

Some Reflections on the Dependency Theory

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Abstract

The challenge facing contemporary scholarship in communication and development is that of boldly addressing the issue of the hegemonic structure and control of the world economy and the systematic strangulation of Africa and the rest of the Third World by the industrialized world. To shy away from addressing the issue that the under-development of the Third World societies came about through colonialism is to run away from reality.

Communication in the development process of Africa was denied a Marshall Plan despite her contribution to the economic attainment of world peace after World War II.

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Quelques Réflexions sur la Théorie de Dépendance

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Résumé

Actuellement, le défi pour les étudiants dans les domaines de communication et du développement c'est celui d'adresser la question de la structure hégémonique, le contrôle de l'économie du monde, et la strangulation systématique de l'Afrique et le reste du Tiers Monde par les pays développés. Eviter de discuter le fait que le sous-développement du Tiers-Monde est le résultat du colonialisme, c'est éviter la réalité.

Au cours du processus de développement en Afrique, on a refusé un plan gigantesque dans le domaine de la communication malgré sa contribution au développement économique et à l'industrialisation de l'Europe et de l'Amérique et aussi sa contribution à la réalisation de la paix dans le monde après la Deuxième Guerre Mondiale.

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Introduction

Independence from Europe's colonial rule came to the first African country south of the Sahara exactly twelve years after the end of the World War II (WW II) in 1945. It was Ghana, formerly Gold Coast, that enjoyed the honour of being the first to attain independent status in black Africa on March 6, 1957. The former name, Gold Coast, is not only suggestive, but also reminiscent of the height of the state of the ecstasy of the Europeans in their exploitation and looting of Ghana's gold for the development of Europe. In the 1960s, most sub-Saharan African countries became independent nation states. Colonial African states sent their soldiers to fight on the Allied side (of course their colonial masters') during WW II. Colonial Africa also shipped food-stuffs for the feeding of the Allied forces; she also sent materials for the Allied war efforts. In short, Africa contributed in no small measure in the defeat of the Axis powers. Soon after WW II, the United States implemented the Marshall Plan for the reconstruction and rehabilitation of Europe in order to overcome the scars of the WW II. For the technological and economic heights Europeans have attained, as well as the degree of political stability they now enjoy, credit is partly due to the Marshall Plan.

In spite of the fact that Africa went through the triple jeopardy of participating in WW II; being a victim of the slave trade; and being traumatized by, and deprived as a result of colonialism that secured the exploitation of its raw materials, agricultural products and mineral resources for the industrialization of Europe, it was denied its own fair share of the Marshall Plan for the development of the continent. Africa, thus, joined the comity of nations handicapped, short-changed and cheated.

Africa's background makes her quest for industrialization problematic. The problem is that communication in the development process of Africa was denied a Marshall Plan, despite Africa's contribution to the economic development and industrialization of Europe and America, and attainment of world peace after WW II.

One would have thought that lack of economic rehabilitation of the African societies, soon after independence, under a package similar to the Marshall Plan, was an oversight. But it was not, as Africa's debt crisis and other events demonstrate. At no time in the history of the development of African societies has the need arisen to prepare and mount a special social development, rehabilitation and reconstruction package from the United States, Western democracies and Japan, than at the present time of zero economic growth and industrial development in sub-Saharan Africa. This is a result of the current

excruciating debt burden. In 1990, African and Third World countries gave back £2.4 billion (sterling) in debt repayments to the United Kingdom than they received in new loans, investment, export credit and aid from her government and charities. The underdevelopment of African societies is perhaps a lucrative business to the industrialized world. This is aptly illustrated by Lawrence Summers' "dirty" memo that caused not only an international uproar, but also outrage and indignation. Mr. Summers, chief economist of the World Bank, in a December 12, 1991, internal memorandum to his colleagues, had suggested that the World Bank encourage "**more** migration of the dirty industries" in the industrialized world to the LDCs (Less Developed countries). Hear his logic and contempt for the Third World countries and Africa:

I can think of three reasons:

i) The measurement of the costs of health-impairing pollution depends on the forgone earnings from increased morbidity and mortality. From this point of view, a given amount of health-impairing pollution should be done in the country with the lowest cost, which will be the country with the lowest wages. I think the economic logic behind dumping a load of toxic waste in the lowest-wage country is impeccable and we should face up to that.

