Interrogating the Controversy Surrounding the North-South Divide

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Abstract

The paper interrogates the controversy surrounding the North-South divide. It examines the concept of Global-North and Global-South, the factors that causes the divide by the North and the South, the consequences of the divide, and strategic measures to mitigate the divide by the North and the South. The paper adopted primary, secondary and multi-dimensional approach of data collection. The discussion was guided by dependency theory propounded by Prebisch, who explained the structuralist stream, and Baran and Frank who explained the Marxist stream. This theory explained the divide between developed and underdeveloped nations characterized by exploitation of the peripheral nations by the Core nations. Descriptive approach was employed to analyze the data qualitatively. The paper observed that the causes of the North-South divide were: historical and structural factors like colonial legacy, economic dependency, and resource exploitation; contemporary and systemic factors like financial and capital limitation, infrastructural deficiency, institutional quality, and exploitative international system. The consequences of the divide were observed as: economic disparity and unequal power dynamics characterized by economic impacts like resource exploitation, unequal trade, technological dependence, limited industrialization, and unequal trade; as well as social impacts like poverty and deprivation, health and education disparity, and brain

drain. The paper suggested that measures to mitigate the consequences of the North-South divide is to strengthen the North-South dialogue by like: restructuring the international economic system to create a new inter-national economic order which has the primary objectives of fostering global justice through reformed trade and aid systems, addressing root causes of instability, and developing policies that enhance skill development and technology transfer to support economic growth in the South

Key words: Global North, Global South, North-South Divide, Developed, Developing

Introduction

Global North and Global South are terms that denote a method of grouping countries based on their defining characteristics with regard to socioeconomics and politics. According to UN Trade and Development, the Global South broadly comprises Africa, Latin America and the Caribbean, Asia, and Oceania, while the global North refers to the developed nations of the world such as the United State of America, Europe, U.K, China, and Japan. The north-south divide showcases global inequality by highlighting stark contrasts in wealth, health, and education between developed and developing countries of the world (Richard, 2017). The North-South problem is a general term signifying various problems relating to the economic and social development of the developing countries, particularly the problems of trade and aid. Key issues that widened the gap between the North and the South before the Civil War were slavery, political conflict over state representation, economic differences, and racial tensions. These issues created deep-seated divisions that ultimately led to the outbreak of the Civil War. A common explanation is that the Civil War was fought over the moral issue of slavery. In fact, it was the economics of slavery and political control of that system that was central to the conflict.

The causes of the north-south divide according to Solarz (2020), in developing countries are rooted in the historical legacy of colonialism and imperialism, which

extracted wealth and resources, leaving former colonies with weak economies reliant on primary production. This historical context is exacerbated by ongoing structural inequalities, including limited capital and technology, poor infrastructure, and exploitative international financial and economic systems. The divide also stems from a historical lack of control over natural resources, a reliance on agricultural exports, and the imposition of external development models that favored the industrializing North.

Contemporarily, the main factors causing the global divide between the North and South according to Johari (2009), are often defined in terms of their differing levels of wealth, economic development, income inequality, democracy, and political and economic freedom, as defined by freedom indices. The paper considered the goal of the developing countries in the North-South dialogue as that of restructuring the international economic system, to create a new inter-national economic order-which has as primary objectives the promotion of their development and what they consider a more equitable distribution of the world's wealth.

The North-South divide's negative impacts on social development in developing countries, countries in the Global South should focus on strengthening their internal economic and political institutions, promoting regional cooperation, and advocating for fair global trade policies that support local value addition (Broak, 2017). The Global North can contribute by providing equitable access to capital and technology, reorienting aid to support local initiatives, fostering truly collaborative research partnerships, and implementing policies that enable the Global South to participate more fully in the global economy and benefit from fair trade practices.

