

LIBERATION THEOLOGY AND DEPENDENCY THEORY

TRACING A RELATIONSHIP

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Enrique Dussel maintains that all theology, through the ages, has used some particular scientific discourse as a mediation for the construction of its reflection¹ As a scientific discourse, theology incarnates its discourse in the most systematic and reliable rationality available in the particular period it finds itself in. For instance, the Greek Christian theological schools (the Apostolic Fathers, the Apologists, the Alexandrian for instance, Origen) had to express their theological-faith discourses through the categories of the “science” (*episteme*) of its time which was Platonic philosophy. In the twelfth century, Thomas Aquinas employed Aristotelianism to build his theological opus. In the same vein, great modern theologian Karl Rahner donned the language of Kantian-Fichtean transcendental method in his theologizing. Similarly, the political theology of Johannes Baptist Metz, in its attempt to be more relevant to our contemporary times, utilized the philosophy of the Frankfurt critical school. In sum, “theology has always had to seize upon a method (traditionally almost exclusively philosophical one) in order to construct, from praxis, from faith, a methodical, rational, scientific discourse.”²

Liberation theology followed its predecessors. In its earlier stages, liberation theology had to search for a scientific discourse able to express its commitment to the poor. The existing theological tradition failed to take into account the very experiences of poverty and oppression of the majority of Latin American people. Moreover, the prevailing theological discourses did not respond “theologically” to the growing political commitment of

¹ See Enrique, Dussel, “Theology of Liberation and Marxism,” in Ignacio Ellacuria and Jon Sobrino, eds., *Mysterium Liberationis: Fundamental Concepts of Liberation Theology* (Maryknoll: Orbis Books and Collins Dove, 1993), 85.

² *Ibid.*, 86.

many Christians determined to put an end to the injustices around them. The “old” theology simply supported the status quo. The liberation theologians, therefore, deemed it necessary to look for appropriate categories of analysis and reflection. They seized upon the Latin American critical sciences or what is generally known as dependency theory to cast their theological discourse. For Dussel, the decision to use these tools then was not an a priori dogmatic or epistemological decision. Rather, the choice ensued from the political commitment of Christians fighting the massive injustice they are faced with.³ It was, therefore, out of the experience of Christian praxis- a faith praxis- that liberation theology espoused dependency theory.

This article investigates the relationship between classical liberation theology and the dependency theory and has two main objectives: First, to give a comprehensive exposition of the dependency theory. Second, to demonstrate how liberation theology appropriated the language of dependency theory in order to scientifically enunciate its own pastoral-theological intuitions.

Understanding Dependency Theory: The Context

In the turbulent years of the 1960s, there arose in Latin America a theory that attempted a comprehensive explanation of the poverty and underdevelopment that swept this vast continent. This theory became known as the dependency theory.⁴ It became very popular among intellectuals of this time such that by the mid-to late 1960’s, “the dependency perspective became the dominant approach in most Latin American circles.”⁵ What is specific about dependency theory is that it is a uniquely Latin American creation. Its origins lie in the experience, by the Latin American countries, of the reality of underdevelopment as a consequence of the imperialistic

³ Ibid.

⁴ Some dependency theorists would not call their method of analysis a theory. For example, Cardoso and Falleto would rather speak of “situations of dependency” rather than a category or theory of dependency. The former aims to explain specific instances of dependency, the latter, tends to be universalizing in nature. See Fernando Henrique Cardoso and Enzo Falleto, *Dependency and Development in Latin America*, trans., Marjory Mattingly Urquidí (Berkeley: University of California Press, 1979), xxiii.

⁵ Christian Smith, *The Emergence of Liberation Theology: Radical Religion and Social Movement Theory* (Chicago: The University of Chicago Press, 1991), 146.

spread of capitalism.⁶ This means that, it is a view coming from those at the underside of history.⁷

The dependency theory, therefore, properly belongs to the larger body of the so-called underdevelopment theory.⁸

There are three significant factors in fully understanding dependency theory. First, it came about as a response to the growing disillusionment with the modernization theory prevalent in the Latin American continent. Second, it departed from the orthodox Marxist view of development in the Third World countries. Third, it was also a response to the failure of the national development project through the import substitution industrialization as proposed by Raul Prebisch and the Economic Commission for Latin America (ECLA). Since dependency theory constitutes an epistemological rupture from these factors, it is therefore important to delve into them.

The Modernization Process in a Bi-Polar World

In the first decade after World War II, Third World countries embarked on the ambitious project of development. Both the Western and Third World countries forged a kind of a “partnership in development.” The capitalist West supported these countries in order to wean them away from the communist influence of the rapidly growing Soviet Union. These elements constitute the broader context in which to situate the development drive

⁶ See Peter Evans, “Dependency,” in Joel Krieger, ed., *The Oxford Companion to the Politics of the World*, (New York: Oxford, 1993), 231; Ismael Garcia, *Justice in Latin American Theology of Liberation* (Atlanta: John Knox Press, 1987), 44-45.

⁷ The Theory of Imperialism that arose from Marx’ critique of Capitalism and which was further developed by Lenin maintains that while capitalism’s spread to the colonies or dependent countries brings about exploitation, in the final analysis, this will bring benefit to these countries. The result capitalism had achieved in the West will eventually also be materialized in these countries. The experiences of dependency theorists proved different. Progressive integration into capitalism led to utter underdevelopment in Latin American countries. See Claude Ake, “Development and Underdevelopment,” in Joel Krieger, ed., *The Oxford Companion to the Politics of the World* (New York: Oxford, 1993), 240-241.

⁸ Claude Ake makes a distinction between a theory of development and a theory of underdevelopment. The former deals with the methods and processes of development while the latter problematizes the historical reality in terms of underdevelopment. See Ake, “Development and Underdevelopment,” 239-243.

that happened in Latin America. In this partnership, the West prescribed certain criteria for Latin American countries to achieve the status of a developed nation. These criteria were taken from the path the West had followed and which could be reconstructed in a structural functionalist way. The paradigm of development was that of the West, particularly that of England and North America. Latin American countries were asked to mimic such a similar path to guarantee modernization and a higher growth level in their economies.⁹ The structural functionalist approach stipulates the variables that generate (e.g. free market system, forms of organizing production, etc.) or impede (e.g. certain values of the religious-cultural system that do not fit a modern industrial system) the evolutionary movement of underdeveloped countries from one stage (backwardness/underdevelopment) of development to another (modernized/ developed).

Structural functionalists characterize Latin American societies as dual societies in their composition; every country has its pre-capitalist (feudal) regions and modern capitalist ones. These elements exist side by side. On the one hand, underdevelopment, it is said, is largely due to the presence of antiquated feudal structures that prevent a particular region from fully participating in the larger modern industrialized world. On the other hand, the more developed regions achieve their development only by virtue of their openness to the modern, capitalistic, industrial world. For structural functionalists therefore, an underdeveloped country can “take off” into the process of development only by opening up to the capitalistic world-system. Hence, the underlying thrust is an *outward-oriented development path* (*desarrollo hacia afuera*) based on export as the engine of economic growth.

As we will see later, dependency theorists unanimously reject such a linear model of conceiving development. Accordingly, a *dependent* relationship - of the backward countries to the forward-looking ones - is inherent in this model. More significant is the claim that Latin America’s situation is quite different from that of England or the United States. For one, it was never purely feudal in nature. It was always a part of the world wide capitalistic system as a periphery. As such, these countries are always at the mercy of the dominant centers of the rich countries. Developed countries,

⁹ Ismael Garcia, *Justice in Latin American Theology of Liberation* (Atlanta: John Knox Press, 1987), 35.

however, may have been *undeveloped* but they have never been *underdeveloped* like the Latin American countries. These are some of the perceived deficiencies that dependency theorists see in this model of development. Prior to the emergence into the scene of the dependency theory, there was however, a more immediate reaction to the modernization theory that was initiated by Raul Prebisch and the agency that he embodied, namely, ECLA. But before dealing with this, let us briefly discuss the relationship between Marxism and the dependency theory.

