Dependency Theory, Strategic Management and Development

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Abstract: We are leaving in an era of decay of the Euro-American world order, and we face the rise of state-capitalism led by emerging economies. In this privileged scenario viewed from the South, we argue that bringing to the fore dependency theory, which had its roots at the Economic Commission for Latin America and Caribbean - ECLAC, and whose one main author was Brazilian Celso Furtado, may represent a missing link to connect the fields of strategic management and development, and to foster a multipolar world from another locus of enunciation.
Introduction

In spite of striking recent decay in the US-Europe world order, the steady rise of emerging economies, and the many claims for world multipolarity and academic pluriversality in different parts of the world (Escobar, 2004; Hurrell, 2006; Mignolo, 2007; 2011), rather than a world order imposed by hegemonic forces and epistemic universality imposed by Eurocentric or Occidental forces and mechanisms, management scholars from the North have recently adhered to a ‘development turn’ from a rather unilateral standpoint. They predicate that management scholars from the North should ‘work closely’ with those from developing countries in order to lead a project aimed to lift of the one billion poorest to above the poverty line (Brugmann and Prahalad, 2007; Ricart et al, 2004). The purveyors of such “development turn” are not just concerned with poverty in the rest of the world – especially in emerging economies – but mainly with the rise of state capitalism and the imminent constitution of an alternative world order (Bremmer, 2008). How could they get back to the idea of “developing the other” in a moment in which the “other” is not the one in trouble? The major reason is geopolitical and epistemic: they understand that the “rise of the rest” represents the decay of the Occident rather than the beginning of a better world.

Such “development turn” is at odds with the decolonial argument from the South that globalization should not be framed as the end of history or the last stage of Euro-American capitalist modernity, as proposed by a disparate range of authors as Francis Fukuyama and Samuel Huntington in the US, but rather as “the beginning of something new” (Escobar, 2004: 213) which challenges the long durée of Eurocentric (or Occidental) coloniality and the Euro-American world order.

The unilateral mobilization of management for (geo)political purposes goes at odds with decolonial pluriversality (Mignolo, 2007; 2011), in general, and in particular with the recognition of knowledges and alternatives from emerging economies. The decolonization of subaltern knowledges from the South is necessary not only to promote global cognitive justice through pluriversality (Santos, 2010), but also to tame further damages produced by Eurocentric universalism. This has been framed by Asian intellectuals and authorities as “Occidental globalization”, a powerful complex of ideas, institutions and material capabilities that imposes a particular order and suppresses “Oriental globalization”. One of the problems for the field of strategic management (SM) is that this geopolitical feature of “globalization” constrains further our understanding of the chief importance of state capitalism from emerging economies to the constitution of a new world order marked by multipolarity and pluriversality. We should then get back to our local origins rather than engaging with designs which come from the North.

The historical commitment to pluriversality of knowledge, in opposition to Eurocentric universalism, has been an important theoretical and political contribution to and from Latin America in facing the challenge of having local practices and studies in management and organization being classified “as dysfunctional relative to some ideal form of effective and modern management practices from the North” (Alcadipani et al, 2012: 134). Theory of dependence is a fine example of the theoretical contribution from Latin America which has been subalternized by the dominant forces and might put us ahead in comparison with Euro-American academics and institutions that lead the field of SM in the understanding of state capitalism and the proposal of knowledge, and practices aimed to a better world.

We aim to critically analyze in this paper how and why the knowledge produced by the Economic Commission for Latin America and the Caribbean (ECLAC) and by Brazilian Celso Furtado – i.e., dependency theory (DT) – has been suppressed by the enduring forces
and mechanisms of coloniality (Ibarra-Colado, 2006; Mignolo, 2011) imposed by the North (or Occident) since colonial times (Dussel, 1993). We engage a historical decolonial perspective from the borders of the South (Mignolo, 2000; 2007; 2011) in order to bring to the fore the contributions of both ECLAC and Celso Furtado, and to show its chief importance for the constitution of a more multipolar world. More specifically we aim to show that dependency theory is a missing link for us to connect SM and development.

Taking Latin America as our locus of enunciation (Mignolo, 2007), we posit that the postcolonial perspectives which should supposedly unveil knowledges produced from the colonial difference (Mignolo, 2007) have, in fact, contributed to a further covering up of Latin American knowledge (Dussel, 1993). It has enhanced knowledge dependency (Alatas, 2003) and created favourable conditions for the return of the logic of development-underdevelopment, and corresponding interventions which have been unveiled by the dependence theory. Pluriversality is obviously necessary to change this state of things. Poverty of academic Euro-american knowledge should become the target rather than poverty at the level of the population in emerging economies. A major consequence is the dismissal of dependency theory by the field of management in Brazil.

