
THE RISE AND FALL OF POWERS IN EUROCENTRIC WORLD-SYSTEM: A STUDY OF IBERIAN RISE AND DECLINE

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ABSTRACT

The paper is based on the concept of *longue durée* the “structural time”, given by Fernand Braudel. The concept serves as priori belief of world-systems analysis. The world-systems theorists of *Annales* School of Historians consider year 1492 as a point of rupture in history of human beings and their geo-space. With the discovery of Americas and the birth of Renaissance, centrality was placed on Europe. Henceforth, it was the march of Europe that relegated the rest of the world to the status of periphery. Eurocentric, capitalist world order stretching over five centuries can be conceived as *longue durée*; in *la très longue durée*, (an unchangeable structure, human-centric history). World system analysis identify recurring patterns (*conjectures*) as historical-structural temporalities, i.e., the rise of a power to hegemonic status; its eventual decline; emergence of multi-polar state system; long waves of contraction and expansion; incorporation of periphery and its (re)alignment to new poles; induced by *events* (wars). The major shifts in Eurocentric order can be accounted as rise and decline of hegemonic powers, i.e., Iberia (Portugal and Spain), Dutch, British and the rise of USA. The paper aims to provide an overview of recurring patterns in Eurocentric world order, by giving a composite account of first moment of *longue durée*, in lead of Iberia (Spain and Portugal); at the same time analyzing the underlying causes responsible for rise and fall of Iberia.

Keywords: Longue Durée, Eurocentrism, World-System, Hegemony, Spain, Portugal, Latin America)

INTRODUCTION

The paper is based on the concept of *longue durée* (structural time), perceived by Fernand Braudel. The concept provided base for the World-System analysis that identifies the existence of a structure over a very long time span, i.e., “Eurocentric capitalist world-economy, since long sixteenth century”, (Wallerstein, *Annales as Resistance*, Winter- Spring 1978). Eurocentrism is the process that can be attributed to incorporation of mini-systems and subsistence economies in European economic order and assigning a subordinate status to rest of the world. Hence, two types of state can be identified in World-System based on primacy of Europe i.e., European states that compete with each other for the status of hegemony and create balance by diffusing a preponderant power’s will to create world empire; and peripheral states serving as reservoirs of resources and markets, playing role as passive players in transfer of hegemony by (re)aligning to new poles of power. The paper aims to provide a narrative identifying cyclical patterns during slow movement of history, from the perspective of French School of historians, *Annales*¹ and its project *histoire totale*, and identify rhythms in form of historico-temporal *conjectures* and events taking place in comparatively shorter periods (logistic waves) like wars and (re)alignment of periphery to new centers, leading to rupture i.e. rise and falls of hegemonic order with reference to first moment of Eurocentric world-system under Iberian powers.

Concept of Plural Time: *Longue Durée*, Logistic Waves (Conjectures) and Eurocentric World Order

World-System² approach emerged within the broad framework of *Annales*, i.e. the school of French historians, established with aim to provide a multifaceted, multilayered narrative (*histoire totale*). History becomes total with specific understanding of time and space. Since sixteenth century plurality of spaces is conceived as a single global space, an ordered whole, a world-system; a three layered structure of core, semi-periphery and periphery, with assigned functions, participating in global production and distribution of goods; and states interacting not autonomously, but as parts of a singularity, in accord to ascribed norms. This understanding of world space is priori belief of world-systems analysis. Time dimension of this geo-history is based on Fernand Braudel conception of time, i.e. the *longue durée*. Braudel conception of time is important for “historical cognition”. (Lee, Fernand Braudel, *The Longue Durée And World Systems Analysis*, 2012)

¹Journal *Annales d'histoire économique et Sociale* was founded by Lucian Febvre and Marc Bloch in 1929, changed its name, emphasizing its scope, to *Annales : Économies, Sociétés, civilisations* in 1946.

