

# DEPENDENCY THEORY

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INTRODUCTION TO INTERNATIONAL DEVELOPMENT

FALL 2014

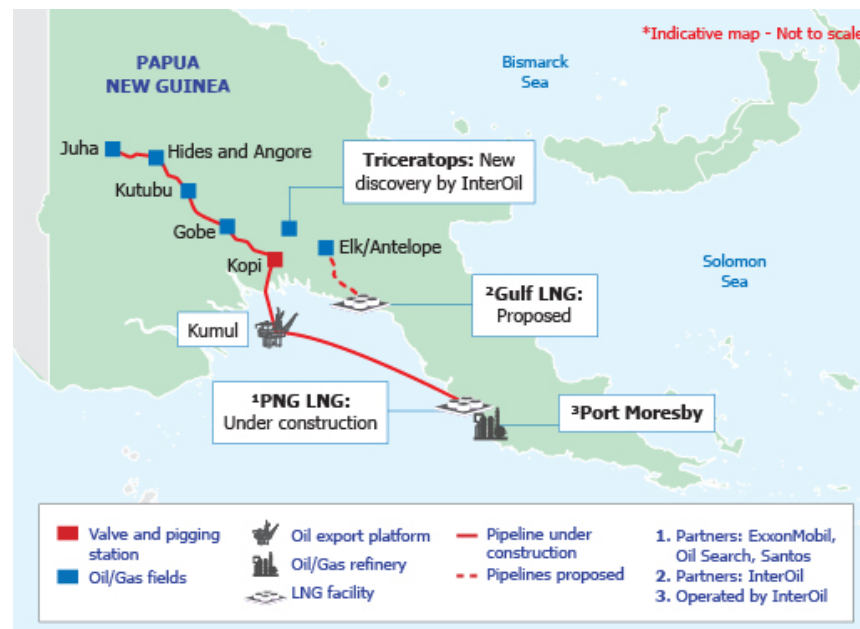
INTA 2050

# Case: Exxon Mobil in Papua New Guinea (from “Vice,” 2014)

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# Huge investment



# Disagreements over consequences

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# Resistance

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“We thought that they were here to improve our way of life, but that never happened. They just want to leave us in a primitive life... They are here to win by making us lose” (Vice interview, 2014)

# Questions (in pairs)

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Why does this case offer a critique of modernization theory?

How does it support the arguments made in dependency theorists?

# Agenda

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1. Understanding dependency
  - a. Obstacles
  - b. Diagnosis
  - c. Prescriptions
2. In-class exercise: critique of dependency

# Dependency theory: the view from the South

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Raul Prebisch



Fernando Enrique Cardoso



# Core gains, periphery loses

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# Robin Hood in reverse

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## How did the core underdevelop the periphery? The global division of labor

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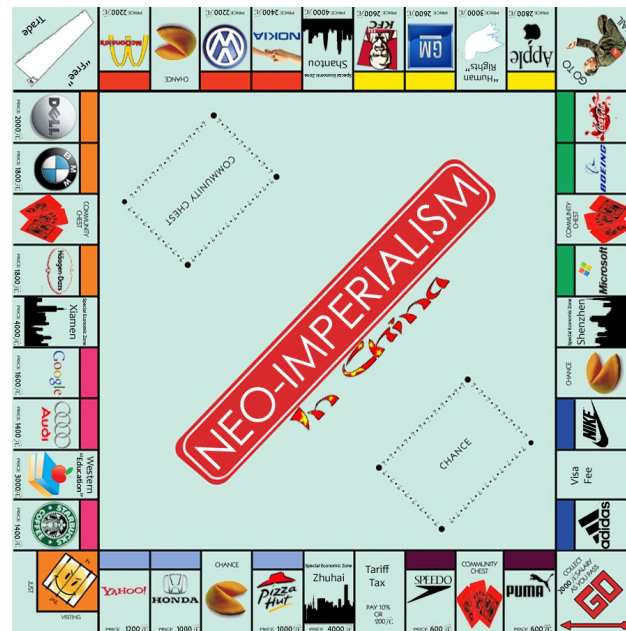


Source: <http://www.boondocksnet.com> (adapted)

# How did the core underdevelop the periphery? Haiti plantations



# How did the core underdevelop the periphery? Multinationals



How did the core underdevelop the periphery? Tariffs on imports

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# How did the core underdevelop the periphery? Military interventions

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# How did the core underdevelop the periphery? “Neo-indirect rule”

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# Contrasting modernization and dependency theories

	Modernization	Dependency
Obstacle to development	Traditionalism	Capitalist world system
Role of the developed world	Helping hand	Extraction
Role of capitalism	Promotes development	Constrains development

# One proposed solution: socialist revolution

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Another proposed solution: import substitution industrialization

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# Agenda

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1. Understanding dependency
  - a. Obstacles
  - b. Diagnosis
  - c. Prescriptions
  
2. In-class exercise: critique of dependency

## Question (in pairs)

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You have now learned about some of the central tenets of dependency theory. Given your understanding of the theory, come up with a critique of its central assumptions and prescriptions. What would you say are some of the limitations of this theory?

# Some possible critiques and limitations

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Possibility of surviving outside the capitalist world system is limited

Revolutions represent a risky strategy without any clearly positive outcome and with possibly high human costs

Some countries actually developed in the context of the world capitalist system, e.g. Taiwan (see reading for next class)

# For next class...

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Alice Amsden on Taiwan (only selected pages):

What was Taiwan's development experience, as described by Alice Amsden?

According to Amsden, why does the case of Taiwan represent a challenge dependency theory?

# Extra slides

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# The story of Nicaragua



# Jose Santos Zelaya

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# Canal competition

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# Marines in Nicaragua

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Given interventions such as this,  
would you say that the reason why  
Nicaragua hasn't developed is  
related to its “traditionalism”?

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