**International Inequalities: A Systemic Approach**

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Course

Due Date

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International inequalities in the form of economic underdevelopment and wealth inequities have increased in the modern era. Lenin blamed modern capitalism arguing that advanced economies were behaving like colonial oppressors by using financial strangulation techniques such as overwhelming underdeveloped countries with expensive debt. However, the disparity between major and minor regions of the world economy would become significant in later imperialist theories. Marxists advanced classical theories which recognized the role of capitalism in creating new territories that were subject to exploitation. Marx proposed that the leaders of these regions make contact with the West to enable their societies to enjoy social and material progress. Neo-Marxist scholars disputed this proposition in their explanations of world inequalities and development. While the Marxists regarded class revolution as the main ingredient of global economic transformation, neo-Marxists argued that national struggle was a superior strategy.

Among the first major principles that attempted to remodel capitalist industrialization to make it efficient was Trotsky’s principle of combined and uneven development. Trotsky claimed that a class revolution might erupt in capitalistic economies as the underdeveloped world transformed into socialism (Murphy, 1983). At the end of the colonial era, neo-Marxists held that the gap between the upper and lower echelons of society would widen as a result of the capitalist world system. This was a critique of existing Marxist accounts of capitalism. Neo-Marxists presented a systemic theory where they analyzed classical Marxist objects such as modes of production and class antagonism and represented the world economy as a system of economic inequality. The industrial giants no longer represented the interests of weaker societies. This class was the principal beneficiary of a world system of dependency in which weaker societies had no voice. This paper discusses classical Marxism and neo-Marxist proponents and the dependency theory in their approach to international relations.

**Marxism and Neo-Marxism as an approach to economic inequalities**

Marxists believed that peripheral economies would develop if they contacted the West. Neo-Marxists argued that peripheral societies should withdraw from the world economic system if they desire to develop as a state. Marxism was considered the orthodox international theory. Marxist theories were traditionally preoccupied with power and overlooked the dimensions of world inequality and poverty (Kay, 1982). Marxism, as a classical perspective, focused on strategic relations between nations, and these encouraged the emergence of structuralist approaches to international relations that examined the relationship between the stratified global economic system, the state, and its social classes.

Societies in regions with high economic development enjoyed stronger social integration as they had resources to resist external influences. Societies in underdeveloped areas experienced high fragmentation and were vulnerable to external economic influences and direct interference in their national politics. The world economy is determined by the dominant states that come together to ensure wealth is unequally distributed within the modern world system. The study of international relations had to consider the expanding influence of neo-Marxist theories of development, which encouraged the distribution of wealth and power to poorer states (Gerschenkron, 2015). Some proponents of critical social theories questioned if Marxists and neo-Marxists considered reducing the gap in the strategic competition of resources between states.

**Power, order and inequality: Realism vs rationalism**

The classical theory of realism regards inequality as an eventuality as long as nations want to maintain their place in the international economic order (Corbridge, 1986). Classical theorists argue that inequality contributes to tranquility as there are fewer strategic actors in the economic system. Classical theorists believe that if all the states were equally powerful, international order and stability would be undermined. An example of a classical theorist is Robert Tucker who warned the West against complying with the demands of Third World countries. Third World countries sent their diplomatic representative to lobby for a major redistribution of wealth and power. Tucker was aware that some American politicians held the conviction that it was morally upright to transfer the wealth, especially to compensate the former colonies that were exploited and suffered under colonialists. Tucker responded that such demands were advanced by the state on their behalf rather than on behalf of its citizens. In Tucker’s view, the growth of equality among states would deepen the inequality among citizens (Eisenstadt, 1978).

If the international hierarchy of power was distorted, the international order would collapse in the long term. Tucker concluded that America and other world powers who acted as the guardians of the international system should preserve their wealth and power as any attempt to promote equality between states would lead to anarchy (Hymer& Cohen, 1987). Tucker’s argument reminded international relations scholars that some regimes were disingenuous about their commitment to social justice. The major question that Tucker posed to the Left was whether inequality could be eliminated in societies that were perpetually competing and had distrust between them. This argument by Tucker overlooks the fact that the current levels of inequality pose a threat to international order.