ii) The costs of pollution are likely to be non-linear as the initial increments of pollution probably have very low cost. I've always thought that under-populated countries in Africa are vastly under-polluted: their air quality is probable vastly inefficiently low (sic) compared to Los Angeles or Mexico City. Only the lamentable facts that so much pollution is generated by non-tradable industries (transport, electrical generation) and that the unit transport costs of solid waste are so high prevent world-welfare enhancing trade in air pollution and waste.

iii) The demand for a clean environment for aesthetic and health reasons is likely to have very high income-elasticity. The concern over an agent that causes a one-in-a million change in the odds of prostate cancer is obviously going to be much higher in a country where people survive to get prostate cancer than in a country where under-5 mortality is 200 per thousand. Also, much of the concern over industrial atmospheric discharge is about visibility-impairing particulates. These discharges may have very little direct health impact. Clearly trade in goods that embody aesthetic pollution concerns could be welfare-enhancing. While production is mobile the consumption of pretty air is a non-tradable.

The problem with the arguments against all these proposals for more pollution in LDCs (intrinsic rights to certain goods, moral reasons, social concerns, lack of adequate markets, etc.) could be turned around and used more or less effectively against every Bank proposal for liberalisation." (The *Economist*, February 8 - 14, 1992, p.66).

It is, therefore, no longer a surprise now, on reflection, to associate the secret dumping of 10,000 tons of poisonous, toxic industrial waste in Nigeria's seaport town of Koko by ships from the Italian port of Pisa, that exposed that area of Nigeria to toxic and radioactive substances, with Western backed international conspiracy (Uche, 1990). A veritable legacy in the development process is that communication media emerge out of economic growth and industrialization of any society. Communication plays no role in a society that has stunted social development. Communication is unquestionably a by-product of economic and industrial development. Summers' memo is a complete nullity of the programmes of the World Bank, International Monetary Fund (IMF) and other similar institutions of the West in the development of Africa and the Third World. The true agenda of the re-colonization of Africa and, if need be, the destruction of its environment, people and natural habitat by the most powerful and industrialized nations of the world is beginning to unfold.

The Dependency Theory Revisited

The dominant modernization paradigm that saw development in terms of economic growth came into being to primarily give support to the foreign policy agenda, interests and adventures of the Western democracies in the diffusion of their dominant cultural values in the socio-political development of traditional societies (White, 1988; 1989). The assumed failure of the modernization paradigm gave birth to the dependency-dissociation paradigm. This resulted from the works of Latin American and African social scientists, who attacked the Euro-American ethnocentrism of the modernization paradigm (Servaes, 1990). To the *dependistas* of Latin America (as they are popularly referred to), the dependency paradigm postulates that the process of development should be analyzed at the following macro levels: regional, central, and peripheral; external factors are responsible for the underdevelopment of the Third World; the deprivation of surplus at the periphery promotes the continuous development of the centre, which action ensures the underdevelopment of the periphery; and finally, the periphery should dissociate itself from the world market and strive for self-reliance (*Ibid*: 110).

In a nutshell, Servaes (1990) summarizes the theoretical postulation of the *dependistas* thus:

... the domination of the periphery by the center occurs through a combination of power politics, culture, and so on. The specific components

of the domination of any nation at a given point in time vary from those of another as a result of the variations in numerous factors, powers, the nature of structure of the periphery nation, and the degree of resistance to domination.

Amin (1971) had used Cote d'Ivoire as a case study of a prototype nation that was experiencing economic growth without simultaneous development, which implied that "an export-oriented and externally generated growth process results in the lack of any internal self-centred dynamics," (*Ibid*, p.68). Although Amin had opined that "a mature capitalist development process could only take place by effecting a break with the world market," the Ivorien development strategy had as its main objective, "to establish development through a high degree of intergration into the world market," (*Ibid*).

One significant contribution of Amin and the entire representatives of the Dependency School of Thought is that some two decades later their intellectual prophecy that warned of the dangers of economic growth patterned after the West had come to be appreciated with subdued silence in Africa just before the end of the 20th Century. The worry of the dependency theorists became an embodiment of the goals, aspirations and expectations in the struggle for self-determination, self-sufficiency, and self-reliance in the Third World countries; determination to legitimize and assert their political and economic independence.

