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**International Division of Labour and
Migration as a Global Labour Supply**

— A Theoretical Perspective to Study International Migration —

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Abstract

Why did not mass migration from the Third World to the highly-developed countries occur before the Second World War? This is a simple but important question, since the preponderance of the migration from the “South” to the “North” is a main characteristic of the contemporary international migration. The orthodox explanations of migration based on the concept of the national economy as a unit of analysis do not give us clues to answer this question. Neither do these by the world-system approach.

In this paper, we provide an alternative theoretical perspective to answer it. The key concept is the Job/Labour/Reward Hierarchy on a World Scale which means that the division of labour in the capitalist world-economy is organized by the single hierarchical collectivity of jobs. The social distance between jobs arranged in it is different. When a job falls vacant (or is created newly), candidates who are suitable for it will be limited to the workers in socially adjacent ones. On the one hand, it shows a limit of capital by disturbing accumulation. On the other hand, however, capital has an ability to recruit the eligible worker from geographically distant areas in the world-economy. Migration is the spatial movement of labour developed by capital accumulation to annihilate the social distance between jobs.

This hierarchy has always changed structurally. In the nineteenth century, the social distance between jobs which workers in the Third World took and unskilled factory jobs in the highly-developed countries was long. After the Second World War, however, the distance between them diminished enough to cause mass migration from the former to the latter. Especially since the 1970s, this tendency has been accelerated by internationalization of capital.

I Introduction

Why have people in the "South" migrated to the "North" since the Second World War? This is a simple but important question. Before the War, mass migration from the Third World to the highly-developed countries never occurred. It is no exaggeration to say that this is a main characteristic of the contemporary international migration. Besides, this flow has grown in parallel with (or in spite of) the reinforcement of the "control over the frontiers."¹⁾ Therefore, to argue migration in the present age, it is important to answer this question.^{2) 3)}

We have three purposes in this paper.

Firstly, taking into consideration this characteristic of the contemporary international migration, we investigate the orthodox explanations of migration. We conclude these explanations do not give us clues to answer our question.⁴⁾ We also review the explanations of migration by the world-system approach. Although they are useful in answering the question to some extent, we are still not satisfied with them.

Secondly, we propose an alternative general perspective on migration. The key concept is the Job/Labour/Reward Hierarchy on a World Scale. It provides the theoretical framework not only to answer our question, but also to explain some important characteristics of international migration.

Thirdly, we show the historical and structural changes of this hierarchy to answer our question more concretely.

II The Orthodox Explanations of International Labour Migration

As international labour migration is the movement of workers across a boundary line, it has been considered as a topic in international economics. The traditional explanations apply to it on the analogy of international trade and international capital movement. In this explanation, the national economy is premised as a unit of analysis at first, and then inter-national economic relations are analyzed. Not only mainstream economics but also Marxian economics have adopted this premise explicitly or implicitly for a long time.

Analytical procedure is as follows:

- ① Suppose that there are two national economies independently which are self-sufficient and homogeneous inside.
- ② An equilibrium on a factor which influences on labour migration has established within each national economy in advance. However, there is a difference in equilibrium level between two national economies. Wage is often adopted as this factor. It is equal within each of them. Internationally, however, the wage in one country is higher than that in the other.
- ③ When they come into contact with each other, labour moves from the low- to the high-wage national economies to reach a new equilibrium internationally.

However, the theory based on wage differentials does not explain when labour migration begins. Even if there is a wide gap in wage level between two countries, there is usually no migration. On the contrary, although there is no change in a difference in wage level, international migration suddenly begins between them at a certain time. Besides, this theory suggests that the biggest flow is always the one from the poorest to the

richest in the world. Therefore, it is difficult for this theory to answer the question why the migration from the Third World to the highly-developed industrialized countries began after the Second World War.

Therefore, to explain the beginning of a migration flow, another factor is added. That is the push-pull theory. Migration is caused by a combination of the push factor, impelling people to leave the country of origin, and the pull factor, attracting them to the receiving country. Although many elements are enumerated as push and pull factors, the explanation based on poverty and labour demand is most popular. While poverty in a sending country is supposed as a push factor, labour demand in a receiving country is introduced as a pull factor which determines the length and the size of immigrant flow.

However, this theory does not answer our question either.

Firstly, there was a great disparity of wage between the Third World and the highly-developed countries, and labour shortage in the latter often occurred even before the Second World War. However, the increase of labour demand in the highly-developed countries pulled migrants from various areas in the world except the Third World where the wage was the lowest.

Secondly, this theory needs two factors to explain migration, since wage differential is not enough to cause it. It means that workers in a receiving country are not replaced by those in a sending one who are always willing to work with lower wage. If the immigration does not take place without the additional demand in a sending country, the national boundary must usually close against foreign workers. It opens for them, only when labour demand increases. Therefore the push-pull theory assumes the “control over the frontiers” implicitly. If so, it cannot explain why there was in fact no “control over the frontiers” against the Third World workers in the highly-developed countries before the Second World War.

In a word, the orthodox explanations which suppose that a national economy is the self-sufficient and homogeneous socio-spatial unit cannot answer our question.⁵⁾

III The World-System Theory and International Labour Migration

The world-system theorists⁶⁾ deny to interpret theoretically international migration as a phenomenon between independent national economies. Instead, they study it in relation to the development of the modern capitalist world-economy. Since the concept of the “world (or global) labour market” expresses this approach plainly, we will start from it.

Elizabeth Mclean Petras explains this concept as follows:

Global labor market as a term and a concept is proposed as a paradigm for studying migration in global and historical perspective, going beyond national and regional limitations in the search for overriding trends and processes. (Petras, 1983, p.59)

Our major premise is that over time it is possible to identify a series of labor-capital exchanges which constitute a world labor market, and that this global labor market has been integral to, and a consequence of, the development of the modern world-economy. (Petras, 1983, p.45)

Lydia Potts also says:

The world market for labour power in its direct form emerged not as a result of present-day migration, but hundreds of years ago. Living labour power has been transferred in large quantities and over long distances since the end of the 15h century. (Potts, 1988, p.6)

As these citations show, Petras and Potts introduce this concept to understand systematically various types of international migration since the emergence of the capitalist

world-economy. The reason why it is necessary and possible to understand them systematically is that they have been caused by capital accumulation. To maximize profit, the capitalist produces a commodity as cheap as possible. Although its cost depends on many factors, one of the most important is labour cost. Since capital requires the smooth and sufficient supply of labour power which it demands, it does not hesitate to recruit labour power over long distances, if profitable. Spatial labour transfer is an essential form as a global labour supply for the expansion of the capitalist world-economy whose driving force is capital accumulation.

At the same time, its expansion has brought about incorporation of independent societies into its system. Those societies are involved into commercial relationships and their traditional economic structures are transformed. In this process, workers are liberated and mobilized to be available to capital. That is, accumulation itself has developed resources of labour force formed by those workers.

