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## DEPENDENCY SYNDROME: THE BANE OF DEVELOPMENT OF THIRD WORLD COUNTRIES

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### **Abstract**

The categorization of state as big and small, developed and developing, weak and strong are various description or adjectives used to convey the stratification of states according to its natural endowment. This inequality has led to an academic insight into the remote causes which many have attributed to man made. The quantum of natural resources and man power a nation is endowed with, sometimes account for these degree of variations. But scholars have also attributed this to state inability to be independent. Therefore, this paper is design to examine dependency syndrome with the aim of validating the claims of scholars who believed that the dependency syndrome provides the desired explanations for the weak or strong economy of nations in the global arena. Essentially, to achieve this, the paper will relied on secondary data and content analysis.

**Keywords:** *Dependency syndrome, underdevelopment and development of states.*

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### **INTRODUCTION**

The question of development/underdevelopment has produced a leviathan of intellectual discourse. Much of its literature geared towards proffering explanations for the socio-economic and political advancement in the advance nation's and the poor economy and eventual stagnation suffered by some countries as well. This scholasticism has led to derivation of theories like liberalism, Marxism amongst others to explain the level of variation in development. The twentieth century witnessed the evolution of one such theory that sort to better underscore the dichotomy or disparity of development among states. Dependency theory as it is known began with Raul Prebisch and his colleagues. Their findings suggested that weaker nations suffer serious economic setback which cannot be witnessed in advanced countries. Different strands of dependency theory then emerged that opined that poverty was a product of capitalist exploitation and another as the direct result of the rise of an international political economy based on a rigid division of labour skewed in favour of the rich while the poor languished.

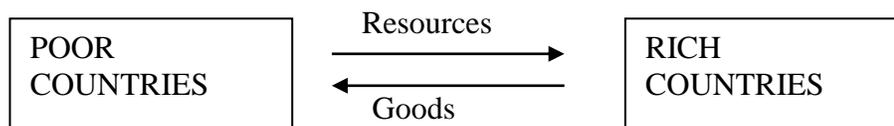
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Generally, dependency theory refuted the claim of universality for the development theory, and introduced new ways of explaining the causes as well as suggesting new strategies for the problem of underdevelopment in the third world. Ates, Es and Bayraktar, (2005).

This paper examines the trajectory evolution of dependency theory, the theoretic dialectics that characterizes it as well as its critique.

Dependency as a theoretical frame work of analysis owes its origin to a search for intellectual explanations to the challenges of development of Latin America. This gave rise to three (3) evolutionary schools Ferraro identified as: (a) Neoclassical theorists (b) The Marxist theorists (c) the world system theorists (Ferraro 1996:2). Or like Todaro and Smith's (2009:122) categorization as (a) Neo-colonial dependence model (b) False paradigm model (c) Dualistic-development thesis.

The evolution began in the 1950s with Raul Prebisch and his friends, referred to as neoclassical theorists (liberal reformers). Their findings revealed that poor countries suffered economic problems due to economic activities in the richer ones (Ferraro, 1996). This they explained is because poor countries are preoccupied with trade in primary commodities which rich countries to whom they are exported process into useable and finished goods and then sell back to these same poor countries. Since finished useable goods are usually costlier than the primary products that serve as raw materials for making them, it is therefore impossible for poor countries to earn enough from their export to pay for their import.



For poor countries to overcome this problem, it is recommended that;

1. They should embrace the strategies of import substitution that would relieve them of importing finished and useable goods from their rich Counterparts.
2. Countries, especially third world countries that engage in export of primary products may still continue to do so, but this time saving the earnings that accrue from such sales for other purposes not connected to import of finished goods made from their raw exports.

However these recommendations were criticized on the grounds that;

- ✓ Unlike their rich counterparts who could keep prices low due to the nature of their internal markets, the poor Countries lacked such capabilities to do same.
- ✓ The question of how desirable and possible it is for a third world Country to transform its economy from a primary commodity based one was dependent on their political will.
- ✓ Countries whose economies are based on export of primary products in reality were not in the position to dictate the prices of those goods that they sold abroad.

The neo-colonial dependency, a product of the Marxist thinking, argues that underdevelopment is persistent because of the existence of an international capitalist system that perpetuates inequality in the relations between rich and poor countries Todaro and Smith (2009). The views of A.G Frank that the cause of modern underdevelopment is hinged on the economic and other relations between underdeveloped periphery states and developed core states which are historical accentuates this position. (Cockcroft, Frank and Johnson 1972).

Theotonio Dos Santos went further in arguing in favour of this position that an international division of labour was introduced by dependency theory which brought development to some countries at the detriment of others. (Fann and Hodges, 1971) He described a new type of dependency based on the activities of multinational corporations in third world countries that made them technologically dependent states.

