

Commodity chains

Commodity chains involve long lines of transactions necessary to make a commodity

Most transactions don't involve a marketplace because of:

1. Monopolies
2. Vertical integration

Commodity chains tend to move across national borders from periphery nations to core nations. Each transaction involves an allocation of profit.

Profits tend to go to the core because:

1. Vertical integration
2. More capital in the core leads to mechanization, new products, etc.
3. Stronger core states enforce the system

This process is hidden because it appears to be based on markets