Marxism and Dependency Theory

In the study of the dependency theory, it is important to clarify its relationship with Marxist thought. Dependency theory relies on a particular form of Marxism.

Marx and Engels held that capitalism is a historically progressive system which by being transported from the advanced countries to the backward ones will eventually lead to the latter's capitalist development. The image of the future development of the colonies is mirrored by the advanced countries. Capitalism therefore, brings about similar development both in the advanced as well as the backward countries. Once capitalism is achieved in these countries, they will eventually experience the contradictions inherent in capitalism that will finally lead them to a higher stage of development, i. e., Socialism. For Marx and Engels, capitalism is necessary and feasible to achieve socialism; there is no way other than this, they hold.¹⁰

While condemning the evil effects of colonialism, Marx pleads for the economic and political necessity of capitalist development in the colonies (in this way, he shares the evolutionary framework of modernization theorists). On the other hand, he thinks that these countries' modes of production are so barbaric that they constitute serious threats to the accomplishment of socialism.

¹⁰ See Gabriel Palma, "Dependency and Development: A Critical Overview," in Dudley Seers, *Dependency Theory: A Critical Reassessment* (London: Frances Pinter, 1981), 24.

Lenin's stance reinforces the view of Marx and Engels. Lenin reacts especially to a dispute caused by the Russian Left, specifically the Narodniks who believed that capitalism is no longer a necessary stage for pre-industrial societies. Their experience of the Russian commune made them think that a direct transition from a pre-capitalist mode of production to a socialist one was possible without passing via capitalism. Lenin contested this view in his *The Development of Capitalism in Russia*. Here he stressed the historical progressive character of capitalism. In short, he took the classic/orthodox Marxist view.

The period of the 50's saw the rise of a "new" breed of Marxists who challenged the orthodox view of Marxism on capitalist development in the backward countries.¹¹ Paul Baran is the leading figure here. In his *The Political Economy of Growth*, he emphatically stressed that contrary to the orthodox Marxist view that capitalism is necessary and feasible in the underdeveloped countries, it is, in reality, inimical to its growth. The ruling class in the United States and elsewhere do not want these countries to develop. Otherwise, this will simply jeopardize their vast source of profits and investment outlets.¹² Raul Prebisch and ECLA will adopt this mode of analysis (capitalism does not develop the Third World countries) that will eventually become a cornerstone of the dependency theory.

Raul Prebisch, ECLA and International Trade

In 1948, Raúl Prebisch became the first Secretary General to the United Nations Economic Commission for Latin America (ECLA). He propounded

¹¹ Several authors refer to them as neo-marxists. Neo-Marxism constitutes one of the intellectual foundations of the dependency theory. See Gabriel Palma "Dependency and Development: A Critical Overview," in Dudley Seers, *Dependency Theory: A Critical Reassessment* (London: Frances Pinter, 1981), 20-77; Alvin So, *Social Change and Development: Modernization, Dependency and World-System Theories* (Newbury Park, London & New Delhi: Sage, 1990); Magnus Blomström and Björn Hettne, *Development Theory in Transition: The Dependency Debate and Beyond - Third World Responses* (London: Zed, 1984.)

¹² Paul Baran, *The Political Economy of Growth* (New York: Monthly Review Press, 1957), 11-12. Andre Gunder Frank will further develop Paul Baran's method of analysis. See Andre Gunder Frank, *Capitalism and Underdevelopment in Latin America: Historical Studies of Chile and Brazil* (Harmondsworth: Penguin Books, 1969).

the early position of ECLA.¹³ Prebisch maintains that the reason for the underdevelopment of the Latin American continent lies in its position in the world economy. Accordingly, the world economy is divided into two economic areas: the core and the periphery. The industrial center is responsible for the production of finished industrial goods while the periphery provides the raw materials for these industrial centers. Conventional wisdom in international trade states that this form of trade relations is equally beneficial to both the center and the periphery. But as Prebisch and ECLA found out, this seemed not to be the case. As McGovern maintains, “far from being mutually beneficial, Latin America continued to run a deficient balance of payments. The ‘center’ nations profited; the ‘peripheral’ nations suffered.”¹⁴ ECLA’s first landmark career move was a frontal assault upon the intellectual bases of this ‘outward’ directed development model.¹⁵ Latin American countries were experiencing a chronic imbalance of payments because the money they got from exports (their engine of growth) was lesser than the money they used in buying their imports from the developed countries. In addition, the terms of trade for the exporter of primary goods constantly and significantly deteriorated. Prices of exported raw materials from the periphery steadily dropped in the world market while at the same time prices of finished industrial goods processed in the center persistently soared. Hence, peripheral countries suffered shortage in foreign capital to propel the industrialization process. Moreover, productivity gains were unevenly distributed due to contrasting labor conditions. The core received more in the form of higher wages because of enhanced productivity, while the periphery’s share “dissipated” in the form of lower commodity prices they got for their products and this led to stagnant wages.¹⁶

As a way out, Prebisch proposed a development that was *inward look-*

¹³ Although considered a developmentalist, he still holds the basic tenets of the functionalist approach.

¹⁴ Arthur McGovern, “Dependency Theory, Marxist Analysis, and Liberation Theology,” in Marc Ellis and Otto Maduro, eds., *The Future of Liberation Theology: Essays in Honor of Gustavo Gutiérrez* (Maryknoll: Orbis, 1989), 273-274.

¹⁵ See David Booth, “Andre Gunder Frank: An Introduction and Appreciation,” in Ivar Oxaal et al., eds., *Beyond the Sociology of Development: Economy and Society in Latin America and Africa* (London and Boston: Routledge and Kegan Paul, 1975), 54-55.

¹⁶ See Philip J. O’Brien, “A Critique of Latin American Theories of Dependency,” in *Beyond the Sociology of Development: Economy and Society in Latin America and Africa* (London and Boston: Routledge and Kegan Paul, 1975), 9-10.

ing (*desarrollo hacia adentro*).¹⁷ This path of development relies on the assistance of the State through the process of *import substitution industrialization*. The process came to be called as such because poor nations were expected to be self-sufficient in producing the necessary capital goods to propel their own process of industrialization. Once they produced their own goods, reliance on imports would be lessened thereby producing a balance of payment in the long run. The State becomes the direct productive agent responsible for economic policies geared towards this end. Such policies include healthy protectionism, import and exchange control, preference for national industries over foreign ones and wage policies to stimulate effective demand. Crucial, however, in this transitional period is a huge sum of foreign investment needed to jump-start this program. This contains the seed for this program's future problem. It also represents the bone of contention among critics of ECLA's vision.¹⁸ As one author indicates, this progressively "*had increased their economic dependence*."¹⁹ As a consequence, the proposal did not solve the underdevelopment of Latin American countries. Poverty and backwardness remained entrenched. Nonetheless, Prebisch made an important contribution in determining the cause of underdevelopment in Latin America which he attributed to the unequal trade relations between the core and periphery. This is a model of analysis "that would become an essential part of all dependency theory."²⁰ As it turned out, however, Prebisch's and ECLA's prescription for *import substitution industrialization* eventually failed. The crisis of this model of development might be attributed to what Garcia evinces as Prebisch's failure to affect "basic structural transformation within the poor nation itself."²¹ In other words, the program failed to detect internal structural causes that hinder integral growth in these poor countries.²²

¹⁷ See Theotonio Dos Santos' excellent summary of the basic tenets of an inward looking model of development. Theotonio Dos Santos, "The Crisis of Development Theory and the Problem of Dependence in Latin America," in Henry Bernstein, ed., *Underdevelopment and Development: The Third World Today* (Harmondsworth, England: Penguin Books, 1973), 64-65. See also O'Brien, "A Critique," 10.