The need for relevant communication media in the quest for development and cultural autonomy became critical and unassailable. The domination of Western traditions and cultural biases led to protest literature that partly culminated in the movement for North-South dialogue for a new world economic order and now the moribund UNESCO-sponsored New World Information and Communication Order debate. Besides generating new awareness that challenged the *status quo* in the international system, the dependency paradigm, going by the total collapse of the economies of Africa, was not a ruse after all.

However, Mowlana and Wilson (1990) are inclined to observe that

'the dependency theory in all its variations... was not a new model of development but only a collection of critiques of the orthodox approaches. The critiques dealt primarily with various perceived causes of underdevelopment rather than establishing new meanings of development.'

We can, therefore, dare say that the dependency-dissociation paradigm was indeed, not only a major theory, but also a critique of the liberal capitalist model of development that was backed by 'the theories of exogenously induced change and economic growth , deemed to be the

sine qua non of progress, supported by capital-intensive technology imported from the West with Western ideas, centralized planning and encouraged a philosophy that underdevelopment had internal causes', (*Ibid.*, pp.29-30).

The dependency "theory" was, therefore, an off-shoot of frustration the modernization development paradigm brought along in the wake of the derailment of its promise of great expectations. A leading critic of the dependency theory, Apter (1987), sees the contribution of dependency theory only in its ability to "reveal that which liberal modernization theory ignores;" accusing it of being "too dire in its critiques of capitalism and neocolonialism." According to Apter, "to consider development in terms of the agents of capitalism, compradore classes, multinational corporations, and other instruments of domination through which the workings of imperialism... will produce the dependency as a kind of negative inevitability seems at best simple-minded. The absence of such instruments would not necessarily help countries develop," (*Ibid.* p.26). Apter is certainly correct in his portrait of dependency school of thought as critics of modernization paradigm. But it is doubtful if the presence of those western engineered instruments Apter has alluded to the dependency theorists has necessarily helped the Less Developing Countries to develop.

For instance, Marcussen and Torp (1982) - some twelve years ago, used Cote d'Ivoire as a case study in their investigation to counter the dependency school of thought (especially Samir Amin). They claimed to have generated incontrovertible data to substantiate (their) argument that the centre does not necessarily block capitalist development in the periphery. Instead, so they argued, the centre only organizes the periphery for its integration into the world economy as an equal and competitive partner. They, therefore, appealed to Amin and others in the dependency school of thought, to start to think of a basic change of theoretical paradigm if we are to understand the relations between the centre and periphery. They enthused: "We have tried to demonstrate that, with heavy influence from international capital, and with the Ivorian state as the most dynamic factor in the internal situation, the Ivory Coast has the potentiality in its agricultural and industrial sectors to transcend the 'blocked development' situation," (p.139).

Marcussen and Torp, (*Ibid.*) of course, knew that Cote d'Ivoire was economically living on borrowed time. Because the dependency school of thought was seen as neo-Marxist, whose critique of capitalism focused on the relations between centre and periphery (Apter, 1987) as it continues to shift "the focus away from endogenous to exogenous causes of class polarization, a process universalized by such instrumentalities as multinational corporations and compradore

classes," the ultra-conservative right did whatever it could to write it (i.e. dependency school) off, irrespective of any seeming logic it brought forward. It was at the height of the intellectual campaign of calumny against the dependency school of thought that Cote d'Ivoire was presented to the international community, by Marcussen and Torp (1982), thus:

With regard to all the major world market factors, the Ivory Coast occupies a unique role. Its intergration into the world market has taken place continuously since independence in 1960... the Ivory Coast has experienced a growth process which is sometimes called an economic miracle. Not only has its growth process been remarkable, but it has also been very constant and regular.

But, alas, why is it then that Cote d'Ivoire's intentional attempt to establish an integrated global economy that is modelled after the industrialized Western nations, is yet to materialize since independence in 1960, all the flatteries from Western development researchers notwithstanding?