This double process of subalternization of the knowledge developed by ECLAC and by Furtado, and the contemporaneous picture of further North-South asymmetry within and through the field of management, in a moment in which the North obviously needs the help from the South, reinforces the argument put forward by Marx, that history repeats itself twice: once as great tragedy, and the second time, as wretched farce (Marx, 1852). Given the obvious decay of the neoliberal and Euro-American world order, officially initiated in 2008, and the more subtle decay of Occidentalism and the rise of alternatives in general, and of state capitalism in particular, we argue in this paper that Brazilian academics might challenge such state of things by taking the responsibility of engaging dependency theory into “local strategic management”, and projecting such contribution from Latin America towards the world through a firm commitment with pluriversality and multipolarity.

‘Development turn’ in (strategic) management

By ignoring the decay of the US-Europe world order in a rising multipolar world, influential authors claim in US-based journals, that businesses and management are more efficient and effective than local states in fostering economic development in the South (Bruton, 2010; Ahlstrom, 2010). More recently, the Academy of Management (AOM) from the US has launched in its website (www.aom.org) a call stating that management scholars, mostly from the North, should become involved in different ways in order to positively impact economic and social conditions in emerging economies.

From a historical perspective, we argue that this contemporaneous picture is not very different to that of the Cold War period. Starting in the early 1950s, “the export of ‘the American way of life’ and ideas about the role of education in development” (Parmar, 2002: 26) promoted by US institutions, represented a way to bar the growth of communism (Parmar, 2002), and to colonize the world with a particular strategic management discourse (Knights and Morgan, 1991). We may consider the call by AOM and above mentioned authors’ suggestions (Bruton, 2010; Ahlstrom, 2010) as very similar in concept to the claim made by development studies by its inception in the US in the mid 1950’s as mentioned by Galbraith (1979: 29): “rescue the people of the poor countries from their poverty”. This North-South process of cultural and political imposition has constrained the research agenda of Latin
American researchers on North-South issues (Faria and Guedes, 2010).

These authors and institutions from the North stand for the positive relationship between business strategy and development in the post-Cold War period for the countries they classify as emerging economies. They overlook, not only the critical debates on the concept of development itself (see, for instance, Tickner and Waever, 2009), but also the idea that management is not the solution (see, for instance, Mintzberg, 2006). Critical literature suggests that big corporations, especially those from the North (but not exclusively), should first focus on the underdevelopment they generate, before they assume the sole responsibility for resolving problems of development or poverty worldwide (e.g., Banerjee, 2008).

The argument that business corporations should take on the responsibility of lifting a substantial proportion of the world’s population to above the poverty line in emerging economies, through strategies managed by the visible hand (Chandler, 1977), overlooks the international divides which have become prominent in recent years. This divides are a result of the rise of US unilateralism, as pointed out by the international relations literature (e.g., Hurrel, 2006), and critical authors from the South (e.g., Escobar, 2004; Santos, Nunes and Meneses, 2008). Strategic management authors take history as ‘presentism’, i.e., “research being reported as if it occurred in a decontextualized extended present” (Rowlinson, Jacques and Booth, 2009: 288). Consequently, they ignore not only the rise of US unilateralism after the events of 9/11 (Hurrel, 2006), but also the increasing importance of big corporations and the accomplishment of the corresponding US grand strategy. Taking a unilateral standpoint, they enunciate universalities about the world while displacing both dissenting voices from the North and academic knowledges from the South (Escobar, 2004).

‘Development turn’ in (strategic) management from another locus of enunciation and through border thinking

On behalf of pluriversality in management and organization studies and world multipolarity, we set the ground for a decolonial historical analyses of subaltern knowledge from Latin America that would be useful to tackle the reinforcement of asymmetry pursued by strategic management through the ‘development turn’.