In short, the capitalist world-system has created the flow of labour power with the development of capital-labour relationships through these two aspects. On the one hand, the development of capital accumulation increases the demand for labour power in the world-economy. On the other hand, it causes the incorporation of outlying areas into the world-economy to increase the supply of labour power. We can understand international labour migration systematically in this theoretical framework.

We point out here three characteristics of this approach to compare with the orthodox explanations.

① The world-system theory covers more types of migration than the orthodox explanations. The latter regards labour market as an institution which balances supply with demand through the change of wage on the analogy of commodity market, and supposes it exists in two national economies between which migration occurs. The object of the

orthodox explanations is in fact the migration of the “doubly free wage worker” in the highly-developed countries. As above-mentioned, the world-system theory takes various forms of migration since the emergence of the capitalist world-economy into its framework. The “world labour market” expresses the fact that labour force has transferred (been transferred) over long-distances. It reflects this theory's emphasis that not all productive activities depend on free wage labour in the world-economy. Free labour is the form of labour control used in the core whereas coerced labour is used in the periphery. The combination of them is the essence of capitalism (Wallerstein, 1974, p.127).

② Regarding factors which influence on international labour migration, in addition to wage differentials and labour demand, this theory emphasizes “coercion.” This word covers from direct violence in the case of slave trade to tacit constraints in a society like racism. It is the combination of “coercion,” wage and labour demand that has caused international labour migration in the world-economy since the fifteenth century.

③ In this theory, the unit of analysis is the world-economy. Labour migration does not happen between two independent units (national economies). It should be grasped as a part of internal dynamics of the single unit (the world-economy) overarching a sending and a receiving areas (Portes and Walton, 1981, p.29). ”

However, the concept of the “world labour market” does not elaborate enough to answer our question.

According to Potts who highly estimates Rosa Luxemburg, it is important for the expansion of capitalism into non-capitalist societies to acquire not only raw materials but also labour power. Capital chooses the labour system whose cost is the lowest on the basis of comparative calculations of labour power cost and recruits living labour power for it by physical coercion in the geographical extent of the “world labour market” at a particular moment in time. Since the capitalist method of exploitation has developed and the “world

labour market” has expanded geographically, there is a dominant labour system and a typical pattern of migration in the world-economy at each epoch. The individual stages in the development of the “world labour market” follow on from each other through the course of history (Potts, 1988, pp.199-201).

For example, in the nineteenth century, the African forced labour and the Indian coolie system were compared based on calculations in which were included average and empirical values for the cost of labour power (purchase price and expenditure on maintenance or wages), life span and productivity. The result were then reduced to simple arithmetical formulas: the cost of a coolie is less than half that of a slave (Potts, 1988, p.205). As a result, needless to say, the Indian coolie system was adopted, and it became dominant in the nineteenth century.

It is difficult for this theory to answer the question why workers in the Third World did not immigrate into the core for a long time. The capitalist should have always adopted the cheapest labour system and should have employed and exploited the lowest-cost workers not only in the periphery but also in the core. (Potts argues that the capitalist could have adopted the same labour system in the core as that in the periphery.)

Potts' concept of the “world labour market” in which there is a dominant labour system at each epoch means in fact that gross demand of labour required by capital meets gross supply of labour by physical coercion on a world scale. This concept has plane structure which extends geographically without hierarchy. She is actually not interested in qualitative aspect of labour. She disregards the possibility that, as there are many labour systems in the division of labour formed by capital, capital needs a particular type of labour for a labour system. In other words, she does not take into account the essential insistence by the theory of the world-system that various labour systems coexist in the world-economy at the same time and capital needs different types of labour reflecting it. Rather she

reduces the possibility of their coexistence to the matter of cost, and emphasizes that the cheapest labour system is dominant at a stage in development of the “world labour market.”

This theoretical framework does not give the clue to answer our question. Potts herself does not examine why mass migration from the Third World to the highly-developed countries did not occur for a long time. Instead, by declaring that “in the nineteenth century, ... it [--Europe] was not itself a component part in territorial terms of the world (labour) market” (Potts, 1988, p.200), she curiously excludes the centre of capital accumulation from her concept.

On the other hand, according to Petras, the “global labour market” divides into three wage zones which correspond to core, semi-periphery and periphery. She then introduces the concept of the national labour market. Each of them is located in three wage zones, and interrelates loosely to form the “global labour market.” In this framework, labour's drive toward equalization of wages and capital's drive toward profit maximization are responsible for the tendency of labour to move across national barriers and toward the more flourishing centres of capital accumulation. Force or coercion is understood as regulations by core states to stop and/or screen out migrants from low-wage countries.

While Potts' concept of the “world labour market” is two-dimensional, Petras points out the hierarchical structure of this market. However, she assumes a national labour market as an elementary unit and regards wage differentials between these markets as important. Her approach actually comes close to the traditional theories after all. It is obvious that the former confronts the same problems as the latter does discussed in section II . Therefore, it also cannot give clues to answer our question.

We would like to point out two problems in her argument in this context.

Firstly, she emphasizes that labour's drive toward the equalization of wages and capital's drive toward profit maximization cause migration and simply says that labour

moves from lower to higher wage zones. If so, it will be rational for capital and labour that labour moves from the periphery (especially the lowest wage area in the periphery) to the core. Therefore, this flow should always occur, and it should be the largest flow in the world-economy. In fact, she herself says, “Numerically smaller ... have been labor flows among labor markets with relatively similar wage thresholds” (Petras, 1983, p.48). It is clear that our question cannot be answered from this point of view. Generally speaking, she does not have interest in the reason why a migration flow begins at a certain time.

Secondly, as she attaches importance to the politico-legal regulations that states decide who should pass into their territories, she may want to emphasize that migration flows from low- to high-wage zones do not always occur because of state policies and functions at the border. However, it is difficult to explain by this argument why migration from the Third World to the highly-developed industrialized countries did not occur until the Second World War. As we mentioned before, the “control over the frontiers” were not executed in these countries for a long time. It is no exaggeration to say that the policies and functions at the border which she regards as absolutely and structurally essential to the capitalist nation-state are in fact abstracted from those executed in the core states in the latter half of the twentieth century.

On the one hand, since Potts does not pay much attention to the qualitative diversity of labour and the qualitative aspect of demand for labour by capital, her concept of the “world labour market” does not have hierarchical structure. On the other hand, although Petras regards hierarchical structure of this market as important, labour force is homogeneous except wage which determines ranking in its hierarchy. In other words, capital can recruit labour force by using inducement of wage as much as it demands

In sum, Petras and Potts have two characteristics in common. Firstly, they do not pay attention to the qualitative aspect of labour, while they are interested in labour cost

(Potts) and wage (Petras). Secondly, they assume capital can recruit freely labour force which it needs in the world market. In their approach, the hierarchical structure of production in the division of labour on a world scale which the world-system theory emphasizes seems to be forgotten.