The Dependency Theory and the National Experiences of Cote d'Ivoire, Ghana and Nigeria

One is made to understand and appreciate the fact that the Ivorian economic miracle came about due to the existence of some "dynamic elements in the changing historical conditions for capital accumulation in the Western countries" as "these elements are responsible for the creation of new productive structures in parts of the periphery which may very well break with the 'blocked development' situation", (Marcussen and Torp, 1982). What happened to Cote d'Ivoire, contrary to Marcussen's and Torp's claim, was the contrary, when viewed from the prevailing economic woes Cote d'Ivoire and the rest of Africa are going through as at 1992. Consequently, the notion of 'blocked development' situation in which the underdeveloped world finds itself, primarily due to the fact that the international capitalist system has created an international division of labour that makes the LDCs the suppliers of raw materials to the centre, as well as acting as markets for the sales of its (centres') manufactured goods. This is a validation of more than two decades of the critiques of Samir Amin and others in the dependency school of thought. Cote d'Ivoire is not an island of calm and development in the troubled African terrain. The 1991 World Bank Report classified Cote d'Ivoire, a country of 11 million people, as one of the most depressed economies among the so-called medium-income level countries. Cote d'Ivoire's external debt

of US \$15,412 million as at 1989, (World Bank 1991) is indeed a great burden that will continue to make her a social cleavage of the industrialised West.

Similarly in Ghana, it is the same experience. At independence in 1957, Ghana had achieved 60% literacy rate (an exceptionally remarkable feat for an under developed nation on attainment of independence), produced 10% of the world's gold, her income per capita as at 1957 was equal to that of Spain, and she had US \$1,000 million in her external reserve (Jensen, 1991), and above all, she was a leading exporter of cocoa. Ghana was thus ranked as one of Africa's most advanced nations. But once the industrialized West started tinkering with the prices of those basic commodities (especially gold and cocoa) that sustained Ghana's economic growth, she started to experience "blocked" development. She supplied the raw materials to the centre, and as a periphery she was the market for the sale of the manufactured products from the centre that she and other underdeveloped economies supplied the raw materials for. Her desire to get integrated into the global economy was effectively blocked through commodity price fixing by the industrialized Western countries because of the romance her first president, Kwame Nkruma, had had with former communist countries of the East and USSR. Consequently, Ghana's economic growth pommelled. From an exchange rate of C2.75 to one US\$ in 1983, Ghana's local currency fell to C990.00 to one US\$. Ghana first experienced what Côte d'Ivoire is currently going through.

The World Bank and International Monetary Fund introduced Structural Adjustment Programmes (SAP) in Ghana. The result is that it has brought about new prosperity only to the executives of multinational companies and their local cohorts due to the liberal investment climate that had led to the (Second Coming) of many foreign companies into the country. The result was that the real beneficiaries of Ghana's economic environment were the foreign investors because of the flow of foreign capital and expertise they brought in the country (Kadiri, 1991). Other beneficiaries of Ghana's economic recovery programme also include bureau de change monetary speculators and tax evading smugglers (*Ibid*, p.12). On the other hand, the lowest paid of Ghana's civil servant earns a little over US \$50.00 (Jensen, p.16). Ghana's economy is being reconstructed through massive foreign finance in the form of loans, grants and aids; most of the infrastructures that have been built are fuelled by borrowed money (*Ibid*, p.17) from the World Bank and IMF and other Western creditors. The pertinent questions that arise are: Isn't Ghana going through the same vicious cycle as Cote d'Ivoire? What measures are

there to stop capital flight by foreign companies? Are not Ghana and Cote d'Ivoire's national experiences in foreign debt procurement a classic case of blocked development to guarantee perpetual dependency of the periphery?

Nigeria also shares a similar experience. As at 1990, her external borrowing stood at US \$33 billion, out of Africa's US \$270 billion external debt. Nigeria's oil wealth attracted foreign investors that ended up blocking her development and integration into world economy. This was coupled with the ruling elites' high propensity for corruption. From her previous ranking as a medium-income developing economy, Nigeria has dropped to being the 13th poorest country in the world, according to the World Bank. Consequently, Nigeria, Ghana, Cote d'Ivoire and all African economies (perhaps, minus that of South Africa) typify what Apter (1987) refers to as "a zero-sum political situation," in which a typical response to satisfy the economic needs of the masses and other marginalized groups by the government would be "to borrow from outside, thereby increasing indebtedness; another is to offer special inducements to outside investors in hopes of stimulating growth and generating new employment opportunities both in new industries and service occupations (thereby increasing dependence)." That is what is happening in Africa. It has been revealed that in one single year, Nigeria and Mexico, due to fluctuating changes in international commodity prices, which were externally-induced by the industrialized world, lost US \$10 billion and US \$11 billion, respectively (Fossedal, 1989). Nigeria's own loss was almost one-third of her external debt. Is this another evidence of blocked development?