Building on Quijano (2000) and Dussel’s (1993) works, Walter Mignolo (2000; 2007; 2011), proposes the decolonial perspective as a way to eschew the dominance of European modernity and its corresponding epistemic coloniality (Mignolo, 2007), and to give voice to knowledges, both from North and South. For Mignolo (2000; 2007; 2011) coloniality is the darker and inseparable side of modernity, and that is negated by the latter. Since modernity has touched all societies of the world, Mignolo (2000; 2009) posits that we have to move to the borders of the system to be able to create alternatives to modernity. “Border thinking is the epistemology of the exteriority; that is, of the outside created from the inside” (Mignolo and Tlostanova, 2006: 206). These borders have been formed by the encounter of the modern and the colonial that have generated colonial differences. Thus, critical border thinking gives voice to these colonial differences and pursues the generation of pluriversality, and not universality (Mignolo and Tlostanova, 2006). Hence, the aim is to reach a multipolar world informed by knowledges from both North and South, instead of a unipolar world imposed by Eurocentric modernity. In our view, the knowledge produced by ECLAC and by Celso Furtado has been generated from such a colonial difference.
Through a decolonial perspective we embrace in a particular way the call for a historic turn in management studies (Clark and Rowlinson, 2004; Üsdiken and Kieser, 2004). Thus, we consider that management practices and discourses are historical, social and geopolitical phenomena (Booth and Rowlinson, 2006), and that contemporaneous knowledge should not be naturalized, but considered as the result of practices that could have been different (Jacques, 2006). We foster such critical analysis by engaging in particular with authors from the North, who have problematized the spread of management knowledge from the US after World War II to Europe (Engwall, 2004; Kieser, 2004; Kipping, Üsdiken and Puig, 2004; Üsdiken and Wasti, 2009) and to Asia (Srinivas, 2009). We have noticed that the way American foundations and institutions have promoted the spread of the ‘American one best way’ to Europe and Asia is very similar to how it was transmitted to Latin America, though the latter is understudied (as exceptions of this picture of underdevelopment, see Alcadipani, 2010; Faria et al., 2010).

We engage as well with authors from the North, who have problematized the spread of management knowledge within the US in the Cold War period (Cooke, 1999; Cooke, Mills & Kelley, 2005; Grant and Mills, 2006; Kelley, Mills & Cooke, 2006; Landau, 2006; McLaren and Mills, 2008). We agree with the historical analyses which have shown that the success of theories and academic careers in management were “in part at least, a consequence of the Cold War” (Cooke et al, 2005: 4), but, given the colonial difference (Mignolo, 2007), we partially agree with the demarcations of the Cold War (Escobar, 2004). By the same token, we believe that the opposite is true, and that many theorists, and much theorizing, have been “written out” (Cooke, 1999) – in particular, subaltern knowledges from Latin America, for instance – by the grand narrative of the Cold War; these need to be decolonized, in order to foster a multipolar and pluriversal space for debates on management and strategic management.

We claim for border thinking (Mignolo, 2000; Mignolo and Tlostanova, 2006) in historical analyses to decolonize local knowledge, such as that produced by ECLAC and by Furtado, i.e., dependency theory, which has been suppressed by the idea that the past five hundred years of European history “are the point of arrival (or the end of history) of the human race” (Mignolo and Tlostanova, 2006: 218). The mobilization of geopolitics of knowledge through border thinking means shifting the attention to the enunciation, instead of the enunciated, thus making clear the locus of enunciation by asking the questions “who and when, why and where is knowledge generated” (Mignolo, 2009: 2).

Our historical perspective challenges most critical historical analyses based on postcolonialism, by pointing out that the colonial experience in Latin America and the Caribbean did not have to wait “until the word postcolonialism entered the U.S. academy in the early 1980s, after the word postmodernism was introduced in France” (Mignolo, 2011: 57). Dependency theory from Latin America antecedes Euro-American postcolonialism and this explains why postcolonialism fails to address the political economy issues which constitute the core of dependence theory. Our historical analysis of the theory of dependence shows, thus, that much of the contribution from Latin America has been downplayed by the successful trajectory of (Anglo-American) postcolonialism, and as a result of the absence of a critical perspective from the borders of the South which takes coloniality as a chief condition of modernity (Mignolo, 2000; 2011).
The structuralism lenses promoted by ECLAC to foster local development in response to the dominant logic imposed by Euro-American theories, as a valuable example of the importance of the South epistemology to lead to global justice and multipolarity in the contemporary world (Santos, 2010), would later lead to what became known as dependency theory (DT). Celso Furtado, an important Brazilian academic, is considered one of the founders of this theory (Bielschowsky, 1987), but even in Brazil dependency theory has been ignored by local academics in management as an obvious result of geopolitical subalternization. As a consequence, management and development that, from the locus of enunciation of the South, should stay in permanent collaboration have instead, being kept apart.

