

# Development Theories

# Modernization Theory (1950s and 1960s)

- The thinking was dualistic, 'backward' and 'advanced' societies, the 'barbarian' and the 'civilized' and the 'traditional' and the 'modern'
- Hirschman (1958) – underdevelopment was the initial state beyond which the West had managed to progress
- The experience of the West can assist other countries catch-up by sharing both capital and know-how
- Polarisation, or the forces of concentration, should be viewed as an inevitable characteristic of the early stages of economic development
- Development in the core will lead to the 'trickling down' of growth inducing tendencies to backward regions
- These trickle down effects were seen as inevitable and spontaneous process

# Top-Down Paradigm of Development

- Gaps in development can be overcome by an imitative process.
- Based on dichotomy between development and underdevelopment
- Developing countries would soon resemble developed countries
- 'Modernization' same as 'Westernization'
- Modernization conceptualized as temporal-spatial process and therefore underdevelopment could be overcome by the spatial diffusion of modernity.
- Opportunities tend to occur in waves which surge after an initial innovation (Schumpeter, 1911). Development tends to be 'jerky' and appears in 'swarms' forming natural spontaneous growth poles.
- Strictly hierarchical process of innovation diffusion (Pedersen, 1970; Berry, 1972)

# Rostow's Stage Model of Economic Growth

- There are five stages through which all countries have to pass in the development process
  - Traditional society
  - Pre-conditions to the take off phase – developing nations need to industrialise
  - Take-off
  - The drive to maturity
  - Age of mass consumption
- Influenced by the desire of the USA to combat the influence of the USSR in the third world.
- Lay faith on the existence of a linear and rational path of development.

