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Author(s): Raimo Väyrynen

Source: *Journal of Peace Research*, Vol. 16, No. 4 (1979), pp. 349-369

Published by: [Sage Publications, Ltd.](#)

Stable URL: <http://www.jstor.org/stable/424334>

Accessed: 30/10/2010 09:52

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# Economic and Military Position of the Regional Power Centers\*

RAIMO VÄYRYNEN  
University of Helsinki, Finland

The emergence of the regional power centers in the Third World is a manifestation of the unequal development of the international system. The domestic development of these centers is usually based on a close alliance between the state and the economic sector; and, varying from one state to another, on export of raw materials, on the substitution of imports and finally on the promotion of exports of goods and capital. In the last phase the external expansion of the regional centers is highly visible; they tend to create regional spheres of influence based on a multitude of economic, political, and military ties. Regional power centers today are cementing their regional spheres by military expansion, in turn greatly facilitated by the establishment of domestic capacity to produce conventional and even nuclear weapons. A strong military capability is an important characteristic of the regional centers. 'Mature' centers are relatively stable in political and economic terms, while the emerging centers tend to be more unstable, as the case of Iran indicates. Other centers investigated in the article are Brazil, Venezuela, Nigeria, South Africa, and India.

## 1. Introduction: the nature of regional hegemony

International power relations are in a constant flux: the older power centers decline and new ones emerge. These changes are based on complex circumstances which we understand only partially. Apparently the laws of economic motion are important in determining the processes of decay and vitalization in national economies. The ability to develop and apply science and technology, to raise the rate of productivity, to accumulate capital for domestic investment, and to develop effective methods of management are among those economic factors which tend to improve the international standing of nation states.

A central feature in the transformation of the present international system has been the stabilization of the position of some

regional power centers and the emergence of new ones. This tendency as such is not new: it is in fact an aspect of the general dynamics of international relations in which the relative strength of certain powers declines and new ones gradually emerge. A distinct feature of the present transformation is, however, the fact that regional powers are now emerging *outside* the traditional core of the international system, i. e. in the Third World.

The emergence of new power centers in the Third World has a material background. A necessary precondition for their growth has been the development of a relatively sound industrial infrastructure, often aided by the import-substitution model. By selling oil or other raw materials, they have been able to accumulate sufficient financial resources to back up their policy. The phenomenon of regional power centers is an aspect of the international division of labor and resources. Economic strength alone is seldom sufficient for the purposes of these centers; they also acquire military power into their hands, either by indigenous efforts or by importing modern arms and military technology. In some cases the power centers are not satisfied with conventional weapons

\* This paper is a much shortened and revised version of the paper presented to the Eleventh World Congress of the International Political Science Association, 11-18 August 1979 at Moscow and the Eighth General Conference of the International Peace Research Association, on 18-23 August 1979, at Königstein (FRG). I would like to extend my warm thanks to all those colleagues who have devoted their time and energy to commenting on this paper.

alone, but also acquire nuclear capability. (Pfaltzgraff, 1977)

There is naturally a plethora of interests involved in the acquisition of nuclear weapons. Some countries are threatened by their larger neighbors or regional enemies; and some countries are suffering from a kind of paranoia. The decision to go nuclear is, however, usually based on two fundamental incentives: *status* and *security*.

Potentially, all nations have a status and prestige incentive. This is likely to be most potent for those states that are emerging as dominant regional power centers with plausible pretensions to being great powers, and without front-line involvement in the East-West superpower confrontation. Current examples are Iran and Brazil (at later dates perhaps Nigeria and Indonesia).

A pertinent problem with the *status incentive* is that it is very difficult to manipulate, and hence the regional power centers cannot normally be persuaded to give up the nuclear-weapons option. Such efforts might easily backfire. (Betts, 1977)

A regional power center in the sense of a subimperial country can be *defined* as an actor which exerts a regional hegemony akin to the global dominances of an imperial power, but at a subsystemic level. It plays an important intermediate role in a sphere of influence by dominating a region, while still being subordinate to major actors at the center of global feudal networks.

This definition may not be sufficient, for instance, in defining the nature of the external expansion of a subimperial country or its relations with the metropolises of the world. It does refer to an important phenomenon: the decline of continental integration in Latin America, Africa, Middle East, and Asia and to the partition of these regions into competing regional blocs whose leading powers are sometimes friends, sometimes rivals. (Shaw, 1977) One may say that the emergence of regional power centers and blocs around them is a manifestation of the *unequal development of the international system*. (Hymer, 1972)

From a related perspective it may be argued that the emergence of regional power centers is a particular aspect of the center-periphery structure of the international system. The whole of the international system constitutes

on the one hand a pyramid of power and wealth and on the other hand a system of exploitation of weaker by stronger at every stage of the transition from center to periphery and from bottom to top . . . all these taken together make up a coherent whole, with lines of authority and subordination running from the center of the center clear out to the edges of the periphery. Generally speaking there is a reverse flow of money and its counterpart, real wealth, from the outer edges of the periphery through the intermediate rings to the center and finally the center of the center. (Sweezy, 1979)

These *intermediate rings* constitute the system of regional power centers in the Third World which have a kind of *go-between* position in the international structure:

the power of subimperial states is based on the paradox of regional dominance and global dependence: hence the exercise of their power is twice constrained — by resistance within a region and by the global calculations of corporations and major powers. (Shaw, 1977)

We have referred above to both the economic and the military capability as necessary preconditions for building regional power blocs. Both are needed because otherwise the control of the region concerned may not be effective enough. The exercise of military power alone may create a temporary zone of influence and control, but only by the extension of economic power can the control be made more stable and permanent. On the other hand, mere economic control can be dismantled with more ease if there is no coercive, military component in the power structure. This premise has also implications for the definition of the set of countries which may be regarded as regional power centers.

Regional power centers are characterized by two types of *dynamic* processes. One is related to the interaction between the growth

of the domestic *military and economic capacity* and the *extension of power* — both necessary characteristics of a regional power center — to neighboring countries. In this way the center becomes the patron of a regional bloc. The second process is related to the *interaction*, indicated above, between the *regional assertiveness and dependence* on the technology, arms, and capital supplied by global power centers. By manipulation of these dependencies, regional power centers — and through them their zones of influence — may be more or less subtly persuaded to implement the wishes of global powers. At any rate, the emergence of regional power centers — which no doubt enjoy a certain degree of political and economic independence — gives rise to a *system of hierarchic dependencies and control structures*. (Väyrynen & Herrera, 1975)

The emergence of regional centers appears to be also a function of the partial withdrawal of colonial powers from the Third World, attempts at regional integration among developing countries and the development of economic and political forces within the subimperial states. Colonial powers are withdrawing in the sense that they now prefer to exercise indirect instead of direct control. Patterns of regional integration in the Third World are seldom equalitarian, being rather characterized by concentration of political power and economic benefits in the hands of the leading country. Compensatory measures in Third World integrative schemes have not led to any substantial redistribution of these benefits. The emergence of regional power centres is directly related to these characteristics of integration schemes in the Third World. (Shaw, 1977)

The creation of a regional power bloc is never a harmonious process, being almost invariably characterized by the *clash between the forces of domination and anti-domination*. Neither are the relations between these regional centers always consensual, in particular if they are located close to each other. *Overlapping of spheres*