The Dependency Theory

Dependency theory states that underdeveloped countries remain poor because they are dependent on wealthy "core" nations for capital, technology, and markets, which creates an exploitative global system where resources flow from the "periphery" to the "core" at the expense of the periphery. This theory was propounded by Raul Prebisch, who proposed the theory to explain economic underdevelopment in Latin America, and Andre Gunder Frank, who developed the Marxist stream of the theory, arguing that the global capitalist system actively

creates underdevelopment in the periphery. Other important figures are Paul Baran, who further developed a Marxist perspective, and Fernando Henrique Cardoso. This theory was developed in response to modernization theory, which suggests all nations follow a similar path to development, dependency theory argues that this global economic structure itself causes underdevelopment with a core-periphery structure where the global economy is divided into wealthy "core" nations and poor "periphery" nations and characterized by exploitation where periphery nations supply raw materials and cheap labor to the core nations, which transform them into finished goods leading to perpetual underdevelopment. This unequal relationship prevents periphery countries from developing their own productive capacity, as they become dependent on the core for technology and markets and are forced to buy expensive finished products. However, underdevelopment is not stages of development that can be overcome but rather a condition caused by external, historical, and structural factors within the global system. Dependency theory explains the North-South divide by asserting that the developed countries (the "core") maintain their wealth by exploiting developing nations (the "periphery") for cheap raw materials and labor. This unequal relationship, rooted in global capitalism, perpetuates underdevelopment in the South while fostering increasing wealth in the North, creating a cycle of dependency where the "South" is systematically disadvantaged within the global economic system.

Conceptual Clarifications

The North- South Divide

The term North – South does not inherently refer to a geographical South or North. For, example, most of the global South is geographically within Northern hemisphere (Solarz, 2020). According to Chukueke & Orji (2022), the North-South divide means the breach between the rich and poor countries in the world. The breach is not simply in terms of the production or economy systems, it is political as well. Although, the North has a remarkably high level political stability required for economic growth and development, the South has unending political crises, which is detrimental to peace and economic development. Technology is important, productive technology is owned by the North, but countries in the South depend on technology from the North. The North is the core and the South

is the periphery. The core is structurally superior and the South is structurally weak (Akpuru-Aja, 2002).

The North

The North is used to describe the industrialized countries who have considerable geopolitical concentration in the Northern hemisphere (Chukueke & Orji, 2022). The make-up of the North is economic strength. It is an area of plenty and affluence. It is the technology repository of the world. The quality of living is high, the level of literacy is high, the ability to influence the trend of international socio- economic and political orders is equally high (Tandu, Ogon and Tawor, 2017). The North comprises of European countries and Central North America. 85 percent of the world wealth's is controlled by 23 percent of people who live in the North, they are extremely industrious (Akpuru-Aja, 2001).

The South

The South consists of a large portion of non-industrialized and emerging industrialized countries based in the Southern hemisphere (Chukueke & Orji, 2022). The make- up of the South is economic weakness. It is the arena of poverty and underdevelopment. The quality of living is low, the place is impoverished, the economic base is poor, the technological skill is below par (Akpuru-Aja, 2001: Tandu, Ogon and Tawor, 2017). A sizeable number of the world's land mass and practically three continents, Africa, Asia and South America comprise the South. The South produces only 15 percent of Global National Product (GNP) but about 77 percent of world population live in the South, to a great degree they are consuming nations (Akpuru-Aja, 2002). Most of these countries were colonized by the West (Mimiko, 2012).

Factors That Caused the North-South Divide

The causes of the North-South divide is traced to several factors grouped under historical and structural factors, and contemporary and systemic factors

Historical and Structural Factors

Lenin (2021) noted that European powers exploited resources and labor in Africa, Asia, and Latin America, establishing economic structures that served their

interests. This extraction of wealth hindered local development and created persistent inequalities that lasted beyond independence.

Economic Dependency: Developing countries were often left with economies dependent on primary sector exports (like minerals and agricultural products) and reliant on importing manufactured goods from the North.

Resource Exploitation: The colonial system often involved the extraction of precious minerals and metals, with ownership and control over territorial resources lost to colonizers, a pattern that continued post-independence for some.

Contemporary and Systemic Factors

Financial and Capital Limitations: Many developing countries have limited financial capital and struggle with human capital deficiency, lacking the necessary advanced technologies to compete with industrialized nations.

Infrastructure Deficiencies: Inadequate development of crucial infrastructure (such as transportation and communication networks) further hinders economic growth and integration into the global economy.

Institutional Quality: Poor institutional quality and weak governance in some developing nations also contribute to economic stagnation and persistent inequality.

Exploitative International Systems: The global economic system, including the influence of international financial institutions like the World Bank and the IMF, can perpetuate dependency and hinder true development in the Global South (Ambrose, 2021).

Consequences of the Divide

Economic Disparity: The Global North, despite its smaller population, controls a disproportionately large share of global income and manufacturing, while the Global South struggles with poverty and underdevelopment.