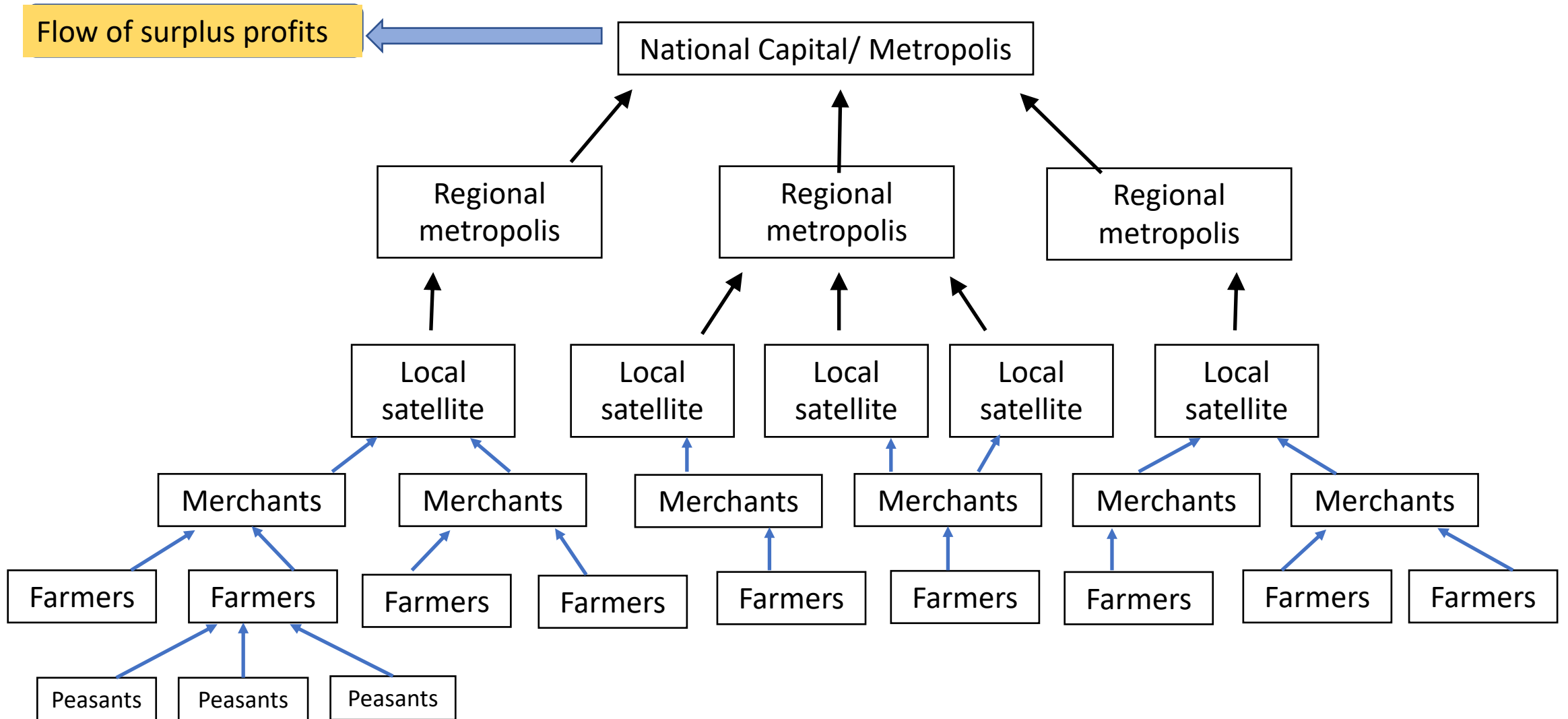
# Dependency theory

- Modernisation theory implies that the main barriers to development are internal
- Contact with more advanced nations can help overcome these barriers to development, e.g. Rostow (1960) on 'external intrusion'
- 'Dependency theory' is a school of thought which emerged in the 1950s and 1960s as a direct challenge to these arguments
- Associated with a diverse range of authors from different parts of the world, including the US (e.g. Paul Baran), Latin America (e.g. Fernando Cardoso, Celso Furtado), Africa (e.g. Samir Amin), the Caribbean (Walter Rodney) and Europe (e.g. Andre Gundar Frank).
- Also associated with the emerging Third World political movement

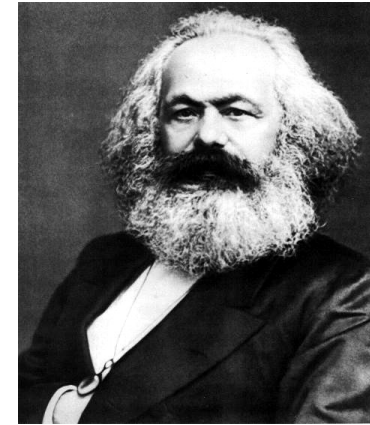
# Three common features

- The barriers to development are not internal; they are **external**, in the workings of the world capitalist system, that is, the condition of developing countries are not the outcome of inertia, misfortune, chance, climatic conditions, but rather a reflection in the manner of their incorporation into the global capitalist system
- The world capitalist system is fundamentally **unequal**: development in one region occurs at the expense of others
- Development is not spurred on by contact with the rest of the world; real development can only occur **independently** of such contact.
- Andre Gunder Frank introduced a radical new sense of the term 'underdevelopment': rather than the absence of development, this signifies the opposite of development

# Frank's hypothesis: a graphic depiction



# Karl Marx: colonialism as a necessary evil?\*



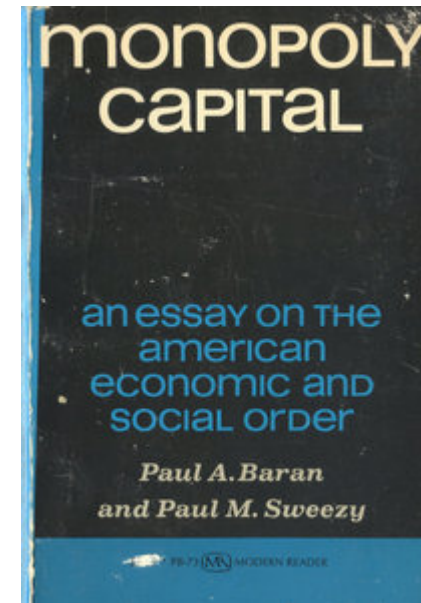
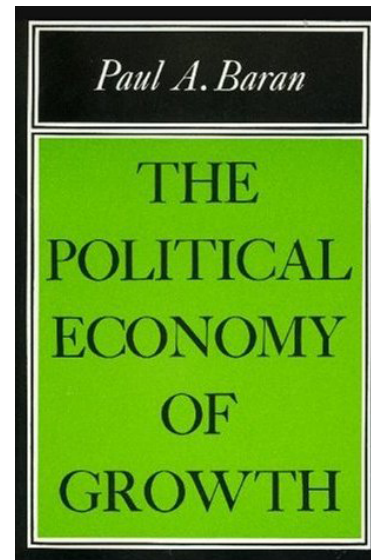
- “Now, sickening as it must be to human feeling ... we must not forget that these idyllic communities [in rural India] ... restrained the human mind within the smallest possible compass, making it the unresisting tool of superstition, enslaving it beneath traditional rules, depriving it of all grandeur and historical energies.”
- “England, it is true, in causing a social revolution in Hindostan, was actuated only the vilest interests, and was stupid in her manner of enforcing them. But that is not the question. The question is, can mankind fulfil its destiny without a fundamental revolution in the social state of Asia? If not whatever may have been the crimes of England she was the unconscious tool of history in bringing about that revolution”.