IV The Job/Labour/Reward Hierarchy on a World Scale

To relate international labour migration with the hierarchical structure of production in the division of labour on a world scale, we examine Wallerstein's concept, "commodity chains" at first:

Our basic assumption in the analysis of core-peripheral relations is that the concept of *international* trade is fundamentally misleading. What we reject is the implied sequential development: *first* national markets, *then* expanded foreign trade geared to an international market.

Instead, we start with a radically different presumption. Let us conceive of something we shall call, for want of a better conventional term, "commodity chains." What we mean by such chains is the following: take an ultimate consumable item and trace back the set of inputs that culminated in this item----the prior transformations, the raw materials, the transportation mechanisms, the labor input into each of the material processes, the food inputs into the labor. This linked set of processes we call a commodity chain. If the ultimate consumable were, say, clothing, the chain would include the manufacture of the cloth, the yarn, etc., the cultivation of the cotton, as well as the reproduction of the labor forces involved in these productive activities. (Wallerstein, Hopkins and others, 1977, p.128, emphasis in the original)

And he explains their geographical directions as follows:

... .. commodity chains have not been random in their geographical directions. Were they all plotted on maps, we would notice that they have been centripetal

in form. Their points of origin have been manifold, but their points of destination have tended to converge in a few areas. That is to say, they have tended to move from the peripheries of the capitalist world-economy to the centres or cores. (Wallerstein, 1983, p.30)

We also point out that it is not common that every subprocess in the commodity chain is commodified. If profitable, a firm encompasses as many subprocesses in a particular commodity chain as possible. It seems reasonable to argue that vertical integration has been the statistical norm rather than those market nexuses in commodity chains in which seller and buyer were truly distinct and antagonistic. (Wallerstein, 1983, pp.16, 29-30)

The concept of "commodity chains" means the sequence of combined processes of making a final consumer commodity. At the same time, it means that various labours in the world-economy are combined with through the total production process of a final commodity.⁹⁾ This labour combination has a hierarchical structure along a series of commodity chains from the periphery to the core: labours added to a commodity change from unskilled to skilled, and from low reward to high reward along it.

However, commodity chains only focus on the interrelationship among labours inputted into the commodity production directly. In the firm organization, the main production unit in the capitalist economy, we find not only the direct production labour but also the labour which performs functions of control, command, coordination and so on.⁹⁾ In this organization, there is a hierarchical structure of labours, from capitalists and managers at the top to unskilled workers at the bottom, too. In sum, the labour formation in the world-system is based on the combination of commodity chains and firm organizations, that is, social division of labour and intra-firm division of labour.

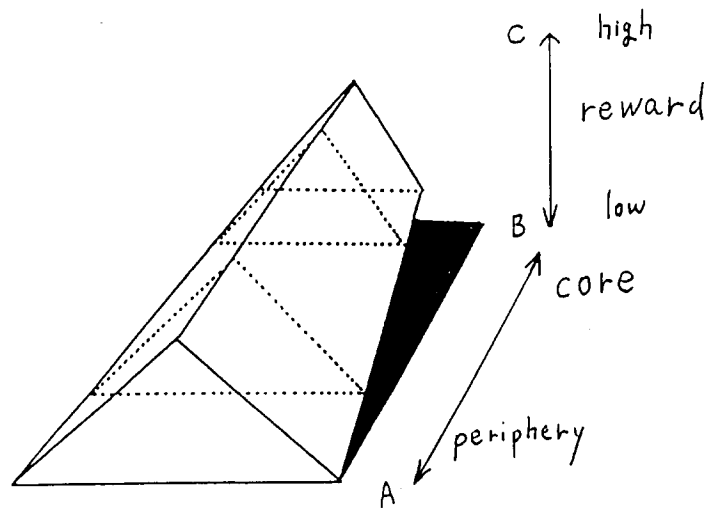
What is an atomic unit in this labour formation? It is each job which each worker holds. Job means: practical work contents which a worker should do in a labour process on the one hand, and a position he/she occupies in the production organization to perform them on the other hand. Although it is obvious that a firm is an organic collectivity of jobs, the organic network of jobs also develops along commodity chains through markets. Ultimately a single huge job machine forms in the capitalist world-economy.

It is a very complicated system, but we can point out several fundamental characteristics.

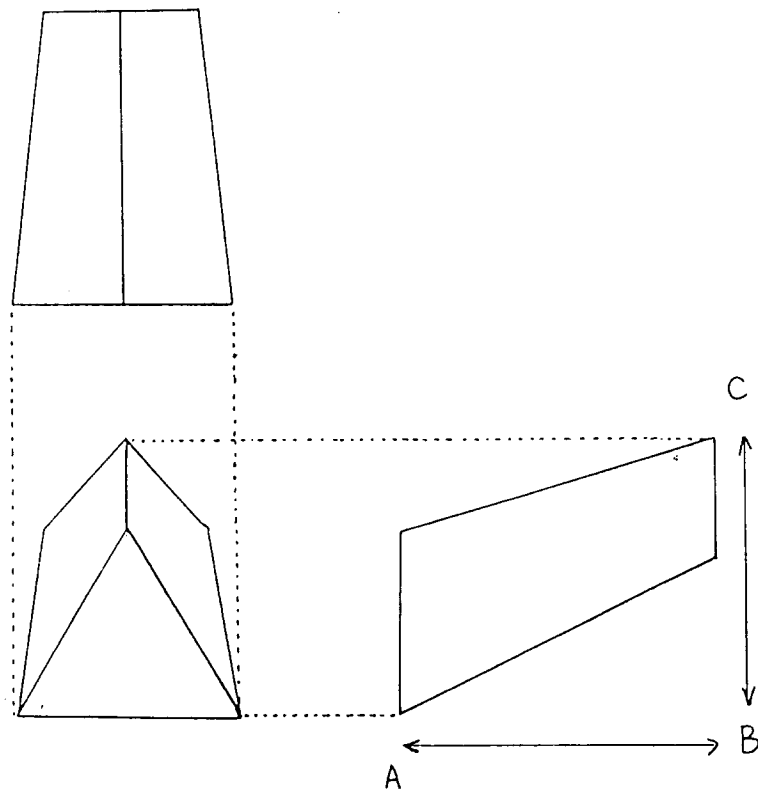
- ① If we compare the lowest jobs at each production point along a sequence of commodity chains, their reward increases from the periphery to the core.
- ② Firms to produce the same commodity at the same level of the hierarchy tend to adopt the same mode of labour control and the same job formation. Generally speaking, therefore, in a certain region we find the same hierarchy on an industrial sector scale as each firm has.
- ③ Seeing from a particular job, some jobs are similar to it, and others are different from it. In other words, the social distance among them is various. (It will be measured by time required for a worker to move from his /her present job to another.) If we take a job at random as a starting point, we line up other jobs continuously like spectra from it according to the social distance. We arrange them horizontally and vertically.
- ④ A worker takes a job as a job holder. There is one worker for one job, but he/she can take more than one job simultaneously. If we assume a given period (e.g. one year), it is not unusual that he/she has more than one (e.g. seasonal labourers).

