A Message from the Editor
Between North and South
Thinking about the Semi-Periphery

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Once again, the Association of Global South Studies is preparing to host its annual conference, this time in the Bulgarian capital of Sofia. While I will not be in attendance, the fact of its location has had me wondering where we might place such a country in the Global North–South framework. Certainly, we would not place it in the Global South. It is, after all, a member state of the European Union, a Western-oriented democracy with a developing capitalist economy and a reasonable standard of living. None of those characteristics square with the common image of underdevelopment and poverty we tend to associate with the Global South. Yet it doesn't quite find a home in our image of the Global North, either. Bulgaria, like many Eastern Bloc states, has held a kind of in-between status since the days of Soviet domination. Bulgaria's integration into the community of European nations has been quite recent: it has been a member state of the North Atlantic Treaty Organization (NATO) only since 2004 and of the European Union since 2007, where it remains the only state with less than a "very high" Human Development Index rating. Still, despite its lagging status vis-à-vis other European nations, it has made great strides, perhaps owing more to its affiliations with dominant European institutions than to the dynamism of its own economy.

What strikes me about Bulgaria is not so much the fact of its transformation in the post–Cold War world of globalization but rather how rare such transformations are in the first place. For the most part, the contours of the Global North–South divide were drawn centuries ago and have not changed much

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since then. With few exceptions, countries in Asia, the Middle East, Latin America, and most egregiously Africa were depleted of resources, security, prosperity, and potential through the familiar colonizing processes that explain much of the Global South's reality. Within those historical processes, there emerged some middle layer of nations corresponding to what sociologist Immanuel Wallerstein, the pioneer of world-system theory, called the semi-periphery. This middle stratum has always existed within the global capitalist system, although it has been a more fluid category when compared to the poles he labeled as the industrialized core and the extractive periphery. Since the creation of this tripartite world system, thinkers have puzzled over the question of how societies might part with the burdens of their own histories and move out of the periphery, and political agents of various kinds have tried to turn abstract theories into concrete action. For the most part, their attempts have failed.

This is certainly not for lack of effort. The twentieth century is replete with examples of efforts to overcome conditions of subordinate or insufficient development, whether on paper, through institutional process, or with violence. Wholesale rejections of the capitalist order, usually with a popular revolution against the prevailing order initiating the process, stand out as the most extreme examples. In every case, failure followed the instantaneous conversion of capitalist economies to command economies, even when the need for change in the everyday lives of people more than explained the extreme nature of the policies. This was true of the early Bolshevik efforts to collectivize Russian agriculture and industrial production, which, especially when combined with the exigencies of World War I, resulted in extreme hardship. Structural adjustment in the form of the New Economic Policy (NEP), which involved reverting to some elements of the old order, staved off total collapse. Initially viewed as a temporary measure to avoid catastrophe, the NEP's moderating elements became the norm as the Soviet system solidified.

A generation later, China under Mao Zedong pushed efforts to move from secondary to primary economic status into overdrive. Once again, the most experimental elements of the process, such as the descaling of major industry (backyard steel furnaces were particularly ineffective in producing a sufficient quantity of high-quality material to meet national needs), proved catastrophic. In both cases, as in others, the impracticality of the policies was waived off as a temporary setback. For the ideologically dogmatic, the ends will always justify the means. Thankfully, such experiments have been rare, and pragmatic reformers, rather than ideological diehards, have tended to win the day.

From the 1930s through the 1980s, much of the developing world relied on a developmentalist (variously labeled statist or state-led capitalist) approach. Inspired by Keynesian demand management theory and the work of economists Raul Prebsich and Hans Singer, who argued that primary commodity producers experience diminishing terms of trade over time vis-à-vis economies with broader manufacturing capabilities, developmentalist economists and the governments influenced by them rejected the laissez-faire, comparative advantage-based precepts of classical liberal economics. After the global economic crisis of the 1930s, their approach rose to prominence. While details have varied case by case, the general formula has combined heavy direct state investment and subsidies in industry, nationalization of strategic resources, and high tariffs on imported goods, all with an eye toward promoting nascent manufacturing. When combined with price controls and robust commitment to redistributive social expenditure, these efforts were aimed at achieving the twin goals of self-sufficiency through import substitution and minimizing poverty through cooperation between the public sector, domestic capitalists, and foreign investors.

In some cases, such as Korea and Japan, this approach worked reasonably well and eventually paved the way to fruitful integration with the free-market structures of the Global North. In most cases, however, such policies lent themselves to lackluster development characterized by high levels of inflation and public debt. Moreover, the expansion of the role of the state in economic affairs, far from mitigating the excesses of unrestrained capitalism, has tended to create opportunities for corruption and inefficient bureaucracy. Since the 1980s (in some cases earlier), the antidote to these problems has been to abandon state-led development and instead to embrace the monetarist model of economic development, which had been a fringe idea since the 1950s but was emerging as the dominant macroeconomic paradigm.

