



## Theories of Development – Goals, models, and strategies

### Modernisation Theory

*Between the end of the Second World War and the 1990s, many colonies in Africa and Asia gained independence. The vast majority of these states still struggle with poverty and inadequate economic and social structures. Overcoming these problems requires a clear analysis of the causes, which in turn can become a promising strategy. On this basis, two opposing development theories emerged in the 1960s: modernisation theory and dependency theory.*

Proponents of **modernisation theory** look for the causes of *underdevelopment* in the developing countries themselves (**endogenous causes**). They criticise the traditional social structures and backward economies of these countries. According to them, deficits in education and infrastructure prevent these countries from developing. They believe that economic growth is a prerequisite for social modernisation.

To catch up with the industrialised countries and integrate them into world trade, help is needed from the "first world". This development strategy, known as the **catch-up development strategy**, is based on "development through growth". Centres of growth are to be created to act as growth engines for the whole country. The assumption is that the wealth generated in these centres will eventually trickle down to the surrounding areas and reach the poor and rural areas. The aim is to eliminate the causes of underdevelopment, namely economic backwardness and traditional society, by rapidly catching up with the industrialised countries, e.g. through agricultural reforms, investment in infrastructure and the expansion of trade relations on the world market. Financial and technical assistance is intended to trigger a "big push", i.e. a leap in development.

These measures were to be implemented together with the leaders of these countries (**top-down approach**). However, corrupt elites in many developing countries quickly dashed the hopes of modernisation theorists, and the expected **trickle-down effect** failed to materialise. In most cases, only the upper classes benefited from the investments, further widening social inequalities and leaving rural areas even further behind.

The idea of simply adopting the Western economic model proved to be an illusion and only very few countries managed the "**take-off**" (e.g., Taiwan, South Korea). Also, the motto "growth first, fair distribution later" had failed. The situation has not improved in most developing countries. On the contrary, as a result, there were more and more people who were unable to cover their basic needs such as food, clothing, and housing with their own income.

#### The Green Revolution

One of the biggest projects of modernisation theory was the *Green Revolution*. In countries such as India and other Asian countries, but also in Mexico, high-yielding varieties of rice and wheat were introduced to increase yields. The aim was both to modernise the agricultural sector and to ensure food supplies for a rapidly growing population. The measure had a positive effect, and wheat production increased enormously. However, the *Green Revolution* did not contribute to rural development and had a negative impact on the environment.

- 40 In conclusion, modernisation theory is criticised for its one-sided focus on the Western capitalist economic model. Alternative ideas of modernity were not allowed, and traditional social models, cultural knowledge and indigenous traditions were ignored.

In the 1980s, persistent poverty and the failure to meet basic needs and the resulting continuing development deficits in large parts of the world led to a crisis for both theories.

- 45 Their claim to explain and overcome development and underdevelopment worldwide with just a single theory had failed.

A new explanatory approach was needed.

**Assignment:**

- a) Read the text carefully and look up unknown terms.  
Mark the answers to the following questions in the text:
- How does the theory explain uneven development?
  - What strategies are suggested and pursued used to fight underdevelopment and to what end?
  - How successful was the approach in the end, i.e. what did reality look like and what criticism is voiced?
- b) Complete in the table and prepare to present the theory and its strategies to a partner.



## Fact Sheet: Theories of Development

### GROUP A: Modernisation Theory

|                                     |  |
|-------------------------------------|--|
| <b>reasons for underdevelopment</b> |  |
| <b>strategy</b>                     |  |
| <b>goal</b>                         |  |
| <b>reality</b>                      |  |
| <b>criticism</b>                    |  |

### GROUP B: Dependency Theory

|                                     |  |
|-------------------------------------|--|
| <b>reasons for underdevelopment</b> |  |
| <b>strategy</b>                     |  |
| <b>goal</b>                         |  |
| <b>reality</b>                      |  |
| <b>criticism</b>                    |  |