¹⁸ Booth argues, "If most Latin American revolutionaries, and a good many reformist besides, eventually turned their back on ECLA's perspective, this was due in large measure to the issue of foreign investment." See Booth, "Andre Gunder Frank," 57.

¹⁹ *Ibid.*

²⁰ McGovern, "Dependency Theory," 274.

²¹ Garcia, *Justice*, 41.

²² *Ibid.*

A better reason still - from the point of view of theorists of dependency - is that the failure can be ascribed to the loss of credibility regarding the explanatory power of the very notion of development and underdevelopment. "In this situation the concept of dependence has appeared to offer a possible, if partial explanation of these paradoxes, seeking to explain why Latin American development has differed from that of today's advanced countries."²³ From the above consideration, what is needed is not merely a quantitative change (changes in trade relations) but a structural transformation affecting the capitalist world-system. The theory of dependency emerged as an attempt to explain this failure.

The Dependency Theory²⁴

Dependency theory "was the theoretical expression of the recognition that the 'developmentalist' model had failed."²⁵ The word development or its Spanish equivalent, *desarrollo*, is a highly charged word in the Latin American context. It stands for a particular kind of political, economic and ideological program of action. *Desarrollo* (development) soon became known as *desarrollismo* (developmentalism). This is a pejorative word indicating the failure of the modernization thrust in Latin America. As the *dependentistas* (theorists of dependency) saw it, the correct conceptual terms are *not* advanced-backward or modernized-underdeveloped, but rather, terms such as dominant-dependent or exploiter-exploited. The latter signified the relationship that Latin American countries must liberate themselves from.

There are different traditions within dependency theory. Philip O'Brien identifies three of them²⁶ - the structuralist perspective, the Marxist perspective and those caught up in the dynamics of the two other perspectives.

²³ Dos Santos, "The Crisis of Development," 71.

²⁴ There is no one monolithic school of dependency. There are a variety of schools and diversity of thoughts under this broad heading. They, however, share certain basic commonalities. We will use the word dependency theory to point to a body of literature that has been inspired by the dependency perspective.

²⁵ Pablo Richard, *Death of Christendom, Birth of the Church: Historical Analysis and Theological Interpretation of the Church in Latin America*, trans., Phillip Berryman (Maryknoll: Orbis, 1987), 146.

²⁶ O'Brien, "A Critique," 11.

The first group represents those who continued ECLA's basic framework but deepened it. Names associated with this perspective are Osvaldo Sunkel and Celso Furtado. The second are the more Marxist inspired who broke with the rigid interpretations of the Stalinist heritage. Names such as Ruy Mauro Marini, Theotonio Dos Santos and Andre Gunder Frank belong to this category. The third group, mostly sociologists, "seems to straddle both the Marxian and the structuralist perspective."²⁷ Anibal Quijano, Fernando Cardoso, Octávio Ianni and Florestan Fernandes can be classified under this banner. For our purposes, the names of Andre Gunder Frank, Theotonio Dos Santos and Fernando Henrique Cardoso together with his partner Enzo Falleto will be the focus of our investigation.²⁸

Andre Gunder Frank: The External Structure of Dependence

Andre Gunder Frank grew up in a North American middle-class environment. He had training as an economist at the University of Chicago and a brief teaching and research experience in Latin America in the 1960s. His short stint as a teacher-researcher had made a strong impact on his views about development and underdevelopment which he learned at the University of Chicago. This experience was enough to change his perceptions on them. There were several influences to Frank's works: Paul Baran, an American Marxist, and ECLA's ideas. He used them as jumping boards to consolidate his ideas. These influences are especially apparent in his groundbreaking work entitled *Capitalism and Underdevelopment in Latin America: Historical Studies of Chile and Brazil*.²⁹

Frank's central idea in all of his works revolves around the concept of the *development of underdevelopment* in Latin America due to the growth

²⁷ Ibid.

²⁸ These are the dependency theorists who have virtually influenced liberation theologians' use of the dependency method of analysis. See our succeeding discussion about it.

²⁹ See Andre Gunder Frank, *Capitalism and Underdevelopment in Latin America: Historical Studies of Chile and Brazil* (Harmondsworth, England: Penguin Books, 1969, revised edition), 17-18. Since Frank was virtually the only one who wrote in English, he helped popularize the dependency theory outside Latin America. This may explain why his work became the target of most criticisms.

of world capitalism since the 16th century. The expanding mercantile capitalist system of the 16th century brought about by the Spanish conquest made these peripheral countries dependent on the core capitalist countries which eventually doomed them to perpetual subordination. A case in point is Chile and Brazil.³⁰ In short, *dependence* on capitalist development causes underdevelopment. It is not the other way around. This is why Frank insisted that a correct starting point for any credible analysis of Latin American reality is the situation of *dependence*.³¹ We must be careful therefore to see the nuance in Frank's view here.³² The "now developed countries were never *underdeveloped*, though they may have been *undeveloped*."³³ Underdevelopment, therefore, does not define *dependency*. Dependency is the *cause* of underdevelopment.

This feature in his thinking manifests itself in *Capitalism and Underdevelopment in Latin America* where he proposes two theoretical innovations to elaborate the core of his ideas. The first deals with his reaction to the theory of dual society.³⁴ The second relates to the three contradictions of world capitalism. He finds the dualist model factually erroneous, theoretically inadequate and misleading. Frank's vehement objection to this policy is expressed in the following statements:

If, as the study suggests, no part of the economy is feudal and all of it is fully integrated into a single capitalist system, then the view that capitalism must still penetrate most of the countryside is scientifically unacceptable and the associated political strategy - of supporting the

³⁰ *Ibid.*, 27-28.

³¹ See Andre Gunder Frank, "Economic Dependence, Class Structure, and Underdevelopment Policy," in James D. Cockcroft, Andre Gunder Frank and Dale L. Johnson, *Dependence and Underdevelopment: Latin America's Political Economy* (Garden City, New York: Anchor Books, 1972), 19.

³² Prebisch's view is anchored in the belief that underdevelopment causes dependency so there is a need to generate internal development.

³³ Andre Gunder Frank, "The Development of Underdevelopment," in James D. Cockcroft, Andre Gunder Frank and Dale L. Johnson, *Dependence and Underdevelopment: Latin America's Political Economy* (Garden City, New York: Anchor Books, 1972), 3.

³⁴ Gabriel Palma holds that Frank's direct contribution to the understanding of the Latin American reality of underdevelopment rests on his critique of the dualist view of the Latin American countries prevalent in the social sciences of his time. See Gabriel Palma, "Dependency and Development: A Critical Overview," in Dudley Seers, ed., *Dependency Theory: A Critical Reassessment* (London: Frances Pinter, 1981), 46.

bourgeoisie in its supposed attempt to extend capitalism and to complete the bourgeois democratic revolution - is politically disastrous.³⁵

If the situation is a thoroughgoing capitalism since the conquest, then the real reason behind the presence of the so-called backward or pre-capitalist structure must be investigated upon. Why are these sectors underdeveloped? If for Frank, this cannot be explained by the dualist thesis, then the logical conclusion is to look elsewhere. Rightly so, he proposed a new point of departure, that is, with capitalism itself. The culprit of underdevelopment is capitalism. Stated concisely, the road to capitalistic development leads to underdevelopment. The so-called different sectors - the more advanced capitalist one and the backward pre-capitalist area - are both generated by the historical growth of capitalism in these countries. "Economic development and underdevelopment are the opposite faces of the same coin."³⁶ They are not just sequential stages of growth but rather organic offshoots of the capitalist internal contradictions. This leads us to the second theoretical innovation of his theory: the laying bare of three contradictions in capitalism.