In recent times, hard core theorists of the capital markets have come up with the argument that market forces that allowed international prices to shape internal prices and patterns of resource allocation, coupled with a minimum of state intervention in the domestic economy, as well as competition at international level had indeed, been responsible factors that produced rapid and egalitarian development in the Newly Industrializing Countries (NICs) of East Asia (Bienefeld, 1988). On the contrary, Manfred (1988) holds the view that accumulating detailed evidence has shown that the governments in East Asia, especially Taiwan and South Korea, have been highly interventionist in production, in capital markets, in trade, in marketing and in research and development. Bienefeld (1988) informs us that, "their relative economic success has allowed them to gradually liberalize their economies at the margins, so that this liberalization should be seen more as the consequence than as the cause of their success".

The various Structural Adjustment Programmes (SAP) and Economic Recovery Programmes (ERP) most African governments are implementing as an antidote for ailing economies by the World Bank and IMF simply go to support and reinforce the argument of the liberal/capitalist economists that the only option for the African countries is to accept their role as mere "appendages of the international market and should ride that market's coat-tails to prosperity," (Bienefeld 1988). The implication of this, Bienefeld (p.77) reasons, would be the undermining of Africa's ability to build those political coalitions that would "ultimately have to develop their capacity to sustain coherent national development strategies that are both economically dynamic and sensitive to that particular society's long term social and political needs." Bienefeld in 1988 (pp.77 & 78) made the following forecast on Africa's political economy:

Deeply in debt, the African economies will have little choice but to give a high priority to these export activities, even though their populations may be starving and export prices may be collapsing. Meanwhile the resulting financial squeeze and import famine will destroy local markets, decimate infrastructure, undermine social welfare, destabilize currencies and provoke political instability. The resulting deterioration in the investment climate will make a mockery of the (World) Bank's promise of greater efficiency and increased inflows of foreign capital.

When viewed from Nigeria's, Ghana's and Côte d'Ivoire's national situations, Bienefeld's forecast is just a prophesy that came true too soon.

Nothing could be more analytical, predictive and interpretative than the following summation by Bienefeld (p.78) of how Africa has been permanently trapped in the vicious cycle of underdevelopment:

Most countries in Africa have now fallen (or been enticed) into a trap from which there is no easy escape. Moreover, there should be no doubt that the same international agencies and the same international market forces that are now being portrayed as the 'solution' to their problems, were instrumental in encouraging and financing them along the road to ruin. Today's African countries are literally trapped within economic structures that were almost entirely built with 'expert' approval and with international finance between 1960 and 1980. Most of these structures became unviable because under the international conditions prevailing after the mid-1970s, these countries could no longer earn nearly enough foreign exchange to meet the minimum import levels required to keep them functioning effectively. The consequent import shortages reduced rates of capacity utilization, increased corruption and destroyed infrastructure which raised costs of production and further undermined economic viability. Once

confronted with this 'now' situation, most African governments faced an impossible choice: they could either allow their earlier investments to collapse, because in retrospect, many of these now appeared as costly 'mistakes'; or they could squeeze more foreign exchange out of agriculture in a desperate effort to avert such a collapse. Unfortunately, although both of these options are extremely painful, neither is likely to be viable.

Why Africa is Underdeveloped

The understanding of the genesis of Africa's underdevelopment is the beginning of wisdom of prescriptive panacea for Africa's development and true integration in a free market economy. Colonialism is the mother and root of all evil that has derailed Africa. Whether we like it or not, the way and manner the African colonies were administered and handed over to the nationalists, most of whom later turned out to be military and political puppets and economic saboteurs, made dependency inevitable. Because of the high-handedness with which the African colonies were administered, the colonizing European powers handed over highly centrally planned, state-managed, command economies. What existed to complement this type of economic structure were pockets of small-scale and medium-level market-organized economies that the state granted some form of limited autonomy. The way and manner the economy was structured and handed over to the nationalist leaders at independence made African economic development, industrialization, political stability and social equity problematic. The inadequacy of the colonial economic structure Africa inherited is well articulated by Calvocoressi (1985) in the following passage:

The essence of the charge against colonial economics is that the colonizer was attracted to the colony by its resources and his business was the removal of these resources. Specifically chosen areas were developed and stripped - annually if they were agricultural, until exhausted if they were mineral. Markets in neighbouring African territories were not developed and the colony became increasingly riveted to the economy of the metropole, as a flourishing but dependent modern economy was inserted into the colony alongside the stagnant traditional economy. The profits of the former were garnered by the foreigner and by a small elite of African farmers, traders and chiefs while the wider economy benefited not at all because taxation of profits was light or evadable or non-existent.