*of interest* leads to conflicts and disagreements on the distribution of wealth and control. On the other hand, the similarity of the international position of regional power centers may lead to *cooperative patterns* which aim at complementing the weaknesses of the parties involved and hence at stabilizing their position. Cooperation between regional centers may be also promoted as a counterweight to the inherent internal instability within the regional bloc. Relations between Brazil and Venezuela are an example of the competitive pattern; while the cooperative triangle between Iran of the Shah, Israel, and South Africa is an example of the opposite tendency.<sup>1</sup>

Internal conditions in regional power centers are characterized by the gradual *development of productive forces* and by the emergence of an industrial sector usually stronger than in the subordinated neighboring countries. The domestic accumulation process is possible at the expense of a regressive distribution of incomes and consequent marginalization of the masses from consumption. At this stage, peripheral capitalism faces economic crisis: its reproduction cycle is obstructed by the reduced size of the domestic market, in contradiction to the expansionist need of capital. Local capital is either to be wasted on luxury goods or to be invested abroad, normally within the regional bloc. (Väyrynen & Herrera, 1975; Mauro Marini, 1972)

The internal system of a regional power center has been also characterized as *semi-industrial capitalism* and in particular as its special variant, *polarized accumulation*. This type of capitalism refers to peripheral economies in which industrialization has advanced through the import-substitution phase and has arrived at the stage where most capital goods are produced locally. Another characteristic of semi-industrial capitalism is the composition of exports: they are predominantly primary products and manufactured goods that, to the extent they are sold, flow largely to less industrialized countries of the periphery. Imports are

normally composed of manufactured goods and advanced technology acquired partly direct from center countries, partly through the local branches of transnational corporations. A few obligopolist firms dominate the key sectors of the economy, and the subsidiaries of TNCs participate extensively in the production activities. (Ehrensaft, 1977)

## 2. Which are the regional centers?

The existence of regional power centers and regional blocs surrounding them is a fact in the present-day international system. This is indirectly evidenced by the diplomacy of great powers, especially that of the United States, seeking contacts by state visits and other means with these 'new influentials'. We regard as members of this category the following countries: *Brazil, India, Iran, Nigeria, South Africa, and Venezuela*. Other writers might include such countries as Indonesia, Saudi Arabia, Kenya, Israel, and Zaire, but we prefer to leave them out from the present analysis. 'Our' countries do not constitute any homogenous group: in fact they are implementing rather different foreign policies. They have one unifying feature: their structurally similar regional and international position.

Our choice can also be argued on empirical grounds: with the exception of India and South Africa, the countries selected for closer scrutiny have increased their relative share of the gross global product and world military expenditures. In other words, they have satisfied the criterion, set earlier in this paper, that a regional power center must have both increasing economic and military capability. Of the remaining countries listed above, only Saudi Arabia fulfilled these conditions, but we decided to leave it out from the analysis because it is not controlling any regional bloc. Saudi Arabia is wielding economic power and assistance — and much less military power — on political rather than regional grounds; hence the objects of its influence are geographically relatively scattered. Israel and Kenya have increased their share of world military expenditures, but

their relative economic standing has declined. The case of Indonesia has been the reverse in this respect.

In Table I 'our' countries are characterized by some economic variables and their position is compared with the relevant average of all developing countries.

Table I. Some economic characteristics of regional power centers

	GNP constant \$ billion, in 1975	GNP per capita, constant \$, in 1975	Share of manu- facturing of GDP in 1974-75, %
Brazil	101.1	942	19
India	91.2	149	14
Iran	47.7	1370	20
South Africa	32.5	1300	24
Venezuela	27.3	2130	17
Nigeria	23.1	367	8
Third World average (China excluded)	8.9	408	16.3%

Sources: *UN Statistical Yearbook, 1978*; *World Military Expenditures, 1977*.

It is easily seen from the Table that the regional power centers are at least three times bigger in terms of their economic size than an average developing country. In the case of GNP per capita the situation is somewhat different: India is considerably poorer than an average Third World country, though this is well compensated by her size which is, by the way, an essential ingredient of a regional power. Relatively speaking, Nigeria and India are somewhat less industrialized than an average developing country. The average value of the level of industrialization is, however, quite misleading because it is inflated by a number of highly 'industrialized' export enclaves, such as Hong Kong, Puerto Rico, and Singapore.

Taking this into account, we may conclude that regional power centers are also relatively more industrialized than the other countries of the South. Nigeria appears to be, in terms of economic characteristics, the weakest member in the group of regional

power centers. On the other hand, we have to admit that this sort of comparison is misleading in the sense that Nigeria's neighbors are weaker than those of other subimperial states, and thus Nigeria's supremacy might be in fact more real than the dominance exercised by others.

The *relative economic position* of the regional power centers can be illustrated by Table II, which is based on the Gross National Product at market prices. The figures give the share of each center of the gross global product. (*World Bank Atlas*, various years)

Table II. The share of the regional centers of the total world product, in %

	1972	1974	1976
Brazil	1.42	1.73	2.10
India	1.70	1.45	1.29
Iran	0.42	0.75	1.01
South Africa	0.55	0.55	0.49
Venezuela	0.38	0.41	0.46
Nigeria	0.26	0.38	0.45
Total	4.73	5.27	5.70

It appears that the oil producers plus Brazil have been able to increase their relative standing in the international economy. India and South Africa have suffered from certain setbacks during this brief, and admittedly too brief period studied.

In Table III, the development of the military status of the regional power centers is, in turn, measured by the share of their military expenditure of the total world military spending calculated at constant prices.

Table III. The share of the regional centers of the total world military expenditure, in %

	1956	1966	1976
India	0.50	0.85	0.93
Brazil	0.44	0.34	0.48
Iran	0.11	0.27	2.07
South Africa	0.08	0.19	0.46
Venezuela	0.08	0.10	0.12
Nigeria	0.01	0.03	0.44
Total	1.22	1.80	4.50

From Table III we see that all the countries concerned have increased their share of the total world military expenditure. This finding is no big surprise as such, because the overall share of the Third World in world military spending has also increased during the period investigated. In particular one should observe, however, the rapid increase in the military power of Iran as well as of South Africa, and that of Nigeria to a somewhat lesser extent. On the other hand, the growth of Venezuela's military power has been relatively slow, while in the case of Brazil the trend has been somewhat uneven.

The figures presented above give added credibility to our choice of the regional centers. One can, of course, ask whether it would have been more correct to relate the economic and military capacities of the regional centers to the relevant total capacity of their own blocs. This idea was abandoned, however, because in some cases — especially Venezuela — exact definition of the scope of the regional bloc would have been almost an insurmountable task.

### 3. Dependence and the model of development

It was mentioned above that the regional power centers or subimperial states possess three central characteristics: *dependence* on one or more center nations, the economic and military *capacity*, as well as the regional political military and economic *expansion*. The policy of a regional power is in fact shaped by the dialectics of these three determinants.

In this connection we have no possibility of carrying out any thorough investigation of the *dependence patterns* of regional power centers on the metropolises of the world. With rare exceptions these centers have, however, strongly oriented their trade towards the United States, and to a lesser extent towards the leading countries of Western Europe. Thus a clear-cut trade dependence would seem to exist.

As to technological dependence, all the regional power centers analyzed here are

strongly dependent on the technology provided by the industrialized countries, often through the network of transnational corporations which also have a major role in the trade relations (see e. g. Firozzi, 1976 and Aruda, de Souza & Alfonso, 1975). It is true that regional powers are heading away from technological dependence towards a higher degree of autonomy. This path is not, however, easy to follow and has to be a gradual process. A normal path appears to go from outright imports of technology, through local subcontracting and license production, to domestic production with the help of the local branches of transnational corporations. Only after these phases does a relatively high degree of autonomy appear possible.

