

## Theories of Development and Underdevelopment and Chances of their Practical Application\*\*

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Perhaps the most important way in which modern geography differs from its immediate predecessors is in its far-reaching concern with theory. So modern physical, economic and social geography is in step with the aims of science in general. Science without theory is, as Kurt Lewin observed, essentially blind. Theoretical approach to reality means that we are effectively able to integrate and interrelate our observations in any field of knowledge. Without an organizing structure knowledge is a mere collection of observations. Theory is the attempt to organized systematic framework in order to structure ideas and knowledge and to understand and explain the complexity of the real world more readily and to predict future spatial patterns. Closely connected to theory is modelbuilding. While *models* are the simplified on central structures and on main relations reduced representations of a more complex situation, *theory* is the attempt to explain what a model is demonstrating. Models and theories help us deal with complex situations. We simplify and concentrate on what we perceive as the most important element or structure of a situa-

tion.

Model-building and theoretical explanation of what a model is copying, is a fundamental part of any learning process. Although no model can exactly represent reality, it can help not only in our immediate understanding of a problem, but it can also help us to ask the right kinds of questions, to increase our understanding. But this can be achieved only if models and theories are tested rigorously. Thus an integral part of the scientific process is the carrying out of empirical studies, which should be clearly defined within an appropriate conceptual framework. If the assumptions of a model or a theory will prove false, further elaborations are necessary.

Another superficial theory to explain differences in development relates to differences in race and culture. At first sight it seems possible to find some apparent link between the distribution of population of Western European stock and the distribution of highly developed countries and between people of negroid stock and less developed countries. But again this link is not conclusive. For example Japan as well as Korea

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\*\* This paper is the summary of colloquium(1983,4) in the Department of Geography, Seoul National University.

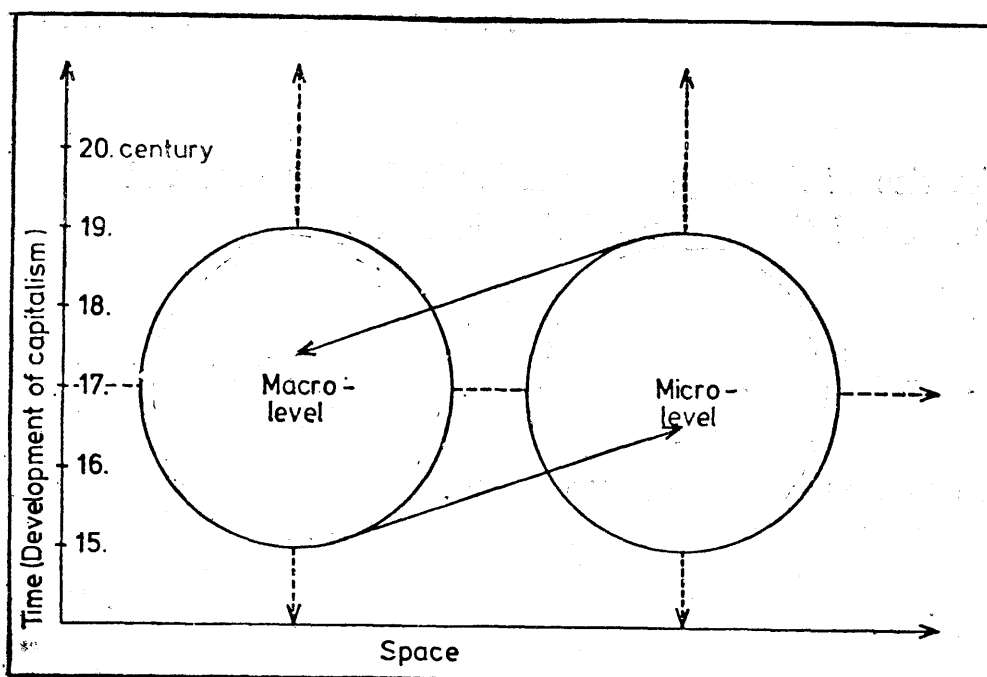


Fig 1. Development situations in the context of time and space

fail to fit into this pattern. More importantly people of the same racial stock have occupied quite different positions in the order of development at different periods of their history and in comparable locations. For example the economic vigor of migrant Indians and Pakistani in East Africa contrasts with the conservatism of people of exactly the same stock in India and Pakistan itself.

Climate and environment and race and culture are insufficient explanation, not because they play no role in development, but because their effect is not simply moncausal, nor is it always the same. These factors *do* effect levels of developments through their interaction with other groups of factors. According to the economist Paul Samuelson, population, natural resources, capital formation and technology are the fundamental factors in understanding development. Each of these factors interlocks with the others. Countries with high levels of

economic development tend to score high on all four indicator-groups, however countries showing slow development on a low level may have been held back by any one of these fundamental factors.

