

### Modernization Theory: Rostow's Stages

Modernization theory holds that economic prosperity is open to all countries. According to W.W. Rostow, modernization occurs in four stages:

- 1) **Traditional stage** – People in traditional societies build their lives around families, local communities, and religious beliefs. Their lives are often very similar to those of their ancestors, and they generally have very limited wealth. Most people are subsistence farmers. A century ago, most countries of the world were in this initial stage of economic development, and some still are.
- 2) **Take-off stage** – Often with the encouragement of political leaders, people start to experiment with producing goods not just for their own consumption but also for trade with others for profit. The country experiences something like an industrial revolution, and sustained growth takes hold. Urbanization increases, and technological and production breakthroughs occur. Greater individualism, a willingness to take risks, and a desire for material goods also take hold, often at the expense of family ties and traditional customs.
- 3) **Drive to technological maturity** – During this stage, economic growth is widely accepted, and people focus on attaining higher living standards. The economy diversifies as people become more prosperous and can afford some luxuries. Many miss the security of family and local community life, but poverty has been reduced greatly and material goods are much more common. Cities grow, as more people leave the farms, and modernization is evident in the core areas of the country. The rate of population growth is reduced as children require more years of schooling in their increasingly complex society, and become more expensive to raise. International trade expands.
- 4) **High mass consumption** – Economic development steadily raises living standards as mass production encourages consumption of industrial products. Items that may have been luxuries in previous stages now become necessities as the society is structured on the expanding array of goods produced. This stage is marked by high incomes, with a majority of workers involved in the service sector of the economy.

Modernization theory claims that high-income countries can help poorer countries by encouraging them to control population growth, increase food production, and take advantage of industrial technology. They also may provide poorer countries with foreign aid. Socialist countries have criticized modernization theory as a justification for capitalist systems to continue to exploit non-capitalist countries. Critics point out that modernization simply has not occurred in many poor countries. Another criticism is that modernization theory fails to recognize that rich nations, which benefit from the status quo, often block paths to development for poor countries. Poor countries today have to develop from a position of global weakness, so they have a much more difficult task than the industrialized countries did during the 19<sup>th</sup> century. Another criticism of modernization theory is that it suggests that the causes of poverty lie almost entirely in the poor societies themselves, which is like blaming victims for their own plight.