Taking those characteristics into account, we make a sketch of this job/labour/reward hierarchy on a world scale (Figure 1) which is a tapered trigonal prism composed of all hierarchies at each level in the core-periphery structure.

Figure 1 Job/Labour/Reward Hierarchy on a World Scale



<Projection>



Although an atomic unit in this hierarchy is each individual job theoretically, it can be supposed that the hierarchy consists of some strata of job group practically, instead of an individual job. Each stratum includes a set of similar jobs. In a long term, a group of workers is suitable for a set of jobs. To analyze migration from historical view point, it is enough to be supposed there are several strata. For example, it is useful for our purpose in this paper (as we will discuss in the next two sections) to divide into five strata: unskilled non-factory jobs, unskilled factory jobs, skilled factory jobs, clerical jobs, and highly skilled jobs. However, even if we adopt stratificational structure instead of job collectivity for practical reasons, we cannot homogenize it to the job in general (within the world-economy or within a national economy). We cannot treat the labour in general, either. We should emphasize once more that each of them is not homogeneous.

In this hierarchy, a worker moves from a job to another (It does not necessarily mean the spatial moving).

Firstly, without no change in job formation, a worker will move. He/She seeks a better position in it, as Petras emphasizes. In addition to it, however, “coercion” also plays an important role, as we said before. Generally speaking, penetration of commercial relationships increases motivation to get money, and then it leads a worker to move up to higher jobs voluntarily.

Secondly, various factors cause changes in job formation, which in turn influence on labour arrangement. For example, the geographical expansion of the world-system, the introduction of new products and new technologies, increase (decrease) of production of a commodity, and degradation of a commodity production according to the product life cycle. Those factors influence on job formation in this hierarchy, and then change the arrangement of labour.

However, the region of jobs to which each worker can move from his/her job is

limited. Capital demands the specific labour that is suitable for a particular job. It is easier for labour to move from its previous job to adjacent ones, but it is more difficult to move to the socially distant ones. It is obvious in the case of job ladder in a firm. However it is also true on a world-scale. The longer the social distance between jobs is, the more difficult moving is for workers.

On the one hand, this is a limit of capital. On the other hand, however, it has an ability to search the labour suitable for a job within the world-economy. If capital finds the suitable labour in the geographically distant area, it can recruit this labour. Thus international migration takes place.

The development of capital accumulation causes changes in international division of labour and the reformation of the job/labour/reward hierarchy. Then, it induces the social moving of labour between jobs. Spatial labour migration should be understood as a form of this moving. In a word, capital recruits labour without minding spatial distance to annihilate social distance between jobs.¹⁰⁾

We will call this job/labour/reward hierarchy the “world labour market.” Although this concept is different from Petras' and Potts', it takes their insurances into account and emphasizes the hierarchical structure of job and labour which they ignore.

V Migration and the Job/Labour/Reward Hierarchy in the Nineteenth Century

In the nineteenth century, international migration from the Third World developed on a large-scale in parallel with that from Europe. Especially Chinese and Indians migrated a long distance way: they emigrated to the West Indies, Asia, Africa, and Pacific Islands. They also went to Australia, South Africa, and North America. But not to Europe.¹¹⁾

If the orthodox explanations and Petras are right, Chinese and Indians should have migrated to European countries, especially to the UK, where labour reward was the highest in the world at that time, not to the peripheral areas. Even in those days, some people pointed out the possibility that they might have flowed into Europe. For example, Friedrich Engels often referred to it in his letters since the 1880s. He said in his letter of 22 September 1892 as follows:

Construction of railways will destroy completely the foundations of small agriculture and cottage industry in China, and there are no big industries to compensate them in this country. It will make hundred millions of people impossible to live. It will bring the following results: the unprecedented mass emigration, the flood of hateful Chinese in America, Asia and Europe, the involvement of American, Australian and European workers in competition based on Chinese standard of living, that is, the lowest level in the world,.....
(Engels, 1968, S.470)

However, it did not happen after all at that time. It is the mid-twentieth century that mass migration from the Third World periphery to the core began. To study why

people in this area did not migrate to Europe in the nineteenth century, we point out three characteristics of migration within the Third World in those days.

① They were temporary migrants. Indian and Chinese migrant workers planned to go back home within a few years, even if they migrated to distant areas. Also, migrant workers within the African continent stayed in receiving areas for a few months a year.

② Migrants from the Third World became unskilled workers in raw material production at the mine and the plantation, and in construction of infrastructure in receiving areas.

③ They did not make contracts with European capitalists as the “doubly free wage workers.” Although they received wage, they were what is called “unfree wage workers.” “Coercion” played an important role in their work. Firstly, needless to say, European capitalists or managers controlled them by threat and punishment, as Potts emphasizes. Secondly, however, if we call it the “external coercion,” there was the “internal coercion” between migrants. We would like to emphasize the role of this “coercion” on migration between peripheral areas in the nineteenth century which has been neglected. In the export sector in the periphery where the Third World migrant worked, the overseer who directly controlled the labour process was not the European, but the man who came from the same region as workers did.¹²⁾ He was often a recruiter at the same time. Even if a migrant made a contract with the European capitalist or manager, he in fact regulated himself by the interdependent human relations with his overseer, his recruiter and his mates who spoke the same language, and had the same culture. These relations became the “internal coercion” for the worker to give up escaping and to bear hard working under this control system. Migrant workers were controlled and managed by the combination of the “internal coercion” and the “external coercion.”

Why did this “internal coercion” work?

As the industrial capitalism established in Western Europe in the nineteenth century,

the capitalist world-system expanded all the area on the globe. Most of areas in the Third World were integrated into the lowest stratum of this system, and most of the Third World workers were also incorporated into the lowest of the job/labour/reward hierarchy. Although the community was involved in the commodification process, subsistence activities were dominant. They were based on the traditional production system in which ruling principle was mainly paternalism. Besides, various kind of social organizations and traditional practices (leisure, festival, religious ceremony and so on) supported them. It was difficult practically to distinguish labour process from daily life process.

While European capitalists and managers needed many unskilled workers for the production of raw materials at the plantation and the mine, these production activities were not much different from subsistence ones. They adopted the same production system as workers were familiar with, and indirectly controlled workers through recruiters and overseers. It also holds true in the case of migrant workers. The labour system in homeland implanted with them in remote areas, and overseers who came from homeland controlled them directly with paternalism.

However, this traditional labour system could not have been adopted in the modern mechanical industry in the core, even if migrant workers from the periphery had worked with very low wages. In the factory, it was machines that regulated production process and labour formation. Labour process was strictly separated from daily life process, and a worker's social status and attribute outside factory were not considered in his evaluation as a worker. In sum, unskilled workers required in the modern mechanical industry were different from unskilled ones in the peripheral export sector.