Within this conceptualization of dependency, capitalism was accused of advancing/promoting imperialism through its emphasis on new foreign markets and more opportunities. This leaves the world with two kinds of countries, the first being owners of colonies and the second are the colonised countries. (Lenin, 1967, Vol. 1: 742-743). The question of the dynamics of the internal structure of the state in which groups or classes are examined on the basis of external domination where comprador groups consisting of a few yet powerful elite in the underdeveloped countries connive with their international counterparts from developed countries to perpetuate policies with these underdeveloped countries that promote underdevelopment Cardoso and faletto (1969)

Finally the world system conceptualization of dependency as conceived by Immanuel Wallerstein suggested a departure from the unit of the nation-state and study global interaction instead (i.e a single world system). Accordingly, a world system is a world economy integrated through the market in which two or more regions are interdependent. He identified three key groupings: core, semi-periphery and periphery in which countries' location in a grouping was not fixed. The core regions which benefited the most from the capitalist world economy focused more on capital-intensive production, possessed strong central governments, extensive bureaucracies and large mercenary armies. The periphery regions on the other hand which focused on labour-intensive production were characterised by lack of strong central governments or were

controlled by other states, and exported raw materials to core regions. The semi-periphery served more as buffer zones between the core and periphery regions.

Wallerstein argued that it is the structural composition of the states in these regions that enabled/empowered the bourgeoisie to seize control of international commerce and extract capital surpluses from this trade for their own benefit. (Sorinel 2010).

However despite these vigorous and intellectually quite challenging debates, there is no one unified theory of dependency, though the various strains possess similar core propositions underlying their analyses.

### **Central ideas of dependency**

There are a number of core principles that are consensual to authors and scholars of dependency;

- Dependency is concerned with an international system made up of two categories of states described as either centre/periphery or dominant/dependent states. The centre states are the developed states and the periphery states the third world countries which export only primary commodities and have low per capita GNPs.
- It views external factors like rich countries, multinational corporations, international commodity markets, foreign aid etc as responsible for the economic challenges of periphery states.
- Dependency is explained as continuous and iterated by the lopsided nature of the relations between the core and periphery nations.

## THE CRITIQUE

Given the above central theoretical tenets, certain assumptions inherent in the theory of dependency as crafted by its theoreticians could be praised in part for its scholarly contribution to the field of development and underdevelopment. For example, the theory has helped scholars to bring to the fore the importance of foreign actors — richer states, multi-national corporations, corporate individuals etc — to the internal affairs of predominantly fragile states in the global south. Secondly, the theory of dependency has also made it very easy for scholars and students to get a measure of understanding on the way global historical developments condition the available options underdeveloped states may choose from in times of developmental pursuit.

Furthermore, to an extent the strong reliance and insistence of the dependency theorist on the relevance of economic considerations to political issues, which have made it easy to prove the arguments most dependency theorists, are preoccupied with in their studies. Admittedly, these are significant scholarly contributions to knowledge made by the dependency school.

Flowing from the above advantages which the theory of dependency has brought into the discourse of development and underdevelopment, a deeper interrogation of the narratives within the theoretical template exudes certain pitfalls which are as follows:

In this sense, it could be argued that the theory of dependency to an extent exaggerates the explanatory power of economic imperialism while making sense of historical transition in the global south states (Smith, 1981). In addition, the core thesis of the theory does not take into cognisance the fact that despite the existence of an unequal states as well as relationships, underdeveloped states could also benefit immensely from this unequal relationship fondly referred to by Weede (2007) as “the advantages of backwardness”.

More so, dependency theory as crafted by theorist could be flawed on the grounds that it lacks the provision of exhaustive empirical evidence to support its claims. Hence, it could be adduced that the theory relies more on abstract analysis that could not be easily replicated in an event of an attempt to confirm the claims of a study (Reyes, 2001).

In addition, dependency theorists' advocacy for the pursuit of policies of self-reliance contrary to greater integration into the global economy is interpreted as an endorsement of autarky, which is not necessarily a good choice for poor countries. In reality autarky as a developmental strategy has proven to be a failure in states such as China and Tanzania just to mention a few.

The whole attitude or belief that underdevelopment, manifestly present in states of the global south is primarily a consequence of the unfavourable existing external ties and relationships could be criticised on the grounds that the theory also failed to pay attention to the roles played by internal factors in states struggling to achieve development — such claim and examples could be found in the work of Igwe (2012) “How African Underdeveloped Africa”.

Similarly, dependency as a form of movement also considers ties with transnational corporations as being only detrimental to underdeveloped countries in modern societies. In reality such links could and have been used as a means of technological transfer channels. This could be seen in the technological advancement recorded in states that were previously classified as underdeveloped — the likes of India etc.

Finally, in the course of our study, certain questions have emerged. Dominant among which is the whole question of ‘whether dependency as a theory still has a unified and coherent message for today, been that it reflects the conditions and understanding of the 1960’s and it has experienced several divisions since its construct.

## CONCLUSION

No doubt, this paper attempts a brief insight into the discourse on the theory of dependency as it relates to the dominant theoretical assumptions of the theory (ies). In achieving this objective, the paper relied more on the contemporary relevance and weaknesses inherent in the dependency theory as it were in our bid to support to stand point. Hence, the evidence presented and discussed in the body of this work are attempts to enhance our understanding of the dependency paradigm through a critique of the theoretical foundations. The essence also is to provide an explanation for the rich social economic class of some states and the underdevelopment that is evident in the third world countries. As a result of the lopsided nature of the relations between the developed and underdeveloped countries, the weaknesses of the poor countries are often capitalized by the rich countries to the detriment of the poor. To overcome this, the under developed nation's must strive to positively improved and work on their indices that engender development especially in the area of human development and technology, so as to effect a change in the statue-quo.

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