The stages of technological dependence can be combined without any major difficulties with the general development of the economy in regional centers. Roughly, one may distinguish between three types of peripheral capitalist economies, which can be also placed in a historical order. The *first phase* is characterized by the *export of raw materials and agricultural products* as well as by the *import of practically all the manufactured and semi-manufactured goods*. This vertical division of labor, which is based on outright exploitation of the dependent country, is normally inherited from colonial times. The *second phase* is characterized by the substitution of imports and hence by the gradual development of the local manufacturing industry. This *import-substitution* stage is important because it marks the establishment, however modest, of the local industrial base and the production of goods for the domestic market. This production is seldom kept in private hands, because transnational corporations soon realize that there is a lucrative market under development into which they can penetrate.

If the policy of the import substitution is by and large successful, the national industrial base is strengthened and production moves, partly by the aid of transnational

corporations and in addition to the operations in the light industry, to industries requiring more advanced technologies. The industrial base of the country thus becomes more complex and exports of manufactured goods, normally helped by an incentives system designed by the state, start growing. This *third phase* is sometimes called *export-led growth*. Brazil is often considered the most representative example of this development model together with, for instance, South Korea. This model is, however, plagued by a number of social and economic problems. First, the high rates of growth of the exports and the economy in general take place at the expense of the marginalization and the misery of the masses. (For one analysis of the various phases see Senghaas 1977.) Secondly,

The strategy of the export-led growth, in spite of all the support given to it by means of a full complement of incentive measures designed to promote exports, especially manufactured products, did not prove effective in Brazil. While it is possible to argue that during this very period the exports did to some extent contribute to the gross national product, an average of 10 per cent during 1968-74, yet the export growth was thanks more to a world-wide boom than to the strategy of export-led growth... a closer look of the manufacturing sector would show that the expansion of this sector was largely at the behest of the MNCs. While the record of both industrial production and exports was very satisfactory, the achievement was limited largely to industries controlled by the MNCs. (Narayan & Chawla, 1978)

The stage of export-led growth, in which the manufacturing output and its export assume a prominent role, may not indeed be in the longer run a viable strategy of development because of the many economic and political hazards involved. It normally coincides with the partial indigenization of the production of technology and capital goods, although the transnational corporations still play a prominent role and may even gain new significance as their activities become more 'internalized' and more closely allied with local capital and public authorities. This *alliance of foreign and domestic capital and the state machinery* in fact forms the

backbone for the promotion of manufactured exports as well as for the construction of semi-autonomous military industry.

The regional centers analyzed in this article are in different phases of development. There are certain differences between oil-exporters and those centers which base their expansion on non-oil exports. Of the oil producers both Iran, Venezuela, and Nigeria are still in their first phase of development, relying heavily on the export of oil. However, Iran and Venezuela have started to apply the policy of import substitution, a precondition for the emergence of a viable industrial infrastructure. Such import substitution is, however, often accompanied by the penetration of transnational corporations into the national economy. South Africa is now leaving this phase, though she is also vigorously promoting her exports and hence is about to move to the stage of the export-led growth already achieved by Brazil. In other words, the stage of the export-led growth appears to assume several variants: the model of polarized accumulation described above is probably less developed, in terms of the composition of exports at least, than the pure model. South Africa is an example of the model of polarized accumulation, while Brazil represents a more clear-cut case of export-led growth. India is to a certain extent an exceptional case and cannot be easily identified with any of the models mentioned above. India's economic policy is characterized partly by the substitution of imports and by relatively advanced technology in some industries, as well as partly by the urge to export. The role of transnational corporations in India is much less modest than, for instance, in South Africa or Brazil.

In this connection it is reasonable to introduce the military dimension into the picture. We have already shown that the character of the military establishment and the strength of the domestic arms production is largely dictated by the level and model of development chosen. The symbiosis of the army and the state is supposed to repress the

opponents of the existing order in the periphery, in the name of national security and regional or international stability. This presupposes the intervention of the military into conflicts between capital, whether foreign or local, and labor: normally in favor of the former. Reinforcement of the military establishment — either through arms purchases or domestic arms production, which is more common in the import-substitution and the export-led growth model than in various types of enclave economies — is meant to provide capacity to maintain the existing internal order. (Luckham, 1977)

#### 4. *External expansion*

So far we have analyzed various forms and phases of dependence by which the emerging centers of power are associated with the metropolises of the world. Another crucial aspect of their position is outward expansion, primarily in the regional setting. The expansion aspect can be here divided into two: doctrine and policy. To start from the *doctrine of expansion*, we may note that every regional center has a specific ideology, in most cases inherited, which is used to justify the drive for the regional hegemony. While this doctrine may take several forms, it is usually a combination of geopolitical realities as well as political, economic, and military aspirations. The *practice of expansion* means then the implementation of these aspirations in the regional context.

For instance, control of the *Persian Gulf* has been historically a part of Persian nationalist and cultural mythology. No concretization of this interest was possible, however, before the withdrawal of Great Britain from the Gulf because her presence had prevented Iranian expansion in the region. After the British withdrawal Iran started to develop both diplomatic, political ('the policy of federation'), and economic relations with the sheikdoms of the Persian Gulf and increased her military strength to guarantee influence in the Gulf area. In the 1960s and the 1970s the Shah extended Iranian interests by claiming and finally tak-

ing over some islands in the Persian Gulf, as well as by participating in the military repression of the Dhofari rebellion in Oman where British troops have operated for similar ends. The Persian Gulf is important for Iran because of its ports, which are her 'windows on the high seas'. The Gulf is also needed as a transportation route for the bulk of Iranian oil leaving for the world market as well as for Iran's non-oil exports. The most important economic assets in the Gulf area are, however, the offshore oil reserves, control of which has created new conflicts and reinforced old ones between the states in the area. (Ramazani, 1972; Chubin & Zabih, 1974)

Iran has enjoyed extensive military and political support from the West, in particular from the United States but during the 1970s also from Western Europe. The multiplicity of economic, cultural, and military ties existing between Iran and the US reflects the importance attached to Iran 'as a stabilizing and friendly influence in the Middle East'.

*Brazil's* foreign policy aims at achieving the status of a leading intermediary power in the international system, together with the consolidation and extension of her power in South America. (Schneider, 1976) In reality Brazil has considerable economic, political, and military influence in a number of Latin American countries, including Bolivia, Uruguay, Paraguay, and Chile. Of particular importance in Brazil's foreign policy is the control and exploitation of the River Plate Basin where Brazil is carrying out in several countries a number of construction, mainly hydroelectric projects. The background of this policy can be explained by the maxim: 'whoever controls the energy of the River Plate Basin dominates the subregion and emerges as a great power throughout the entire hemisphere'. This factor is said to account, for instance, for Brazilian dominance in Paraguay. (Dans, 1975; Brigago, 1978) Brazil's doctrine of regional cooperation is firmly anchored in geopolitical realities and in the definition of neighboring countries as critical border-areas which Brazil can legit-

imately control. This control is extended to the so-called Bolivian triangle through, for example, the Cochabamba Agreement of 1973, as well as to the Urugayan buffer zone. Brazil also aims at the conclusion of regional pacts, mainly for economic purposes, to consolidate her influence. An interesting example of this strategy is the Amazon Pact, concluded in July 1978 with Bolivia, Colombia, Ecuador, Guyana, Peru, Surinam, and Venezuela.