²World-systems analysis emerged in 1970’s during third debate in International relations as part of Marxist (Structuralist) paradigm. It was a protest movement within structures of knowledge and owed much to the social movements of 1968. (Lee, *Critiques and Development in World-Systems Analysis: An Introduction to the Special Collection*, Vol IV: 1 2010)

Braudel conceives social time as plural, and multilayered, and defines four concepts related to time: the short term of events or episodic history (political history of states), the medium term of *conjectures* (economic cycles), and the long term social structures, i.e. the *longue durée* (regularities, and recurring patterns of social, economic and political orders, whose change is almost imperceptible) and the very long term, i.e. *la très longue durée* (a durable structure with no ruptures and cyclical phases). (Lee, Fernand Braudel, The Longue Durée And World Systems Analysis, 2012: 3) Project of *histoire totale* i.e., geo-history can be constructed and understood on basis of spatio-temporal layers. “All the stages, all the thousands of stages, can be understood from these depths. And temporal structures of shorter durations can be elaborated through their relations to *longue durée*”. Hence establishing relation between the plurality of social times (Tomich, The Order of Historical Time: The Logue Durée and Macrohistory, 2012: 14) and diverse spaces in an ordered whole, a singularity, is the objective of world-system analysis.

The base of our analysis originates from Immanuel Wallerstein World-system analysis, who believes in “existence of a capitalistic world-economy, since long Sixteenth century”, as *longue durée*, and rise and falls of hegemony as conjectural achievements. (Wallerstein, Annales as Resistance, Winter- Spring 1978) The analysis will further count on Peter Taylor. Taylor has appended the concept of Logistic (Kondratieffs) waves, further divided in cyclical repetition of Phase A and B (a period of expansion followed by an economic crisis) (Taylor, 1989: 14) ending in fall of hegemonic power as conjectures, induced by political events like “world wars”.

From Plurality of Spaces to Emergence of Singularity: Origin of Eurocentric World-System as an Ordered Whole

Samir Amin (Amin, 1989: 73) marks the year 1492 with the beginning of Renaissance, and discovery of “New World”, as origin of Eurocentric modern world-systems. To him it was a qualitative break in history of humanity in general and Europe in particular. Europeans became conscious that conquest of world by their civilization is henceforth a “possible objective”. The Renaissance enshrined curiosity as virtue, enhancing the horizon of the possible; including a world beyond Europe. Western man possessed not only the technology to begin a long period of exploration but also the will and drive to achieve the objective. As Spanish and Portuguese have driven Muslims out of Iberian Peninsula, they were still motivated by three Gs (God, Gold and Glory) and wanted to pursue the advantages of trade, and claim souls of heathen for the Catholic Church. (Frank W Thackeray and John E. Findling, 2001: 87-88)

Wallerstein considers 1450-1640 a meaningful time unit during which a “vast but weak” capitalist world economy was created³. Frank and Gills are of the view that capitalist accumulation remained a motor force of human relations and a world economy with long distance trade relations and functional division of world space between center and periphery dates back to five thousand years. The rise of west to them is only a recent phenomenon. (Gills, 2000: 3) However, the world-System theorists of *Annales*, i.e. Braudel, Samir Amin, and Wallerstein consider the Eurocentric World-System as first in nature and instance.

The foundation of European dominance prepared in 15th century and was firmly established in 16th and 17th centuries. Relying on the transformative work of Vitorino Magalhaes Godinho, *Os Descobrimentos e a economia mundial*, Immanuel Wallerstein considers fifteenth and sixteenth centuries as modern centuries rooted in medievalism that established Europe’s relation with the rest of the world. (Wallerstein, Vo. 28. No 4, 2005: 351) Europeans not only conquered the primitive races but also the people, who were more numerous, wealthier and powerful than the invader Europe and “to whom they themselves were barbarians”. (Parry 1961: 7) The European dominance started with the Hispanic dream of Reconquista, a natural outcome of “centuries of crusading hopes and frustrations”. (Parry 1961: 12) “*Osdescobrimentos*” refers to discovery of faraway lands by the Portuguese or even by the Europeans, as discovery of a new social construct, i.e. the capitalist world economy, of which voyages of discovery, ocean routes and trade networks were part. It was the beginning of Eurocentric world order. In words of Godinho “It was the invention of world”, within which “Europe was created”, or vice versa that “Europe was created because the world was invented”. It was a shift in perception of Europe to conceive the plurality of spaces as a single global space. (Wallerstein, The Discovery of The World Economy, Vo. 28. No 4, 2005)

It was also the beginning of concept “Europe”, as civilization, “a geographical region of multiple states, without unity but difference between big and small, and having a relation of utilization, colonization and domination with the rest of the world”. (Foucault, New York: 208) Europe’s relation with the rest of the world is recognized in World-System theory as relation between core and periphery, or that of metropolis & satellite. Imperialism, conquest and peripheralization were integral to European World Economy, as subsistence economies and mini-systems of the rest of the world were incorporated in World-System (Taylor 1989: 7) and their economies were structured in accord with the need of core. Agnew is of the view that Hegel’s famous discussion on lordship and bondage, in which nominally equal persons or selves are locked into an unequal

