

Dependency Theory

The West keeps the DW in a state of dependency!

Dependency Theory – Andre Gunder Frank

Developing nations are kept in a state of dependency on the West through neo-colonialism. This is achieved through:

- Aid
- Trade
- TNCs

How?

Trade

Prices of goods the DW produce set by West
 Economy is based upon Western Demand for goods
 West sets import tariffs on DW goods
 Unequal trade relationships between colonies and masters



AO3 Evaluation

Hard to measure dependency
 Positives of Modernisation
 Some nations have developed using aid

TNCs

Bakan 'Institutional Psychopaths'
 Often set up in low wage economies with profit going back to West
 Accused of various environmental and human atrocities:
 Nike, Shell, Rio Tinto
 Complicit in deals with governments with poor human rights records

Aid

Often used for political purposes
 Aid creates debt = dependency
 Ignores home grown efforts to improve

Aspect of Development	Dependency View
Education	Western education is cultural imperialism
Healthcare	Should take into account local practices
Employment	TNCs exploit
Gender Equality	No right to impose western values
Population	Would be enough for all if consumed less
Conflict	Conflict driven by poverty / Historical Colonial Influence
Environment	TNCs and Aid destroying environment
Aid	Aid creates debt and dependency
Trade	Unequal relationships between West and DW
Urbanisation and Industrialisation	Cultural Imperialism destroys environment

Dependency Theory is one of two Marxist Theories – World Systems Theory answers some critics of Dependency Theory