Global Transformations Reader: An Introduction to Globalization Debate*. (pp. 311-334). . Cambridge: Polity Press.

Chase-Dunn, C., Robinson, R. (1977). Toward a Structural Perspective on the World System. *Politics and Society*. (7)4: 453-476.

Chase-Dunn, C., Hall, T. (1992). World Systems and Modes of Production: Toward The Comparative Study of Transformations. *Humboldt Journal of Social Relations*. 18(1): 81-117.

Chase-Dunn, C., Hall, T. D. (1993). Comparing World Systems: Concepts and Working Hypotheses. *Social Forces*. 71(4): 851-886.

Chase-Dunn, C., Grimmes, P. (1995). World System Analysis. *Annual Review of Sociology*. 21(1): 387-417.

Chase-Dunn, C. (1998). *Global Formation Structure*. USA: Rowman and Littlefield Publishers Inc.

Chase-Dunn, C. (1999). Globalization: World System Perspective. *Journal of World Systems Research*. 5(2): 187- 215.

Chase-Dunn, C., Hall, T. D. (2006). Global Social Change in the Long Run. (pp. 33-58). *Global Social Change: Historical and Comparative Perspectives*. US: The Johns Hopkins University Press.

Chase-Dunn, C., Roberts, A. (2012). The Structural Crisis of Global Capitalism and The Prospects for World Revolution in the 21<sup>st</sup> Century. *International Review of Modern Sociology*. 38(2): 259-285.

Conde, R. C. (2009). *The Political Economy of Argentina in the 20th Century*. Cambridge: Cambridge University Press.

Della Porta, D., Diani, M. (2006). The Study of Movements: Recurring Questions, (Partially) Changing Answers. *Social Movements: An Introduction*. (pp. 1-32). Oxford: Blackwell.

- Della Porta, D., Diani, M. (2006a). Social Changes and Social Movements. *Social Movements: An Introduction*. (pp. 33-63). Oxford: Blackwell
- Della Porta, D., Diani, M. (2006b). Social Movements and Democracy. *Social Movements: An Introduction*. (pp. 223-249). Oxford: Blackwell.
- Dinerstein, A. C. (2001). A Silent Revolution The Unemployed Workers' Movement in Argentina. *Labour, Capital and Society*. 34(2): 166-183.
- Elwell, F. L. (2013). *Sociocultural Systems: Principles of Structure and Change*. Alberta: Athabasca University Press.
- Fiorentini, F. (2012). *Argentina: Que se vayan todos!-They all must go!*. <https://www.redpepper.org.uk/argentina-que-se-vayan-todos-they-all-must-go/>. (30.06.2019).
- Frank, A. G. (1984). The Unequal and Uneven Historical Development of the World Economy. *Contemporary Marxism*. 9: 71-95.
- Frank, A. G., Fuentes, M. (1987). Nine Theses on Social Movements. *Economic and Political Weekly*. 22(35): 1503-1507+1509-1510.
- Frank, A. G., Fuentes, M. (1990). Civil Democracy: Social Movements in Recent World History. (pp. 139-179). *Transforming Revolution*. US: Monthly Review Press.
- Frank, A. G., Gills, B. K. eds. (1993). *The World System: Five Hundred Years or Five Thousand*. London: Routledge.
- Gagy, A. (2017). What It Takes To Compare Non-core Movements: A World System Perspective. *Interface*. 9(2): 61-82.
- Hamme, G. V., Pion, G. (2012). The Relevance of World System Approach in the Era of Globalization of Economic Flows and Networks. *Human Geography*. 24(1): 65-82.
- Harris, R. L. (2002). Resistance and Alternatives to Globalization in Latin America and the Caribbean. *Globalization and Globalism in Latin America and Caribbean*. 29(6): 136-151.

Harris, R. L. (2003). 'Popular Resistance to Globalization and Neoliberalism in Latin America', *Sitter Publications*, 19(2-3), pp. 365- 426.

Held, D., McGrew, A. (1999). Globalization. *Global Governance*. 5(4): 483-496

Held, D., McGrew, A., Goldblatt, D., Perraton, J. (2003). Rethinking Globalization. *The Global Transformations Reader: An Introduction to Globalization Debate*. (pp. 67-74). . Cambridge: Polity Press.

Hirst, P., Thompson, G. (2003). The Limits to Economic Globalization. *The Global Transformations Reader: An Introduction to Globalization Debate*. (pp. 335-348). Cambridge: Polity Press.

Hoogvelt, A. (1997). *Globalization and the Postcolonial World*. London: Palgrave.

Hopkins, T. K., Wallerstein, I. (1982). *World-Systems Analysis: Theory and Methodology*. California: Sage Publications Inc.

Hopkins, T. K., Wallerstein, I. (1996). *The Age of Transition: Trajectory of World System 1945-2025*. Australia: Zed Books Ltd.

Hymer, S. and Rowthorn, R. (1970). Multinational corporations and international oligopoly: the non-American challenge. *The International Corporation: A Symposium*. (pp. 57-91). Cambridge: MIT Press

Ikeda, S. (1996). The History of Capitalist World System vs. The History of East-Southeast Asia. *Fernand Braudel Center*. 19(1): 49-77.