³European World economy by the end of Sixteenth century included North West Europe, Christian Mediterranean (including Iberia), central Europe and Baltic region, certain regions of Americas under effective administrative control of Spain and Portugal (New Spain, The Antilles, Terraferma, Peru, Chile, Brazil), Atlantic islands and enclaves of African coasts. (Wallerstein, The Modern World System I, Capitalist Agriculture and the Origins of the European World Economy in the Sixteenth Century)

and enduring hierarchy, aptly describe Europe's relation with the rest of the world. "Lordship derives from the conquest and negation of servant. Recognition of other is required for its negation". (Agnew 1998: 68)

But Europe itself was not a homogenous entity. Two divergent concepts guided the relations amongst the European powers, i.e. efforts to swallow all states of system in a universal empire and creation of hegemony (Wilkinson, 2000: 60) and *trutinaEuropae*, the Latin term for "balance of Europe". (Foucault: 298) Wallerstein defines hegemony as unquestioned supremacy of a power, within an interstate system with several great powers; imposing its rules and wishes in the economic, military, political, diplomatic and even in cultural arenas. (Wilkinson, 2000: 63) This will to hegemonize the system was contested by *trutinaEuropae*, hence balance of Europe meant the impossibility of the strongest state to lay down the law to other states. It was made sure by European powers that gap between the strongest and others remain limited. So according to Foucault Europe constituting core was an "aristocracy of states", and balance of Europe meant constitution of an "egalitarian aristocracy" by maintaining equality of forces between European powers. (Foucault: 299) World-System can take two forms, i.e., universal Empire or state system, in cyclical repetitions. State system end in universal empire, that swallows all the states of a system at some point in history, impose its order on others for a period, though a short lived phenomenon ending in collapse of empire and reemergence of State system. (Wilkinson 2000: 60) Great powers therefore emerge and decline as a result of competition in Eurocentric world order. Peter Taylor describes the phenomenon as logistic waves (Kondratieff Waves) or long Cycles, comprised of Phase A and B. Phase A is described as noncompetitive era, while phase B is explained as competitive arena. Taylor takes 1450-1600 as phase A of first logistic wave and 1600 to 1750 as phase B when Iberian hegemony was contested by European balancers. (Taylor 1989: 14)

Reincarnation of World-System takes two forms (universal Empire ending in state-system due to competition of near to equal states, and vice versa as state system was swallowed by a state whim to become empire); and rise and decline of hegemony remained cyclical pattern of Eurocentric world. In view of Foucault the hegemonic state is exhausted by its excess of power, and the factors that caused its rise eventually turned into reasons for its decline. The process started with the rise of Iberian powers, i.e. Spain and Portuguese that led the age of discovery and conquest. Portuguese-Spanish hegemony reached its zenith in 16th century and faced contestation by European contenders in 17th century and eventually decayed in first quarter of 19th century, when its annexations in Caribbean realigned to new cores and Iberia was demoted to status of semi-periphery and "conveyor belt" in relation to Low Countries of Europe i.e., Holland, Great Britain and France. (Taylor 1989: 18) Foucault signifies the situation of decentering of core state as "revolution". (Foucault : 293)

Next section of the paper, aims to revisit the *conjecture* and *events* during the first phase of *longue durée* under Iberian hegemony.

1st Moment of *Longue durée* under Iberian Leadership

1st moment of *longue durée* is the moment of Iberia⁴/Hispania. The episode started with the rivalry of two poles of Hispanic power⁵ and Catholic Church, i.e., Portugal and Spain. As both were set on drive to world conquest the conflicting interests on territory were mediated by Pope Alexander VI, who set 47th parallel as boundary between Portugal and Spain, giving Asia and Brazil to Portugal and rest of the New World to Spain in treaty of Tordesillas. (Taylor 1989: 3) Treaty was a triumph of Portugal, confirming Portuguese not only the route to India but also the imaginary land of “Antilles”, and real land of Brazil. (Parry 1961: 34) Iberian powers i.e., Portugal and Spain were the creators of European World-Economy as they divided and incorporated then on-European World, into world system as periphery according to covenants of treaty of Tordesillas. (Taylor 1989: 3) The initial system with Portuguese-Spanish rivalry can be attributed as competitive state system till 1580 when Portugal fell to Spanish whims of creating European and World Empire. Economic historians like Charles P. Kindleberger are uncertain whether Iberian decline started with incorporation of Portugal in Spanish Empire or its secession from Spain in 1640 was the cause of decline of Iberian primacy. The other Iberian Power “Spain was enriched in a spectacular fashion for some years and then during the seventeenth century was impoverished in even more spectacular fashion and even more quickly”, establishing the preposition for the study of another cyclical repetition in world-system, that a “state may become impoverished by becoming rich, it may become exhausted by the excess of power”. (Foucault: 293)