We may define the words "unskilled work" as the work which people can learn how to do for a short time (e.g. a few days). From this point of view, there are no difference between unskilled works in the factory and that in the plantation. Even if so

technologically, however, the question of labour qualities does not disappear. Qualities such as discipline, work attitude, respect for authority, loyalty and corporation may be more important, and the efficient labour system would vary according to those factors. People in the Third World who depended on subsistence economy heavily were not eligible labour for the modern mechanical industry in the nineteenth century.

The social distance between the lowest stratum in the periphery and that in the core was long at that time. Therefore mass migration from the Third World to Europe did not occur. It did not take place that Third World immigrant workers competed with Europeans for the same jobs in the factory in the core.

Instead, there was keen competition between European migrants and Third World workers in the raw material production and infrastructure construction especially in the semi-periphery. Before discussing this topic, we will investigate the characteristic of European migrants. It has been grasped as migrant flow from developed area to backward one, and especially in Marxian economics, it has been explained in the context of the progressive production of the relative surplus population in the highly-developed capitalist countries.¹³⁾ In the world-system approach which understands labour migration as a labour supply from the periphery, this migration has often been treated as an exception, since it looked like migration from the core to the periphery (Petras, 1983, p.48) (Potts, 1988, pp.200-201).

In the U. K. in the nineteenth century, however, proletarianization of independent petit-producers still progressed ceaselessly, and rural-urban migration was under way. This process means that rural area in this country (including Ireland) was being much more integrated into the capitalist world-economy during that period. In other words, rural area in the U.K. belonged to the periphery. It also holds true in Germany in the nineteenth century. The disintegration of agricultural communities in Western Europe caused domestic

population movement to supply wage workers to modern mechanical industries on the one hand, and to supply international migrants on the other hand. Some people going abroad were employed as wage workers in the Northern states of the U.S. which were rising up to the core, and others were engaged in production of raw materials in the semi-periphery and the periphery. Therefore we should not understand European immigration as migration from developed area to backward one. Also it is not an exception for the capitalist world-economy. The reason why Petras and Potts consider it as an exception is that they are still prepossessed unconsciously with traditional thinking that regards a national economy as an analytical unit which is homogeneous inside.

As European rural areas were much earlier integrated into the world-economy than the Third World, people from the former could be the “doubly free wage workers.” Because of penetration of market economy, the subsistence sector declined, and commodification of land developed. They were not regulated strictly by traditional rules in the local community and the household any longer. When they went abroad, they tended to be permanent migrants. In the nineteenth century job/labour/reward hierarchy, rural workers in the Western Europe were located in the upper part of the periphery, while Third World workers were just integrated into the lowest stratum.

As a result of it, the semi-peripheral areas in those days became the main destination for the European migrant and the upper limit for the migrant from the Third World. Especially in Australia and South Africa, and on the Pacific coast of North America, there were keen competitions between them, and strict immigrant restriction policies against Third World workers were adopted. On the contrary, they were not adopted in the Western Europe where there was no possibility that Third World people immigrated as workers in the factory. Since many historical and political factors influence on immigration policies in each nation-state, it would be unwise to dispatch them in sweeping

generalizations. Even if so, however, we have to take into account the structure of the job/labour/reward hierarchy and each state's position in the hierarchy to study its immigration policies.

VI Structural Changes of the Job/Labour/Reward Hierarchy since the Second World War

Fröbel, Heinrichs and Kreye argue the emergence of the New International Division of Labour, that is, the core/industrial goods export = the periphery/industrial goods export, in the 1970s (compared with the Classical International Division of Labour: the core/industrial goods export = the periphery/primary goods export). They stress that it has been made possible by three preconditions: the practically inexhaustible reservoir of disposable labour in the developing countries, the division and subdivision of the production process, and the development of transport and communication technology.

They also define the concept of the “world market for labour power” as follows:

The coincidence of these three preconditions has brought into existence a world market for labour and a real world industrial reserve army of workers, together with a world market for production sites. Workers in the already industrialised countries are now placed on a world-wide labour market and forced to compete for their jobs with their fellow workers in the developing countries. Today, with the development of a world-wide market in production sites, the traditional industrialised and the developing countries have to compete against one another to attract industry to their sites. (Fröbel, Heinrichs und Kreye, 1977, p.13)

It is obvious their concept is quite different from Petras' and Potts'. However, it is unfruitful to argue semantically which concept is right. We only point out here that their concept is important for us, although the job/labour/reward hierarchy as a concept is close

to Petras' and Potts'. The "world market for labour power" developed by Fröbel and others suggests the historical and structural changes in this hierarchy which are important to answer our question. By investigating their argument, we will examine what changes have taken place in it.

Fröbel, Heinrichs and Kreye are not interested in hierarchical structure of the "world labour market," either. To define it, they attach importance to the existence of direct competition between workers in the core and the periphery. In spite of a disparity of wage between these zones, there is a homogeneous market for labour in which workers compete with each other on a world scale. It is international movement of capital that brings this competition, since it causes the shift of production sites. (In their argument, the concept of the "world market for production sites" is as important as that of the "world market for labour power".) Therefore, they think little of the international labour migration. Taking into consideration big migration flow from the periphery to the core and the competition between migrant workers and native ones in the core since the Second World War, however, we cannot neglect the role that international labour migration plays even in their "world market for labour power." Besides, international capital movement has effects promoting international labour migration, as Sassen shows.¹⁴⁾ Therefore, it is reasonable to think that capital-wage labour relations which they emphasize have developed overarching the core and the periphery through two channels, that is, "capital to labour" and "labour to capital."

Since they do not develop their argument on the first precondition of the New International Division of Labour, that is, the practically inexhaustible reservoir of disposable labour in the developing countries, they neglect the channel, "labour to capital."¹⁵⁾ The second and the third are the technological changes caused by capital accumulation process in the core, so we may be able to consider them developing linearly to reach the levels in

the 1970s making capital possible to shift from the core to the periphery. However, the first cannot be explained by such quantitative development as to be applied to the others. Inexhaustible reservoir of cheap labour itself has always existed in the periphery. It is important that it recently changed qualitatively into the reservoir of potential labour power available in modern factory. Since they disregard this qualitative aspect of the reservoir, they explain the emergence of the “world labour market” only based on the channel, “capital to labour” stressing the second and the third preconditions in fact.

In addition, it causes another problem. When they insist that “the coincidence of these three preconditionshas brought into existence a world market for labour and a real world industrial reserve army of workers,” they talk as though there were competition between all workers in the core and the periphery. As their case studies mainly concentrate on unskilled workers in the factory, however, they focus on the competition between those workers in reality. Therefore, it is the competition for unskilled factory jobs that has been keen since the 1970s. Without asking what kind of workers compete with each other, they assume that the homogeneous labour market must have established on a world scale since then.

Taking into account these problems, we have to investigate recent qualitative changes in workers in the periphery.