ILO. (2003). *Minimum Wages and Pay Equity in Latin America*.  
[https://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---  
declaration/documents/publication/wcms\\_decl\\_wp\\_14\\_en.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_decl_wp_14_en.pdf). (24.09.2018).

International Monetary Fund, (2019). *World Economic Outlook Database*.  
<http://data.imf.org/regular.aspx?key=61545863>, (25.03.2019).

Kaese, F., Wolff, J. (2016). Piqueteros after the Hype: Unemployed Movements in Argentina, 2008-2015. *European Review of Latin American and Caribbean Studies*. 102(2016): 46-68.

- Keen B., Haynes, K. (2009). *A History of Latin America*. NY: Houghton Mifflin Harcourt Publishing Company.
- Kellner, D. (2002). Theorizing Globalization. *American Sociological Association*. 20(3): 285-305.
- Korzeniewicz, R. P. (1995). Labor Unrest in Argentina 1906-90. *Fernand Braudel Center*. 18(1): 105-116.
- Kotz, D. M. (2009). The Financial and Economic Crisis of 2008: A Systemic Crisis of Neoliberal Capitalism. *Review of Radical Political Economics*. 41(3): 305-317.
- Linklater, A. (1990). The States-System and World System. *Beyond Realism and Marxism: Critical Theory and International Relations*. (pp. 119-139). London: Palgrave Macmillan.
- Lipietz, A. (2001). The Fortunes and Misfortunes of Post-Fordism. *Phases of Capitalist Development: Booms, Crises and Globalizations*. (17-36). NY: Plagrave.
- MacDonald, L., Ruckert, A. eds. (2009). *Post-Neoliberalism in the Americas*. UK: Palgrave Macmillan.
- McMichael, P. (2000). World System Analysis, Globalization and Incorporated Comparison. *Journal of World System Research*. 6(3): 668-699.
- Mosley, L. (2007). The Political Economy of Globalization. *Globalization Theory: Approaches and Controversies*. (pp. 106-125). Cambridge: Polity Press.
- Nataraj, G. and Sahoo, P. (2003). Argentina's Crisis: Causes and Consequences. *Economic and Political Weekly*. 38(17): 1641-1644.
- Nemeth, R. J., Smith, D. A. (1995). International Trade and World System Structure: A Multiple Network Analysis. *Fernand Braudel Center*. 8(4): 517-560.
- Pal, M. (2017). Marxism. *International Relations Theory*. (pp. 42-48). Bristol: E-International Relations Publishing.

- Pereya, S., German, J. P. and Schuster, F. L. (2015). Trends of Social Protest in Argentina: 1989-2007. *Handbook of Social Movements Across Latin America*. (335-360). NY: Springer.
- Perez, M. E. (2018). Institutional Strengthening in a Receding Movement: The Trajectory of Piquetero Organizations between 2003 and 2015. *Latin American Research Review*. 53(2): 287–302.
- Petras, J. (2001). Unemployed Workers' Movement in Argentina. *Economic and Political Weekly*. 36(45): 4265-4270.
- Petras, J. (2003). Argentina 18 Months of Popular Struggle. *Economic and Political Weekly*. 38(23): 2255-2260.
- Petras, J. and Veltmeyer, H. (2007). Neoliberalism and Imperialism in Latin America: Dynamics and Responses. *International Review of Modern Sociology*. 33(Special Issue): 27-59.
- Pfister, U., Suter, C. (1987). International Financial Relations as Part of the World System. *International Studies Quarterly*, 31(3): 239-272.
- Pieterse, J. N. (1994). Delinking or Globalization. *Economic and Political Weekly*. 29(5): 239-242. *Review of Delinking: Towards a Polycentric World by Samir Amin. Eurocentrism by Samir Amin. Maldevelopment: Anatomy of a Global Failure by Samir Amin.*
- Reifer, T. E. (2009). Histories of the Present: Giovanni Arrighi and the Long Durée of Historical Capitalism. *American Sociological Association*. 15(2): 249-256.
- Reuters. (2014). 'Chronology: Argentina's Turbulent History of Economic Crises'. <https://www.reuters.com/article/us-argentina-debt-chronology/chronology-argentinas-turbulent-history-of-economic-crises-idUSKBN0FZ23N20140730>. (15.10.2018).
- Robinson, W. I. (2011). Giovanni Arrighi Systemic Cycles of Accumulation Hegemonic Transitions and the Rise of China. *New Political Economy*. 16(2): 267-280.