With this approach of interlocking factors in development we enter the modern discussion of development theories. In this discussion of development and underdevelopment we can distinguish three main ideologically influenced approaches:

- ① Capitalistic theories of development.
- ② Marxian theories of capitalism and imperialism.
- ③ Dependencia-theories of Latin-American origin.

Let me give a very rough description of these three theoretical attempts to explain development and underdevelopment.

**Capitalistic theories of development:**

Here we can distinguish two main variants:

1. Theories of modernization and growth.
2. Theories of international trade and labour division.

*Theories of modernization* explain development as a process passing off in stages, as a process in which the least developed countries are at the lowest stage and the highly industrialized countries of Western Europe, North America and Japan have reached the highest stage of development. Between them a lot of developing countries is going to develop in intermediate stages, varying in economic level and growth. According to this theory developing countries have the chance to reach the highest stage, presupposed they provide the necessary development conditions.

One of the most famous prototype in this theoretical framework is Rostow's "*Stages of Growth*"-Model. Rostow divides economic development into five phases:

1. a 'traditional society' as starting basis,
2. a 'society in transition.'
3. a 'take off-phase' or the phase of a 'big push.'
4. a 'drive-to-maturity' phase.
5. a movement 'towards high mass consumption.'

*Theories of dualism* are another variant of modernization. Their basis is the assumption that third world societies are divided in two parts: in a modern developed, and in a traditional underdeveloped sector. The underdeveloped sector is constituted mainly by small-scale farmers, craftsmen and small-scale dealers. This sector is marked by subsistence-economy, labour-intensive production, low capital investment and underemployment, while the modern sector with mining, plantation economy and consumer-goods-industry contrasts by capital and labour intensity and market-production on a

high level. Both sectors are unconnected. This economic dualism is paralleled by social dualism, characterized by poverty on the one side and wealth on the other side. Socio-economic dualism frequently is realized by regional disparities. Development in the meaning of theories of dualism means to provide the backward sector with the conditions of the modernized sector.

A third variant are *Theories of Polarization*. They try to explain regional disparities by the fact that economic growth doesn't take place evenly in all sectors of economy and in all parts of a region or a country; investments rather concentrate on special economic branches respectively on special locations. Thus growth-cores with rapid economic growth are coming up. The growth-cores and regions are contrasted by depleted regions with stagnating or even shrinking economy, investments, capital-draining and migration of young qualified labour-force.

G. Myrdal, one of the most famous polarization-theorists has stressed that economic market forces tend to increase rather than decrease regional differentiation. The build-up of activities in prosperous, growing regions influences the less prosperous, lagging regions through two types of induced effects: spread effects and backwash effects. *Spread effects* are called all positive impacts of growth from a core-region on other regions. This impact comes from the stimulation of increased demand for raw materials and agricultural products and the diffusion of advanced technology. *Backwash effects* of agglomerated growth are net movements of population, capital and goods that favour the development of the growing area but handicap the peripheral areas.

These two opposing forces do not imply the

existence of an equilibrium situation. The two effects balance each other only rarely. What is more likely is a cumulative upward or downward movement over a considerable time that leads to long periods of increasing regional contrasts.

An alternative approach is *Friedman's Core-Periphery model*. He maintains that we can divide the global economy into a dynamic, rapidly growing central or core-region and a slower growing or stagnating periphery. Between these poles there are two intermediate regions; the *upward transition region* and the *resource frontier region*.

The theories of polarization have been extended by the *theory of growth poles* by F. Perroux, J.R. Boudeville and J.R. Lasuen. They argue that there is a diffusion of innovations from growth poles to the peripheries. Growth-poles are the dominating factor of development. Underdevelopment of third world countries as well as of backward regions within a country results from insufficient dynamics of diffusion of economic activities. According to this theory development requires the establishment of growth poles with strong spreading effects.

The second main variant of capitalistic development theories are the classical theories of *international labour division and trade*. They explain underdevelopment as backwardness, resulting from imperfect incorporation in the interantional system of labour division and insufficient participation in world trade.

#### **Marxian theories:**

The different Marxian theoretical approaches to underdevelopment agree that underdevelopment has been initiated from outside. Underdevelopment is understood as a necessary result of the expansion of capitalism

with its variants colonialism and imperialism. According to Marx exploitation by the capitalistic countries is the cause of the existence of underdeveloped countries.