The modern world-system fully expanded geographically to include all areas on the globe until the early twentieth century. Since then, there was no new labour integrated into the lowest stratum of the job/labour/reward hierarchy from outside. As capital accumulation has developed, subsistence activities have decreased, and wage labour and market oriented activities have increased in all household in the world-economy.

In other words, the local economy incorporated into the capitalist world-economy have gradually disintegrated by commodification. Goods produced in the subsistence

sector have been increasingly replaced by commodities. Today, even in the rural area in the Third World, basic food (i.e. rice, wheat, maize, etc.) is often being commodified.¹⁶⁾ In the process of disintegration of the local economy, commodification of basic food which forms the nucleus of the subsistence activities plays a critical role. This is the final stage of disintegration.¹⁷⁾ As long as basic food and means of production for it including land, water, etc., are supplied within a local community, indigenous labour organizations controlled by paternalism last. Social organizations and traditional practices supporting them also survive. However, when basic food is produced and/or supplied as commodities, indigenous labour organizations decline, and social organizations and traditional practices are transformed substantially. Instead the relationship based on the market-economy becomes dominant even between households, and land and labour are often commodified.

Members of the household often seek employment outside a community. They are different from workers in the periphery in the nineteenth century. Firstly, the lower limit of their wage is higher than it was, since they have to compensate decrease of subsistence activities by wage-income. It has never been rational any more for them to accept employment at a rate of remuneration which contributed less than its proportionate share (in terms of hours worked) of real income. [It was rational to earn necessary liquid cash, when wages formed a less important segment of total household income.] (Wallerstein, 1983, pp.26-27) Secondly, it is difficult to organize them into the labour system based on traditional one controlled by the “internal coercion” because of decline of subsistence activities. Instead, they behave as workers to obey direct control over production process by capitalists or managers, although they may be still different from the “doubly free wage worker.” Thirdly, when they emigrate, they gradually lose their nature as birds of passage.

As a result of the above-mentioned structural changes in the rural area in the Third

World, first of all, rural-urban migration has recently increased rapidly. While active population engaged in agriculture as a proportion of total active population had decreased by 7 percent for 60 years from 78 per cent in 1900 to 71 per cent in 1960 in the Third World (Table 1), it decreased by 13 percent for 25 years from 73.5 per cent in 1965 to 60.2 per cent in 1989 (Table 2). [It is needless to say that these figures are based on rough estimation. However, it is still useful to understand the tendency.] Even if only a minority of population is employed in modern industry actually, the rest form the reservoir of potential labour power for it, as Fröbel and others emphasize. And then, part of this rural-urban flow stretches to international migration to the highly-developed countries.

In sum, workers who have not belonged to proletarian household have absolutely moved up in the job/labour/reward hierarchy, while no new workers have been integrated into its bottom from outside in this century. Compression has taken place in the direction of AB in this hierarchy in Figure 1 visually. Overlapping job strata among core, semi-periphery and periphery have expanded since the Second World War, and workers in the core and the periphery compete with each other at unskilled factory job which was occupied by the core workers alone in the nineteenth century. It is this change that Fröbel and others express by their concept of the “world market for labour power” and that their first precondition really means.

We need the supplementary explanation on migrant workers in Europe. Mass migration from the Third World to Western Europe already developed in the 1950s. According to Fröbel and others, however, the New International Division of Labour appeared in the 1970s. Also it is not explained by the thinking which emphasizes the interrelationships between international mobility of labour and capital, and especially the effect of foreign direct investment to decrease dependence of household on subsistence activities to mobilise labour force (Sanderson, 1985) (Sassen, 1988). However, import sub-

Table 1 Changes in Active Population in Agriculture as a Percentage of the Total in Selected Countries between 1801 and 1970

Year	1801	1840	1870	1900	1910	1920	1930	1942	1950	1960	1970
Great Britain	35	23 ¹⁾		9 ⁵⁾		7 ⁷⁾			5 ⁹⁾	4	
France			43 ²⁾		30 ⁶⁾				20 ⁹⁾	22	
Italy			51 ³⁾		45 ⁶⁾				35 ⁹⁾	31	
USA		68	51	44 ⁵⁾	32				12	7	
Canada									19 ⁹⁾	13	
Japan			85 ⁴⁾			52 ⁸⁾		43	48	33	
Less Developed Countries				78		78	77		73	71	66

1) 1841, 2) 1866, 3) 1871, 4) 1872, 5) 1901, 6) 1911, 7) 1920, 8) 1925, 9) 1951.

Source: Kuznets(1966, pp.106-107), Bairoch(1975, p.160).

Table 2 Changes in Active Population in Agriculture as a Percentage of the Total in Developing Countries between 1965 and 1989

	Year							(%)
	1965	1970	1975	1980	1985	1989		
All Developing Countries	73.5	71.1	68.4	65.7	62.7	60.2		
Developing Market Economies	68.8	66.3	63.2	60.2	57.4	55.2		
Africa	80.7	78.9	76.2	73.6	71.0	68.8		
Latin America	44.1	40.6	36.1	31.8	28.9	26.6		
Near East	63.6	59.2	53.9	48.7	43.8	40.3		
Far East	71.3	69.2	67.0	64.8	62.3	60.3		
Other	75.0	71.9	67.1	63.1	59.1	55.8		
Asian Centrally Planned Economies	80.4	77.9	75.7	73.5	70.2	67.4		

Source: FAO (1985, Table 3), (1987, Table 3), (1988, Table 3), (1989, Table 3).

stitution industrialization promoted by local governments would have the same impact on rural areas as export-oriented industrialization by foreign capital. Import substitution industrialization already developed in a few independent Third World countries in the 1950s. Also, not only penetration of capital but also that of market economy in general would have the effect to decrease dependence of household on subsistence activities. Penetration of market economy much progressed in some parts of the Third World before the 1950s. In short, because of the uneven development, the process to produce the reserve armies of potential industrial workers already began in the 1950s in some areas, for example, European peripheral areas and the British West Indies. Since the second and the third preconditions had not come into existence yet, geographical shifts in production did not take place during that period. Instead, labour migration was dominant, and its direction was determined not by the relationship with capital movement, but by old ties such as colonial connection with the core countries.

Now it is easy to answer the question why the “control over the frontiers” has reinforced since the Second World War. Generally speaking, workers in the Third World has been transforming into eligible labour for unskilled factory jobs and migrated toward the core because of structural changes of the job/labour/reward hierarchy. If there were no possibility that they are employed in the core, there should be no need to adopt this policy.