The three intimately linked internal contradictions of capitalism are the expropriation/appropriation of economic surplus (lack of access to the poor countries' economic surplus because they are expropriated by the foreign elite, only to be appropriated for use in the core part of the world capitalist system); metropolis-satellite polarization (the capitalist system polarizes the world into two extremely different economic "zones"- that of the metropolitan center and peripheral satellites); and continuity of the system in spite of change (the capitalist system will continue to generate its dynamic contradictions wherever and whenever capitalism reformulates itself). These are the three causes of development-underdevelopment in the core-periphery structure of the capitalist system.³⁷ The overall consequence of these abusive contradictions is an economic development geared to a select few and underdevelopment for most. This is further aggravated by the national bourgeoisie's conspiracy with the interests of the world metropolitan bourgeois.

³⁵ *Ibid.*, 14.

³⁶ *Ibid.*, 33.

³⁷ *Ibid.*, 27

In summary, Frank's ideas rest on the belief that dependence on capitalist model of development leads to the development of underdevelopment. Development and underdevelopment are not stages in a continuum. They are products of the contradictions of capitalism. Of the two terms, underdevelopment characterizes the present state of Latin American continent. It is impoverishment for the whole continent. Logically, Frank strongly emphasizes the fact that no true development will come about in capitalism. The only way out is a total severance from it through a socialist revolution.³⁸

Theotonio Dos Santos: The Internal Structure of Dependence

Dos Santos attributes a sort of relative independence to the peripheries, that is, they don't simply react mechanically to the metropolis for they too have their own dynamics, though a limited one.³⁹ Contrary to Frank's idea of satellization that implies a mechanical knee-jerk response to external factors (total lack of autonomous dynamic), Dos Santos sees this process as "a case of the formation of a certain type of internal structure conditioned by international relationships of dependence."⁴⁰

Dos Santos' definition of dependence, an oft-quoted one, has gained acceptance among *dependentistas*. Dependence is defined as:

....a situation in which the economy of certain countries is conditioned by the development and expansion of another economy to which the former is subjected. The relation of interdependence between two or more economies, and between these and world trade, assumes the form of dependence when some countries (the dominant ones) can expand and can be

³⁸ The achievement of a true socialist revolution lies in the hands of the masses alone and not with the bourgeois. He says that "if there is to be a 'bourgeois' democratic revolution at all and if it is to lead to socialist revolution and the elimination of capitalist underdevelopment, then it can no longer be the bourgeoisie in any of its guises which is capable of making this revolution." Frank, *Capitalism and Underdevelopment*, 16.

³⁹ *Ibid.*, 73.

⁴⁰ *Ibid.*, 76. While Dos Santos wanted to avoid the trap Frank sets on himself, i. e., the mechanical determination of the internal by the external structures, we think that as he goes on in his exposition, he brings back "unconsciously" the primacy of the external over the internal structures.

self-sustaining while other countries (the dependent ones) can do this only as a reflection of that expansion, which can have either a positive or negative effect on their immediate development.⁴¹

First thing to note here in this definition is the role of dependence as a *conditioning situation*. As a conditioning situation, it limits the possible options and alternatives for a local (dependent) economy. While it limits it, it also opens the possibility for that local economy either to simply succumb to the conditionalities or change the terms of conditionalities. Seemingly, a “dependent” country is not totally doomed, for dependence “can either have positive or negative effects.” It can still develop, but only in a limited way. Dos Santos refers to this as a dependent development. However, in the final analysis, whether the effects are positive or negative “the basic situation of dependence causes these countries to be both backward and exploited.”⁴² Dominant countries are endowed with technological, commercial, monetary and socio-political superiority that allow them to exploit the poor countries and which makes it difficult for these countries to implement alternatives.

The second point to address is the cause of dependence: the sole cause being the capitalist system. This is a system that causes underdevelopment to the weaker party. It thrives on monopoly, unequal labor relations and appropriation of profits. It rests on an international division of labor or interdependencies “which allows industrial development to take place in some countries while restricting it in others, whose growth is conditioned by and subjected to the power centres of the world.”⁴³ Dos Santos takes these restrictions seriously although he refuses to regard them as pure determinations.

Historic Forms of Dependence

Dependence had assumed different forms throughout the years. Dos Santos enumerates three historic forms of dependence. They are colonial

⁴¹ Theotonio Dos Santos, “The Structure of Dependence,” *American Economic Review* 60 (May 1970): 231.

⁴² Dos Santos, “The Crisis of Development Theory,” 76.

⁴³ *Ibid.*, 76-77.

dependence (a 16th century phenomenon characterized by trade export in natural resources and monopoly in trade, lands, mines and manpower by the European masters); financial-industrial dependence (which dates back to the 19th century where the hegemonic centers invested heavily in extraction of raw materials and agricultural products [monocultures] in the peripheries); and technological industrial dependence, also known as a form of a “new dependence” (and which can be dated starting from the post war period when multi-national companies became the dominant actors and when the exigencies of the international commodity and capital markets became the conditioning factors of dependence).

Dos Santos maintains that these forms of dependence were dictated by the changing needs of the world economy. These needs determined “the orientation of production, the forms of capital accumulation, the reproduction of the economy and simultaneously, their [these peripheral countries’] social and political structure.”⁴⁴ Dos Santos resolutely holds that the misery and social marginalization in the dependent countries ensue not from “a lack of integration with capitalism”⁴⁵ but in the “the way in which they are joined to this international system and its laws of development”⁴⁶ that causes peripheral countries to underdevelop.

In addition, just like Frank, Dos Santos holds that underdevelopment is doubly aggravated by the connivance of interests among the elites of the hegemonic centers and the local groups who compromise or collude with the former.⁴⁷

Fernando Henrique Cardoso and Enzo Falleto: External and Internal Structure of Dependence⁴⁸

The collaborative partnership of Fernando Henrique Cardoso, a Brazilian sociologist, and Enzo Falleto, a Chilean historian, produced an essay that

⁴⁴ Dos Santos, “Structure of Dependence,” 232.

⁴⁵ *Ibid.*, 235.

⁴⁶ *Ibid.*

⁴⁷ Dos Santos rejects the concept of alienation to explain the behavior of local elites. In this concept, local elites are considered alienated from their countries because they have a colonial mentality. No, says, Dos Santos, the right word is “compromise” between local interests and the foreign ones. See Dos Santos, “The Crisis of Development Theory,” 78-79.

⁴⁸ Our exposition of Cardoso and Falleto is based on the English version of their Spanish book *Dependencia y Desarrollo en América Latina* (first published in mimeo, Santiago, Chile: ILPES, 1967; republished in Mexico, D. F.: Siglo Veintiuno, 1969).

might be considered the cornerstone of dependency literature.⁴⁹ Their work entitled *Dependency and Development in Latin America* seeks to probe the reasons why after years of political, cultural and economic ties with Europe and North America, Latin America is still in a state of underdevelopment. The book also came as a reaction to the received conventional ways to development. We are referring here to the modernization theory and ECLA's vision of development. Their essay belongs to the larger body of radical and critical Latin American literature that alludes not only to the deficiencies of the modernization theory⁵⁰ but also "cited the narrowness of ECLA approach."⁵¹ This literature "emphasized the inequalities of wealth and opportunity inherent in a development that derives from capitalist expansion and the strengthening of imperialism,"⁵² but hardly paid attention to the internal dynamics of developing countries. They, therefore, propose to read the Latin American 200 years of dependency from a historical-structural approach.⁵³ This historical-structural approach calls to mind the 19th century tradition of political economy where the accent is put on the socio-political nature of economic relations of production. Specifically, it emphasizes the tradition of Marx where the stratification in society is seen as a result not only of the established ways of organizing economic production but also of class struggle. It is from this background that they started to investigate the elements of resistance that emerge along with domination.

The approach acknowledges the presence of stable global structures that condition the possibilities left to the Latin American countries. Such dependency producing structures are "founded on social asymmetries and on exploitative types of social organization."⁵⁴ To stress, however,

⁴⁹ It will be of interest to note, however, that Cardoso pursued a policy of integrating his country into the dynamics of global capitalism when he was President of Brazil.