Iberian Powers and Hispanic Dreams of Reconquista

The ancient history of Iberian Peninsula remains unknown, but names Iberia/ Hispania of Greek/Roman origin reflect that the place remained important in *la très longue durée*. The geography of peninsula made it an obsession for world empires like Rome and Arabs. Under Rome it embraced Christianity, adopted Latin as lingua franca and it was thoroughly Romanized. Iberia grew exponentially for five centuries, under Rome. It fell to Muslim zeal for Lebensraum,

⁴Ancient Greek called Spain Iberia, the extreme western end of their Mediterranean based world acumen. Iberian Peninsula, the third largest in Europe lie on extreme end of Afro-Asia world, separated from Africa by the Strait of Gibraltar and separated from France by Pyrenees Mountains. (Truxillo 11) Water borders of Iberia are the Atlantic Ocean in the North, West and Southwest, and Mediterranean Sea in the Southeast and East.

⁵ Portugal was claimant to throne of Castile, and in 1475, war broke between Castile and Portugal. The Portuguese were defeated in War and Isabella was confirmed as queen of Castile. However, Portuguese won on diplomatic front. The treaty gave Portugal monopoly on trade, settlement and exploration along West African coasts and possession of all known Atlantic islands except Canaries that remained with Spain. (Parry, 1961, p. 33)

in 711. For coming three centuries (711-1031); Muslims with their cartelization on trade underdeveloped the economies of Western Europe. Muslims not only monopolized the trade of slaves and luxuries from North Africa and near East but also had the monopoly on exchange with their control on Sudanese gold, the mode of exchange and finance. (Truxillo 2001: 16-18) The Iberian Peninsula remained central to world economy under Muslims, but Iberia's importance lie in the fact that it contributed in de-centering of Muslims economic primacy and rise of Eurocentric world order.

Ideology was as vital for Iberian dominance. Hispanic dream of Reconquista; imagined unity of Christian brotherhood; the crusading spirits, all provided vehemence to discover and colonize New World and carry Gospel to the farthest corners of globe. They built for themselves an empire greater than any world had known. They won unique place in the annals of mankind by prowess of their arms, the skill of their diplomats, the brilliance of their civilization and the incomparable wealth of their king". (Elliot 1963: 1)

Portuguese Primacy in World System

Fernand Braudel is of the view that placed on the western outposts of Europe; Portugal was poised for expansion. It was the first amongst Hispanic states reconquering its territories from Islam in 1253, enthused by the aggressive spirit of crusades, the state neither too small nor unduly poor, was capable to take initiatives and decisions autonomously, "the kingdom played a major role in the economic upheaval generated by the geographical expansion of Europe in her first hour". (Braudel 1992: 38-40)

Portuguese were seafaring religious zealots, intoxicated with the prospects of finding African gold. Religious zeal with lust for gold combined with leadership longing to glory provided Portugal essentials for takeoff. Located next to Africa, with apt technology, oceanic currents, internal stability, fervor for expansion, and Genoese capital⁶, Portuguese created nascent world-system, and provided Europe, bullion, staples, diet (wheat & protein), firewood, textiles and much needed labor force in form of slaves. (Wallerstein 1974: 49-51)

Portuguese lacked land, so they were sympathetic to concept of "oceanic expansion", offering their younger sons "leadership", for expeditions to unknown lands. (Wallerstein 1974: 51) Portuguese rise started with the Conquest of Ceuta in 1415, opening the vistas for further advances in Mediterranean. Motivated to break the monopoly of Muslims, their end destination was discovery of a sea route to India that was known for its products. (Parry 1961: 29) In 1488,