*Venezuela* has emerged as an incipient regional power only recently. In fact, her subregional power policy was started only by the Pérez regime in 1973. Venezuela's economic and political influence has been mostly extended to the Caribbean region where economic cooperation projects have been launched and loans granted. In 1974 Venezuela also entered Central America where various economic endeavors have assumed the main role, although the Pérez regime was also politically active in such issues as the Panama Canal and Belize. In the Caribbean and Central American subregions Venezuela has, in fact, met an open door. Extension of her economic power has been resisted only slightly, the exception being accusations as to the 'recolonization' of the Caribbean which have come from Trinidad and Tobago. The state of cooperation with the Andean states is quite different: there are various conflicts, both manifest and latent, in Venezuela's relations with Colombia, Ecuador, Guyana, and in particular Brazil. There are signs indicating that Venezuela has contemplated the Andean Pact as a counterweight of Spanish-speaking countries to Brazil (Martz, 1977; Treverton, 1976).

Very much in the same way as other regional powers also *South Africa* has ideological doctrines and philosophies for claiming supremacy in Southern Africa. These doctrines were gradually developed after World War II (Nolutshungu, 1975; Mugomba, 1975). A great part of South Africa's expansion northwards can be explained by economic factors: the Blacks in

South Africa simply did not have enough purchasing power to consume the products of the local industry, i.e. they were marginalized; hence the export of goods had to be intensified. South Africa was also in a go-between position between the leading countries of the West with whom she had a considerable deficit in balance of payments, which then encouraged her all the more to seek access to the African markets. Later on, the increase in gold prices has tended to decrease the importance of the balance-of-payment factor. Maintenance of the system of labor migration from neighboring countries has been beneficial to the *apartheid* regime because it could that way keep production costs in factories and mines low. In the case of Botswana, Lesotho, and Swaziland, outward economic expansion took place under the institutional umbrella of the *Southern African Customs Union*, established as early as 1910 and revised in 1969 (Nolutshungu, 1975; Grundy, 1976). The subimperial status of South Africa can be illustrated by the utilization of the country as the export springboard of transnational corporations.

In addition to the economic dimension, South Africa's expansion outwards has also contained the military aspect manifested not only in the illegal occupation of Namibia and the support given to the Rhodesian minority regime, but also in attacks directed against Angola and Zambia. Some observers have concluded that the resort to military means is a sign of weakness from the South African side. This analysis is sometimes continued by saying that South Africa is no longer a regional power center but rather a pariah state at serious odds with the great majority of members of the international community (Betts, 1977). According to an analysis 'pariah' states have several options, of which South Africa has moved steadily towards the garrison or *laager* option, i.e. the state believes that it is strong enough to survive in isolation.

However, the *laager* option does not exclude some other strategies which have been

also incorporated into the foreign policy of South Africa. There have been certain efforts to build a 'pariah community' with a series of other potential pariah states in the international system, such as Iran, Israel, Brazil, Chile, Taiwan, South Korea, Paraguay, and Uruguay. South Africa has also pursued the regional option, by trying to make regional arrangements to stabilize her position. This strategy was followed especially in 1966-73, after which certain traits of the *laager* option have become more pronounced than before (Vale, 1977; Shaw, 1977). Despite this tendency South Africa's domestic structure and intermediary position is such that she is compelled to play a regional role, although the objective premises may have weakened during the last few years. This weakening is, however, more political than economic in character.

In general it may be said that the *apartheid* system gives to the South African society a number of peculiar characteristics. Its strict segregation along racial lines means that South Africa's regional expansion benefits the white minority, while the black majority is used only as an exploited cheap labor force to guarantee the continued flow of benefits. Another related aspect is the dominant position of transnational corporations in South Africa, including external relations. Transnationals provide management skills technology, but also benefit from the existing system of oppression (Rogers, 1977; Seidman, 1977).

The 1960s in the *Indian* subcontinent were characterized by the conflict between India and Pakistan on one hand and between India and China on the other. In the early 1970s a kind of political settlement took place with the division of Pakistan and the gradual normalization of relations between India and China. Pakistan was weakened to the extent that it could no longer participate in any real rivalry with India. At the same time India was able to strengthen her own position by securing influence in Bangladesh, cf. the Treaty of Peace, Friendship and Cooperation signed in March 1972.

In fact the treaty between India and Bangladesh is merely a restatement of the Indo-Nepal Treaty of Peace and Friendship of 1950. Thereafter Nepal has been, to a certain extent, balancing between India and China during the 1970s, coming closer to the former. India also has treaty relations with the Himalayan Kingdoms of Bhutan and Sikkim, which are economically and administratively very closely linked with and in fact almost fully dominated by India. (Narayanan, 1972; Chaunan, 1975; Krishan Jha, 1976) In this way India has been able to develop a small subregional empire — one kept together more by a kind of dominated interdependence than by any coercive measures. The regional role of India concentrates more on her smaller neighbors and one cannot possibly speak of India as a regional power center in the same sense as, for example, of Brazil's policy in Latin America. One should not forget, however, that India is increasingly exporting capital and technology to other developing countries, in particular in Asia.

*Nigeria* has emerged clearly as a political and economic leader of West Africa. Her success in extending influence in the region is due to several factors, among them the financial resources extracted by exports of petroleum which amounted to \$37.5 billion since 1973 and to \$5.7 billion in the financial year 1976-77 alone. The military strength of Nigeria has grown conspicuously during and after the Civil War. In analyzing the present situation in Nigeria one should not underestimate the unity achieved through the bloody Civil War. The war also marked a turn in Nigeria's foreign policy, which became more oriented to regional and eventually to Pan-African global affairs. (See e. g. Jerskovits, 1975.)

The new trend in Nigerian foreign policy is exemplified by her active role in the political struggle against *apartheid* in South Africa (Nnoli, 1976), in the provision of financial aid to her neighbors as well as in efforts to establish the Economic Community of West Africa (ECOWAS). It is intended

to increase Nigerian influence throughout the region and allow Nigeria, surrounded by Francophone states, to escape political and cultural isolation. Furthermore, ECOWAS was considered for good reasons a vast market for Nigeria's growing economy. (See e. g., Olofin, 1977; Rake, 1978.)

By May 1973 all West African countries had agreed to the idea of the *Economic Community of West African States*, and in May 1975 the *Treaty of Lagos* was signed, establishing ECOWAS. Protocols bringing the treaty into force were ratified by November 1976. Briefly stated, the aims of ECOWAS are to establish a customs union between its member states and to bring about common policies in the industry and agriculture as well as in the harmonization of economic and monetary policies.

The role of Nigeria in West Africa can be analyzed in more detail by looking at her relative economic and military status with ECOWAS, where she as a leading role. Other countries in the region which have been striving for the regional supremacy include Ghana, in particular during the Nkrumah period, as well as Senegal and Ivory Coast, which have been competing with each other in various contexts since the colonial period. The rivalry between Senegal and Ivory Coast for economic leadership has been reinforced by personal competition between Senghor and Houphoet-Boigny. (For more details, see Tunteng, 1977.) These considerations lead to the hypothesis that Nigeria, Ghana, Senegal, and Ivory Coast are leading countries in West Africa also in terms of their military and economic capacity. This question is explored in Table IV.