⁵⁰ Cardoso and Falleto criticize a development based on a dualist view of society on two grounds: "On the one hand, the concepts of 'traditional' and 'modern' are neither broad enough to cover all existing social situations nor specific enough to distinguish the structures that define the ways of life of different societies. On the other hand, these concepts do not show how the different economic stages (for example, underdevelopment or development through exports or through import substitution, etc.) are linked to various types of social structures that are attributed to 'traditional' and 'modern societies'." Fernando Henrique Cardoso and Enzo Falleto, *Dependency and Development in Latin America*, trans., Marjory Mattingly Urquidí (Berkeley: University of California, 1979), 9-10.

⁵¹ *Ibid.*, viii.

⁵² *Ibid.*, ix.

⁵³ *Ibid.*, x.

⁵⁴ *Ibid.*

only self-perpetuating structures give the impression that dependency is permanent and causes perpetual underdevelopment. But this one-sided approach neglects the dynamics of society. So the authors set for themselves the task to study “the mechanisms of self-perpetuation and the possibilities for change”⁵⁵ emerging from within these structures.

Changes in these structures arise due to the intervention, resistance or collaboration of different social movements and/or social classes to the prevailing status quo and the imposition of its ideologies on them. In the case of resistance, new organizational forms and political possibilities are explored. “In this process, subordinated social groups and classes, as well as dominated countries, try to counter-attack dominant interests that sustain structures of domination.”⁵⁶ Changes are possible then despite structural determination. An alternative history can be forged.

The historical-structural approach of Cardoso and Faletto sees history as open-ended. They refuse to codify their method of analysis into a theory of dependency. Dependency is more a way of analyzing concrete manifestations of underdevelopment (and the reactions to it) than a formal theory that attempts a universalizing explanation for underdevelopment. To this criticism of universal explanation schemes we now turn. Cardoso and Faletto are well known for the thesis that goes as follows. “We do not see dependency and imperialism as external and internal sides of a single coin, with the internal aspects reduced to the condition of ‘epiphenomenal’.”⁵⁷ This text represents their core view regarding structural dependency.⁵⁸ They maintain that in a mechanistic view of history, Latin American countries have always been portrayed as passive actors vis-a-vis the capitalist West. This view upholds that changes in the capitalist centers bring about significant and cascading effects on peripheral Latin American economies. The

⁵⁵ *Ibid.*, xi.

⁵⁶ *Ibid.*

⁵⁷ *Ibid.*, xv. This view departs from the major thesis of Frank in his foundational work. If we recall, Frank sees imperialism and dependency or development and underdevelopment as two sides of the same coin. This means that development of the center automatically means the underdevelopment of the periphery. Cardoso, however, sees external domination reappearing in the internal (clashing) activities and practices of social movements and social classes with their corresponding ideologies.

⁵⁸ *Ibid.*, xx, “From the economic point of view a system is dependent when the accumulation and expansion of capital cannot find its essential dynamic component inside the system.”

paradigms to measure “historical landmarks of peripheral countries”⁵⁹ (as for example mercantilism, free enterprise and free competition, monopoly capitalism, etc) are based on the stages of development the capitalist West has undergone. This view is simplistic and erroneous for it does not take into consideration “social struggles and the particular relations (economic, social and political) that give momentum to specific dominated societies.”⁶⁰ For them, the historical concreteness evaporates from such an over sweeping view of history.⁶¹

The stress here is laid on the particular histories of every nation. More important is the emphasis on both the external and internal determinants that come with dependency. Both of them form a complex whole. Situations of dependency are not only due to “external forms of exploitation and coercion but are rooted in coincidences of interests between local dominant classes and international ones, and on the other side, are challenged by the local dominated groups and classes.”⁶² The internal factor then is not just an appendix to the external factor. The analysis of structural dependency involves an appreciation of this double dialectical movement on the level of “the interrelationships of classes and nation-states, at the level of the international scene as well as at the level internal to each country.”⁶³ This entails a study of both their alliances as well as their enmities. Although internal dependency implies “a situation that structurally entails a link with the outside,”⁶⁴ it has its own relative autonomy.⁶⁵ The internal aspect gives individual character to the development of every country. It is only in understanding the specificity of this dialectical movement that one can speak of the particular social, political and economic processes in the dependent countries.

⁵⁹ *Ibid.*

⁶⁰ *Ibid.*

⁶¹ *Ibid.*

⁶² *Ibid.*, xvi. See *idem.*, xvii, “The very existence of an economic ‘periphery’ cannot be understood without reference to the economic drive of advanced capitalist economies, which were responsible for the formation of a capitalist periphery and for the integration of traditional non-capitalist economies into the world market. Yet, the expansion of capitalism in Bolivia, and Venezuela, in Mexico or Peru, in Brazil and Argentina, in spite of having been submitted to the same global dynamics of international capitalism, did not have the same history or consequences.”

⁶³ *Ibid.*, xviii.

⁶⁴ *Ibid.*, 22.

⁶⁵ *Ibid.*, 174.

Three Forms of Dependency

Historically, dependence in Latin America began with the expansion of the capitalist countries in the sixteenth century. In the history of Latin American countries, three basic situations of dependency occurred. Prior to what Cardoso and Falleto call the new form of dependency that we presently have, two other situations of dependency came into existence. One form relied on a productive system that was nationally controlled while the other was caused by enclave economies.

In nationally controlled economies, capital accumulation comes about through the local bourgeoisie's utilization of the labor force that produces staples and food products. It relies however, on the foreign market for its product. Enclave economies, meanwhile, depend on foreign capital that is invested in the local economies. Part of this external source of capital is transformed into wages and taxes. Most part goes to the labor force that is hired to produce stable goods (raw materials) directed to the external market. Such a movement allows the foreign invested capital to accrue.

The new form of dependency assumes a form of a dependent industrializing economy. The main agent here is multi-national corporation. What differentiates industrial economy from an enclave economy is the market for its products. The latter sells them to external market while the former sells a significant part of it to the internal market. Multinational corporations based in the periphery produce for their specific local market. These economies assume different forms of dependence depending on their interaction with the socio-political context.⁶⁶

Capitalism is a world-system that has integrated almost all existing national economic systems into its ambit. Some refer to this integration as interdependency where particular economies play different roles in this game. Cardoso and Falleto point out that the roles are so asymmetrical that the part played by the center overwhelms the role played by the periphery causing it to just self-efface. Put differently, the capitalist structure is built on a definite structure of relations of domination. The core-periphery concept

⁶⁶ *Ibid.*, xx.

captures exactly “the idea of unequal positions and functions within the same structure of over all production.”⁶⁷ What makes underdevelopment possible is this exploitative relationship. The historical specificity of the situation of underdevelopment, argue these authors, is derived from the relation between “peripheral” and “central societies”.⁶⁸ The capitalism that exists in the core is therefore not the same as that which exists in the dependent capitalistic economies.

Our authors tell us that the capitalist system brings a certain degree of development even to dependent capitalistic economies. By saying this, they react to two things, namely, (1) that capitalism simply dooms these countries to under-development, a view which, for instance, Frank espouses; and (2) that it solves all problems of society (the view of structuralist-functionalists). Capitalist development in this context means:

... the progress of productive forces, mainly through the import of technology, capital accumulation, penetration of local economies by foreign enterprises, increasing numbers of wage-earning groups, and intensification of social division of labor.⁶⁹

In the final analysis, however a dependent/associated capitalist development does not bring about a more egalitarian and just society. “These are not consequences expected from capitalist development, especially in peripheral countries.”⁷⁰ The way out is the path towards socialism.

To conclude this section, a short summary conclusion is provided: The dependency theory stems from the Latin American experience of structural underdevelopment brought about by its dependence on world capitalism. Dependency has both an external and internal aspect. The external aspect manifests itself in the international division of labor into which Latin American countries find themselves assimilated. The external structure of the world economy reveals that development and underdevelopment are not different stages or states of a productive system; instead they are *functions or positions* within this worldwide capitalist production system. The inter-

⁶⁷ *Ibid.*, 18.