⁶ Genoese due to their rivalry with Venetians decided to invest in Iberian commerce, finance and the overseas expeditions. Italian efforts drew Iberian people to international trade. (Wallerstein, *The Modern World System I, Capitalist Agriculture and Origins of The European World Economy*, 1974, p. 50)

discovery of Cape of Good Hope provided conclusive evidences that all water routes to India is possible, and final destination was achieved in May 1497, when Vasco De Gama with his four vessels arrived at the coast of Calicut. The second important Portuguese conquest was that of Brazil (Frank W Thackeray and John E. Findling, 2001: 93) giving Portuguese access to resources of bullion especially gold was central to building a system of trade and finance. Discovery of American gold provided Europe a stronger base for finance. Economic consequences were multifold as gold not only provided monetary base for circulation within Europe but also established a medium of exchange for export of luxuries like spice and jewels from orient for the consumption of rich. Trade also touched everyday lives of European as it provided for supplies of essentials like wheat, sugar and fuel. (Wallerstein 1974: 41-43)

The control of trade and finance was not possible without the establishment of colonies and planting a diaspora nation across the globe. In the early fifteenth century ships began to arc across the expanses of the (Ocean Sea), the Atlantic. The islands were discovered, where they landed and the first inhabitants were forced to submit to Royal authority. Conquerors were followed by merchants, who organized the first trans-Atlantic route linking Economies of Asia, West Africa, Americas and Western Europe in single commercial space. Portuguese linked Sea from north to south and England was connected to Africa via Portugal. (Studnicki-Gizbert, 2007: 6)

During first half of 15th century, Portuguese established trading factories in Asia, i.e. in Goa India (1510), Malacca (1511), in Hormuz Persia (1515), in Macao (1557). The conquest of Hormuz at the entrance of Persian Gulf, created a route of spice and silk from India by ship to Persia, by caravan to Aleppo in Syria, and then by Merchant Galley to Venice creating Portuguese monopoly for trade to Europe around Cape of Good Hope. (Kindleberger 1996: 69)

The process also involved peripheralization of Atlantic islands. These islands were mini-systems and subsistence economies under indigenous local arrangements prior to advent of Europeans. Europeans incorporated these external arenas in world-system and agriculture economies were structured to meet the needs of core. Portugal monopolized the trade in a manner that cultivation of sugar was moved from the Middle East to Portuguese Atlantic islands. (Kindleberger 1996: 71) The greater Caribbean (Maryland to North Brazil) was important nodes in circulation of goods to core due to supplying sugar and tobacco. (Taylor 1989: 108) Portuguese being the leaders of agriculture capitalism not only established international trade linkages but also created regional trade blocks. The real strength of Portuguese empire was in coalescing of interests of private settlers who conducted local trade among China, Japan and India; the king and nobles interested in custom duties and cuts in mercantile profits; and Catholic Church concerned to win the infidels to true faith. (Kindleberger 1996: 69)

Portugal fell to Spanish whim to hegemony as well as to aspirations of hegemonic contenders like Dutch, French and British to create balance in Europe. In 1580,⁷ Portugal was absorbed by Philip II in Spanish federation not like an equal partner but as an internal colony. The period 1580 to 1640, marked the Portuguese struggle to regain sovereignty. On external front, Portuguese power declined in relative terms in face of competition posed by emerging powers in Europe. During the competitive era 1600-1750, these powers not only captured islands from Iberian powers, but created new colonies in Caribbean. Due to boom in cultivation, the prices of sugar and tobacco declined. (Kindleberger 1996: 71) British playing as balancer against Dutch deprived Portugal from its monopoly on finance and gold resources. Although British recognized Portugal rule in Brazil, Portugal fell to status of semi-periphery co-dependent on British for defense and trade. Dutch were ousted from Brazil in 1620, but Brazilian gold was channelized to London from Lisbon. (Kindleberger 1996: 71)

Spanish Hegemony and its Decline

The period of 1479- 1596 is considered to be the Golden Age of “Silver Empire”, Spain, as loose assortments of Hispanic provinces were coalesced as nation, acted as world primus with its monopoly on trade, finance, and colonies, and also attained a preponderant status of world empire in relation to other European states⁸ before felling to competitive contenders. Spanish hegemony became the classic example of “revolution” and testimony to preposition that “very thing that assured the state’s strength and domination will in turn produce the loss or, at any rate the diminution of its strength.” (Foucault: 292-3)