*\*See Karl Marx (1853), The British Rule in India, reprinted in Chari and Corbridge (2008), pp.64-68.*



# Paul Baran

- A neo-Marxist economist, based at Stanford University 1951-64
- Published *The Political Economy of Economic Growth* (1957), *Monopoly Capitalism* (1966)
- Highlighted the historical roots of underdevelopment, in **colonialism**
- Also highlighted how the **US imperialism** was harming development prospects in the 1950s and 60s



# Critiques of dependency theory

- “Together with various other forms of Marxist-influenced development thinking, the dependency theorists implicitly accepted the evolutionary model of progress. ... The fundamental goal remained the same. Dependency theorists were profoundly modern in their world view.” (Tucker 1999: 12)
- “Western ethnocentrism is present not only in modernisation theory but also in versions of dependency theory that make the center totally responsible for the process of development/underdevelopment, and convert the peripheral countries into passive victims of the expanding capitalist system” (Rist 2008: 119)
- The East Asian miracle: the orthodox economists proved right?
- What’s wrong with being dependent? Aren’t all countries dependent?

# Is dependency theory still relevant today?

- Dependency theory faded from mainstream debates in the 1980s and 1990s
- Does it remain relevant today?
- Three examples of current debates in which issues identified by dependency theorists are central:
  - Institutions and development
  - Aid and development
  - The right to development

# World systems theory

- Wallerstein (1974) stressed the existence of a more complex and divided 'world system'
- He not only recognized the core and peripheral states, but also identified the semi-peripheries
- These semi-peripheries are strongly ambitious to competing for core status by increasing their importance as industrial producers
- These are the NICs (newly industrializing countries) of SE Asia and Latin America
- There have been cyclical periods of expansion, contraction, crisis and change

# Participatory Approaches (period since mid 1970s)

- The need for self-reliance seen as central to the development process and the emphasis to be placed on endogenous (internal) rather than exogenous (external) forces of change
- Development should meet the basic needs of the people
- Development needs to be ecologically sensitive and stress the principles of public participation
- Development is the same as economic growth came to be challenged
- Issues of gender strongly influenced this alternative approach
- Rural based strategies came to the fore – development from below
- ‘Grassroots development’, ‘development from below’, ‘neo-populism’
- Neo-populism involves attempts to recreate and reestablish the local community as a form of protection against the rise of the industrial system

# Basic Needs and Development

- Stressed the importance of creating employment over and above the creation of economic growth
- Because economic growth had gone hand in hand with increases in relative poverty in the South
- Development was failing to improve conditions for the poorest and weakest sectors of society
- Redistribution of wealth alongside growth was required
- Basic needs such as food, education, water supply, clothing and housing must be met as a clear priority. This could only be achieved by nations becoming more reliant on local resources, the communalization of productive wealth, and closing up to outside forces of change

# Development from below/ Bottom up development

- Countries in the South should reduce their involvement in processes of unequal exchange
- By increasing self-sufficiency and self-reliance
- Needs to be closely related to specific socio-cultural, historical and institutional conditions
- This approach is based on the use of indigenous resources, self-reliance and appropriate technology, and other factors
- Need to recognize, respect and where appropriate support community based grassroots development

# Grassroots development and indigenous knowledge

- Communities rely on their indigenous technical knowledge particularly with issues such as land management, farming and resource use
- For example, the growing of multiple crops on the same piece of land to allow for staggered harvesting and natural fertilization, as opposed to the more costly environmentally stressful practice of monocropping
- Often involves a host of community-based NGO supported initiatives
- To support this participatory approaches have been developed to learn from communities rather than impose western knowledge



# Environment and development

- Brundtland Commission Report, 1987
- Earth Summit, Rio de Janeiro, 1992
- United Nations Conference on Environment and Development brought together 180 nations
- Rio +10, 2002, World Conference on Sustainable Development, South Africa
- Rio+20, 2012
- Growing concerns about long term resource depletion, environmental damage and climate change

# Sustainable Development

- Defined as development that is likely to achieve lasting satisfaction of human needs and improvement of the quality of life and encompasses:
  - Help for the very poorest who are left with no option but to destroy their environment to survive
  - Idea of self-reliant development with natural resource constraints
  - Cost effective development using different economic criteria to the traditional –i.e. development should not degrade environment
  - Important issues of health control, appropriate technologies, food self-reliance, clean water and shelter for all
  - People centered activities are necessary- human beings are the resources in the concept