*Neomarxian research* of imperialism concentrates on the thesis of uneven barter and deteriorating terms of trade to the debit of developing countries and on the theory of uneven international labour division.

Summarizing both approaches, the capitalistic-western as well as the Marxian and Neomarxian eastern can be criticized as unilateral. While the capitalistic approaches presuppose that underdevelopment is caused by *internal* factors, Marxian and Neomarxian theories restrict the causes of underdevelopment to *external* factors. Capitalistic theories neglect external factors, Marxian theories neglect internal factors.

The theories of modernization and growth as well as the theories of international labour division and trade take in consideration only economic factors, but eliminate political, social and socio-cultural factors. Empirical research has made evident that according to these and other reasons these theories can only work partially.

Also Marxian theories neglect socio-cultural factors, and empirical research has disproved the theory of exploitation. The development of capitalism has its basis in the development of the dynamics of capital accumulation and production power in the industrial countries themselves. Even the theory of uneven barter and deteriorating terms of trade is uncertain.

In contrast to these traditional approaches the *dependencia-theories* connect internal and external factors of development and underdevelopment. These are the main statements of dependencia-theories:

—Underdevelopment can't be explained

without relating external and internal factors

—Underdevelopment is no forerunner of capitalistic development, as theories of modernization affirm; it is a consequence of capitalistic influence. The autonomous development of peripheral countries has been stopped by their incorporation in the world trade system. On behalf of this the structure of traditional societies has been disturbed or ruined.

—As a consequence the periphery-countries have become structurally dependent on the industrial countries and the structure of peripheral societies has become heterogeneous. It is indicated by a small group of upper class-people with political and economic power and the masses of poor people, the group of the marginalized without any political influence.

—Another result of these structures of dependence is regional and sectoral inequality expressed in the juxtaposition of modernized enclaves and sectors with a capitalistic way of production and dependent sectors and hinterlands with pre-industrial ways of production.

This figure is a rough demonstration of the connections between *Metropolis*, as the industrialized countries are called, and the *periphery*.

You may realize, that dependency exists in a two fold way. The underdeveloped countries as a whole, called periphery, are dependent on the Metropolis in so far as the periphery provides the Metropolis with raw-materials, in return the Metropolis supplies the periphery with industrial articles for daily use, the main recipients are the small group of social upper-classes in the centres. The other link of dependency is realized in the peripheries themselves. The marginalized sector or region is backwashed by the centres. They have to supply them with food-stuffs, raw-materials and labour-force. These links of dependency are pulled together by the economic and political power of the metropolis in the first case. This power is marked by development of industries, education, investigation, infrastructure, etc In the second case it is practised by the centres in the peripheries, supported by metropolitan power.

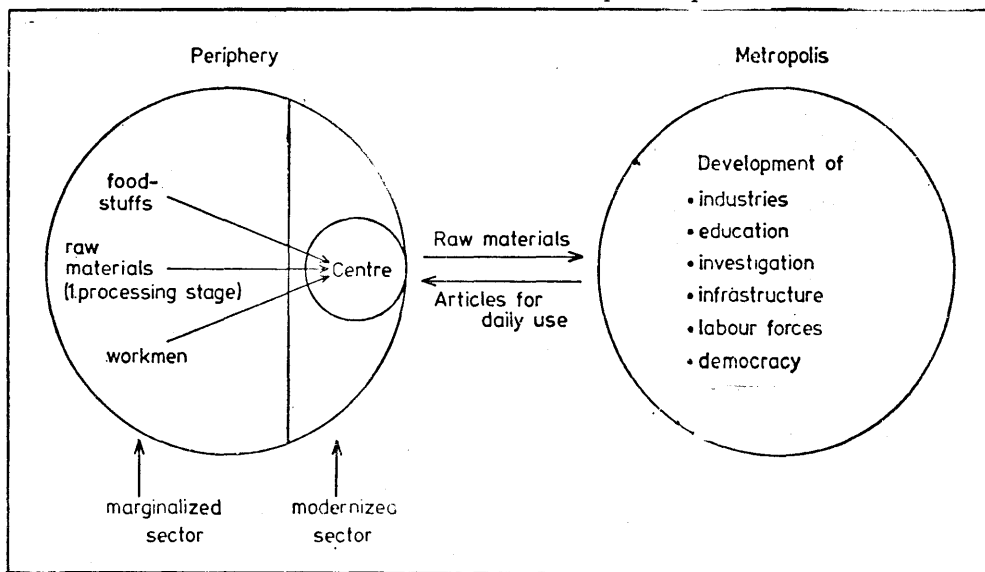


Fig 2. Relations between Metropolis and Periphery.

