

out, both for the trenchancy of their formulations and the scope of their research effort. One of these is Andre Gunder Frank, an economist, who began to question the modernization approach to economic development in the early 1960s. Frank clearly articulated the heretical proposition that development and underdevelopment were not separate phenomena, but were closely bound up with each other (1966, 1967). Over the past centuries, capitalism had spread outward from its original center to all parts of the globe. Everywhere it penetrated, it turned other areas into dependent satellites of the metropolitan center. Extracting the surpluses produced in the satellites to meet the requirements of the metropolis, capitalism distorted and thwarted the development of the satellites to its own benefit. This phenomenon Frank called "the development of underdevelopment." The exploitative relation between metropolis and satellite was, moreover, repeated within each satellite itself, with the classes and regions in closer contact with the external metropolis drawing surplus from the hinterland and distorting and thwarting its development. Underdevelopment in the satellites was therefore not a phenomenon *sui generis*, but the outcome of relations between satellite and metropolis, ever renewed in the process of surplus transfer and ever reinforced by the continued dependency of the satellite on the metropolis.

Similar to Frank's approach is Immanuel Wallerstein's explicitly historical account of capitalist origins and the development of the "European world-economy." This world-economy, originating in the late fifteenth and early sixteenth centuries, constitutes a global market, characterized by a global division of labor. Firms (be they individuals, enterprises, or regions) meet in this market to exchange the goods they have produced in the hope of realizing a profit. The search for profit guides both production in general and specialization in production. Profits are generated by primary producers, whom Wallerstein calls proletarians, no matter how their labor is mobilized. Those profits are appropriated through legal sanctions by capitalists, whom Wallerstein classifies as bourgeois, no matter what the source of their capital. The growth of the market and the resulting worldwide division of labor generate a basic distinction between the core countries (Frank's metropolis) and the periphery (Frank's satellites). The two are linked by "unequal exchange," whereby "high-wage (but low-supervision), high-profit, high-capital intensive" goods produced in the core are exchanged for "low-wage (but high-supervision), low-profit, low-capital intensive goods" produced in the periphery (see Wallerstein 1974: 351). In the core, goods are produced mainly by "free" wage-remunerated labor; in the periphery goods are produced mainly by one kind or another of coerced labor. Although he adduces various factors to explain this difference, Wallerstein has recourse to what is basically a demographic explanation. He argues that the growth of free wage labor in the core area arose in response to the high densities of population that made workers competitive with one another and hence willing to