⁶⁸ *Ibid.*, 16.

⁶⁹ *Ibid.*, xxiv.

⁷⁰ *Ibid.*, xxiii.

nal aspect reveals itself in the class struggle that goes hand in hand with dependency. Crucial to note here is the relative autonomy of this internal aspect from the external one. Dependency theory rejects a linear view of historical development and a dualist conception of society. It insists on the need to study both the historical and structural terms of each particular dependency situation. Finally, it provides an analysis that goes beyond merely economic ones. This is especially obvious in Cardoso and Falleto who recommend that economic analysis be complemented by a political (which includes ideological and cultural) analysis of dependency.

The Appropriation of Dependency Theory in Liberation Theology

Liberation theology attempts to give a systematic expression to the growing self-awareness of the dominated groups in Latin America. Its starting point is “not detached reflection on Scripture and tradition but the present life of the shanty towns and land struggles, and the lack of basic amenities, the carelessness about the welfare of human persons, the death squads and the shattered lives of refugees.”⁷¹ Liberation theology seeks to understand and articulate the pain, groaning and sufferings of those at the underside of history. To do this however, it needs a language or a “particular scientific discourse as a mediation for the construction of its reflection.”⁷²

While liberation theology was crystallizing its reflection in the 1960s, the dependency theory was making headway in the social sciences on the Latin American scene. Its tool of analysis was gaining ground and reaping the respect of social scientists. The dependency theory was the first systematic and scientific attempt to articulate the Latin American experience of domination.⁷³ The dependency theory’s popularity was not only limited to

⁷¹ Christopher Rowland, “Introduction: The Theology of Liberation,” in Christopher Rowland, ed., *Cambridge Companion to Liberation Theology* (Cambridge: Cambridge University Press, 1999), 2.

⁷² Enrique Dussel, “Theology of Liberation and Marxism,” in Ignacio Ellacuria and Jon Sobrino, eds., *Mysterium Liberationis: Fundamental Concepts of Liberation Theology* (Maryknoll: Orbis, 1993), 85.

⁷³ Both liberation theology and theory of dependency are disciplines that broke with their respective traditions. See Victor Westhelle, “Dependency Theory: Some Implications for Liberation Theology,” *Dialog: A Journal of Theology* 20 (Fall, 1981): 293.

social scientists but it also spread among progressive theologians and ordinary pastoral workers.⁷⁴ The version of theory of dependency that diffused into the grassroots level was a more simplified version of the original theory due to its mode of dissemination, i.e., by word-of-mouth.⁷⁵

Liberation theology in its first elaboration in the 1960's borrowed the language of the theory of dependency. It deemed this the best analytical instrument to explain the nature and characteristics of the structure of oppression in Latin America. Hugo Assmann maintained that it was not a neutral step for liberation theology to opt for the dependency theory as its tool of analysis. This entailed a choice for a particular ethical and political stance. The dependency theory is not an uninvolved social science. It is a committed social science that makes the theme of Latin American dependence its central focus. "This situation of dependence is the basic starting point for the process of liberation. On the theological level, an analysis of dependence has produced the language of the theology of liberation."⁷⁶ In a similar manner, Christian Smith acknowledges the significance of this linkage. He holds that "when dependency theory is removed from liberation theology, something essential in the spirit and logic of that theology is altered."⁷⁷ Arthur McGovern warns us, nonetheless, to be cautious in treating the interrelationship between the two.⁷⁸ It is a fact that dependency theory forms an integral part of the development and message of liberation theology. This should not however be exaggerated. Quite a number of liberation theologians (he gives the names of Jon Sobrino, Juan Luis Segundo,

⁷⁴ See Christian Smith, *The Emergence of Liberation Theology: Radical Religion and Social Movement Theory* (Chicago & London: The University of Chicago Press, 1996), 148. Smith interviewed Pablo Richard on 24 June 1998 in San Jose, Costa Rica.

⁷⁵ *Ibid.*, 147. Smith interviewed Phillip Berryman on 29 December 1997 in Philadelphia.

⁷⁶ Hugo Assmann, *Theology for a Nomad Church*, trans. Paul Burns, intro., Frederick Herzog (Maryknoll: Orbis, 1976), 130.

⁷⁷ Smith, *The Emergence of Liberation Theology*, 230.

⁷⁸ McGovern is one of the first to investigate the relationship and use of the dependency theory in liberation theology. We will be guided by this pioneering work in our exposition. Our development of this theme, however, may be different from his work. See Arthur F. McGovern, *Liberation Theology and Its Critics: Toward an Assessment* (Maryknoll: Orbis, 1989); "Latin America and 'Dependency' Theory," in Michael Novak, ed., *Liberation Theology and the Liberal Society* (Washington D.C.: American Enterprise Institute for Public Policy Research, 1987), 113-114; See also his "Dependency Theory, Marxist Analysis, and Liberation Theology," in Marc Ellis and Otto Maduro, eds., *The Future of Liberation Theology: Essays in Honor of Gustavo Gutiérrez* (Maryknoll: Orbis, 1989), 279-286.

Segundo Galilea) make little or no reference at all to the dependency theory. Nevertheless, he himself believes that it is important to investigate their linkages. This statement gives us a further justification and impetus to delve into their interrelationship.

Dependency Theory and the Method of Liberation Theology

The use of the dependency theory in liberation theology can be situated within the overall theological methodology of liberation theology. Clodovis Boff provides the basic schema of this method.⁷⁹ It is made up of three interrelated mediations, namely, the socio-analytic mediation, the hermeneutic mediation and the practical mediation. By the word mediation, Boff refers to the “means or instruments of theological constructions.”⁸⁰

The socio-analytic mediation comprehends the structural causes of material poverty in society. It relies on the scientific tools of the social sciences for a critical understanding of the situation of the poor. Once understood at the socio-analytic level, we enter the proper sphere of theological discourse, i.e., hermeneutic mediation. The second moment reads the situation of poverty in the light of faith (word of God). The question that one asks here concerns the will of God regarding the destitute of this world. The second moment leads to a third, namely the practical mediation. Inspired by the word of God, one pursues liberative activities aiming at emancipating the poor from their poverty.

Within these three-fold moments/movements, we locate the use of the dependency theory in the first moment of theological construction. Gustavo Gutiérrez and Leonardo Boff follow this basic schema in their theologizing. We will now dwell on their use of the dependency theory.⁸¹

⁷⁹ Clodovis Boff, “Methodology of the Theology of Liberation,” in John Sobrino and Ignacio Ellacuría, eds., *Systematic Theology: Perspective From Liberation Theology* (London: SCM Press, 1996), 11-21..

⁸⁰ *Ibid.*, 11.

⁸¹ See also the works of Hugo Assmann, *Theology for a Nomad Church*, trans. Paul Burns, intro., Frederick Herzog (Maryknoll: Orbis, 1976); José Míguez Bonino, *Revolutionary Theology Comes of Age* (London: SPCK, 1975), chapter II.

Gustavo Gutierrez and Dependency Theory

Gustavo Gutiérrez is the founding father of liberation theology. Leonardo Boff, another forerunner of liberation theology, calls Gutiérrez “a creator of an epistemological break” in theological reflection.⁸² Hence, he puts Gutiérrez in the ranks of philosophical and theological luminaries like Descartes, Kant, Hegel, Thomas Aquinas, Luther, Bultmann and Rahner. Gutiérrez’s first main *oeuvre*, *A Theology of Liberation* (1971: Spanish Edition) was the initial systematic attempt to crystallize the intuitions on liberation theology. Thus, many scholars consider his work a classic in the literature on liberation theology. His contribution lies not so much in the new content he brings to theology as in his *new way of doing theology*. He proposed a theology that reflects critically, in the light of faith and revelation, on historical action in the hope of bringing about transformation in the world.⁸³ In his theology, the social sciences play a crucial role.