The historical analysis undertaken in this paper shows that one of the main issues to explain this picture is that this theory was officially framed by social sciences as a Marxist contribution in the early 1970s. Eurocentric postmodernism, which became the same theoretical matrix of postcolonial theory (Jack et al., 2011), was introduced into the realms of social science in Latin America at that time. There was no opposition to “social science” at that time, in spite of the claims by Latin American authors on the subordination of “social sciences” to Eurocentric coloniality which have been subalternized (Mignolo, 2011). In our view, this created the necessary conditions to a second subalternization process within the Cold War period of the dependency theory. As one of the striking outcomes of this double process of subalternization, dependency theory was appropriated by “the (Ford) foundation-funded scholarly communities of North and Latin America, rather than by the impoverished masses in order to promote radical structural reform” (Parmar, 2002: 21-2), and subsequently more easily denied to Brazilian academics. The necessary connection between management and development might not only avoid the contemporaneous “development turn” from the North, but also foster the projection of theoretical contributions from the South toward the North. The authors of this paper show that the field of strategic management in Brazil is a major both victim and villain of this historical process.

‘Develop’ or I shoot you! The divides generated during the Cold War, and beyond, between Strategic Management and Development and its impacts on Dependency Theory

Through border thinking we challenge the authors who argue that the beginning of the Cold War was marked by the re-election of President Truman in the US, in 1948 (Spector, 2006). The colonial experience enables us to point out that in his second term’s inaugural speech, Truman launched the famous Point IV program, which became an important instrument for financing the spread of management knowledge from the US to Third World countries, as a way to block the expansion of communism (Ibarra-Colado, 2006). By then, Furtado, after finishing his PhD in 1948, was working in Santiago, Chile, at ECLAC. ECLAC had been recently created, under pressure of local countries, with a three year provisional mandate, by the United Nations (UN) to propose economic solutions in order to foster the development of the region.

The most important question, from a decolonial perspective, is to understand why the disciplinarian status of management and strategic management knowledge produced in the US has been accepted in both North and South as “objective and universal truths for organizing work relationships” (Jacques, 1996: xiii).
It has been argued that management, and some of its disciplines, were generated within the US during the Cold War era, which has both enabled and constrained the construction of the field (Cooke, 1999; Cooke et al, 2005; Grant and Mills, 2006; Kelley et al, 2006; Landau, 2006; McLaren and Mills, 2008). The sufficiency of the grand narrative of the Cold War has been challenged by some authors (Escobar, 2004; Hurrel, 2006). Additionally, research has pointed out that the Academy of Management had an important role in disseminating Cold War content “that translated into a philosophy of management, which influenced the character of the organization for decades” (Grant and Mills, 2006: 202). The “ideal manager” that was generated within the Cold War context was characterized as “an educated male who wielded authority effectively and accepted social responsibility” (McLaren and Mills, 2008: 386). Though Chandler’s book (1962) was not among those covered in the study carried out by McLaren and Mills (2008), we may argue that the profile of this “ideal manager” is very similar to the one described by Chandler (1977), which he would translate in the Cold War period as the “visible hand”, in opposition to the notion of “invisible hand”.

During the second ECLAC’s conference in Cuba, in 1949, Raúl Prebisch, who one year later would become its president, delivered the “Havana Manifesto”. This manifesto presented, for the first time, the concept of center-periphery within the global economy, and raised a new proposal of state-led development that opposed the orthodox view. Specialists from both developed and developing countries agreed that “a new debate had been launched” (Dosman, 2011: 285). These ideas coming out of ECLAC were viewed as a threat to the spread of US and European theories and knowledge throughout Latin America. The manifesto challenged the “false sense of universalism existing in the theory used in developed countries” (Prebisch, 1949: 17).

Our analysis shows that the ECLAC’s Havana Conference demarcated the launch of a new subaltern knowledge from the South to which Furtado has immediately subscribed. The tenets of this knowledge has anticipated in 30 years the same calls that would later be made by postcolonial theory (PCT), though the latter does not pay homage to the former, nor is PCT geared to recover the principles of the subaltern knowledge developed by ECLAC.

