

## Key terms + ideas

- International Demonstration Effect
- Relative backwardness
- Core, periphery, and semi-periphery
- Unequal exchange
- Declining terms of trade
- probabilistic theory

## Key questions

**Q: What the group of outcomes that all rise together in traditional modernization theory?**

**A:** Rostow and Lerner argue that urbanization, industrialization, and democracy all “go together”. Unlike Rostow, however, Lerner suggests that psychological mobility must exist within a population before modernization can begin.

**Q: Is modernization deterministic or probabilistic? Do all authors we read this week agree?**

**A:** The traditional view of modernization theory is deterministic, meaning that all countries follow the same path to transform from an agrarian to an industrial society. More recent approach to modernization theory, like Inglehart and Welzel (2005) see modernization as a probabilistic theory. In their view, countries are more likely, but aren’t guaranteed, to modernize under conditions.

**Q: How does Rostow (1960) define a mature economy?**

**A:** Rostow defines economic maturity as an economy that demonstrates the capacity to move beyond the original industries which powered its take-off and to absorb and apply efficiently over a wide range of its resources.

**Q: What factors does traditional modernization theory ignore? Do other authors address them?**

**A:** As Professor Levitsky described in the lecture, traditional modernization theory ignores the role of timing in industrialization and the global environment. Gerschenkron and dependency theory arise in response to these theoretical shortcomings.

**Q: What does “relative backwardness” mean for Gerschenkron?**

**A:** For Alexander Gerschenkron, “relative backwardness” refers to the idea that the level of economic development in a country is not just measured by its absolute level of industrialization, but also by how it compares to other nations. He argued that countries that are relatively more backward—meaning they lag behind other nations in terms of industrial

development and modernization—might take different paths or employ different strategies to catch up.

## Week's readings

- Finish/review Weber's Protestant Ethic
- Daniel Lerner, *The Passing of Traditional Society: Modernizing the Middle East* (Free Press, 1958), pp. 19-65.
- W.W. Rostow, *The Stages of Economic Growth: A Non-Communist Manifesto* (Cambridge University Press, 1960), pp. 1-12.
- Alexander Gerschenkron, *Economic Backwardness in Historical Perspective* (Harvard University Press, 1962), pp. 5-30.
- Ronald Inglehart and Christian Welzel, *Modernization, Cultural Change, and Democracy: The Human Development Sequence* (Cambridge University Press, 2005), pp. 15-33 and 39-61.
  - A contemporary application of Modernization Theory

## Review questions

Check your understanding of this week's material and key ideas with the following questions.

1. What characteristics enables countries to modernize?
2. Is modernization deterministic or probabilistic? What are the tradeoffs of each approach?
3. What are the political implications of Gerschenkron's argument?
4. What are critiques of modernization theory that Inglehart and Welzel raises? And how do they address them?
5. Try to map out the concepts in dependency theory using the table we filled out in section.

## References

- Inglehart, Ronald and Christian Welzel (2005). *Modernization, cultural change, and democracy: the human development sequence*. eng. HOLLIS number: 990097424300203941. New York: Cambridge University Press. ISBN: 978-0-521-84695-0.
- Rostow, W. W. (1960). *The stages of economic growth, a non-Communist manifesto*. eng. HOLLIS number: 990011844140203941. Cambridge [Eng.: University Press.