For Gutiérrez, dependence and liberation are correlative terms.⁸⁴ To be aware of one’s situation of dependence is to attempt liberation from it. Participation in the process of liberation means also the awareness of the dynamics and depth of the situation of dependence. This leads one to combat it in order to usher in a more just and humane society. An attempt at any social transformation starts from a critical analysis of the situation. Here the dependency theory is helpful.

In *A Theology of Liberation*, Gutiérrez speaks about a new awareness of the Latin American reality brought about by the theory of dependence. “After a long period of real ignorance of its own reality...Latin America is now progressing from a partial and anecdotal understanding of its situation to a more complete and structural one.”⁸⁵ The historical perspective of this theory brings to light the root causes of the situation of poverty and under-

⁸² See Leonardo Boff, “The Originality of the Theology of Liberation,” in Marc Ellis and Otto Maduro, eds., *The Future of Liberation Theology: Essays in Honor of Gustavo Gutiérrez* (Maryknoll: Orbis, 1989), 47.

⁸³ Gutiérrez defines theology as “a critical reflection on Christian praxis in the light of the Word.” See Gustavo Gutiérrez, *A Theology of Liberation: History, Politics and Salvation*, trans., Sister Caridad Inda and John Eagleson (Maryknoll: Orbis, 1973), 13. Originally published as *Teología de la Liberación, Perspectivas* (Lima: CEP, 1971).

⁸⁴ See Gutiérrez, *A Theology of Liberation*, 81.

⁸⁵ *Ibid.*

development. It comprehends the structural reasons behind the failure of the developmental models that have been imposed on Latin America.

A correct reading of the Latin American reality, he maintains, must start from an analysis of this dependency. “The notion of dependence emerges therefore as a key element in the interpretation of the Latin American reality.”⁸⁶ Gutiérrez adopts Cardoso’s and Falleto’s definition of dependence which stresses both the external and internal dynamics of dependency. “Thus the theory of dependence will take the wrong path and lead to deception if the analysis is not put within the framework of the worldwide class struggle.”⁸⁷

The sharpened awareness of the Latin American reality brought about by the dependency theory gave rise to the realization that there could be no authentic development in Latin America within the framework of capitalist development. This realization also brings with it a renewed hope for liberation from this kind of overpowering system. Thus, the idea of development (*desarrollo*) that used to embody the dreams and hopes of poor people for a more humane society is illusory. It has become developmentalism (*desarrollismo*), a pejorative term signifying its failure. Today, the idea of liberation captures the aspirations of poor people.⁸⁸

Liberation as a concept implies a radical break from the status quo. It involves “a profound transformation of the private property system, access to power of the exploited class and a social revolution”⁸⁹ that would culminate in a socialist society. In short, the process of liberation will break the cycle of capitalist dependence and lead to socialism. Just like dependency theory then, Gutiérrez prefers a more socialist inspired society understood, however, not in a monolithic sense. He advocates a socialism that is responsive to the Latin American context: an autochthonous socialism similar to what Carlos Mariátegui began.⁹⁰ Implicit in this process of liberation is the recognition of the significant role played by the oppressed in charting its destiny. Liberation implies not only socio-economic and political

⁸⁶ *Ibid.*, 85.

⁸⁷ *Ibid.*, 87.

⁸⁸ Gutiérrez, *A Theology of Liberation*, 27. *Idem.*, 25-37.

⁸⁹ *Ibid.*, 26.

⁹⁰ *Ibid.*, 90.

liberation. More than this, it involves “in a deeper sense, to see the becoming of mankind as a process of the emancipation of man in history.”⁹¹ In short, the poor have to become the artisans of their own history.

The theme of the poor as the forgers of their own history gets a fuller exposition in his book, *The Power of the Poor in History* (1979: Spanish Edition). Here he sets out to underscore a theology that starts from the perspective of the *non-person*.⁹² The question of liberation theology is how “to tell a non-person that he or she is God’s child.”⁹³ This is the overarching theme of the book. It is in this context that his discussion of the dependency theory comes in again.

In this book, Gutiérrez repeats much of what he had said in his first work, this time, however, he places more emphasis on the new character of contemporary dependence.⁹⁴ Through dependency theory which is a study based “on the most rigorous scientific exactitude,”⁹⁵ the poor are able to comprehend the structural cause of their misery and oppression such that they seek not to have short term reformist palliatives brought about by developmentalism but a liberation through social revolution.⁹⁶ Gutiérrez therefore sees this theory in a very positive light, that is, for him it is a blessing in spite of its gaps and shortcomings.⁹⁷

Still echoing the views of Cardoso and Falleto, he argues that dependence ‘rhetoric’ is not only about the constraints imposed by the international division of labor on the periphery but also about the class struggles that come with it.⁹⁸

The two books of Gutiérrez which we mentioned above generated a lot of discussion in the Church especially his *A Theology of Liberation*. One

⁹¹ *Ibid.*, 91.

⁹² Gustavo Gutiérrez, *The Power of the Poor in History: Selected Writings*, trans., Robert Barr (London: SCM, 1983), 57. Originally published as *La Fuerza Histórica De los Pobres* (Lima, Peru: Centro de Estudios y Publicaciones, 1979).

⁹³ “The progressive theology of the West starts with a different question, that is, “How can one proclaim God in a world become adult, a world grown up, a world come of age?”, *ibid.*

⁹⁴ *Ibid.*, 83-85; 186-187.

⁹⁵ *Ibid.*, 45.

⁹⁶ *Ibid.*, 191.

⁹⁷ *Ibid.*, 78.⁹⁸ *Ibid.*, 45-46.

of the hottest issues raised was his use of critical social sciences in his theologizing.⁹⁹ Gutiérrez spelled out his position in a much publicized article, *Teología y ciencias sociales* (Theology and the Social Sciences) which came out in 1984.¹⁰⁰ Here he seeks to disprove the allegation that the use of Marxist elements in liberation theology necessarily means an all out identification with Marxist analysis. In this article, he briefly deals with the theory of dependency.

Gutiérrez contends that the theory of dependency itself disproves the accusation of Marxist identification. The theory of dependency is a Latin American creation and is advocated by social scientists who do not even regard themselves as Marxists. Moreover, this theory has been strongly criticized by staunch supporters of Marxism. Defending (his use of) Fernando Henrique Cardoso, who according to him is the most important representative of the theory of dependency, he holds that Cardoso has a “theoretical posture that is worlds removed from that of Marx.”¹⁰¹ The theory of dependency may have assimilated elements of Marxism but it cannot simply be “reduced to the Marxist version.”¹⁰² This distinction should be clearly demarcated. For him, dependency theory has been largely beneficial in comprehending the Latin American reality. This does not, however, mean a permanent commitment to it.

In an essay penned for the fifteenth Anniversary edition of his *A Theology of Liberation* (Orbis Books, 1988), he seems to demonstrate a sort of break from a permanent commitment to the theory of dependency. According to him, the present world has become far more complex. When he first wrote *A Theology of Liberation*, he understood poverty merely in its social and economic aspects. But now he is more cognizant of the fact that the world of the poor is a highly complex universe “in which the socio-economic aspect is basic but not all-inclusive.”¹⁰³ Nowadays, people are

⁹⁹ See the Vatican's 1984 instruction on liberation theology. Here the focus of accusation is liberation theology's uncritical use of the critical social sciences especially that of Marxism. Presumably, some forms of liberation theology easily incorporate Marxism and its ideology (atheism, materialism, violence, class struggle, etc.) into its theologizing.

¹⁰⁰ This article is reprinted in Gustavo Gutiérrez, *The Truth Shall Make You Free: Confrontations*, trans., Matthew J. O'Connell (Maryknoll: Orbis, 1990), 53-84.

¹⁰¹ *Ibid.*, 61.

