Globalization Theory and Maldevelopment Theory

James Carlock

SOC 375 – National University

Theorist Thomas Friedman popularized the theory of Globalization, previously known as modernization theory or developmental theory. This theory argues that the world is inevitably moving towards an integrated system characterized by common political institutions and integrated economic systems. In this integrated system, countries would move towards free market capitalism, a consumerist lifestyle, and a democratic government. The global free market is considered to be best for all nations, the democratization of all nations is intended to lead to peaceful cooperation between all countries, and the consumerist lifestyle is thought to allow everyone to achieve a better standard of living.

The process by which this globalization would occur is through free trade agreements such as NAFTA, elimination of trade barriers like tariffs and subsidies, and establishment of global regulatory systems such as the WTO and the NAFTA Chapter 11 tribunals. In order to facilitate this move to globalization, developing countries are provided with aid in the form of loans.

An opposing theory to globalization is that of Maldevelopment, which argrees that the world is in fact moving towards an integrated system. However, maldevelopment argues that this system is intended to force greater domination and subordination of lower classes. In this viewpoint, the move towards globalization is not in fact inevitable, but is being driven by forces that stand to gain by globalization. These forces, both economic and political, are intent on using economic means to establish greater dependence of workers and consumers on those in power. This theory outlines three main culprits for this movement: multi-national corporations, First world governments, and Third world Elites.

Maldevelopment theory argues that this move is accomplished in three main steps, the first of which is to implement and support governments in Third world countries that will allow and facilitate control and use of the countries resources by multi-national corporations who can gain profit from those resources. These governments are frequently called democracies, but can easily be seen as the dictatorships that they truly are.

Secondly, the country would be provided “aid” in the form of loans. These loans generally benefit the Elites and military in the country, and saddle the country with a debt load that creates a dependency on the First world countries.

Finally, the countries are forced to undergo certain changes, such as privatization of industries and governmental services as well as the elimination of subsidies and a creation of an environment for sweatshops to flourish.

These changes often result in greater inequality and poverty, leading to greater conflict, which is often put down by the strong military that the First world countries helped build up.

To apply these theories to a real scenario, we can look at the U.S. overthrow of Salvatore Allende’s socialist government in Chile. This overthrow, which resulted in control of the country by a military dictator, led to the privatization of and cutbacks in, many governmental services. Did these actions overall create a freer, more peaceful and more prosperous environment for the people of Chile as promised by globalization, or a more oppressive, and controlled environment as warned by maldevelopment theory?

If one analyzed this event using the theory of globalization, one would argue that this move would lead to a better standard of living and more political freedoms for the citizens of that country. However, the opposite happened, with reported cases of torture and forced disappearance, as well as a rise in unemployment and a fall in real wages, leading to a greater divide between the rich and the poor.

The theory of maldevelopment explains this event much better, as we see a popularly elected government overthrown by a military dictatorship, with the resulting privatization of the countries’ resources and services. This action, while explained as necessary in order to fight communism during the Cold War, was in fact committed in order to facilitate corporate profit-taking from the countries resources. In the years immediately following the coup, a group of free-market economists were instituted to make the economic decisions for the country. The results were significant cuts in government spending in the areas of health-care, education and other social services, as well as the aforementioned privatization of state-owned industries and services. These actions combined worked to decrease the earning and spending power of the great majority of the populace, effectively forcing the people to live and work at subsistence levels. This created the dependency on government and business outlined in the theory of maldevelopment. Clearly, maldevelopment theory better explains the impetus behind this event, as well as the resulting conditions.

The Two Theories of Technology and Health-Care

James Carlock

SOC 375 – National University

This essay will outline and describe the two competing theories of technology, the Instrumental, or “common-sense” theory, and the Critical theory of technology. These theories will then be used to explain why high-technology solutions to healthcare are pursued at the expense of low-tech solutions like a public health approach.

The argument according to the Instrumental theory of technology is that technological development is a continuous process that ultimately leads to an improved society. This theory relies upon the assumptions that technological development is autonomous and inevitable and that it can be used to solve social problems.

In this theory, technology is viewed as simply a tool; by it’s nature good for the growth and progress of society. Technology is seen to better less developed countries through the transfer of that technology. It is considered that the consequences for technology’s’ use or misuse should be assigned to those who use or misuse it, and not seen as an inherent issue with the technology itself. An example of this would be the statement, “guns don’t kill people, people kill people”.

Alternatively, the thesis of the critical theory of technology essentially argues that the parties in power control technological development and as such that such development occurs only to further the goals and interests of those in power. These parties in power can then use their power to define the scope and response to society’s problems, using technology as the “solution”.

This theory sees technological development occurring within large institutions, for the purpose of creating profits and or power. The profits are clearly for the purpose of the multi-national corporations who are involved in the development of such technology, while the power aspect relates to the control over workers that technology can create. This power can be seen as the result of such technologies as Fordism, with it’s accompanying deskilling of the labor force, as well as automation, which has resulted in the overall loss of jobs.

Which then, of the two theories, better explains why high-technology solutions to healthcare are pursued at the expense of low-tech solutions? Both theories could be used to explain this phenomenon, to different ends. The Instrumental theory would argue that high-technology solutions are more effective in solving the healthcare issues, as well as improving the lives of consumers by way of “cosme-ceuticals”, or drugs that address concerns of a physical and appearance nature, as opposed to true health care issues. The argument would then continue that this technology could then be used to help other countries unable to develop an effective public health system.

The Critical theory, however, would argue that there is no profit to be made in low-technology solutions like a public-health system. Instead, the high-tech solutions are more effective at creating a dependence on the organization, in this case a corporation, providing the treatment. That dependence can then be used to control the person, who can also be manipulated into feeling the need for treatments for other, less important issues like hair loss, age wrinkles and erectile dysfunction.

Looking at both of these arguments, which one best explains the high-tech preference? If we look at the Instrumental theory, we should see progress in solving the pressing health issues of our time, as well as these solutions being shared with all parts of the world. However, this is simply not the case. Instead, we see a continued focus to treatment drugs, as opposed to prevention or cure drugs. In addition, the urgent health issues of the less prosperous countries are ignored, with a focus instead on the cosmo-ceuticals mentioned above that are so profitable in more affluent countries.

The critical theory then surfaces as the more effective theory in explaining this issue. As disappointing as it is to view the healthcare issue from a profit perspective, it is clear that this is the case when the system of research and development (what will sell best), marketing (how can we create a market for this), and control (drug patents and price variances in different countries) are considered.