Unequal Power Dynamics: The North-South dynamic reflects an imbalance of power where wealthy Northern nations often have significant influence and control over global economic and financial structures. The North-South divide has significantly hindered economic and social development in the Global South by creating and perpetuating a cycle of poverty, dependency, and unequal global power dynamics. It manifests as stark differences in wealth, technological access, and living standards, where the Global North extracts resources and benefits from unequal trade while the Global South suffers from limited infrastructure, brain drain, and inadequate healthcare and education. This systemic inequality, rooted in historical exploitation and maintained through global financial systems and political influence, restricts the ability of developing countries to industrialize, innovate, and meet the basic needs of their populations (Mimiko, 2012).

Economic Impacts

Resource Exploitation: The Global North relies on the Global South for raw materials and labor, leading to the extraction of valuable resources that are used to fuel the North's economy, leaving the South with deficiencies in their own needs.

Unequal Trade: Trade agreements and global financial systems are often structured to benefit wealthier nations, leading to unfavorable exchange rates and the concentration of multinational corporations in the North, thus limiting economic growth in the South. The Global North maintains economic dominance through unequal trade agreements and resource extraction, which perpetuates poverty in the South.

Technological Dependency: The South is heavily dependent on the North for technology, which contributes to a widening gap in productivity, innovation, and the ability to develop advanced manufacturing sectors.

Limited Industrialization: With weak domestic industries and markets, countries in the South struggle to industrialize, making them dependent on primary sector exports and susceptible to volatile global markets.

Unequal Trade: Colonial Legacy: The historical exploitation of Southern resources and labor by Northern colonial powers created a foundation of disadvantage that continues to this day.
Limited Capital: Developing countries in the South often face a deficiency in financial capital and advanced technologies needed for social development and industrialization.

Social Impacts
*Poverty and Deprivation***:** Widespread poverty, lack of basic infrastructure, and poor living standards are hallmarks of the South, contrasting sharply with the prosperity of the North.

*Health and Education Disparities***:** The South faces inadequate access to healthcare and educational resources, leading to higher rates of disease and malnutrition, while the North benefits from advanced systems.

Brain Drain: Educated individuals from the South often migrate to the North seeking better opportunities, a phenomenon known as brain drain, which further depletes the South's human capital. A significant consequence is "brain drain," where educated and skilled individuals from the South migrate to Northern countries for better opportunities, further depleting the South's human capital.

Political Instability: The North-South divide is linked to political instability and corruption in the South, which are detrimental to development and peace. While Northern countries often have high political stability, Southern nations frequently face political crises that undermine economic growth and social progress.

*Climate Change Disparity***:** The South suffers disproportionately from the impacts of climate change despite contributing less to global emissions, a consequence of environmental exploitation that primarily benefits the Global North.

*Limited Access to Services***:** The North-South divide is evident in stark contrasts in access to education and healthcare, with Southern countries struggling with inadequate resources and infrastructure.

*Marginalized Voices***:** The Global North wields disproportionate influence in international bodies like the IMF and World Bank, shaping global decisions in ways that often benefit wealthy nations over the needs of the Global South.

Environmental Impact
*Disproportionate Burden***:** The Global South bears a disproportionate burden from environmental degradation and the effects of climate change, despite contributing less to global emissions.

Perpetuating Factors
Colonial Legacy: The divide is a legacy of colonialism, where former colonial powers in the North continue to exert economic and political dominance.

International Institutions: Powerful Northern nations and their influence in organizations like the IMF and World Bank shape global policies in ways that favor developed countries, limiting the South's ability to shape its own development path.

Unequal Power Dynamics: The Global North's superior political and economic influence allows it to maintain an advantageous position in international relations, hindering efforts to create a more equitable global system.

Strategies for Developed Countries (Global North)
The strategies for developed countries (global north) according to Tandu, Ogon, & Etta, (2017) include:

Equitable Access to Capital and Technology: Increase capital flows into the Global South and ensure fair, unhindered access to technology to commercialize local innovations.

Fair Trade Practices: Advocate for and implement trade policies, such as reduced tariffs and subsidies on agricultural and textile goods, that benefit developing countries by allowing them to compete fairly in the global market.

Collaborative Research and Development: Shift from traditional aid-based models to genuine partnerships, supporting research initiatives led by the Global South and ensuring equitable access to funding and resources.