At the time, there was much to recommend this path. The implementation of glasnost and perestroika in the Soviet Union, followed by the system's total collapse, signaled to many across both the Global North and South that economic freedom was the only logical complement to political freedom. The crackdown on protestors in Tiananmen Square in Beijing, a forceful counterpoint to the embrace of openness and restructuring elsewhere in the Communist world, only redoubled the point. The emergence of US society from the doldrums of Vietnam and Watergate and oil shocks and stagflation in the 1970s further indicated that a new era had arrived (and provided politicians made-to-order catchphrases, from Ronald Reagan's assertion that "government is the problem" to Bill Clinton's proclamation that the "era of big government is over").

The term most commonly applied to the practical manifestation of the otherwise abstract notion of economic freedom in the developing world was "neoliberalism," signifying a revived version of the classical economic order of the pre-1930s world. Its central tenets can be described as roughly the antithesis of the developmentalist model: dismantled protectionist measures, deregulated markets, receptivity to foreign investment and ownership, an emphasis on export-led development and global trade, regressive taxation, a decline in the fiscal commitments of national governments (especially where redistributive social investments were concerned), and a focus on the management of inflation through manipulation of the money supply. Free markets and globalization seemed to be part and parcel of the lifting of the Iron Curtain.

Yet several decades on, it seems that the shift to monetarism and free-market policies has, if anything, worked against incipient democratization in much of the developing world. Take the example of Chile. Once touted as a South American miracle due to its high standard of living relative to the rest of Latin America, it was gripped from 2019 to 2022 by constant, and occasionally violent, mass protests that eventually led to the election of the young reformist Gabriel Boric. The champions of the Chilean model, including University of Chicago economists Milton Friedman and Arnold Harberger, have pointed to Chile as proof positive of the connection between free-market policies and democratic politics. Never mind that most of those policies were first implemented from the mid-1970s through the early 1980s by a murderous military dictatorship that circumvented popular preference through brute force, and that since the post-dictatorship era, the most compelling example of genuine grassroots democracy has come in the form of popular mobilization *against* those policies. The underlying source of this widespread frustration is inequality. While the debate over the importance of economic inequality is far from over, it is undeniable that high and ever-growing per capita income levels in places like Chile hide an ugly truth about wealth accumulation and poverty.

Let us take for granted that the basic forms of the Global North–South divide have existed since the seventeenth century (as has a semi-periphery) and that they arose as a result of the economic forces of global capitalism and their political handmaidens, empires and colonies, the former characterized by industrial production and the latter by extraction. Within the core-periphery framework developed by Wallerstein, we might also take for granted that his tripartite model has changed relatively little and has tended to change around the semi-periphery (that is, previously semi-peripheral countries such as Japan or Russia have become core countries, and peripheral countries such as Argentina have become semi-peripheral countries, but relatively few countries have moved fully from a peripheral to a core status). Finally, we might observe that none of the twentieth century's major answers to the question of how to move from the periphery to the core—whether that is full-fledged anti-capitalist revolution, state-led capitalism, or neoliberal capitalism—have succeeded.

We must then ask ourselves: what *can* be done to move the peripheral Global South into the core Global North, or at least into the relative prosperity and security of the semi-periphery? Recent approaches have done little to change the game, although they also may not have had time to reach fruition. These include development at the smallest scale, whether in the form of microcredit arrangements, nongovernmental interventions, or production cooperatives. At a larger scale, recent efforts have centered on Global South–South cooperation, often involving a semi-peripheral state establishing unequal bilateral relations with a peripheral one with which it has some sense of shared historical, cultural, linguistic, or ethnic ties (Brazil sends aid, for example, to Lusophone countries in Africa). The largest contemporary effort to unite the fates of the Global North and South is China's Belt and Road Initiative, which seeks to modernize infrastructure and production while increasing trade across a vast Eurasian and African geography that roughly approximates the Silk Road routes of the ancient world.

Whether these new approaches to economic development will register any effect on the global economic order, or even on the stability, sovereignty, and living standards of the poorer nations within it, remains to be seen. Economists, ranging from Jeffrey Sachs to Thomas Picketty, have argued that nothing short of a massive redistribution of the world's capital through some combination of aid packages and debt forgiveness will rescue the Global South from its subordinate position in the world. Such a move would be inconceivable in the zero-sum world of contemporary global (and national) politics, but it bears remembering that the single largest explanation for the abundance of the Global North is the impoverishment of the Global South. This, too, is a zero-sum equation. So, I hope we will keep in mind that our ultimate aim as a body of scholars committed to understanding the Global South is to contribute in some meaningful way, however minimal or indirect our individual efforts may be, to the betterment of that part of the world. And I hope that Sofia, a little-known capital city still emerging from the isolation of the Cold War that today sits in what can be described as the semi-periphery, will serve as the ideal venue for reflection on that mission.