These structural dependencies bring about inequalities: development in the Metropolitan countries and less distinct in the centres and modernized sector of the periphery, no development or underdevelopment in the marginalized regions and sector. As a whole capitalistic influence has handicapped an autonomous development in the third world. It has changed the precapitalistic structures fundamentally and started a development to underdevelopment for the broad masses of marginalized population. Concerning theories of dependence we have to criticize that central conceptions like *external* and *internal factors* or *dependency* have not been universally defined and clearly marked off from one another.

Further more all these theoretical approaches to explain underdevelopment and development claim *absolute universality*, though none of them covers the problem totally. *Ideologies* play an important part in this claim. Another important problem is their *high level of abstraction*. This raises the question of their *operative value*. The breakdown of so many development projects has proved that theories on such a high abstractive level are unsuitable for practical application. In the latest discussion of development theories, the problem of

*operation* has been perceived. The discussion has revealed that successful practical application demands consideration of the specific individual socio-economic, socio-cultural, spatial, political and historical context of a special development situation. Further more the analysis of development situations has to consider at least two levels:

—The *macro-level* or international level, which played the main part in the traditional development-discussion

—the *micro-level*, that means the internal national/regional or local level, which had been neglected in the traditional discussion.

An analysis of development situations has to connect these levels because concrete development situations are influenced not only by external conditions caused by international economic and political correlations between metropolis and periphery, they are also influenced by internal conditions on a national, regional or local level composed mainly by social, cultural and religious elements.

Internal as external socio-economic structures are confined to *space* and *time*, which might generate important differentiations of the development process. Spatial factors of differentiation are factors like natural resources, socio-economic and socio-cultural conditions, location in space, spatial relations and so on. Historical factors are mainly stages in the development and realization of metropolitan capitalism from 15~20 century. Head words like slave-trade plantation-economy, colonies as raw material suppliers, direct investments and multinationals may indicate capitalistic interference in different stages.

This figure will demonstrate that underdevelopment and vice versa development are no uniform processes. Different distinctions

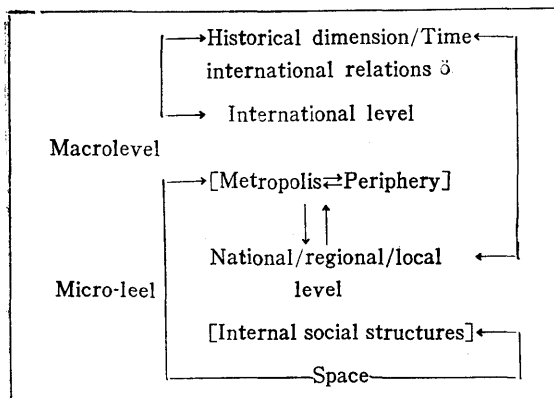


Fig 3. Theoretical coherence of development.

of underdevelopment at different locations and at different times have in each case a specific constellation of causes. The correlations between macro-and micro-level will change from place to place and from stage to stage in the historical development of capitalism as well as the development of the internal milieu. Each special situation of development might be explained, if macro-level and micro-level are correlated with regard to time and space. The failure of traditional development theories concerning practical application can be explained by their neglecting spatial and historical dimensions of development situations and by neglecting the dialectical interference of macro-and micro level. In future intensive empirical development research under the demonstrated theoretical conditions will have the chance to be more successful. Development theories have to adjust at the results of practical interdisciplinary research, if they tend to be applicable. Furthermore theoretical approaches to development and underdevelopment have to realize that the conditions of development in a special development situation will change according to the process of development.

For example Seoul as the main Korean development center caused backwash effects in its closer and farther hinterlands and even in peripheral parts of the country in its first stage of development. But after gaining a special development level in the

closer, and later on in the far away surroundings backwash-effects turned to spread-effects.

Concerning the application of development theories, this means that development theoretically can't be explained by one special theoretical approach only. Each approach is confined to special aspects of a problem. So different approaches have to be combined. The polarization-theory of Myrdal might be able to explain the effects of the first stage of Seoul's development, but it can't work to explain the following stages, because the conditions have changed. In this case theories of growth-poles, based on the assumption of diffusion of innovations are more successful.

From this example we can conclude, that one theoretical approach only is notable to explain a development process. In each case we have to look for *fitting combinations of different approaches*, disregarding ideological borders. We have to elaborate combinations of theoretical approaches, which correspond with the individual development conditions. What we need, to make development theories applicable to practical development activities, is to establish a theoretical framework, that is fitting to the diversified operative level.

Geographers are demanded to cooperate closely with their neighbouring disciplines and to do their part in this big interdisciplinary task of the future.