In addition, we would like to refer to the new type of migration, that is, migration of highly skilled workers developed by the second and the third preconditions for the New International Division of Labour. These preconditions have made the multinationalization of a firm possible. The firm has extended its hierarchical structure internationally by means of its headquarter-subsidiaries network (Hymer, 1972a) (Hymer, 1972b). On the one hand, the multinational firm employs workers in the Third World, as the study on the New International Division of Labour suggests. However, most of them are fixed in the local

subsidiary, and they would take higher jobs within it at most. They seldom move to the headquarter or other subsidiaries abroad. On the other hand, workers in managerial, professional and other highly qualified jobs have chances to be promoted to higher jobs. They climb up a job ladder in a multinational firm by experiencing many jobs. Needless to say, it is true of all firms. In the case of multinational firms, however, their movement between jobs becomes often international migration. Recently this type of migration has increased rapidly. It cannot be understood as migration caused by wage differentials between national economies as the orthodox explanations suggest, either.

VII Conclusion

We began this study by propounding up the question why people in the “South” have migrated to the “North” since the Second World War.

If we employ the orthodox explanations which understand international migration as a flow of labour between two independent national economies in which there are homogeneous labour markets, it is difficult to answer that question. Although the world-system approach gives us some clues to answer it, we also find some problems in this approach.

Commodity production by capital has developed the huge job machine with hierarchical structure on a world scale. An atomic unit in this job/labour/reward hierarchy is a job, and a worker is posted at each job as a job holder. When a job falls vacant (or is created newly), capital recruits a worker for it. Candidates who are suitable for it will be limited to the workers in socially adjacent jobs, and capital may not find them in the neighbouring areas. However, capital has an ability to recruit labour in the world-economy. In order to annihilate social distance between jobs, capital seeks the eligible worker without minding spatial distance.

This hierarchy has always changed. In the nineteenth century when most of workers in the Third World were just integrated into the lowest stratum in it, there was a long social distance between jobs they took and unskilled factory jobs in the core. Therefore, labour migration from the Third World to Europe did not occur. It is after the Second World War that an inexhaustible reservoir of disposable labour for unskilled factory jobs has come into existence in the Third World. As a result of cumulative interaction of penetration of market economy and industrialization, workers in the Third World have

absolutely moved up in the hierarchy. Especially since the 1960s, this tendency has been accelerated by internationalization of capital, because multinational firms have penetrated directly into production process in rural areas and have promoted export oriented industrialization. The core and the periphery have overlapped at the unskilled factory jobs in the hierarchy, and mass migration has developed from the latter to the former. At the same time, the “control over the frontiers” has reinforced as an inevitable consequence of this process in the highly-developed countries.

In addition, internationalization of capital has promoted international migration of highly skilled workers which reflects their moving-up of a job ladder within the multinational firm. Although it is not unusual that those workers generally separate from others in a firm, it is important that this separation has enlarged on a global scale because of the “internationalization” of intra-firm division of labour by multinational firms. Since workers in the core occupy overwhelming in these jobs, the segmentation of workers between the core and the periphery becomes clear at this stratum in the hierarchy at the present time.

Notes

1) In this paper, the “control over the frontiers” means not only to control population movement just across a national boundary but also to regulate foreigners within it (arrest of foreigners who work illegally, employment of foreign workers under the control of state, and so on). Before the First World War, passports were not generally required in going from one country to another (Boggs, 1940, p.106). During the inter-war period, government restrictions on immigration was gradually adopted and strengthened in European countries and the United States. In the latter half of the twentieth century, the bureaucratic apparatus for it has generalized and fortified (Böhning, 1984, p.5) (Cohen, 1987, Chapter 5).

2) In order to answer this question, we will propose an analytical perspective on international migration. However, since migration is a complex social-economic phenomenon influenced by many factors, its study cannot be confined to a single domain of social sciences. Besides, as migration has increasingly diversified recently, we find various types of it in the world. General and mono-theoretical approach will have limited power to explain it. We cannot deny that it is important to take a many-sided approach to individual cases. At the same time, however, if we try to relate each of results of case studies, we will need a basic framework of international migration. Without it, we may take risks to apply many theories to the migration in a haphazard way. Therefore, it is necessary to present an heuristic device to organize various types of migration and theories which explain them. In other words, we have no intention to build the general theory to apply all migrations directly and explain them completely.

3) We focus on the migration of labour force, that is to say, the migration generated by economic factors directly in this paper, since it has been dominant in the modern world-economy. Other forms of migration have been much influenced by it. For example, family reunification mainly occurs following the flow of migrant workers. Although refugees are directly caused by political reasons, it easily changes into “economic refugees.”

4) By reviewing the orthodox explanations from our point of view, moreover, we can point out that they do not explain some phenomena which are peculiar to international migration because of their fundamental problems in their theoretical structure. See the Note 5).

5) The orthodox theories also fail to explain some important aspects of labour migration.

① They assume that the inside of the national economy is homogeneous, that is, wage is equal within it. As a result of it, they tend to ignore the fact that foreign workers take the particular jobs, especially the lowest-wage ones in a national economy.

② They distinguish clearly between the inside and the outside of a national economy. They tend to ignore the relationship between internal and international migration. However, the domestic labour mobility (especially rural-urban migration) is also high in the country from which many workers emigrate.

③ They suppose in fact there is the labour market for the “doubly free wage worker.” However, this assumption is not valid for workers from the Third World. They often have property in their home country including land. Besides, if we argue migration in the modern world-economy from historical perspective, we find there have been various forms

of migration in addition to the “doubly free wage worker” migration since the fifteenth century.

④ According to the orthodox explanations, the migrant at home makes a rational decision to move to some other place by comparing wages. To maximize his/her income, the migration would be permanent. However, many migrations from the Third World to the highly-developed countries are temporary. If migrants have property at home, this tendency is strengthened.

⑤ We often find the stair-step migration among more than two countries. If we focus on two countries as the traditional theories do, we cannot understand the whole structure of this migrant flow.

6) The world-system theory is defined simply as follows in this paper: the core view of this theory is that the division of labour formed by capital accumulation exists only on a world scale, and the production system in it has a hierarchical structure including various forms of labour control. Although this definition may not be strict, it is adequate to the study of international labour migration. For example, in spite of her criticism on the “world-system approach (Wallerstein and others)” (Potts, 1990, pp.195-197), Lydia Potts has the above-mentioned view. It is also possible to include in this group people who think that several modes of production coexist in the world-system and understand migration as one of interactions between them within this system (Chase-Dunn, 1989).

7) For example, there was a migration flow from India to Malaya in the late nineteenth century. On the one hand, in Malaya which supplied raw materials to the U.K., the production of rubber in the plantation increased. However, unskilled labour for it was insufficient in Malaya. On the other hand, in India, labour mobility in rural areas was

stimulated by the increase of demand for money in accordance with commercialization of agriculture. Thus this migration flow generated. It is difficult to understand it as a flow between two independent units. It generated in the single process of integration of South Asia and South East Asia into the world-economy through the colonization by the U.K.