Spain’s rise started with incorporation of New World discovered by Columbus. Conquistadors noted for their greed and cruelty “claimed the empire for catholic monarchs and souls for the Church”. (Jaffrey 2009:172-73) Cortes and Pizzaro gained control over Aztec lands in Mexico and land under Incas i.e., Peru and Ecuador. New Spain remained under stronghold of monarchy, which divided vast imperial territories in *encomienda*, providing protection and administration in exchange of a proportion of “village labor”. (Frank W Thackeray and John E. Findling, 2001: 92) Opportunities opened in Spanish America led to emigration of 100,000 Spaniards to New World in Sixteenth Century; constituting a high proportion of young population, belonging to nobility, (*caballeros*), craftsman and officials (*letardos*), merchants and clergy. (Kindleberger 1996: 78)

⁷Philip II (1556-1598) annexed Portugal when its young King Sebastian was killed while invading Morocco.

⁸Spain was the classic and perhaps the first example of hegemony and empire in Europe, when Charles V was coronated as Holy Roman emperor in 1519, his European domain included Spain, The Netherlands, various parts of South Germany (including Austria), Bohemia, Hungary, Milan and Spain’s Mediterranean possessions (Naples, Sicily, Sardinia, and Billaerica). (Wallerstein, The Modern World System I, Capitalist Agriculture and Origins of The European World Economy 170)

The vast overseas empire provided Spain an edge over its rivals as volume of trade increased eightfold between 1510-1550 and threefold again between 1550-1610. It was not only trade of agricultural commodities like, sugar, cotton and tobacco but trade of bullion between Spain and its periphery that created Spanish influence in Europe as preponderant power. Spaniards took hold of gold already mined by the Incas and by the time discovered silver (1545) that existed in abundance in Potosi in Peru. As Portugal was annexed in 1560, Spanish empire had access to Brazilian gold as well. From 1530, the city of Antwerp became a money market, creating an atmosphere of capitalistic boom. (Wallerstein 1974: 170-171) The Bullion proved to be a mixed blessing for Spanish hegemony. Cost of protection of silver was too high, and when it reached Spain, it moved out fast to Far East, Baltic, the Levant, and money markets of Burges, Antwerp, and Amsterdam. The proportion that remained in economy caused inflation as wages increase more than prices. (Kindleberger 1996: 76-77)

The location of Spain on Mediterranean, Atlantic and Bay of Biscay was both a plus and minus. It was connected through water routes with the Levant, the Americas, and North Europe. It gave it an edge on external trade, while exposing it to military threats on three fronts. (Kindleberger, 1996: 72) To keep such a huge empire intact while commanding economic supremacy war remained the prime business of hegemony. War also contributed in fall of Spain, as Spain has to fight on external as well as internal fronts. The repercussion of War is always reentering and relocation in world economy. (Kindleberger 1996: 9) Hapsburg during Golden age of Spanish hegemony (1516-1556), defended the Holy Roman Empire against the Ottomans, appeased France over Italy and fought German Protestants. The Dutch protestant revolt in 1568, and defeat by English in 1588 over Armada shifted naval balance in favor of Dutch and English and became a source of eventual decline of Spain. (Frank W Thackeray and John E. Findling, 2001: 93) The revolt of Netherlands involved Spain in "Eighty Year War" (1568-1648). Pride required Spanish to negotiate only from the position of strength and kept on fighting to avoid humiliation. (Kindleberger 1996: 80)

Annexation of Portugal was the dream Spanish empire came true in 1580. Incorporation of Portugal along with its overseas possessions and trade linkage elevated Spain to status of world hegemon. The event was considered by Portugal and its offshore nation as demotion to status of internal colony in Castilian led Federation. Portugal's contestation of Spanish authority caused internal chaos, eventually leading to disintegration of Spanish empire. Portuguese merchants settled across the globe initiated a pamphleteering campaign and popular protest demanding redefinition of imperial commonwealth, religious tolerance and naturalized vision of economy. (Studnicki-Gizbert 2007: 12) On another internal front Spain was fighting against Dutch Protestantism. With Portugal and Dutch secession in a period of less than ten years (1640-48), World-system was remolded from empire to a system of competing autonomous states.