Africa's continued economic dependency continues to be a flourishing business to the West and their African ruling puppets because, "any attempt to transform the economy from colonial exploitation to a more autonomous and profitable development requires extensive help from the outside world.... Development in the first

decades of independence was industrialization which, however appealing to the ruling few, was both alien to Africans in general and especially dependent on foreign funds and goodwill," (*Ibid.*, p.33). The social origin of Africa's underdevelopment is the introduction of large-scale commercial activities without the development of industry - hence African nations became only buyers and sellers. They became great consumers of Western products, instead of being producers of their own industrial outputs for export purposes and foreign exchange earnings. Momoh (1992) has argued that the colonial and post-colonial periods were used to complete the destruction of Africa's industrial orientation because from the era of slave trade through colonialism Africa was never encouraged to process the primary commodities it could produce. Consequently, the present formula of international capital flow for the location of Western satellite industries in Africa is nothing but a fire-brigade approach to solving a serious problem of underdevelopment. It is therefore logical to agree with Momoh that "the importing of capital through loans, aides and grants, and machinery and technologies" only represents another method keeping our productive capacity and base completely destroyed as, "it is a clever neo-colonialist device of perpetuating our dependence and subservience."

At independence, Mozambique had put in place what was thought to be a model of a carefully constructed social system that would have been "able to salvage a social democratic mid-way between market and planned economy," (Wolfers, 1992). But the South African government-assisted insurgency and terrorism that Renamo (Mozambique National Resistance) mounted, destabilized Mozambique. She was, thus, forced into dependence on foreign aid whereby the donor countries and agencies could determine her fundamental policy and usurp the role of her government because according to Joseph Hanlon's *Mozambique: Who Calls the Shots?* (as reviewed by Wolfers) the Mozambican "government has no money of its own" as "every tractor, lorry, car, seed or hoe comes from a donor". Consequently, the international aid industry, estimated to be worth US \$50 billion a year on a global scale, the World Bank, the International Monetary Fund, South Africa and Renamo have all succeeded in the "recolonization of Mozambique to the eventual benefit of the former interests of colonial times," (Wolfers, 1992).

There seems to be a major misconception of how the liberal, market-organized economies around the world operate by the location of satellite industries in the peripheries from the centre; these industries are usually brought in on borrowed loans that are repaid in foreign exchange. The paradox is that the outputs of the industries are not enough to meet the loan demands upon which they were installed in

the first place. This practice furthers dependency. If the answer to the basic requirement of a humane economy, to deliver real incomes that are widely shared is to be found in the integrated, free market economy, the African countries might as well seriously ponder, take notice of, and give serious thought to McCracken's (1991) two-dimensional suggestions that are simple, direct and easy to apply as a possible and plausible solution to overcoming under-development. McCracken (1991) posits that for economic progress to occur, we must have an answer to his first question: "How can we take advantage of a stock of knowledge and creativity that does not exist in its totality in any place and never will?" His answer to the above question is the adoption of the liberal, market-organized economic system because of the logical answers it has. According to him: "anyone who has a new idea can try it out. If it is not good, and most of them are not, the quantity of the nation's productive resources thus 'wasted' is negligible. For those who have a good idea, the rewards can be substantial... William Hewlett and David Packard became rich, but of far greater significance is that the American economy has the great Hewlett-Packard Company with its thousands of jobs and its capability at the forefront of technology."

McCracken's (1991) second question, and perhaps suggested solution, "is how the new that is better will displace the old." The following is his answer:

The liberal, market-organized economic order has a straightforward procedure. Let the old and new battle it out in the impersonal arena of open, competitive markets. If consumers, free to choose in these open and competitive markets, prefer the new, the old is forced out of the market and disappears. There is a procedure for continuous cleansing of the system as the productive resources are moved from the old to the new and better. And for this process also, the market economy can draw upon the wisdom of the entire community to sort out the new products that should prevail - and whose production will then become a claim on the economy's inevitably limited supply of productive resources. Contrast this with the process in a command economy, where a bureaucracy must make these decisions. More comfortable with old ways, the pertinent department will inevitably be skeptical of the new, and even experts are often off target in judging what people will want to buy. These decisions are better left to the more impersonal markets.

