

Introduction the the meaning of development

Three entry points to a contested concept

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Roadmap

Outline

1. Organisation

1. Details and time requirements

2. Examination

3. Content overview

2. Content

1. The meaning of 'development'

01

Organisation

Time requirements

- 5 CP → worth 150 hours of study time
 - 11 on-site lectures, one video lecture → 24 hours in-person time
- This leaves **126 hours of self-study**
 - 1.5 hours per day if you study 7 days/week
 - 2 hours per day if you study 5 days/week
-  **Mandatory readings are meant for preparation → read in advance**
 - No prior reading → interactive elements make little sense

Logistics: examination

- Take-home essay in the middle of the course
 - Pass/fail grading
 - One chance to repeat the examination (but it will be more extensive)
 - Passing the essay examination is a **prerequisite for the final exam**
- Final exam (120 minutes) at the end of the semester
 - First date: **14.12., 9:30 - 11:30** | Second date: **22.02., 13:00 - 15:00**
 - Exam contains multiple choice, analytical, and open questions (~1/3 each)
- General hint: check the website of the equal opportunities offices

Content overview

Foundations

**1: The meaning of
'development'**

**2: Measuring development
(reading)**

**3: Human Development &
Capabilities**

Paradigms

**4: (Neo-)Classical growth
models (digital)**

**5 & 6: Institutional Economics
I & II**

**7 & 8: Marxism and
Dependency Theories**

Applications

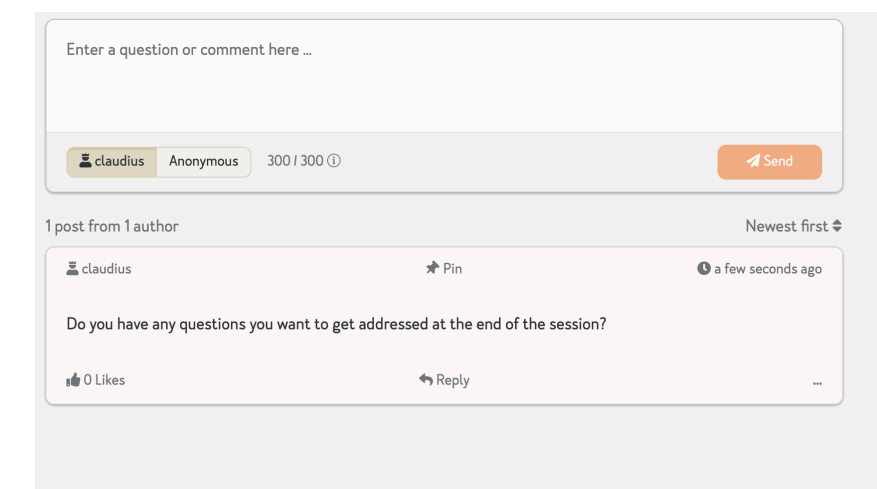
**9: Technology, Innovation &
Trade**

**10: Sustainability, Ecological
Limits & Degrowth**

**11: Open slot on contemporary
trends and controversies**

Interaction via Tweedback

- For interactive elements, we use tweedback
 - Browser-based tool for in-class quizzes and comments
- In Moodle and on first slides: URL and QR code
 - Use phone or laptop to reach the session
 - Add questions for the end of the session to the chatwall
 - Participate in quizzes and discussions at the chatwall when relevant
- Note: tweedback can be used fully anonymous



Open questions?

02

The meaning of development

The environment in three big theories of development

1. Modernisation theory
2. Marxism
3. Dependency theory

Learning goals

1. Understand how 'development' is understood in popular theories
2. Learn how different theoretical vantage points highlight different challenges

What is development?

Gather with your neighbours in groups of 2-3 people; talk about the following questions and post answers as keywords on the Tweedback Chatwall:



1. What does 'development' mean for you?
2. What are the main open questions you have on the overall topic?



We will now explore these issues through the most influential approaches to development!

