

Dependency and modernization theories and global economic structures

[Economics](#)



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Socio-Political and Economic Structures have dictated man's way of life since trade was first established. Throughout the centuries, as technology evolved, certain inequities concerning wealth and the quality of life developed, reflected in class distinctions, and, on a larger scale, contrasts between 'Developed,' or 'First World' nations, and 'Developing' or 'Third World' nations. Over the years, two dominant concepts have evolved addressing the configuration and impact the above economic structures have had on nations: these are the Modernization and Dependency theories.

The Modernization theory of socio-economics posits that the developed world (i. e. First World), being more developed technologically and financially, plays a large role in the evolution of developing nations, namely providing financial and technological aid, and sometimes advice concerning political restructuring, to less-developed nations, thereby accelerating progress and eventually elevating these nations to the same level as First World countries.

This theory emphasizes the role of media and literacy to encourage Third world nations to emulate and incorporate socio-political factors present in First world nations. The Dependency theory is a response to the Modernization theory, stating that Developed nations maintain their wealth by implementing policies that keep Third world nations reliant on the First world, and thus hampering the Third world's ability to evolve into a 'Developed' Nation.

Theorists state that due to reliance on imports and exploitation of inexpensive labor, as well as the prevalence of foreign investors, which remit profits to the First world, Developing nations become dependent on Developed nations, and are thus unable to gain self-sufficiency. Through <https://assignbuster.com/dependency-and-modernization-theories-and-global-economic-structures/>

Economic policies, control of the media and technological advancements, the First world maintains the stunted status of Developing nations.

The Economic, Political, and Social factors creating the divide between first and Third World nations can be traced to the Industrial Revolution, and the ensuing colonization of nations by the western world. Cultural and economic imperialism sowed instability in these regions, and after the postcolonial period occurring in the mid twentieth century, instability in these areas reigned, with civil wars and revolutions occurring quite frequently, as the economic systems designed to exploit the colonized countries were not abolished: in many cases, the ruling class merely took the place of the colonizers.

Another component bolstering the conflicting nature of the situation is the Eurocentric view these systems hold. Each nation has a culturally idiosyncratic viewpoint which must be taken into account, and economic systems that work for one nation do not necessarily work for another. These conflicting viewpoints assess the state of Developed and Developing nations today, and by viewing the state of global economic structures from both vantage points, we can hopefully achieve a better understanding of the world and its various socio-political underpinnings.