From this moment, Latin American countries would count on ECLAC for strategic diagnosis and for the formulation of policies that would eventually be implemented during the 1950’s and early 1960’s (Love, 2005). Accordingly, the program of ‘import substitution industrialization’ (ISI) was implemented by different governments in the region (Bielschowski, 1987). The ideas formulate by ECLAC were mostly welcomed by the developmentalist-states that were ruling throughout Latin America (Bianchi, 2002). In Brazil, the administration of two presidents – G. Vargas, 1950-54 and J. Kubitschek (JK), 1956-60 – were marked by having ECLAC as an important support for policy formulation. That is one of the reasons why Furtado was invited by JK to lead a government regional development agency in 1958 (Furtado, 1998).

Given the US’ foreign policies of deterrence in the Third World, the “Havana Manifesto” triggered a prompt reaction from the North towards the South. This resulted in Point IV financing several seminars in Rio de Janeiro, Brazil. Rio de Janeiro was the federal capital of the country at that time, and was viewed by many as the intellectual capital of Latin America. In Furtado’s view, this was made in “order to restore the good doctrine…and clean the intellectual environment of the malignant tumors of ECLAC” (Furtado, 1998: 19).

The proposition that development and underdevelopment are simultaneous processes: i.e. “the two faces of the historical evolution of the capitalist system” (Sunkel, 1972: 520) was
the basis of the knowledge pursued by ECLAC and Furtado (1961). This theoretical concept from the South was contrary to the universal theory that claimed that underdevelopment was just a phase on the way to development that could be overcome. However, Escobar (1992: 26) posits that “critiques of development by dependency theorists, for instance, still functioned within the same discursive space of development, even if seeking to attach it to a different international and class rationality”. According to orthodox modernization theory, underdeveloped countries had to follow orthodox methods and commit themselves to the “right knowledge” (Rostow, 1960). This American model was massively exported to Latin America, hence leading to an imposition on the knowledge promoted by ECLAC and Furtado. This can illustrate how the “logic of coloniality, of the invisible, the darker side of modernity” (Mignolo, 2011: 206) works.

Rostow’s (1960) book was one of the clearest manifestations of the Point IV strategy (Cooke, 1999) as it is titled: “The stages of economic growth: a non-communist manifesto”. So anything contrary to it, would be framed as communist and should be repelled. By this time Rostow was at MIT, same institution where Chandler, later considered the founding father of SM, was working. In 1962, Chandler launches “Strategy and Structure”, which is up to date the most cited SM book. Cummings and Wilson (2003) have posited that, the triangular-hierarchical image proposed by Chandler (1962), also known as the ‘M’ form, for the configuration of the successful US modern corporation, has matched that proposed by influential reports on business schools and management education at that time (i.e., Ford and Carnegie reports of 1959). “Strategy and Structure” (1962) was launched just three years after these reports had called for a more analytical and scientific research into business, and became a perfect match to the intents of the proponents and main users of the reports (Whittington, Pettigrew and Thomas, 2002). This helps explain why both Ford and Carnegie Foundations had a key role in the export of the ‘American management model’ to Latin America (Parmar, 2002). It may also give some logic to the fact that Rostow would later become, after the military coup of 1964, a consultant to Brazilian government (Dos Santos, 2000).

From a decolonial perspective, a major challenge for the analyst is to acknowledge that a major problem faced by academics, not only in the South, but mainly in the North, is that the Cold War “represented both an empirical reality and an ideological framework” (Spector, 2006: 276), and it still does. “The Cold War, in the way of grand narratives, provides a transcendent explanation” (Cooke et al 2005: 5) for the fact that the two nuclear-armed empires after World War II (WWII) had the power to set worldwide a particular ideological divide (Moore and Lewis, 2010), hence dismissing the notion of worlds. As Mignolo (2011: 129) posits “in the three worlds of distribution of scientific labor, the First World had indeed the privilege of inventing the classification and being part of it” (Mignolo,).

The Cold War was correctly portrayed as “a war between versions of modernization” (Cooke et al, 2005: 10), and, from a decolonized perspective, we claim that that war does not represent a historical discontinuity. It is that divide that generates the designation of “Third World” to the ‘rest’, and that would impose upon it a development discourse in order to help the ‘underdeveloped’ (Escobar, 1988), another artificial term according to Escobar (1988), develop. It was the imposition of the strategy of ‘develop or I shoot you’ (Grosfoguel, 2011).’Development and management are, by and large, modernizing projects’ (Dar & Cooke, 2008: 8). Nothing should stay on the way of the imposition of the US commercial-military-political complex over the world (Westwood and Jack, 2008). Under these circumstances, “development has functioned as an all-powerful mechanism for the production
and management of the Third World in the post-World War II period” (Escobar, 1992: 24).