01

Modernisation theories

Modernisation theories: basic idea

- A (more or less) linear development in the sense of 'progress'
- Modern society as a desirable state, realised only in parts of the world
 - Goal: realise this state for all humans
 - 'Race for progress' among cultures → 'laggards' can 'catch up'
- Historical origin: **"catching up to Britain"** after the industrial revolution
- Earliest formulation: Rostow's five stages of growth (1960)
 - Traditional society → Age of mass consumption
- Clear goals (Parson's **'evolutionary universals'**)

Democracy

No incest

Inclusion

...

Modernisation theories - selected critiques

- Strongly politicised during Cold War, despite objectivist aspirations



- Tendency for ex-post idealization
 - Neolithic revolution as beginning of civilization
 - Ambivalence: the beginning of hierarchy and oppression

- Ideals change over time

- Example: Fordist model → neoliberal model in the US



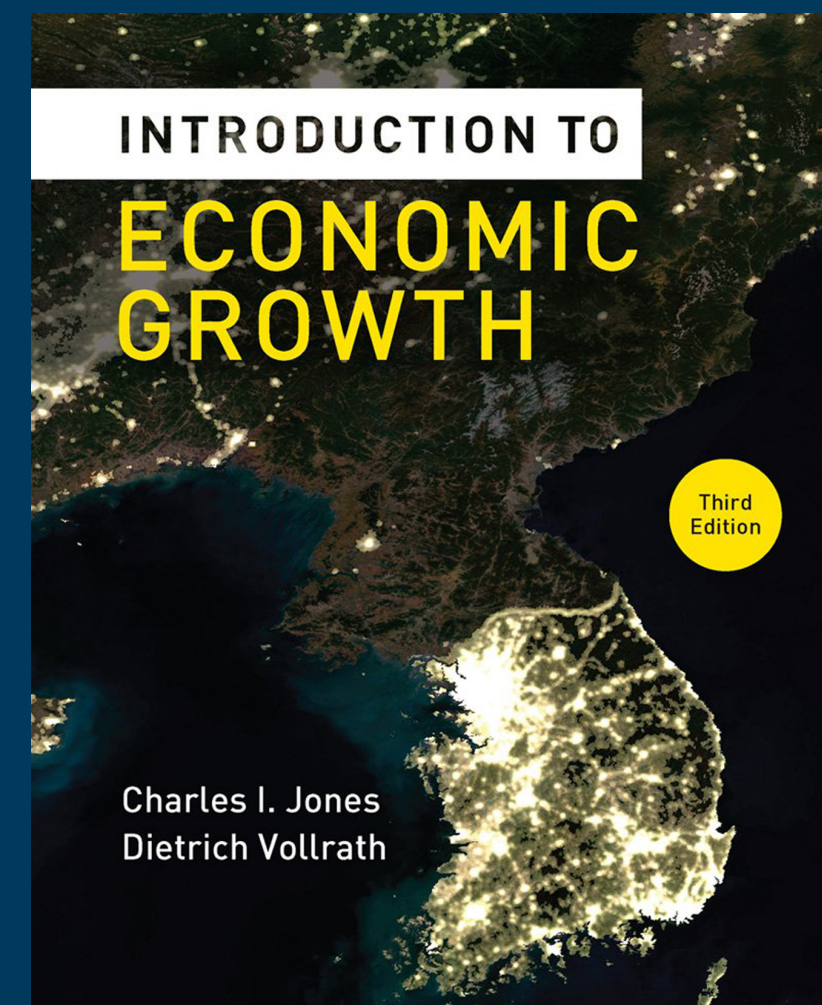
Modernisation theories - selected critiques

- Strong focus on the nation state → 'methodological nationalism'
 - Sources of 'development' to be found within a country
 - Assumes universal mechanisms and catch-up recipes



- Ecological impossibility of generalising Western living styles

“Not only are poor countries lacking in capital and education but the productivity with which they use the inputs they possess is low as well.
[...]
Corruption, bribery, theft, and expropriation can dramatically reduce the incentives for investment in an economy, with devastating effects on income. Taxation, regulation, litigation, and lobbying are less extreme examples of diversion that affect investments
[...]
[A]dvanced countries are advanced precisely because they have found ways to limit the extent of diversion in their economies.”



