

MODELS OF DEVELOPMENT

- i. Modernization theory
- ii. Dependency theory
- iii. World systems theory

a) Modernization theory.

It is also known as theories of stages of economic growth because it proposes five stages that all societies have to pass through progressively to achieve modernization/development. One of the most influential proponents of modernization is American economist Walter Rostow. Rostow argued that although modernization first occurred in the west, it can occur in all societies provided these societies meet certain preconditions.

According to Rostow (1978), evolution from traditional preindustrial societies to modern industrial societies takes place through five stages:

Traditional stage.

The economy is usually of a subsistence nature – 75 % of the working population is involved in direct food production. Incomes are mostly wasted in unproductive ventures that are not profitable. Premodern societies are unlikely to become modernized because of traditionalism-persisting values and attitudes that represent obstacles to economic and political development.

Culture change stage

One of the preconditions for modernization involves cultural and value changes. People must believe that progress is necessary and beneficial to the society and the individual. There is an emphasis on individual achievement which leads to the emergence of individual entrepreneurs who will take the necessary risks for economic progress. Modernization theorists insist that these changes in values can be brought about through education and will result in the erosion of traditionalism. A society at this stage is characterized by radical changes in agriculture, transport trade and other sectors.

Take off stage

As traditionalism begins to weaken, rates of investment and savings begin to rise. There is rapid expansion of the economy; some sectors perform better than other sectors. Rapid social, political and economic changes are witnessed. The profits realized are invested in the economy leading to industrial revolution and investment in other sectors creating jobs for other people. Many premodern societies have not yet achieved this stage of development.

Self sustained growth stage

Members of the society intensify economic progress through implementation of industrial technology. Growth spreads from the leading sectors to other sectors of the economy and nearly all sectors are doing well. The process involves a consistent reinvestment of savings and capital in modern technology. There is a restructuring of the economy and more people begin to move from rural to urban areas. It also involves a commitment to mass education to promote advanced skills and modern attitudes.

High economic growth

This last stage involves the achievement of a high standard of living characterized by mass production and consumption of material goods and services. It is attained when a society has

attained a certain level of income for everybody and nearly everybody joins in the consumption of goods and services. Britain, Western Europe and America have gone through all these stages of economic growth.

Strength

It enabled anthropologists and other social scientists to identify several aspects of social and cultural change that lead to development

Criticisms.

- i. One of the criticisms is that the applied model of modernization has failed to produce technological and economic development in third world countries. Despite massive injections of foreign aid and education projects sponsored by first world countries, most third world countries remain underdeveloped. An underdeveloped country has a low GNP (the total value of goods and services in a country).
- ii. Some critics view modernization theory as ethnocentric or Westerncentric. They don't agree that all societies must emulate the West to progress economically.
- iii. The theory has also been criticised for citing traditional values as obstacles to technological and economic progress in third world countries. While it lays emphasis on the internal factors in third world countries, it neglects the factors of global economic and political power, conflict and competition within and among societies which contribute to underdevelopment.
- iv. The other problem with the theory is that it leads to the categorization of societies into three worlds: the first world (composed of modern industrial states with predominantly capitalist or hybrid economic systems. they became industrialized first. Second world countries consist of industrial states with socialist economies like the countries of Eastern Europe. The third world countries refer to premodern agricultural states that maintain traditionalism. It encompasses the vast majority of people in the world including Africa, Asia, and Middle East). This categorization of countries is too simplistic today to account for the great diversity that is found in these societies.

b) Dependency theory

It was spearheaded by Andre Gunder Frank. Unlike the modernization theory, dependency theory demonstrates that no society evolves in isolation. By examining the political economy in industrial capitalist and precapitalist countries, dependency theorists showed conclusively that some aspects of underdevelopment are related to the dynamics of power, conflict, class relations and exploitation.

The theory focuses on the historical process of underdevelopment and development. Its primary focus is on the external structural causes of underdevelopment in third world countries.

It makes the assumption that underdevelopment is structured by dependent relationships between the metropolis and the satellites. Colonialism and the international expansion of capitalism are two processes that have propagated development and underdevelopment. As

the underdeveloped countries are becoming poorer, the local political and economic elites in these poor nations collaborate with international capitalism to exploit their nations.

Criticisms

- i. It is overly pessimistic. It suggests that dependency and impoverishment can be undone only by a radical restructuring of the world economy to reallocate wealth and resources from wealthy industrial capitalist countries to impoverished precapitalist countries. Economic development however has occurred in some countries that have had extensive contact with industrial capitalist societies. Notably Japan, moved from an underdeveloped society to a wealthy industrial capitalist position after the 1950s. In contrast, some poor societies have had less contact with industrial capitalist society remain highly underdeveloped.
- ii. Dependency theorists also neglect the internal conditions of underdeveloped countries that may inhibit economic development.

c) World systems theory

The model represents a response to both modernization and dependency theories. The theory maintains that the socioeconomic differences among various societies are a result of an interlocking global political economy.

Sociologist Immanuel Wallerstein who developed the world-systems approach agrees with the dependency theorists that the industrial nations prosper through economic domination and exploitation of non industrial peoples.

The world systems model places all countries in one of three general categories: the core, peripheral and semi peripheral.

Core societies are the most powerful industrial nations that exercise economic domination over other regions. Most nonindustrialized countries are classified as *peripheral societies* which have very little control over their own economies and are dominated by the core societies. Wallerstein notes that between the core and peripheral countries are the *semi peripheral societies* which are somewhat industrialized and have some economic autonomy but are not as advanced as the core societies.

Criticisms

- i. The theory focuses exclusively on economic factors at the expense of non economic factors such as politics and cultural traditions. It also fails to address the question of why trade between industrial and non industrial nations must always be exploitative. Some theorists have noted that in certain cases, peripheral societies benefit from trade with core societies i.e when they need western technology to develop their economies
- ii. Although it is not a perfected model it has been more helpful in allowing for a more comprehensive and flexible view of global economic and political interconnections.