At first we may note from the Table that both economic and military power, and the latter even more so, is strongly concentrated to a handful of countries predicted above by their foreign policy striving for a regional hegemony. Nigeria is in a category of her own, possessing roughly two-thirds to three-fourths of the power base within ECOWAS. It is no wonder that she is able to extend her economic presence to other member coun-

Table IV. The distribution of economic and military power within ECOWAS in 1975, in %

	Gross National Product		Military expenditures	
Nigeria	63.7		82.3	
Ghana	10.9		5.4	
Ivory Coast	8.6	82.6	4.0	91.7
Senegal	5.3		2.2	
Guinea	1.7	89.6	1.5	95.4
Sierra Leone	1.4		0.4	
Liberia	1.3		0.3	
Mali	1.3		1.0	
Niger	1.3		0.3	
Togo	1.3	96.2	0.5	98.1
Upper Volta	1.3		1.0	
Benin	0.9		0.5	
Mauritania	0.8		0.6	
Gambia	0.2		0.0	
Cape Verde	0.0		0.0	
Guinea-Bissau	0.0	100.0%	0.0	100.0%

tries of the community.

Although Nigeria has not developed any geopolitical doctrine of expansion, the geographical factor has a certain significance within ECOWAS. One author has divided the area into three zones, of which the outer one covers the West African coast roughly from Dakar to Lagos. The harbors and cities of the ECOWAS region are located in this zone which is also responsible for the bulk of industrial production. The inner zone is only thinly populated and is mostly specialized in cattle breeding and in cotton production. The interior of the region is covered by such countries as Niger, Upper Volta, Mali, and Mauritania. The middle zone combines the characteristics of the two main zones, although it is probably closer to the interior than the exterior. It could, for example, develop extensive production of agricultural and cattle products for the exterior. (Krokfors, 1979.) The policy of integration within ECOWAS will consolidate rather than transform this system, and the economic benefits will go to the exterior at the expense of the hinterland. It is apparent that Nigeria will reap the bulk of the rewards.

ECOWAS probably comes closest to being a regional bloc dominated by a single regional power center. It is an institutional

arrangement through which Nigeria can exert economic and political influence. In the case of Brazil we may also speak of a kind of an institutional regional bloc because of the multilateral economic agreements which Brazil has concluded with other Latin American countries. In the case of South Africa we may also draw attention to the Southern African Customs Union, although it covers only a part of the South African sphere of influence. The case of other regional power centers analyzed in this paper is somewhat different: Iran, India, and Venezuela have not established any formal multilateral arrangements which could be called regional blocs. Rather, they have exerted their economic and other forms of influence bilaterally and through more informal channels. In fact, it might be possible to establish a distinction between two types of regional power centers: those aiming at overarching multilateral arrangements, and those preferring less visible, bilateral forms of influence.

The pattern of regional expansion analyzed above strongly suggests that a *new pattern of geopolitics* is developing in the world. This new pattern is characterized by the extension of economic and military power to a limited geographical area; often this expansion is guided, besides by concrete interests, by a doctrine of regional hegemony. In the economic field the pattern of geopolitics defines the area to which the center may have free access to exploit the natural resources and the labor force but also to initiate development projects which serve the purposes of 'macroeconomic planning' in the entire region. In the military field the geopolitical pattern defines the critical border areas which have to be defended to ensure the security of the center itself. Military defense is thus extended, as the South African case shows, outside the national border of the center. Geopolitical thinking is probably strongest in the case of Brazil, but can be discerned also in the foreign policy of other subimperial countries analyzed in this paper.

#### 4. The military dimension

We pointed out earlier that the military dimension is a central aspect in the position of a regional power center. International subsystems are not based on utilitarian and normative ties alone: almost without exception their structure is maintained by coercive means. This may mean either the open use of the military power or its latent application as a deterrent. All the six regional actors analyzed in this section belong

to the leading military powers in the Third World.

In this section we briefly analyze the military strength of the regional power centers in terms of their military budgets, the domestic capacity to produce arms and their nuclear-weapon status. We start with a brief account of the growth of the military expenditures of the six countries since 1957, shown in Table V.

Table V. Growth rates of military expenditures of some regional power centers, 1957-77, %, at current prices

	1957-62	1962-67	1967-72	1972-77
Iran	77.8	182.7	229.4	349.2
India	62.7	119.9	69.9	67.7
South Africa	123.0	105.1	37.3	438.2
Brazil	225.7	1712.2	288.8	297.7
Venezuela	2.6	73.8	45.7	244.2
Nigeria	400.0	62.5	303.5	301.7 (1972-76)
Third World average	211.9%	814.8%	256.3%	235.3%

Source: *SIPRI Yearbook 1978*

The information provided in Table V suggests that military expenditures of the regional power centers have on an average grown more rapidly than in the Third World in general — even though the absolute level of militarization has been considerably higher in the subhegemonic countries. This point should be qualified, however, by observing that the pattern outlined above holds true only during the last two five-year periods and more strongly only in 1972-77. This finding suggests in turn that the category of regional power centers is, at least in the military respect, a *relatively new phenomenon* in international relations, and should hence be considered an emerging tendency. This seems especially true in the cases of Venezuela, Nigeria, and Iran.

The strengthening of the military industry is largely a function of the development of the industrial infrastructure on which military efforts can be based. In the case of *Iran*,<sup>4</sup> for example, one should not forget

that the index of industrial production (1970 = 100) grew from 30 in 1960 to 142 in 1972. The corresponding figure for Brazil, for instance, was only from 52 to 128, and for Japan from 28 to 110. The GNP of Iran rose, at current prices, from \$12.1 billion in 1966, through \$21.4 billion in 1970 to \$52.1 billion in 1975. (*UN Statistical Yearbook 1978*.)

The development of Iran's military strength is illustrated by the fact that while 3.9 % of GDP was devoted to the military sector in 1962, the corresponding share was 6.8 % in 1967, 10.8 % in 1972, and finally 14.6 % in 1977. Iranian militarism started to emerge conspicuously only in the middle of the 1960s. In 1967 the decision was made by the Shah to concentrate on extensive military projects and to free the country from its complete dependence on the United States. These projects were, however, nothing compared to those to be implemented in the 1970s. Purchases of weapons from

abroad — first of all from the United States, Great Britain, France, Italy, and the Federal Republic of Germany — increased considerably. Iran imported in 1970-76 major arms for \$4.9 billion, at constant 1975 prices. (Albrecht, Ernst, Lock & Wulf, 1976; *SIPRI Yearbook 1978*.) These arms were used to extend Iran's role as the policeman of the Gulf.

Iran's need for foreign technicians in turn indicates the considerable degree of dependence on foreign technology and expertise. The Shah's regime aimed at launching a system of domestic arms production and at establishing an industrial infrastructure to support it. National, mostly government-owned, arms manufacturers include the large Iranian Military Industries Organizations (IMIO), Iran Aircraft Industries, Imperial Arsenal (mainly specialized in small arms), and Iran Electronic Industries at Shiraz. There has been very little indigenous design and production so far, and practically all the technology and know-how has come from the US transnational corporations (e. g. Northrop, Hughes, Bell, Rockwell International, and Litton). (Lock & Wulf, 1977; Neuman, 1978.) Iran is in fact a clear-cut example of the tendency that the technological dependence on foreign sources cannot be removed solely by launching domestic projects of arms production. Rather the dependence becomes deeper than earlier by assuming qualitatively new forms, due to the sophisticated character of modern military technology.