Revolution in Latin America and Absolute Decline of Spanish Power

Peter Taylor is of the view that modern world-system emerged as aftermath of “crisis of feudalism” and contraction of agriculture throughout Europe. The developments induced European exploration and plunder in Americas. (Taylor 1989: 14) The rise of Iberia and Eurocentrism was the result of incorporation of American land and resources in European economic order. Although Wallerstein is of the view that incorporation means inclusion of previous external areas and subsistence mini-systems in greater singularity, yet Jose Carlos Mariategui believes in contrary. He is of the view that it was not inclusion of subsistence economies based on primitive communism, collective ownership of land and other resources operated by native communities; rather a complete destruction of previous order. New economic order created in Latin America, created large estates *encomiendas* in private ownership cultivated by slaves, and a system of forced labor *Mita* for the indigenous people to operate the bullion mines. It was complete reordering of Latin American economies in accord to needs of Eurocenter, i.e. the Bullion and cotton. (Jose Carlos Mariategui 2011: 75-81) *Encomiendas*, under formal imperial arrangements of Iberian powers were extensions of culture and civilization of Metropolis, and New Spain were practically the Spanish Kingdom overseas, ruled by Spanish monarch, and inhabited by the Spanish *hidalgos*, who subjected natives (Truxillo 2001: 92) practically constituting a diaspora nation. (Studnicki-Gizbert, 2007).

Braudel asserts that world economic history is a series of centering and reentering, presumably with a decentering between them. (Kindleberger 1996: 7) Latin America served as passive players in contest of hegemony. It played a pivotal role in creating *trutinaEuropae*. The decline of Iberia in Latin America started during B phase of First logistic curve. During the Phase, Iberian settlements abroad started cultivating relations with Spain’s English and Dutch rivals, as Spain was less capable to supply the sophisticated manufactured goods. In a zero sum competition of mercantilism, the move undermined the economy of Hispanic metropolis. British poured the region’s economy with cheap manufactures and destroyed the production potential of the region making it dependent on British. (Truxillo 2001: 84) It was the start of conflict of interests between core and periphery. What empire conceived as sapping of economic patrimony of empire appeared to merchants of nations a dynamic means of creation of wealth. (Studnicki-Gizbert 2007: 6)

The competitive era and rising rivalry in Europe exposed scattered Iberian possession in Atlantic to military threats. The responsibility of peripheral defense lied with the core. Hispanic powers created small naval outposts called *Armenda de Barlovento*, to protect its empire in New World, but revenue was needed more in Europe (Thirty year war) to protect the supremacy of Church as well as to save Spain from internal collapse. Enhanced tax burden on colonies ignited the

feelings of resentment in diaspora nation. As they have to raise militia, to protect Caribbean from Spain European rivals, colonial administrations and war lords acquired a taste of autonomy. (Truxillo 2001: 90) As administration of Spanish America was still in subservient status, the resentment grew in *Creole* (the generations born on American soil). They started inventing new past rooted in native civilizations (Inca, Mayan and Aztec) and considered the indigenous heritage equivalent to Greco-Roman civilization of Europe. Local icons like virgin of *Guadalupe, Santa Rosa de Lima* became the foci of *Creole* patriotism and unique identity. Spanish empire in New world was about to disintegrate in New World in 1660 and align itself with rising Dutch hegemony, when British acted as balancer in *trutinaEuropae* and saved Spain from absolute decline. (Truxillo 2001: 92)

In last attempt to retain control, Spain under Bourbon (1760-1825) showed zero tolerance for colonial autonomy and curbed independence movements with coercive mode; further aggrandizing the spirit of liberty motivated by the liberal ideas; exported to Latin America by French, British and Dutch. New Spain roused by Liberal ideology was all set to imitate the American Revolution of 1776 in New England. The Spanish colonies revolted from 1808 to 1820. (Kindleberger 1996: 81) Re-centering of Latin America was necessary for British to end Dutch primacy. Hence, Latin American independence movements had tacit support of British that saved Spanish rule in New World in 1660 from Dutch. George Canning, the British foreign Secretary in 1824 recognized that “a free South America would be ‘ours’”. By this time the colonizing powers of Latin America, i.e. Portugal and Spain has themselves been declined to status of semi-periphery. (Taylor 1989: 106) Hence, New Spain was easily re-aligned to new core British (Taylor 1989: 106) causing the absolute decline of Iberian powers; relative decline of Dutch power and British primacy in Eurocentric order.