8) The concept of “commodity chains” reminds us “joint labour” in Chapter One of *The Wealth of Nations* by Adam Smith. After he explained the increase of production in consequence of the division of labour, he said as follows:

Observe the accommodation of the most common artificer or day-labourer in a civilized and thriving country, and you will perceive that the number of people of whose industry a part, though but a small part, has been employed in procuring him this accommodation, exceeds all computation. The woollen coat, for example, which covers the day-labourer, as coarse and rough as it may appear, is the produce of the joint labour of a great multitude of workmen. ...
... how many ship-builders, sailors, sail-makers, rope-makers, must have been employed in order to bring together the different drugs made use of by the dyer, which often come from the remotest corners of the world! What a variety of labour, too, is necessary in order to produce the tools of the meanest of those workmen! (Smith, 1979, pp.115-116)

He emphasized that division of labour was equal to joint labour, and that it was formed on a world scale by means of innumerable commodity exchanges. In contrast with him, David Ricardo focused on the international exchange of final consumer goods (cloth and wine) between two countries (Portugal and England) to build the theory of comparative costs based on the national economy (Ricardo, 1951, Ch.7). While this way of thinking

has been mainstream in international economics, A. Smith has been neglected for a long time.

9) Exactly speaking, there is another important production unit, that is to say, the household. On the one hand, it supplies labour force to the capitalist firm. On the other hand, it itself is often engaged in commodity production as a petit commodity producer. Generally speaking, we do not find a hierarchical structure of labours in it. Although the sketch shown in Figure 1 is useful to understand visually the framework of the job/labour/reward hierarchy on a world scale, it is too simple to describe this characteristic of the household.

10) It is needless to say that capital must take transportation cost into account, when it moves labour spatially. What we want to emphasize is that capital does not restrict its activity within a certain area (e.g. a national economy). Capital behaves on a world scale.

11) As a variation of the orthodox explanations, transportation cost is introduced to explain why Indian and Chinese migrants did not go to Europe in the nineteenth century, that is to say, high transportation cost prevented them from immigrating to Europe. However, this explanation seems to be incorrect. Indian and Chinese indentured migrants went to various areas in the world. For example, many Indian people migrated to the West Indies. A voyage from India to the West Indies was not widely different from that to England via the Cape of Good Hope. Besides, after the opening of the Suez Canal in 1869, Europe was not far from India, compared with the West Indies.

12) As far as we know, an important exception is mining in South Africa before the First World War. The overseer mainly consisted of Europeans (Onishi, 1983).

13) Marx said as follows:

By constantly making a part of the hands “supernumerary,” modern industry, in all countries where it has taken root, gives a spur to emigration and to the colonization of foreign lands, which are thereby converted into settlements for growing the raw material of the mother country (Marx, 1954, pp.424-425).

14) Saskia Sassen points out the fact that the Third World countries in which direct foreign investment accounts for a significant share of economic activity are also major emigration countries to the U.S. She emphasizes that direct foreign investment has some effects that contribute to the formation of a pool of potential emigrants, and at the same time, to the emergence of emigration as an actual option (Sassen, 1988).

15) Practical reason why Fröbel, Heinrichs and Kreye neglect international migration is that there was the fact that West Germany and other Western European countries had stopped the policy to receive foreign workers in the early 1970s. At that time, internationalization of capital-wage labour relations was shifting from “labour to capital” to “capital to labour” in Europe.

16) Especially the Green Revolution has much accelerated this process. Its main target for variety improvement was basic food. This revolution has been promoted by multinational firms in agribusiness: the second and the third preconditions have played important roles in it.

17) The local economy expresses the economic aspect of local community consisting of households. The subsistence sector and the market-oriented sector coexist in it, and the former supports basically the reproduction of this economy self-sufficiently within a region. The disintegration of the local economy by commodification means that the latter expands while shrinking the former. However, this process does not occur at a stroke. It passes several stages. The impact which the local community receives from capitalism and its response differ much in different stages. While case studies on this topic have much accumulated, it has not made many efforts to theorize the process of disintegration. To analyze various forms of emigration from the Third World, however, it is important to investigate this process theoretically. Although we will not discuss this topic at full length in this paper, we would like to emphasize that it is useful for the study of emigration from the Third World to divide the disintegration process of the rural community into three stages (Iyotani, 1986).

Even after the community is integrated into the capitalist world-economy, the subsistence sector keeps the function of a regional self-sufficient system. Goods which support reproduction of people are produced in a household or in a region. If the community was shut from outside (i.e. the world-economy), people in the community would manage to live. The world-economy replaces goods produced by the subsistence sector with commodities, and stimulates to expand the market-oriented commodity production in the community to buy them. However, it is very important to note that the commodification does not develop at random. It does keeping the subsistence sector's function of the self-sufficiency as long as possible. From this point of view, we can point out three stages, and it is useful to classify the goods produced in the subsistence sector into luxurious goods, daily necessities, and basic food and means of its production, to

investigate these stages.

① Forced Incorporation. When the outlying society enters into contact with the world-economy firstly, the latter creates the primary commodity sector for the world market in the former by direct political power. Special agricultural products and precious metals are produced by forced labour and forced cultivation. However, the world-economy does not disintegrate the subsistence sector at all. At most, it supplies luxurious goods as commodities to the community. The local community conserves its social organizations intact. In other words, since it is impossible to break down the self-sufficiency in the community by commodification, direct violence is used to establish the primary commodity sector. During the first stage, spontaneous migration does not occur. Workers are recruited by force, and they themselves are often entered as a commodity into commercial relationships in exchange for luxurious goods. A typical example is the slave trade.

② Market Incorporation. The local economy is incorporated into the world-economy through market relationships. Daily necessities produced in the subsistence sector are gradually replaced by commodities (industrial goods), and the primary commodity sector for the world market comes to be an essential economic element in the local economy. To keep the living standard of members in the community, they have to produce raw materials as commodities for getting money to buy daily necessities. However, basic food is still produced in the subsistence sector, and traditional organization for its production are conserved intact. Members in the community keep rights to use properties (including land). When emigration occurs, it becomes an economic movement for migrants themselves as well as for users of their labour. People having properties in the community become temporary migrants who go back home after getting money to realize earning targets, instead of the commodity production for the world market.

③ Reproduction Incorporation. While the local economy is being incorporated into

the world-economy through market relationships, it is basic food and means of its production that are commodified during this stage. As long as basic food, most fundamental element in the reproduction of people, is produced in the subsistence sector, non-commercial cooperating production system survives in the community. Conventions, patriarchy, religion and traditional cultural values play important roles in this system. When basic food is commodified, monetary motives become dominant and regulate social relations even within the community. Land is commodified and traditional production system have collapsed. Migration in this stage loses its temporary nature, since migrants who have no properties (especially no land) do not have much incentive to return home. If the community passes this final stage completely, it is not necessary and not possible to distinguish it from the capitalist world-economy theoretically. On the one hand, however, even rural communities in the highly-developed countries have not finished this stage today. On the other hand, those in some regions in the Third World have already reached it. The Green Revolution referred to in the Note 16) is one of the important factors which promote this process.

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