There has been extensive speculation as to Iran's plans to become a nuclear-weapon power. The policy of the Shah gave reason to believe that the acquisition of nuclear weapons had been considered, despite the fact Iran had become a party to the Non-Proliferation Treaty. On the other hand there were signs that the massive program to acquire nuclear reactors did not contain any strong military intent. Contrary views were inspired by the widespread information that Iran was involved in oil-for-nuclear-technology exchange with South Africa. The

nuclear policy of the Shah's regime may have changed towards the end of its reign, if judged by the willingness to buy enriched uranium from the United States. Finally, the US granted an export license for highly enriched, weaponsgrade uranium (Quester, 1977; Gillette, 1979).

It has been claimed that *Brazil* has for the time being the leading military industry in the Third World: but is it self-sufficient? Brazil is extensively producing military aircraft, naval craft, armored personnel carriers, and small weapons. The Brazilian military-industrial complex consists of a number of big companies specialized in the production of military hardware. One of the pioneering corporations has been Embraer (= Empress Brasileira de Aeronautics S.A.), which is the largest general aviation manufacturer outside the United States in terms of production volume. Embraer makes in all 11 different types of aircraft in 50 separate models. In the military field, these include transport planes, maritime patrol aircraft, fighters, trainers, and other military aircraft. Many of these models are of indigenous design, but often the avionics and engines are imported from North America.

Embraer is located at São José dos Campos, in the vicinity of São Paulo. This manufacturing center of some 250,000 inhabitants is the real center of the Brazilian arms production. Engesa (= Engenheiros Especializados) is located in the same center and is now one of the main suppliers of combat vehicles to the Brazilian Army and Marines. The carriers are of indigenous design, but for most of them the engines are produced by Mercedes Benz do Brazil. Commission Central de Misseis is producing Roland and Cobra missiles by the aid of the French and West German licenses. Various air defense systems are manufactured in cooperation with the French Thomson-CSF. One of the aims of collaboration with Thomson-CSF is to develop a national electronics industry, as this has been one of the weak points in the Brazilian military-industrial complex (Lock & Wulf, 1977; Levin, 1979; *Business*

*Week*, 16 October 1978).

There is no doubt that the Brazilian government aims at achieving a relatively high degree of self-sufficiency in arms production. This is indicated by the very fact that the boom began in March 1977, when the government cancelled its 25-year old military treaty with the United States in response to US criticism on the non-observance of human rights. It was realized, in other words, that Brazil cannot reach her target of becoming a regional power center without a full-fledged capacity to produce arms and military technology. All the same, one cannot conclude that Brazil has yet achieved the sought-after degree of military self-sufficiency. On the contrary, Brazil's military industry appears to be dependent on the military know-how and technology produced and transferred by the US, and West-European corporations.<sup>2</sup>

*India* also belongs to the top arms producers in the Third World. A typical feature of her arms industry — which consists of three dozen ordnance factories as well as nine defense undertakings — is that it is completely owned, controlled and run by the central government. Thus the transnational arms manufactures have no direct role in the Indian arms economy. The two categories of arms manufacturers, of which the latter enjoy a somewhat higher degree of autonomy, employ about 100,000 workers, although other estimates put the figure closer to 200,000 workers. India has also paid considerable attention to the allocation of resources to military research and development, but so far this has not removed her arms industry from external technological dependence (Chopra, 1978).

India started strengthening her domestic capacity to produce arms in 1962, probably as a consequence of the conflict with China. The target of her policy has been to advance by stages so that arms imports are gradually replaced by license production of weapons systems, from which one may move to indigenous design and production. These efforts have been by and large successful,

although domestic production has been plagued by continued technical problems and the high costs of the weapons systems produced. For instance, the development of the HF-24 Marut fighter, which has been produced since 1964, has absorbed 5.1 million engineer hours for research and development.

Another domestic product is the HJT-16 Mk I Kiran trainer, of which a jet version has also been recently manufactured. An example of licensed production in the Indian aircraft industry is the Soviet MIG-21 fighter, which has proved to be a fairly costly enterprise from the Indian point of view. No cheaper is India's recent purchase of 200 Jaguar International fighters from England. The total cost of the deal amounts to some 2.3 billion dollars. Most of the aircraft will, however, be assembled by the Hindustan Aeronautic Ltd. which has to rely, by necessity, on the imported components and technology to an extent which is not known. Hindustan Aeronautics, which employs 38,000 workers in its factories in the neighborhood of Bangalore, is the backbone of the Indian military-industrial complex. The company also has a vigorous research and development program which aims at strengthening the indigenous contents of the Indian aircraft industry.

In addition to a strong aerospace industry, India is also involved in the domestic production of naval craft and tanks (Vijayanta). It has been estimated that the total values of Indian military production was about 1.9 billion dollars in 1972 — about 10 % of the total turnover of the processing industry in the country. In general the relatively low personnel expenses facilitate the allocation of some 60 % of defense rupees for arms production, military R&D and various construction projects. (Wulf, 1975; *Manorama Yearbook 1978*.) It is worth noting that India's military doctrine appears to be in the process of change: the earlier doctrine underlining the limited geographical scope of military operations is about to be replaced by a new one. The outcome of this change

would probably be reliance on the blue-water navy instead of the protection of coastal waters only, and the acquisition of deep-penetration aircraft of which Jaguar International fighters are examples (see, e.g., Väyrynen, 1979).

Nigeria is the strongest military power in the West African region, and her military strength has been growing rapidly. The exceptionally high growth rate from 1966 to 1971 (700 %) can be attributed to the civil war, but even after that growth has continued vigorously thanks to the oil money. Nigeria has been a latecomer in the acquisition of modern weapons into its arsenals. Quite a few West African countries acquired modern warships before her, although Nigeria was a forerunner in the acquisition of new combat aircraft into the region. Nigeria's own arms industry is very modest: she does not produce any indigenously designed weapons systems, and in fact there is not even any license production based on foreign technology and know-how. In 1970-76 Nigeria imported major arms to a total value of \$157 million, of which some 40 % came from the United States. These imports included modern missiles, helicopters, patrol boats, aircraft, and tanks. Very recently the Nigerian government decided to purchase 12 Alpha Jet fighters, which belong to the most advanced training and attack aircrafts in the world. (*SIPRI Yearbook 1978; Aviation Week and Space Technology, 1979.*)

A basic similarity between *Venezuela* and *Nigeria* is that both are regional powers in the making. Both started to apply their economic and political leverage only after the oil crisis of 1973-74. In general, we may point out that the oil crisis has been a 'midwife' which has contributed to the accumulation of resources to manifest the incipient power interests of some oil-producing countries. The similarity between *Venezuela* and *Nigeria* can also be seen in the fact that the growth of their military strength started relatively late, helped by petrodollars.

Venezuela's military budget increased in

constant price figures by 37.4 % from 1961 to 1966, by 30.0 % from 1966 to 1971, and finally by 27.4 % from 1971 to 1976. One should note, however, that from 1976 to 1977 the increase in *Venezuela's* military expenditures was a high 50.1 % in constant price figures. In 1977 *Venezuela's* military expenditures stood at \$530 million, representing some 2 % of the country's GNP.

