

Teaching guidelines

When Big Powers Knock: China, the U.S., and EU in Latin America

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Material information

This teaching material is designed for courses in International Business, International Trade, Political Economy, Development Studies, and Geopolitics, providing students with an analytically grounded and empirically updated exploration of contemporary global trade dynamics. It introduces learners to an increasingly relevant phenomenon: how trade relationships among China, the United States, the European Union, and Latin American economies have evolved over the past several decades, and how these shifts can be interpreted through the lens of classical and neo-dependency theories.

The material begins with an accessible overview of dependency theory—its origins, core propositions, and historical application to Latin America, which for much of the 20th century was positioned as a peripheral supplier of raw materials within an asymmetric global system. A concise theoretical foundation helps students understand why Latin America was long characterized as the “whipping boy” of global trade structures: externally oriented commodity specialization, vulnerability to price cycles, and political–economic dependence on major powers.

Building on this foundation, the material leads students through a data-driven analysis of how trade partnerships have transformed, especially following China’s accession to the WTO and its growing commercial presence across Latin America. Using updated trade statistics, students explore how China has overtaken the U.S. or EU as a primary trade partner for many Latin American countries, how sectors tied to critical raw materials (CRMs) - such as minerals, rare earth elements, and energy-related commodities - have reshaped power asymmetries, and how the U.S. and EU have responded to China’s geoeconomic rise.

A unique feature of this resource is its integration of contemporary debates about CRM-driven strategic vulnerabilities and autonomy. Students examine how modern industries (batteries, semiconductors, renewable energy systems, and defense technologies) rely increasingly on inputs originating in Latin America, and how this shifts the classical center–periphery logic. The material encourages students to critically assess whether we are witnessing a “reversed dependency” dynamic in which technologically advanced regions - particularly the EU - may themselves become dependent on resource-rich exporters and global processing hubs.

Throughout the material, students are encouraged to confront key questions:

- What does dependency mean in a multipolar world?
- Can the EU realistically achieve strategic autonomy while relying heavily on external suppliers for CRMs?
- Does Latin America remain a peripheral actor, or is its position strengthening due to the strategic value of its natural resources?

- Is China creating a new form of dependency, or are Latin American states exercising greater bargaining power in global trade?

The teaching resource guides students through these issues using a combination of trade data, visualizations, historical context, and structured analytical frameworks. The pedagogical approach emphasizes critical thinking, encouraging learners to trace how theory, empirical evidence, and geopolitical developments interact to shape global trade systems.

While primarily designed for advanced undergraduate and graduate courses, the material is equally suitable for master-level seminars focusing on global value chains, development economics, or regional integration. Its flexible design enables instructors to tailor sessions to thematic modules such as resource geopolitics, trade dependency, strategic autonomy, Latin American development trajectories, or the global contest for critical minerals.

Learning objectives and outcomes

This teaching material focuses on how contemporary trade dynamics and geopolitical shifts shape relationships between Latin America, China, the United States, and the European Union. Its core objective is to help students understand how dependency theory can be applied to modern patterns of global exchange, highlighting the rise of China as a commercial actor, the strategic importance of critical raw materials, and the evolving forms of interdependence among major economies. Through empirical evidence and theoretical reflection, students critically examine whether current developments signal a reversal of traditional dependency structures and explore the implications for EU strategic autonomy and Latin America's role in the global economy. Learning outcomes are categorized as follows:

Knowledge

- The student is able to explain how dependency theory applies to historical and contemporary trade relations between Latin America, China, the EU, and the United States.
- The student understands how shifts in global trade - particularly the rise of China and the growing importance of CRM - have reshaped patterns of interdependence among major economies.
- The student can identify key factors contributing to evolving dependency structures, including CRM-driven vulnerabilities, strategic autonomy debates, and the potential emergence of reversed dependency.

Skills

- The student is able to analyze trade datasets and concentration indicators assess the distribution of export destinations and dependence patterns.

- The student can compare levels of trade dependency across countries and sectors using quantitative tools.

Social Competences

- The student is able to articulate informed opinions on the role of trade in the debate on dependence-autonomy of regions.
- The student can engage in discussions about economic and social implications of dependence-autonomy debate.

Overview

The teaching materials - consisting of a PowerPoint presentation and an accompanying video - are designed to support instruction in International Business, International Political Economy, and Geopolitics, with a particular focus on how evolving global trade patterns reshape dependency structures among major economic actors. Both materials follow an identical structure, allowing instructors to use them flexibly in live sessions or asynchronous learning formats.

The lecture begins by introducing the concept of strategic alignment, explaining how countries coordinate economic, political, and security interests within a rapidly evolving multipolar system. This foundation helps students understand why global actors such as the United States, the European Union, China, and Latin American countries adjust their trade and geopolitical strategies in response to shifting power dynamics. Next, the material provides a clear overview of dependency theory - its origins, central assumptions, and classical application to Latin America. The session highlights how Latin America was historically conceptualized as a peripheral region whose export specialization reinforced asymmetrical relations with major powers. This theoretical grounding enables students to recognize the long-term structural patterns that shaped the region's role in global trade.

