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## Mains Practice Questions

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**Q.** What do you understand by neo-colonialism? Do you agree that international institutions have promoted neocolonialism in the garb of promoting growth, stability and peace? (250 words)

07 Oct, 2019 GS Paper 1 History

**Approach:**

- Define neo-colonialism.
- Give arguments both in favour of and against the view that international institutions promote neo-colonialism.
- Suggest a way forward to counter neocolonialism.

**Introduction:**

Neo-colonialism is the term used to define the control of less-developed countries by the developed countries through indirect means such as economic exploitation and promotion of capitalism. The term neocolonialism was first used after World War II to refer to the continuing dependence of former colonies on foreign countries. International institutions are often criticized to promote neo-colonialism in garb of promoting growth, stability and peace.

**Body:**

**Arguments supporting the view that international institutions promote neo-colonialism:**

- **Economic exploitation:** MNCs from developed countries exploit the cheap labour and mineral resources of least developed countries while accruing most of profits themselves.  
Soft loans from international financial institutions like IMF and World Bank put conditions on recipient countries which may be detrimental to their economies.
- **Growing inequality globally:** Free market economic policies promote accumulation of wealth which leads to rising inequalities, particularly in the developing countries.
- **Dependency on developed nations:** Developing nations are dependent on foreign aid by the developed nations. The 'Dependency Theory' of political economy suggests that the developed nations are at the center and the developing nations at the periphery. Those in the periphery are dependent on the centre for their existence.  
Ex: Some African and Asian countries are dependent on the aid from the west.
- **Lack of representation in institutions:** Biases in the functioning of UN Security Council helped promote neo-colonialism. The US intervention in Iraq in 2003 is considered a failure of UNSC and often criticized as western propaganda for promotion of democracy.

## **Arguments against the view that international institutions promote neo-colonialism:**

- **Economic growth in developing countries:** Globalization assisted by international institutions has helped promote faster economic growth in developing countries. The share of BRICS economies in global trade has almost doubled in the last few decades. MNCs assisted in transfer of technology and capital thereby improving human capital in those countries.
- **Giving voice to developing nations:** Institutions like WTO provides a fair opportunity for developing nations to bargain with developed nations mainly due to consensus based decision making.
- **Development assistance:** International financial institutions like World Bank, IMF and NGOs like Bill and Melinda Gates Foundation assist developing countries in poverty alleviation programmes, and other infrastructure development projects.
- **Global peace and security:** NGOs like Amnesty International help in promotion of peace and protection of human rights. Similarly, UN peacekeeping missions are instrumental in restoration of peace in conflict zones.

## **Conclusion:**

Hence, the only possible solution to counter neo colonialism is democratization of institutions of global governance. Also, a humane and fair globalization is needed which is beneficial for the marginalized and the most vulnerable globally.