Domestic military production in *Venezuela* has been underdeveloped. However, production of fast patrol boats was recently started, with Italian assistance. In 1975 the *Venezuelan* government founded the *Venezuelan Aeronautical Corporation C. A. (CORPAVENCA)*. Discussion has been going on with the *Israeli Aircraft Industries* on the launching of the license production of *Israeli* fighters and military transport planes in *Venezuela*. *Venezuela* imported major weapons for \$487 million in 1970-76 (*SIPRI Yearbook 1978; Lock & Wulf, 1977*). *Venezuela* has not had any plans to acquire nuclear weapons: in this respect she is very much in the same position as *Nigeria*. In fact, *Venezuela* has taken a strong negative attitude towards the proliferation of nuclear weapons to Latin America. This stand has been expressed not least in connection with discussion concerning the *German-Brazil nuclear deal (Latin America Political Report, 1977)*.

*South Africa* has a highly advanced domestic military industry. Its strengthening has largely been due to the fear of an arms embargo, which was established in a mandatory form by the UN Security Council in November 1977. Another motive has been the need to develop sufficient military power to repress domestic opposition and the potential threat from the neighboring countries. The *South African* case also well illustrates various phases through which a domestic military industry can be developed. *South Africa* started with the import of weapons and then moved gradually during the 1960s to license production of, for example, *French* and *Italian/US* military aircraft. This license production was combined with an intense

effort to indigenize military technology and to develop local industrial infrastructure to support this process. This policy was manifested in the establishment of a number of state bodies, such as the *Armaments Board* and the *Armaments Development Production Corporation*, to sponsor and coordinate military production as well as military R&D. On the production side the establishment of the *Atlas Aircraft Corporation* in the early 1960s, and with French assistance, was perhaps the most notable decision. The role of transnational corporations became visible already in this stage of the construction of the domestic military industry: *African Explosives and Chemical Industries* (AECI), jointly controlled by the British Imperial Chemical Industries and Anglo-American Corp., is an example of this tendency.

The present situation is roughly that in many fields South Africa has been able to develop indigenous military production in which there is no overarching dependence on foreign suppliers of military technology. This has been possible because the local subsidiaries of TNCs, whose activities are not covered by the 1977 embargo, have willingly participated in the military efforts of the country. On the other hand, the South African government has enacted legislation which compels the subsidiaries to collaborate with the *apartheid* regime. There are however still some critical fields, especially in electronics and computer industry, where local capacity is weak, and dependence on external sources, including transnational corporations, is considerable. In other fields the dependence on transnationals is weakened by the fact that the domestic companies are gradually taking over — either singly or through joint ventures with TNCs — those production activities which have recognizable military relevance. (Väyrynen, 1978.)

South Africa has also advanced rather far in the development of nuclear technology. This has taken place largely due to technical assistance from the US, French and West German governments and corporations.

South Africa has purchased from these sources enriched uranium, enrichment technology, and know-how as well as nuclear reactors. It has been estimated that the *apartheid* regime already has nuclear weapons at its disposal; and if this is not the case, it will be able to produce them within a few months. This state of affairs could not have been possible without the assistance of the Western countries. (Väyrynen, 1977; Cerwenka & Rogers, 1978.)

As to the nuclear-weapons status of the remaining countries we may note that India exploded in May 1974 a 'peaceful' nuclear device. The Indian government strongly emphasizes that India has no intentions whatsoever to develop a nuclear bomb for military purposes, but intends to apply this technology only for peaceful purposes. However, the borderline between civilian and military nuclear technology is at best vague, and depends more on political motives than on any technical criteria. In 1975 Brazil concluded a deal with the West German government on the purchase of a full nuclear fuel cycle. Despite resistance from the United States and elsewhere, implementation of the agreement has been continued. Concern has been expressed that the availability of uranium-enrichment and fuel-reprocessing plants would enable the Brazilian government to divert these materials for nuclear-weapon purposes. (See e. g. Gall, 1976.)

Thus, it appears that two of the regional powers examined here — India and South Africa — are on the threshold of nuclear-weapons capacity, while two others — Venezuela and Nigeria — do not seem to have at present any major intent to proceed in this direction. Brazil, and to a lesser extent Iran, are considering the nuclear-weapon option. This option is thus related to the position of regional centers, though it is not a part of it in any deterministic manner. Overall military power is, however, almost an inseparable part of the aspiration to gain regional influence and even hegemony, at least in the light of the cases examined here.

It is relevant to observe that the domestic arms industry is strongest precisely in those countries — Brazil, South Africa, Iran — which also display the most clear-cut tendency towards regional hegemony. India is somewhat of an exception here, because her efforts at regional domination are not that visible even though her military industry is one of the strongest in the Third World. However, we should note that her military doctrine is undergoing a change which would result in a stronger emphasis on the country's regional role. A similarity in all these four countries is that the aircraft industry — Embraer in Brazil, Atlas Aircraft Corp. in South Africa, Hindustan Aeronautics Ltd. in India, and the Iranian Aircraft Industry in Iran — forms the central component of the military industry. At the same time, these corporations are the parts of the domestic military industry which are most dependent on foreign technology and which hence reproduce the dominance pattern between global and regional centers. Again we may observe that Venezuela and Nigeria, which are regional power centers in the making, have no domestic aerospace industry worth mentioning. The extent of regional power and the strength of the aircraft industry are thus correlated with each other.

The development of arms-manufacturing capacity leads gradually the export of arms and military technology. This is partly because it becomes necessary to alleviate the 1970-76 among the top ten exporters of development and production with the purchasers, and partly because of political motivations to expand political control. Iran, Brazil, South Africa, and India were in 1970-76 among the top ten exporters of weapons in the Third World. Venezuela and Nigeria, largely because of the lack of arms-production capacity, did not figure even among the 20 top exporters.

The regional orientation of subimperialist countries in their arms export is obvious. Iran has exported 75 % of her total arms exports to Pakistan, Brazil 42 % to Paraguay and only 2 % outside South America,

while South Africa is directing 98 % of her arms transfers to Rhodesia and 2 % to Malawi. Finally, India is selling or donating 70 % of her total arms transfers to Bangladesh, with the remaining 30 % going to Nepal. The other top exporters in the Third World, functioning only as centers of re-transfer, do not display this sort of regional pattern: Jordan exports arms mainly to South Africa, Singapore to Brunei and Kuwait, and Israel to El Salvador and Singapore. (*SIPRI Yearbook 1978.*) Arms transfers are thus a tool in the hands of regional centers to strengthen their spheres of influence and to draw nations in the area closer to them.

##### 5. *Dimensions of regional power centers*

In the preceding analysis we have applied a number of dimensions to describe the character of regional power centers. These dimensions have included the fields of economic and military power and the policy of expansion exercised by these centers in these particular areas. In addition, there are good reasons to analyze in more detail the political and economic *stability* of regional power centers. The investigation carried out above suggests that Brazil and India are, economically speaking, by far the strongest countries in the group, followed by Iran and South Africa. In terms of military power, as measured by military expenditure, the order is precisely the same, nor is it essentially different if we use the strength of the domestic military industry as yardstick. Thus we may conclude that in the group of regional power centers *economic and military strength coincide and reinforce each other.*

Patterns of regional expansion vary from one center to another. Brazil and South Africa have apparently been most vigorous in their economic expansion. This has to be seen in view of the fact that both of these countries are internally deeply divided between haves and have-nots, the latter with very little purchasing power. In these two countries, external economic expansion can be at least partly explained by the economic

necessity of exporting goods to create a demand for the domestic industries. Both in Brazil and South Africa the subsidiaries of transnational corporations have also played a major role, in fact actively participating in the export drive. With Venezuela and Nigeria, economic expansion is not so much anchored in the uneven development of the national economy as in the accumulation of wealth as a consequence of the oil crisis. This pattern of accumulation has enhanced the resources of the country concerned and in a sense the available surplus by means of which some regional influence and dominance can be gained. Iran and India have also shown a degree of economic expansion, but their regional roles appear to have been more politically determined. This is not to say that the political aspect has been missing in the external expansion of the four other countries. On the contrary, it has been particularly strong, along with economic motives, in the external policy of Brazil and South Africa.