Neo-Marxist proponents suggested that a rationalist approach would neutralize the harmful effects of international inequality. Rationalists argue that the Third World should align their diplomatic goals to validate their claims when advocating for reforms in international economics. International order can only be preserved if wealth inequality is reduced at both the national and international levels. Rationalism embraces the need to include society in the system of states. The lowest classes of the society should be recognized in the political sphere. In conclusion, rationalism is superior to realism when discussing approaches to international relations.

Rationalists argue that Third World states surrender their sovereignty in exchange for economic aid. This leads to anarchy and constraints on the transfer of wealth. Rationalism and realism fail to consider the dynamics of modes of production (Chase-Dunn, 1982). Politics in privileged societies is increasingly inclined towards resistance to the distribution of power and wealth. The realists extend Marxist beliefs and argue that international inequalities can only be reduced if the connection between nations with superior economic and military abilities weakens. Rationalism indicates that the reduction of inequality in the international system requires that all nations should be equal. All three theories, realism, rationalism, and Marxism fail to analyze the relationship between the state, methods of production, and the internal economy in explaining wealth distribution.

**The dependency theory**

Neo-Marxism was a response to the liberal modernization claims that were advanced during the Cold War era. A liberal view was that different societies developed independently of each other along the same path but at different paces and starting points (Yalvac, 2010). The developing nations would eventually enjoy First World privileges of political modernization and exponential growth of their economies. The developing nations can import technologies, economic policies, and cultural traditions that help the West to be successful. The liberal modernization theory served to instill hope in the newly independent nations of the 1950s and 1960s. Dependency theorists were the first major critics of the liberal view.

Dependency theorists analyzed capitalism as it was essential to understand how a capitalist system affects economic and political developments according to the locations of the society (Linklater, 1990). The economies of the West grew on the backs of slaves and the exploitation of natural resources and other raw materials in relatively backward regions. Colonialist structures put up by the West frustrated the economic development and social organization of indigenous societies. Liberalists argued that colonialists modernized these regions but failed to acknowledge that indigenous societies remained underdeveloped. The claim that development would occur if colonialized societies emulated their masters failed to recognize the main reason for the societal backwardness. These societies would only enjoy autonomous developments in their economics and politics if they stopped depending on the global capitalist system.

Dependency theorists criticized Marxism. Marxists assumed that a global capitalist economy would modernize peripheral societies when the West formed alliances with the periphery and injected foreign capital to improve the economic outcome of the periphery. Andre Frank critiqued the traditional Marxist theories. In his dispute, Frank argued that the dominant states in the West conspired to ensure the periphery remained dependent within the world system. Frank also disputed the Marxist propositions that economic modernization may occur when nations emulate the West. Historically, the West continued to entrench dependency patterns using different strategies. The West had no motive of revolutionizing the forces of production to increase the economic and political independence of the peripheral societies. Instead, the West encouraged trade whereby the periphery exported raw materials and imported luxurious materials which fulfilled the desires of the local high class. Therefore, the peripheral economy was organized to serve the interests of the few privileged rather than the local majority. In reality, these sectors were the foreign outposts of the West, and the local high class were the representatives of the West and were furthering their economic and political interests.

Frank dismissed the claim that peripheral societies were autonomous in the world system by applying Baran’s concept of monopoly power. Frank explained that the relations between the West and underdeveloped nations were designed to extract the surplus from the periphery and channel it toward the upper echelons of society or the West. Frank likened the metropolitan interests (metropolis referred to as the dominant states in the West) to the tendencies of monopolies. The metropolis wielded monopoly power over the periphery and its function was to ensure products and surplus moved upwards towards the dominant West (Evans, 1979). The peripheral regions continued to suffer in poverty, with declining wealth and income status. The West was the only beneficiary in this web of global relations.

**Conclusion**

Different theories in international relations have set out to explain the formation and development of the economy. Marxist and neo-Marxist theories have failed to adequately account for the increasing international inequality. Both perspectives have failed to organize political principles to challenge the existing world order and form an alternative order. If the dependency theory is to be contended with, strategic decision-making in the global economic and political spheres would be confined to a few advanced countries while the peripheral societies would just serve an imperialist system. The dependency theory best explains the situation in underdeveloped nations. However, this paper notes that the world economy would remain stratified, and power and wealth would remain divided between the dominant states of the West. There is no international relations approach which will ensure wealth and power equality between the West and peripheral societies.

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