

Modernization Theory and Dependency theory

Dependency theory arose as a theory in Latin America in reaction to modernization theory. It argues that resources flow from a "periphery" of poor and underdeveloped states to a "core" of wealthy states, enriching the latter at the expense of the former. It is a central contention of dependency theory that poor states are impoverished and rich ones enriched by the way poor states are integrated into the "World-system" and hence poor countries will not follow Rostow's predicted path of modernization. Dependency theory rejected Rostow's view, arguing that underdeveloped countries are not merely primitive versions of developed countries, but have unique features and structures of their own; and, importantly, are in the situation of being the weaker members in a world market economy and hence unable to change the system.^[7]

Immanuel Wallerstein's "world-systems theory" was the version of Dependency theory that most North American anthropologists engaged with. His theories are similar to Dependency theory, although he placed more emphasis on the system as system, and focused on the developments of the core rather than periphery. Wallerstein also provided an historical account of the development of capitalism which had been missing from Dependency theory.