CONCLUSION

Fernand Braudel concept of *Logue durée* remains the base presuppositions of world-systems analysis, believing that “historical social systems have lives”. They come into being as *longue durée*, i.e. the long term social constructs and cyclical rhythms are experienced throughout the life cycle of the systems. The emergence of modern world-System with capitalist economy and Europe as core was a unique development in humano-centric world system (Gills, 2000), *la très longue durée* (very long term history of eternal man). (Lee, Fernand Braudel, The Longue Durée And World Systems Analysis, 2012)

Modern world system is unique, as it created a singularity, an ordered whole (with interdependence of parts, bonded in relation to one another with a functional division of labor), but also exceptional in human history as it was global and “incorporated the subsistence mini-systems dispersed across the world”. (Lee, Critiques and Development in World-Systems

Analysis: An Introduction to the Special Collection, Vol IV: 1 2010) It created Eurocentric world and established Europe's relations with the "other", more or less unchanged since 1492. It is relation of co-dependency between core and periphery. During long sixteenth century a world scale structure of production and distribution emerged; and goods, capital and labor moved across the" semi permeable borders throughout the system. The system operated under the suzerainty of "aristocracy of European states". Imperialism (formal and informal) was integral to working of system, as colonies served as game for European powers. The competition for colonial control (formal and informal) among the contenders of primus, led to "world wars"⁹, shifting the balance in favor of new hegemon. (Wilkinson 2000: 65) (Lee, Critiques and Development in World-Systems Analysis: An Introduction to the Special Collection, Vol IV: 1 2010) The cycle was repetitive, and hegemonic states enjoyed supremacy till some other states "caught up" and system becomes competitive leading to another "world war".

Foucault calls the phenomenon "revolution". The revolutions are a regular occurrence in world-system, leading to declines of hegemony. The decline in power resulted due to a combination of factors like the foreign policy overstretch; undertaking of objectives beyond the capacity; (Kindleberger 1996: 80), policies of internal colonization as "satraps usurp and provinces rebel" (Wilkinson, 2000: 80) (Elliot, 1963); religious intolerance, nationalist & class struggles (Cortegura, 2002) or as a result of *trutinaEuropae*, when European rival states combined their efforts to resist power imbalance in favor of hegemon. (Foucault, New York) Revolution remains incompletes without change in relation of core state and its periphery. State's fall as hegemon completes when periphery decenters itself, and start exercising autonomy in establishing trade and economic linkages with its rivals. Independence movements build around liberal ideals in periphery are supported by hegemonic contenders. The status of primus declines with de-centering, (re)alignment and re-centering of periphery. Status of periphery also changes as a result, as the formal colonies are bonded in relation of informal imperialism with new core.

Economic crisis is yet another regular feature playing significant role in rise and decline of powers. Eurocentrism itself was the result of one such crisis. Crisis of Feudalism in Europe around 1450 induced Europeans to move beyond and contributed in rise of Iberia. (Taylor, 1989:14) The Iberian poised centrality to Europe by establishing global trade linkages, giving Europe an edge on finance by mining gold and silver in New World, as well as provided the rising industrial economies like Britain an international market for its lucrative consumer goods. Spanish/Portuguese also created feudal estates in new world providing Britain's budding industry the cheap raw material in form of cotton. Doing the project of *histoire totale*, Wallerstein identifies three moments of rupture, i.e. around 1500, 1650, and 1800. The last

⁹According to Wallerstein that each period of "hegemony is followed by a world war, i.e. the Thirty Year War (1618-1648), Napoleonic Wars (1792-1815), and the single long World War (1914-1945). (Wilkinson, 2000: 65)

decade of fifteenth century was important for the development of capitalist world system as a distant form, decentering the multipolar trade order, in favor of Europe under Iberian dominance. The mode of this period was agriculture capitalism. The year 1650 is considered point of rupture due to emergence of capitalist states like Netherland and British and evolution of state system based on the enlightenment ideas of Descartes, Leibnitz, Spinoza, Newton and Locke. In terms of Peter Taylor, it was competitive phase B that ended in creation of state system. Iberian powers declined in relative terms as a result of *trutina Europae* and Spanish endeavor to build a European Empire. The imposed rules on European power were effectively curtailed by French, British and Netherlands. The year 1800 was important as the mode of capitalism was shifted to industrialism giving the supremacy to British and liberal ideals were exported to periphery (Latin America) generating the first wave of independence causing the absolute decline of Spanish powers, as decentered periphery in South America was effectively realigned to emerging British power.

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