02

Marxism

The core of Marxism (a small preview of sessions 7 & 8)

- Key interest: the system defining how society (re-)produces material existence
 - Historical Materialism: Shapes also its social, political, and intellectual life
 - For Marx: the **Mode of Production**

Forces of production
(Technology, tools, labor,...)

Relations of production
(Classes, ownership,...)

The core of Marxism (a small preview of sessions 7 & 8)

Forces of production
(Technology, tools, labor,...)

Relations of production
(Classes, ownership,...)

	Feudalism	Capitalism
Forces of production	Simple technology, little machinery or div. of labor	Advanced technology, complex div. of labor, innovation
RoP: Who owns?	Lords own land	Capitalists own means of production
RoP: Who works?	Peasants farm the land	Workers work at factories
RoP: Who gets surplus?	Lords extracts surplus through rent, force, taxes	Capitalists appropriate surplus value as profit

The core of Marxism (a small preview of sessions 7 & 8)



- The core of (capitalist) development is **accumulation**:

Replace capital by more capital! ($M \rightarrow C \rightarrow M'$)

- Key features:
 - "Coercive laws of competition": Capitalists forced to reinvest surplus $M' - M$
 - Requirement of continuous accumulation is **structural, not individual**
 - This creates instability through **internal contradictions**

Commodification and primitive accumulation

- Requirement for capitalism: wide **commodification**, especially of labor

Only then workers...

can sell their labor such that it
can be used efficiently

must buy subsistence goods
on the market

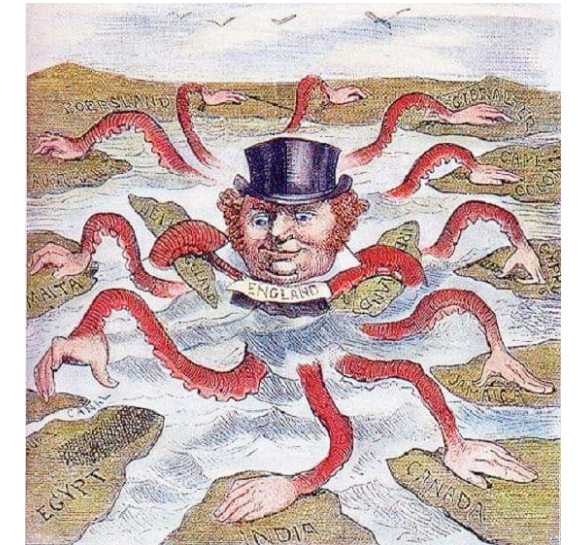
- Required violent expropriation in **pre-capitalism**:
 - Separation of producers from means of production
 - Enclosures in the UK: workers bereft of their lands → vagabonds without means to ensure their subsistence
- Exploitation usually without force, but violent exploitation in colonies

The exploitation of non-capitalist strata

“Capitalism, even in its full maturity, depends in every respect on the simultaneous existence of non-capitalist strata and societies.”

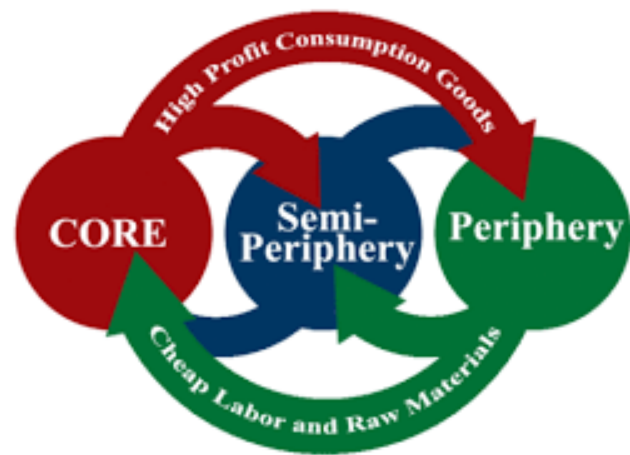


- A non-capitalist sphere ("**Außen**") to be exploited
 - Capitalism only works by exploiting non-capitalist spheres
 - Struggle among capitalists for non-capitalist regions → **imperialism**
- Broad interpretation of 'spheres': gender, race, the environment



The structuralist character of Marxism

- Relevance of non-capitalist spheres for capitalism endures
- Marxism: relationships of exploitation are central
 - Brings them more to our attention than modernisation theories
- **Methodological structuralism**: skeptical with regard to catch-up processes:



“ The development of economic Centers, and the history of the underdevelopment of the Third World, are moderated via the international system, they are **complementary developments**.”