Those two books, “The stages of economic growth: a non-communist manifesto” (1960) and “Strategy and Structure” (1962) put in clear terms the knowledge that the center would impose on the periphery, to use Prebisch’s terms. Furthermore, from a decolonial perspective, we argue that they have as well imposed on the South a segregation in the fields of development and strategic management: the first would have the country as the unit of analysis, whereas the second would focus on the firm (Cooke, 2004). Taking the South as our locus of enunciation (Mignolo, 2011), we affirm that this could have been otherwise, and unveiling the knowledge produced by ECLAC and Furtado may help us create a space of dialogue between the two fields. From this locus we may understand that when Chandler (1959) affirmed that the ‘big enterprises’ were the engine of the US development, Furtado (1966) stated that the same US big companies were hindering the development potential of Latin American societies.

The grand picture depicted by the same two books would translate, in our view, to the following propositions: in strategic management field, big business, managed by the ‘visible hand’, will at the end produce progress all over the world, and no power and politics issue will arise (Pettigrew et al, 2002); in development, a whole supranational apparatus, managed by the North, was structured (Escobar, 1988) to “create conditions of stability and well-being and to ensure a minimum standard of living consistent with human dignity” (United Nations, 1970), which 40 years later we are still far from reaching.

By the end of the 1950s, the Cold War had spread to Latin America, and it reached a turning point, when, in 1959, the troops of Fidel Castro and Che Guevara conquered Cuba and “transformed the political imaginary of many Latin Americans” (Grosfoguel, 2002: 357). The threat of communist expansion all over the so-called Third World became, apparently, imminent.

As a consequence, and supported by US institutions (Black, 1977), a sequence of military dictatorships took over power across the region: Brazil, 1964; Argentina, 1966; Uruguay, 1967; and Chile, 1973. On the other hand, ECLAC had lost its great leader as Prebisch was appointed in 1963 to an important position at the United Nations Conference on Trade and Development (UNCTAD) (Dosman, 2011). It should then be no surprise, that during the same period, structuralism interventions in local economies showed signs of exhaustion (Love, 2005), thus opening the space for the beginning of its reformulation, under different Marxist tones, in what would later become known as DT (Frank, 1966; Cardoso and Faletto, 1969).

The military coup in Brazil, in March 1964, took out the political rights of Furtado, and many other intellectuals and politicians, and he was banished from the country. The 1960s demarcate as well the period in which major US foundations (Ford, Rockefeller and Carnegie) have intensified the financing of researchers from Latin America (Parmar, 2002; Alcadipani, 2010). We posit that this process led to a weakening of ECLAC position and to a cooption of dependency researchers, which later led to the reframing of DT as a Marxist/neo-Marxist perspective and, correspondingly, to its covering up by Euro-American modernity.

Structuralism was originally formulated based on economic historiography of Latin American countries, mostly by Latino economists, i.e., from the locus of enunciation of the South, and for the implementation of policies that would counter its backwardness, which was partially attributed to developed countries from the North. Afterwards, it was reformulated
under different Marxist concepts as DT (Bresser-Pereira, 2011), leading to furthering from
local realities and praxis. The new military governments, supported by the North against the
expansion of communism (Dos Santos, 2000), shrugged of Marxist formulations (with the
exception of Peru; Dos Santos, 2000), led DT to become enclosed in an academic debate, that
successfully drifted it away from local realities. Pinochet’s military coup in Chile in 1973,
where ECLAC (still) is located, shuttered off any possibility of ECLAC’s formulation being
implemented in the region. The consequent implementation of liberal reforms in Chile, and
that would become a neoliberal experiment that ended to invade the world as from the late
1970’s (Bresser-Pereira, 2011), left no room for doubts.