Re-examine and Reform Global Economic Systems: Address structural imbalances in the global economic system, such as tax competition and unfair debt structures, that perpetuate inequality between the North and the South.

Collaborative Measures

Invest in Human Capital: Support educational initiatives and skill-building programs in the Global South to empower local populations and foster innovation.

Address Systemic Inequities: Advocate for radical changes in the global economic system to ensure fair distribution of resources and opportunities, shifting away from a model that relies on resource extraction from the South.

Foster International Collaboration: Build healthier international partnerships that focus on mutual benefit and empower developing countries to drive their own development agendas.

Strategies for Developing Countries (Global South)

The strategies for developed countries (global north) according to Broak (2017), include:

Strengthen Economic Institutions: Focus on diversifying economies, promoting value-added production, and creating stable economic environments to reduce reliance on primary commodity exports to the Global North.

Improve Internal Governance and Security: Enhance democratic institutions, improve security, and foster inclusive economic growth to support human development within the country and encourage regional integration.

Promote Regional and South-South Cooperation: Collaborate with neighboring countries on economic, social, and technological initiatives to build collective strength and reduce dependence on the North.

Develop Local Technological Capacity: Invest in research and development and build capacity for technological innovation to foster self-reliance and create local solutions to local problems.

Measures To Mitigate Effects of Economic Development

To mitigate the North-South divide's impact on developing economies, countries should promote inclusive economic growth through targeted investment in human capital and infrastructure, enhance global partnerships by fostering South-South cooperation and fair trade policies, leverage digital transformation while ensuring equitable access, and implement structural reforms that address market-based inequalities and improve governance to ensure benefits reach the poor.

1. Fostering Inclusive economic Growth through:

*Invest in Human Capital and Infrastructure***:** Improve access to quality education, healthcare, and nutrition services to enhance productivity and growth. Invest in connectivity and infrastructure, especially in lagging regions, to link them to growth centers.

*Promote Job Creation***:** Focus on creating more jobs in manufacturing and service sectors to sustain economic growth and increase labor productivity in the Global South.

*Encourage Women's Participation***:** Stimulate women's involvement in the labor force, which can contribute significantly to poverty reduction and economic development.

Strengthening Global and Regional Partnerships
Support South-South Cooperation: Foster increased trade, investment, and communication links among Southern countries through joint projects and collaborations.

Engage with International Institutions: Seek support from UN agencies like UNCTAD and the UNDP to coordinate policies, develop knowledge, and address barriers to development.
*Advocate for Fair Trade Policies***:** Support a selective approach to liberalization that protects small producers while opening markets to benefit consumers in the Global South.

2. Leveraging Digital Transformation
Bridge the Digital Divide: Promote digital literacy and skills upgrading to ensure equitable access to digital technologies, which can foster economic growth and inclusion.

Digitalize Development Sectors: Integrate Information and Communication Technology (ICT) services into various developmental sectors to help developing countries build digital economies.

3. Implementing Structural and Policy Reforms
*Improve Governance***:** Strengthen the coordination and targeting of safety net programs to ensure that the benefits of economic growth reach the poor.
*Address Structural Inequalities***:** Implement structural changes that promote equitable resource allocation and address historical imbalances to support developing countries' growth trajectories.

Ensure Equitable Access to Resources: Allocate more resources for grants and capital to support research and innovation in the Global South, enabling them to commercialize discoveries and build value.

Conclusion

The end of colonialism in most parts of the south did not automatically end foreign economic domination and exploitation. Although underdevelopment is not natural to any country in the world system, the case of the South is unimaginable. The North-South divide presents a wide gap in economic and technological developments between the industrialized and the non-industrialized countries. The call for a new international economic order consciousness resulting from the North-South Dialogue is important to harness the right of economic sovereignty by controlling domestic resources and to regulate the adverse activities of the multi-national corporations with greater participation of the new nations in decision making.

Suggestions

The following suggestions are made in the study

1. There is need to strengthen the North-South dialogue by restructuring the international economic system to create a new inter-national economic order which has the primary objectives of fostering global justice through reformed trade and aid systems.

2. There is need to address root causes of instability, and developing policies that enhance skill development and technology transfer to support economic growth in the South.

3. Improving access to resources, such as grants for research and capital for businesses in less developed regions, and promoting structural changes like creating more remote job opportunities and investing in the productivity of labor and capital.

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