Military expansion can be partly illustrated by analyzing the changing foreign involvement of regional power centers in Third World wars. During the period 1945-66 developing countries became involved in only three wars, i. e. 6 % of all foreign interventions, external to their own immediate concerns. During the period 1967-76 the number of external interventions by Third World countries increased to 14 and their share of the total number of involvements to 38 %. Especially South Africa, India, and Iran were responsible for these interventions as a part of their policy of regional hegemony. Other regional centers analyzed in this paper have been less inclined to become involved in external military operations. (Kende, 1978.)

On the basis of this evidence we may conclude that the military expansion of at least some of the power centers has been on the increase and may continue in the future. The status of a regional power center is not, however, necessarily any permanent feature of the international position and foreign

policy of the countries concerned. The 'normal' path of development is probably that a relatively powerful developing country initiates an effective policy to become even stronger in military and economic terms and as a part of this process expands its control to neighboring countries. The combination of rapid growth in national capacity and external expansion is facilitated if the political and economic power is effectively centralized within the country. This leads to demands for a 'strong state' and streamlined bureaucracy which together with the economic oligarchy govern the country.

This pattern can be seen in all regional centers analyzed here, although less clearly for and to a lesser extent for Nigeria and India. In particular Brazil and Iran have been countries where both domestic and external expansion have been secured by the effective centralization of power. In South Africa the policy of *apartheid* adds a special flavor to the situation, formalizing the policy of segregation which also exists, although in a more informal manner, in Iran and Brazil.

The centralization of political and economic power and the marginalization and deprivation of the masses in the regional centers are important factors, because the dialectics of centralization and exploitation always create opposition. Sometimes this opposition may be so successful that it has to be put down by force, as evidenced by the Mossadeq period in Iran and by the Goulart regime in Brazil. Repression of the opposition does not always work, however. Recent developments in Brazil and South Africa indicate that even though the ruling elite may survive it is not immune to the pressure of domestic opposition. Naturally Iran is a case even more to the point, since the downfall of the Shah can be directly connected to his ambitions to develop Iran into a subordinated regional center controlling the Persian Gulf area.

The opposition movement in Iran has not been solely a religious movement, but it has also a number of political aims. One of them is to reject the excessive dependence on

Western military and civilian technology sought for by the Shah and to cut down on oil production and exports by which imports of the technology of control had been financed. In fact one can expect that the sort of counter-reaction against the outright exploitation of the natural resources by leading developed countries may take place also in other resource-rich Third World countries which have been opting for the dominant-dependent pattern of development with regional implications. In Indonesia voices of opposition have expressed doubts to the subordination of the country's economy and natural resources to Japanese and US needs as well as doubts concerning waging the war of occupation and destruction in East Timor (*New York Times*, 3 June 1979). The same kind of development is not entirely impossible in Zaire or even in Brazil — popular opposition is paying attention to the advisability of the economic and political role adopted (de Souza, 1979).

Another critical aspect in the position of a regional power center is the dialectics between the dependence and independence. A regional center becomes, almost by definition, more independent of its global patron in the course of growth in military and economic capacity. One could imagine that in a certain phase the will and capacity for independence become so strong that the subordinated center will assume a more autonomous role and start exercising a regional hegemony of its own. A more modest version of this thesis would be that a regional center could conclude ties with a competing global center and in that way increase its freedom to maneuver. In reality this has not been any common pattern, although Iran and especially India have been cooperating with the Soviet Union in both the military and the economic fields. With the partial exception of India under Indira Gandhi, the regional centers explored in this paper have been strongly tied to the United States and have not sought for any countervailing power from the Soviet Union.

Indeed it is possible that some regional

centers are able to develop such a strong *Eigendynamik* in their economic and military policy that they gradually gain more and more independence. We pointed out above that the regional centers initially at the mercy of transnational corporations have started to indigenize their economy and merge the subsidiaries of TNCs with domestic corporations, private or public. In this way it is easier to assert national political control over the economy and the transnational capital operating therein. The South African and Brazilian economies are heading in this direction and their relative autonomy has no doubt increased during the 1970s. It is hardly any accident that, during the last few years, exactly these two countries have adopted more independent foreign policies which show no signs of dismantling their regional spheres of influence.

Above we have outlined some elements of the domestic political instability which regional power centers may have to face. Although problems of economic instability may not be equally common in more developed regional centers, they are experienced by the oil-producing countries which have launched too ambitious development plans, often based on the extensive acquisition of foreign technology and other inputs. In Venezuela, Nigeria, and Iran this sort of policy has led to considerable problems of growing indebtedness and distortion of consumption patterns. In 1978 Venezuela, for example, experienced the biggest balance-of-payment deficit in her history, foreign debt increased by 57 % compared with the preceding year, oil income dropped and the dependence on imported goods, including food, increased (Mann, 1979).<sup>3</sup>

The sources of instability in regional power centers are most often domestic — whether political or economic ones. Very seldom do the dominated countries of a particular region join with each other to resist the policy of domination exercised by a local center. Indeed, if there is any external resistance against this sort of center it most probably originates in a global metropole.

Even in this respect there are very few examples of resistance applied by a metropole to the expansionist policy of a regional center. The United States has in some respects adopted a critical policy towards Brazil and South Africa, but this attitude has by no means been overwhelming. Moreover, it has concerned more the human rights policies of these countries than their regional power aspirations.

This seems to indicate that it is in the basic interests of the United States to support regional powers, even those about to become economically and politically more independent, as long as they maintain a domestic system acceptable to this global power center. Such considerations lead us to the conclusion that any externally induced changes in the position of regional power centers are less probable than is opposition generated by internal conditions within these countries themselves.

#### NOTES

1. The increase in the conflicts between some of the regional centers, to which also Pfaltsgraff (1977, p. 7) refers, can be illustrated by the case of Iran. Iran has severed her relations with Israel and South Africa which appear, in turn, to have increased their cooperation. On the impact of the events in Iran on her relations with Israel, see e. g. Zador, 1979.

2. A further example of this tendency has been the decision of Aérospatiale of France to purchase a minority interest in Helibras, which is a newly established Brazilian helicopter manufacturer.

3. In this connection it is reasonable to emphasize the significance of technological dependence which is often exercised by transnational corporations. According to Oteiza and Sergovich (1976) technological dependence is especially critical, not only in that it constitutes a very effective form of exploitation, but also in reproducing patterns of production, circulation and consumption inadequate for a socially satisfactory evolution of presently underdeveloped countries. The usual mechanism and content of technology transfer, mostly supplied by transnational corporations, contribute to the production of consumer goods for privileged minorities of Third World countries as well as to unemployment. It also directs the

demand for technological inputs outward, thus causing stagnation of the domestic innovative potential.

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