We interpret McCracken's views to mean a domestic, liberal, market-organized economy that is not *infested* by the flow of foreign capitals, investments, satellite industries that are based in the centre, but one that is based on the natives' ingenuity to inventions and discoveries in science and technology that would be translated into commerce and

export. In such a setting, local national industrial development and growth through competition, displaces a centrally-planned, command economy that is susceptible to bureaucratization and corruption of immense dimension. McCracken's application of *knowledge* and *creativity* is far reaching in its implication. It means that it is when a society applies its scientific and technological *knowledge* to making inventions (*creativity*) that industries develop. Manufactured products are then exported to compete in a global free market economy, where the *new* products compete with the *old* in an open market of varied and competitive markets for the survival of the fittest. That is the ideal free market economy that can develop Africa. The solution is neither the World Bank and International Monetary Fund (IMF) strategy and its Structural Adjustment Programmes nor the command economies that are characterized by centralization and bureaucracy. According to Turok, (1987) the Strategy of import substitution that had initially raised hopes that Africa would become increasingly self-reliant became a mirage. Turok (ibid.) makes the following revelation:

While a sizeable consumer goods industry emerged in many countries, it did not encourage the development of key industries with strong domestic linkages. Instead, the two-thirds of total value added in manufacturing attributed to consumer goods like clothing, pharmaceuticals, paper, etc. are still imported at a major cost in foreign exchange resources. There has been relatively little utilization of local materials in the total production process and, therefore, little saving in foreign exchange.

Perhaps, the biggest failure of policy has been the failure to develop linkages backwards and forwards between agriculture and the rest of the productive economy. Industry does not use the indigenous material resources as a base but continues to look to imported raw materials. Even local minerals are not used or processed. There are abundant supplies of phosphates, limestone, iron, bauxite, and copper, but Africa continues to import fertilizers, cement, iron and steel, aluminium, etc.

From the foregoing and other critical views that preceeded Turok's (Ibid.) we can see that Africa is yet to liberate itself from the encumbrances of colonial linkages of import substitution economy that has led to its economic quagmire and wholesale dependency that may deny her some degree of respectability in post-modern information society.

Conclusion

The heavy indebtedness of Third World countries to the industrialized Western countries and the refusal of the latter to write-off the debt,

mean that economic dependency will for a long time be a permanent feature of North-South relations.

The collapse of communism has meant the collapse of a major alternative development paradigm — the Marxist-Leninist model, that forced capitalism to develop a social welfare system for its marginalized productive labour force. This has led to a massive resurgence of neo-imperialism and the Western institutions that sustain it (such as the International Monetary Fund and the World Bank). The challenge facing contemporary scholarship in its analysis of political economy of communication and development is that of boldly addressing the issue of the hegemonic structure and control of the world economy and the systematic strangulation of Africa and the rest of the Third World by the industrialized world. To shy away from addressing the issue that the under-development of Third World societies came about through colonialism is to run away from reality.

The trickling of whatever form of life-line from the West that still sustains the dependent Third World nations has its origin in the social structures that the West left in the wake of the retreat of its imperialism. The current indebtedness of the Third World is just a by-product of fractured social systems that the West half-heartedly developed in the former colonies. The African and Third World debt crisis and its adverse effect are leading to a gradual decay and non-development of most Third World societies in an age of post-modernism. For us to chronicle the problem of dependency, especially as it affects the process of communication and development when the developed world is enjoying the benefits of post-industrial society, means that we must also be honest enough to admit that colonization and exploitation of the Third World societies by the West constituted a serious draw-back in social equity and equal pace of development in the former.

The concept of a new world order has gained diplomatic, political, economic and academic legitimacy since the democratization process began in Eastern Europe and the former Soviet Union. But for the new world order to achieve its goals, the specialized international organizations and developed democracies will have to put in place the necessary machinery that would guarantee (to the people of the developing nations and the emerging democracies) the acceptable social institutions and structures that would lead to enhanced living standards for greater productivity and capacity for generating higher income per capita, and accentuated social activities for economic development that would lead to the realization of the political empowerment of the individual in a brand new world. Such a measure will effectively check dependency.

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