¹⁰² *Ibid.*

¹⁰³ Gustavo Gutiérrez, “Introduction to the Revised Edition: Expanding the View:” in Gustavo Gutiérrez, *A Theology of Liberation, 15th Anniversary Edition* (Maryknoll: Orbis, 1988), xxi.

more sensitive and aware of racial, gender, religious and cultural issues. “Attention to cultural factors will help us to enter into mentalities and basic attitudes that explain important aspects of the reality with which we are faced. The economic dimension itself will take on a new character once we see things from the cultural point of view; the converse will also certainly be true.”¹⁰⁴ In so doing we arrive at “the deepest causes of the situation for this is what it means to be truly radical.”¹⁰⁵ This requires more attuned and refined tools of analysis. While the socio-economic dimension is very important we must however go beyond it.¹⁰⁶ Hence, he departs from speaking of the dependency theory as a rigorous scientific study. Now, the stress is on the provisional and transitory nature of the theory of dependency.

Leonardo Boff and Dependency Theory

Leonardo Boff is another pioneering father of liberation theology. His works reflect his deep commitment to the struggles of the marginalized people of his country. His reflection on God’s Word summons him to “take effective action that will help people to get beyond a situation offensive to God and their fellows.”¹⁰⁷ We found Boff’s explicit reference to the theory of dependence in his work *Liberating Grace*. In this work, his discussion on grace and disgrace forms the overarching background to his use of the dependency theory. Boff pleads for a unitary reading of reality.¹⁰⁸ Reality is one, he says. Grace and dis-grace are dimensions of this one reality. “The reality of Latin America brings out clearly the simultaneous experience of grace and dis-grace.”¹⁰⁹ Stated differently, liberation-oppression/salvation-damnation intersect in reality. The situations of dependence and underdevelopment are definitely manifestations of a dis-graced reality. It is not, however, the final word. God’s grace erupts even in such a debilitating situation.¹¹⁰

¹⁰⁴ *Ibid.*, xxiv-xxv.

¹⁰⁵ *Ibid.*, xxv.

¹⁰⁶ *Ibid.*, xxiv.

¹⁰⁷ Leonardo Boff, *Liberating Grace*, trans., John Drury (Maryknoll: Orbis, Second Printing, 1981), 80.

¹⁰⁸ Boff claims that both sociological and theological reading of Latin American reality complement each other. They do not explain different realities but rather point to the same reality of oppression and poverty. *Ibid.*, 79-80.

¹⁰⁹ *Ibid.*, 83.

¹¹⁰ *Ibid.*, 86.

The theory of dependency functions to identify a dis-graced situation. In Latin America, it is the “first serious sociological attempt to ponder the situation from the standpoint of the periphery.”¹¹¹ Boff’s theological reflection starts from the analysis and findings of the theory of dependence.¹¹² His reflection begins from a perspective of one who belongs to the periphery of the capitalist system. It is not a neutral reading because it rejects the status quo. It is therefore a critical and rebellious act borne out of a close understanding of the dynamics of society provided by the theory of dependency. Boff considers positively the theory of dependency for it “offers a good diagnosis of the structure of underdevelopment.”¹¹³ According to its analysis, underdevelopment comes as a result of the development of industrial capitalism. The scientifically and technologically advanced countries in the center (the seat of power) create peripheries to reinforce their superiority. “In the latter it fosters dependence, economic stagnation, social imbalances, and political tensions from which there is no internal way out.”¹¹⁴ Dependence is further enhanced by the unequal trade exchange that exists between the core and periphery. Moreover, the periphery becomes a satellite to the center. “This [center] structures all the manifestations of life, preventing the satellite countries from finding their own road to national autonomy and self-help.”¹¹⁵ This exploitative relationship brings development to the capitalist center and underdevelopment to the periphery. Here, Boff uses the strong formulation of Frank that “development and underdevelopment are two sides of the same coin.”¹¹⁶ Theologically speaking, this situation of dependence is the embodiment of sin and injustice. Boff considers Latin America a dependent country since its birth. Early on in its life, Latin America has been in the hands of one colonial power to another. This is a view similar to Frank’s.

Boff speaks a lot about the significance of cultural dependence. He argues that the center’s ideology and cultural forms have virtually condi-

¹¹¹ *Ibid.*, 76.

¹¹² Boff maintains that his theological reading is mediated by a cultural reading of society. By cultural reading, he means the critical readings of sociology, economics and political science. *Ibid.*, 65-66.

¹¹³ *Ibid.*, 66.

¹¹⁴ *Ibid.*

¹¹⁵ *Ibid.*

¹¹⁶ It is quite curious that Boff does not refer to Frank in anyway in his footnotes. We only see the names of Cardoso and Falleto.

tioned every facet of the periphery's life such that it has become totally alien to its own identity. Accordingly, "[t]hese centers would determine what we are to think, what we are to learn, what we are to produce, how we are to produce, what the social relations of production are to be and how the international division of labor is to be organized."¹¹⁷ This gives the impression that peripheral countries simply act mechanically to stimuli from the center.¹¹⁸ This is another Frankian language.

The system of dependence is a global process that has three dialectical axes: economic dependence (as structural cause of underdevelopment), socio-cultural dependence (the cultural monopoly and expansion of the center to the periphery and the imposition of capitalist ideology such as consumerism) and political dependence (connivance between the center's elite with the local elite). Boff also launches an attack on colonial/dependent Christianity when he argues, "Latin America has been the only colonial Christian regime in history and that it bears all the hallmarks of colonialism."¹¹⁹ Western Christianity gave legitimation to the capitalist expansionist ideology of the West. It is in this context that it is "*a companion and an accomplice in the process of domination.*"¹²⁰ There is however, a flip side to this alliance of the Church with the colonialists. In the history of Latin America, there have always been valiant advocates of liberation in the Catholic Church. Famous among them were Las Casas, Vieira, Camilo Torres and Dom Helder Camara.

Boff treasures the analysis provided by the theory of dependence a lot. But as a theory it has its own limitations.¹²¹ As he puts it, "[i]t is only a theory, not an established truth. It is one stage in an ongoing investigation and it has its own intrinsic limitations."¹²² Here one can see again an opening for the further enrichment of the theory.

¹¹⁷ Ibid., 68.

¹¹⁸ Boff speaks also of the need to consider the internal dimension of dependence. While this is the case, we get the impression that internal dependence is somewhat secondary in his discussion.

¹¹⁹ Boff, *Liberating Grace*, 72.

¹²⁰ Ibid., 73.

¹²¹ See his three-fold criticism of dependency theory, *ibid.*, 77-87.

¹²² Ibid., 66.

Conclusion

The theory of dependency forms a constitutive part in the early development of liberation theology. We saw this in Gutiérrez and Boff. Both of them used the dependency theory as an integral part of their theologizing. Both of them saw the theory's power to explain the structural causes of poverty and underdevelopment in Latin America. Concisely stated, the theory of dependency became an instrument or tool used to read the socio-political realities of Latin America (their inhuman situation). "However, they go on to point out the biblical and theological resonance of the term 'liberation.'"¹²³ Here lies the qualification they give to their heuristic use of dependency theory. Gutiérrez and Boff also admit the limitation of this theory.

The world today is significantly different from the world liberation theology met in the 60s and 70s. Our present situation is considered more complex and is characterized as a global village. In globalization, for instance, the old cosmopolitan centers - the so-called 'core' in dependency theory - do not seem to exercise economic-cultural control as different voices from the peripheries also get a hearing and create some decisive impact, thanks to improved technology. Though capitalism still remains the dominant discourse, its dynamics and processes metamorphose into more complex - sometimes interpreted as more benign, other times, more insidious - ways. In other words, dependency theory had done theology the service of critiquing structural functionalist approaches to development. In this contemporary context, we can ask if a more adequate tool of analysis is urgently needed to articulate the theological intuitions for our own times.

¹²³ Phillip Berryman, *Liberation Theology: Essential Facts about the Revolutionary Movement in Latin America and Beyond* (New York: Pantheon Books, 1987), 26.

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