Senghaas (1974, p. 18)



Taking stock

- Sit together with 2-3 neighbours and chat for about 5 minutes
- Make notes about the following:
 - What are the most important key takeaways on modernization theory and Marxism?
 - What did we not understand?
- Note your results and post answers to the first two questions on the chatwall!



03

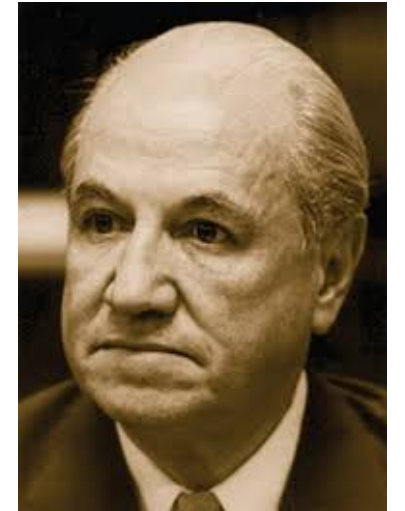
Dependency theory

The origins of dependency theory

- Origin: Latin America in the 50s and 60s
- Response to the failure of Latin American countries to 'catch-up'
- Historical context: crises in the 1930s, dependence on colonial states
- The focus was on countries of the Global South
 - Vantage point different to modernisation theories → **interdependencies**
- Main critique: infeasibility to repeat 'Western successes' in Latin America



CEPAL, founded in 1948



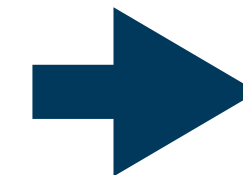
Raul Prebisch

Dependency as a critique of modernity

“ [dependency is] a situation in which the economy of certain countries is conditioned by the development and expansion of another.”

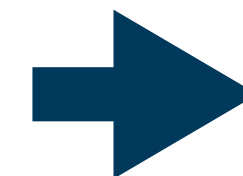
Dos Santos (1970, p. 231)

Development in LA only understandable against the historical genesis of dependency, especially through colonialism



Critique of
positivist research
approach

The unequal relationships between core and periphery countries determine the development prospects of the latter



Critique of
methodological
nationalism

The core tenets of dependency theory

Global and historical methodology



Dependency and polarisation in Global Capitalism



Topical focus on constraints in peripheries

Technological dependency

Financial constraints

Unequal exchange relationships

Economic

Ecological

Social

Main problem: low levels of growth in the peripheries → 'underdevelopment'

05

Summary & Outlook

Taking stock

- Three influential theories (or 'approaches') on 'development' and the environment
- Many policy views continue to be influenced by them
- To wrap up, gather in groups and discuss the following table:

Taking stock

	Modernisation theories	Marxism	Dependency theories
Idea of progress			
Methodological focus			
Possibility for Catch-Up / Global Equality			
Core topoi			

Taking stock

	Modernisation theories	Marxism	Dependency theories
Idea of progress	Linear	Stages	Non-linear
Methodological focus	Nation states	Mainly classes, also practices	Structures, relations
Possibility for Catch-Up / Global Equality	Possible and desirable	Contested	Impossible
Core topoi	National institutions	Exploitation relationships	Structural dependencies, unequal exchange

Outlook

- Development and the environment linked via the twin challenge of social and ecological problems
- A wide array of environmental and developmental indicators
- The choice of indicators depends on ones theoretical vantage points
- Usually related to one of the general approaches to development
- Goal: approach twin challenge in a pluralist way → comprehensive & balanced
- You'll never be neutral, but you can be explicit and self-reflexive