Building on this foundation, the lecture examines how dependency can be deepened or transformed through trade, particularly when export structures rely heavily on a narrow set of products or partners. This leads to an exploration of the trade categories most relevant in today's global economy, with particular emphasis on CRMs. The lecture explains what CRMs are, what they are used for - ranging from renewable energy and electric vehicles to aerospace, semiconductors, and defense technologies - why they are considered scarce, and which countries dominate their extraction and processing. Latin America's substantial reserves of key CRMs serve as a starting point for posing a central question: Who is best positioned to benefit from these resources? The session invites students to compare competing narratives—whether geographical proximity favors the United States, historical ties favor the EU, or strategic investment and long-term engagement favor China.

The core section of the lecture presents historical trade data, illustrating how import and export flows between Latin America and these global actors have evolved over time. Students learn how, in many cases, China has surpassed both the United States and the European Union as a trade partner, particularly in strategic sectors. A more focused analysis follows, examining the concentration of trade specifically in CRMs. Here, the lecture demonstrates how concentration metrics can be used to assess dependency, showing the extent to which Latin American CRM exports are tied to a small number of destination markets.

With these empirical patterns established, the lecture introduces the concept of reversed dependency, asking whether the current configuration - where advanced economies rely increasingly on resource-rich but historically peripheral countries - constitutes a fundamental shift in dependency relationships. Students are encouraged to reflect on whether this represents a genuine inversion of traditional center-periphery dynamics, or whether deeper structural constraints maintain continuity beneath surface-level changes.

The final section situates these debates within the broader discussion of strategic autonomy, particularly in the European Union. The lecture explores why the EU views autonomy as essential, how CRM dependency shapes this agenda, and what political, economic, and regulatory challenges hinder progress. The session concludes by examining potential pathways for the future of EU-Latin America cooperation, considering both optimistic solutions and structural limitations that may prevent a balanced and resilient partnership from emerging.

Pre-lecture preparation

To benefit fully from this lecture, students should have a basic understanding of current geopolitical events, especially developments in U.S.-China relations, EU strategic autonomy debates, and Latin America's evolving global role. Familiarity with dependency theory, international trade patterns, and the strategic importance of critical raw materials will help students connect theoretical concepts with today's shifting power dynamics but is not essential.

Suggested usage

These teaching materials can be used in both synchronous and asynchronous formats, depending on the instructor's preference. To make the most of the session, students should have a basic understanding of international trade dynamics, geopolitical developments, and models of global partnership, as the lecture builds on - not introduces - these themes.

Because the material forms part of a broader discussion on trade relationships, dependency structures, and the green transition, students will benefit from reviewing key concepts such as partner concentration, resource-based trade, and the strategic role of critical raw materials. Familiarity with recent global events will further help them engage critically with the shifting power relations presented in the lecture.

This preparation ensures that students can meaningfully connect theoretical frameworks with real-world developments and participate effectively in pre- or post-lecture activities, depending on how the instructor chooses to structure the course.

Engagement activities

This lecture can be supplemented with a range of interactive activities designed to enhance student engagement and deepen understanding of the topic. These activities are flexible and can be used either before the lecture to activate prior knowledge, or after to reinforce key concepts and encourage critical thinking. They are suitable for both live and asynchronous teaching formats.

Activity	Description
Trade timeline mapping challenge	<p>Objective: Students identify how trade relationships between Latin America, China, the EU, and the U.S. evolved over time and connect these shifts to dependency theory.</p> <p>Activity: Students work in small groups to create a visual timeline of major trade shifts using provided datasets or simplified charts. They highlight years when China surpassed the U.S. or EU in key countries. Groups then explain how these changes reinforce or challenge classical dependency theory. Timelines are compared in a short class discussion.</p>
CRM concentration analysis	<p>Objective: Students compute simple concentration indicators (e.g., HHI) to assess trade dependence and reflect on the implications for strategic autonomy on data extracted from public databases.</p> <p>Activity: Students receive a dataset of CRM export shares from Latin American countries. They calculate concentration ratios or HHI and interpret whether the trade pattern suggests vulnerability, bargaining power, or reversed dependency. They present a 2–3 sentence conclusion linking results to global power dynamics.</p>
Strategic Autonomy Debate: "Can the EU Break Free?"	<p>Objective: Students apply theoretical and empirical knowledge to evaluate whether the EU can realistically achieve strategic autonomy in CRM-dependent sectors.</p> <p>Activity: Two teams debate: Yes, strategic autonomy is achievable vs. No, the EU will remain dependent. Students must use CRM data, trade trends, and geopolitical events to support their arguments. A neutral group acts as evaluators and summarizes the strongest points from both sides.</p>

Post-lecture activities

Following the lecture, students can deepen their understanding by exploring how the concepts of dependency, strategic autonomy, and CRM driven geopolitics apply beyond Latin America. Post lecture activities may include examining recent trade and geopolitical data for regions such as Africa, Southeast Asia, or even the U.S., EU, and China themselves, comparing their roles as resource suppliers, processing hubs, or technology leaders. Students are encouraged to identify similarities and divergences in trade patterns, partner concentration, and strategic vulnerabilities across regions. They should analyze which countries hold key resources, which dominate processing capacity, and which rely most heavily on external partners - mirroring the analytical steps used for Latin America. This comparative approach helps students assess whether reversed dependency emerges elsewhere and whether current global power structures reinforce or challenge traditional dependency models. By engaging with these activities, students not only broaden their regional expertise but also gain insight into how global interdependencies are evolving across multiple continents in the era of CRMs and strategic competition.
