Dependency theory and world systems theory essay sample

Technology, Development



Explain how theories, such as Dependency Theory and World Systems Theory, can contribute to an understanding of changing patterns of global power. (15) Dependency theory was developed by a man named A. G. Frank. He stated that there is both massive economic disparity in the world and that there is a developed economic core and an underdeveloped core in the world. The developed areas maintain their own wealth by keeping poorer nations poor by controlling trade terms and taking natural resources and profiting from them. Also MEDC's push a brain drain from developing nations as they encourage the highly skilled people from poorer nations to emigrate to work, taking away a new innovative workforce from poor nations and helping grow richer economies. I think that the dependency theory is more applicable to a past time where neo-colonialism was more directly enforced and managed countries without any competition when Britain used to have an empire.

Nowadays soft control is used to attempt to keep the superpower U. S. A and powerful nations in global control, however this may not be the case for the future as emerging economies such as the BRIC nations have moved away from dependency. Also powers that used to be have declined such as the UK and USSR. World systems considers a three way division between a core, a semi-core and peripheral areas. The U. S. A would be an example of a core country which exploits peripheral countries for labour and raw materials. Peripheral countries however cannot do much about this as they are dependent on core countries for their own economic development as they will often have underdeveloped industry themselves.

India is an example of a semi-peripheral country as it is largely dependent on foreign investors for capital, but has a growing technology industry and emerging middle class consumer market. World Systems Theory, like dependency theory, suggests that wealthy countries benefit from other countries and exploit those countries' citizens. In contrast to dependency theory, however, this model recognizes the minimal benefits that are enjoyed by low status countries in the world system. (mostly African and lower income South American countries)