- Rossi, F. M. (2013). Piqueteros Workers Unemployment Movement in Argentina. *The Wiley-Blackwell Encyclopedia of Social and Political Movements*. (pp. 929-932). Oxford: Wiley-Blackwell.
- Rossi, F. M. (2015). Beyond Clientelism: Piquetero Movement and the State in Argentina. *Handbook of Social Movements Across Latin America*. (117-128). NY: Springer.
- Rudbeck, J. (2012). Popular Sovereignty and the Historical Origin of the Social Movement. *Theory and Society*. 41(6): 581-601.
- Santos, B. S. (2006). *The Rise of Global Left*. NY: Zed Books.
- Scharpf, F. (2003). Globalization and the Political Economy of Capitalist Democracies. *The Global Transformations Reader: An Introduction to Globalization Debate*. (pp. 370-378). Cambridge: Polity Press.
- Shefner, J. et al. (2015). Austerity and Antisystemic Protests: Bringing Hardships Back In. *Journal of World System Research*. 21(2): 459-494.
- Skidmore, T. E. and Smith, P. H. (2005). *Modern Latin America*. NY: Oxford University Press.
- Sklair, L. (2006). Competing Conceptions of Globalization. (pp. 59-78). *Global Social Change: Historical and Comparative Perspectives*. US: The Johns Hopkins University Press.
- Smith, J. et al. (2018). Transnational Social Movements Organizations and Counter-Hegemonic Struggles Today. *Journal of World System Research*. 24(2): 373-402.
- Stanley, L. E. (2018). Argentina. *Emerging Market Economies and Financial Globalization*. (pp. 89-109). NY: Anthem Press.
- Subramaniam, M. (2014). States and Social Movements in the Modern World System. *Journal of World System Research*. 21(1): 1-7.

Svampa, M. (2009). Revisiting Argentina 2001-13: From '¡Que se vayan todos!' to the Peronist Decade. *Argentina since the 2001 Crisis: Recovering the Past, Reclaiming the Future* (pp.155-173). New York: Palgrave Macmillan.

Tilly, C. (1986). *Contentious French*. Cambridge MA: Harvard University Press.

Tilly, C. (2004). *Social Movements 1789-2004*. UK: Routledge.

Undurraga, T. (2015). Neoliberalism in Argentina and Chile: Common Antecedents, Divergent Paths. *Review of Sociology and Politics*. 23(55): 11-34.

Wallerstein, I. (1974). The Rise and Future Demise of the World Capitalist System: Concepts for Comparative Analysis. *Comparative Studies in Society and History*. 16: 387-415.

Wallerstein, I. (1976). *The Modern World System: Capitalist Agriculture and the Origins of the European World Economy in the 16<sup>th</sup> Century*. NY: Academic Press.

Wallerstein, I. (1982). Revolutionary Movements in the Era of U.S. Hegemony and After. *Contemporary Marxism*. 5: 120-128.

Wallerstein, I. (1990). Antisystemic Social Movements: History and Dilemmas. *Transforming Revolution*. (pp.13-53). US: Monthly Review Press.

Wallerstein, I. (1991). *Tarihsel Kapitalizm*. İstanbul: Metis Yayıncılık.

Wallerstein, I., Hopkins, T. K. eds. (1996). *The Age of Transition*. NY: Zed Books.

Wallerstein, I. (2006). *World System Analysis: An Introduction*. London: Duke University Press.

Wallerstein, I. (2014). Antisystemic Social Movements, Yesterday and Today. *American Sociological Association*. 20(2): 158-172.

Woods, N. (2003). Order, Globalization and Inequality in World Politics. *The Global Transformations Reader: An Introduction to Globalization Debate*. (pp. 463-476). Cambridge: Polity Press.

World Bank, (2018). *Development Research Group*.  
<https://www.indexmundi.com/facts/argentina/indicator/SI.POV.GINI>, (15.10.2018).

World Bank, (2018). *Development Indicators*.  
<https://data.worldbank.org/indicator/NY.GDP.PCAP.KD.ZG?end=2017&locations=PY-BR-AR-UY&start=1972>, (15.10.2018).

World Bank, (2018). *World Development Indicators*.  
<https://data.worldbank.org/indicator/NE.TRD.GNFS.ZS?end=2017&locations=PY-BR-AR-UY&start=1980>, (18.10.2018).

World Bank, (2018). *World Development Indicator*,  
<https://data.worldbank.org/indicator/NE.EXP.GNFS.CD?end=2017&locations=PY-BR-AR-UY&start=1980>, (25.03.2019).

World Bank, (2018). *World Development Indicator (ILO estimate)*.  
<https://data.worldbank.org/indicator/SL.UEM.TOTL.NE.ZS?locations=PY-BR-AR-UY>, (18.10.2018).

World Bank, (2019). *Inflation Rates in Argentina*. <http://www.factfish.com/statistic-country/argentina/inflation+rate>, (11.06.2019).

World Finance. (2016a). '*A 200 Year History of Argentina's Economic Progress*'.  
<https://www.worldfinance.com/infrastructure-investment/government-policy/200-years-of-argentina>. (15.10.2018).

World Finance. (2016b). '*A History of Economic Trouble in Argentina*'.  
<https://www.worldfinance.com/special-reports/a-history-of-economic-trouble-in-argentina>. (15.10.2018).

Zhang, J. (2013). On Amin's Strategy of Delinking and Socialist Transition.  
*International Journal of Business and Social Research*. 3(11): 101-107.