Academics usually differ on how they classify the different streams within DT, but it
seems clear that it is wrong to talk about one single DT. The most common is to have it
divided in three groups (Bresser-Pereira, 2011): the most radical, which proposed socialism as
a way out of underdevelopment, whose main authors were German-American André Gunder
Frank and Brazilians Theotonio dos Santos, Ruy Mauro Marini and Vania Bambirra; the
associated dependence, led by Brazilian Fernando Henrique Cardoso and Chilean Enzo
Faletto (Cardoso & Faletto, 1969); and a ‘revisionist’ led by Brazilian Celso Furtado and
Chilean Osvaldo Sunkel. The last two streams proposed a way out of underdevelopment
within capitalism (Love, 2005). Some academics from the North recognize Frank (1966) as
the most important author and founder of DT (Palma, 1978; Kay, 1991), in spite of his short
exposition (1968-73) to the Chilean environment from where much was formulated. To the
other hand, critiques will say that all that Frank generated were “verbatim quotations from a
range of sources...difficult to discern whether he had anything to add” (Wolfe, 1997:394). The
fact is that Cardoso and Frank had a long documented dispute in the literature. Cardoso (1977:
8-9), when referring to the contributions made by Frank and other US authors to DT, affirmed
that “North American neo-Marxian current did not add to the critical perspective of Latin
America thought before 1960”, and he accused Frank of making simplifications to DT that
transformed it in a “straw man easy to destroy” (Cardoso, 1977: 15). Frank (1977) considered
Cardoso’s position of assuming that the bourgeoisie would lead development as naïve.
Furthermore, Cardoso, who would later become president of Brazil (1994-2002) was one of
the scholars funded by the Ford Foundation (Parmar, 2002). There are differing views about
the genesis of DT: “although structuralism is acknowledge as a progenitor, Marxism is
usually viewed, implicitly or explicitly, as the primary tradition from which dependency
arose” (Love, 1990: 143).

However, irrespective of how many streams it had, and the number of authors
involved in the original formulations, and who is considered the founding father, DT has been
systematically attacked by the North, from its structuralism origins at ECLAC, up to its
reformulation under different Marxist tones. In fact, most of the authors mentioned on the
above paragraph, have been forced to a Diaspora following the military coup in Brazil (1964):
Cardoso, Dos Santos, Marini and Bambirra went to Chile, where they were later joined by
Frank, whereas Furtado went first for one year to the US then to Paris. The September 11th,
1973, military coup in Chile, a regretful date in world history, forced a second exile for all of
them: with the exception of Frank, who fled to his home country Germany before the coup, all
other went in different dates to Mexico (Dos Santos, 2000). We have to appreciate the fact
that in those times, much before the internet era, such displacements imposed material
difficulties in generating knowledge. The Brazilians would only gather again in Brazil in the
1980’s when the country opened up to the exiled. But that was too late to find any roots of DT
in the Brazilian academy.
Post-colonial studies, which ushered in the academy by the same time but which had a different root (Mignolo, 1988), were not capable of rescuing the original structuralism formulations nor dependency theory.

Final considerations

We engaged in this paper a historical decolonial perspective from the borders of the South (Mignolo, 2000; 2007; 2011) in order to bring to the fore the contributions of both ECLAC and Celso Furtado, and to show its chief importance for the constitution of a more multipolar world. More specifically, we discussed that dependency theory is a missing link for us to connect SM and development. Taking Latin America as our locus of enunciation (Mignolo, 2007), we posited that the postcolonial perspectives which should supposedly unveil knowledges produced from the colonial difference (Mignolo, 2007) have, in fact, contributed to a further covering up of Latin American knowledge (Dussel, 1993).

Dependency theory from Latin America antecedes Euro-American postcolonialism and this explains why postcolonialism fails to address the political economy issues which constitute the core of dependence theory. Our historical analysis of the theory of dependence shows, thus, that much of the contribution from Latin America has been downplayed by the successful trajectory of (Anglo-American) postcolonialism, and as a result of the absence of a critical perspective from the borders of the South which takes coloniality as a chief condition of modernity (Mignolo, 2000; 2011).

We argue that decolonizing the knowledge produced by ECLAC and by Celso Furtado is a way to foster critical responses within SM from Latin America in an era demarcated by the decay of the Euro-American, and the rise of state-capitalism led by the so called emerging economies. As Furtado (1974) proposed, the state must work in favor of the society, not the market, as SM seems to predicate.

As the title of one the many articles produced by Frank (1977) says: “Dependence is dead, long live dependence”! Let dependence be one of the ways to shift the geography of reasoning (Mignolo, 2011), and to foster knowledges from the South to not only inform local realities, but also those from the North.

References

Banerjee, S. 2008. ‘Corporate Social Responsibility: The Good, the Bad and the Ugly’.


