Development Models

The “Three Worlds”, Human Development Index, Stages of Economic Growth, and World Systems Theory
Warm-Up

• List and explain 3 reasons why the more developed countries tend to be in the north, while the less developed countries tend to be south of the equator.
The First and Third World

- Categories used during the cold war to classify countries
  - First World was Democratic NATO aligned countries
  - Second World was Communist Warsaw Pact aligned countries
  - Third World were not aligned
    - Typically economically lower countries
- Evolved into First World meaning developed and Third World meaning less developed
Mapping the “Three Worlds”
The Human Development Index

• Used by the United Nations since 1990 to categorize countries by development
  – Very High Human Development
  – High Human Development
  – Medium Human Development
  – Low Human Development
Measuring HDI

• HDI looks at social, economic, and demographic factors and gives scores based off development
  – Average Life Expectancy
  – Mean years of school for adults over 25
  – Expected average years of schooling for children
  – Gross National Income (Purchasing Power Parity)
    • The average amount of money a person will make, adjusted for living costs
Mapping HDI
Examining the HDI

The Countries Where Human Progress Is Slowest and Fastest
Ranked according to the United Nations' Human Development Index* 2013

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Norway</td>
<td>0.94</td>
</tr>
<tr>
<td>2</td>
<td>Australia</td>
<td>0.93</td>
</tr>
<tr>
<td>3</td>
<td>Switzerland</td>
<td>0.92</td>
</tr>
<tr>
<td>4</td>
<td>Netherlands</td>
<td>0.92</td>
</tr>
<tr>
<td>5</td>
<td>United States</td>
<td>0.91</td>
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</table>

<table>
<thead>
<tr>
<th>Country</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sierra Leone</td>
<td>0.37</td>
</tr>
<tr>
<td>Chad</td>
<td>0.37</td>
</tr>
<tr>
<td>Central African Republic</td>
<td>0.34</td>
</tr>
<tr>
<td>Congo</td>
<td>0.34</td>
</tr>
<tr>
<td>Niger</td>
<td>0.34</td>
</tr>
</tbody>
</table>

* The HDI measures three dimensions of human development: longevity, education and standard of living
Source: United Nations Development Programme
Development Models

• Rostow’s Stages of Economic Growth
  – Divides countries into 5 categories
  – Assumes highest developed countries are democratic and capitalists

• Wallerstein’s World Systems Theory
  – Divides countries into 3 categories
  – Assumes countries work together is semi-socialist network
Rostow’s Stages of Economic Growth

- Stage 1 – Traditional (Hunter-Gatherer Society)
  - Has resources but neither the technology or social/government structure to harvest them
- Stage 2 – Precondition to Take-Off (Agricultural Stage)
  - Foreign countries and companies invest in infrastructure and develop basic industries (plantations, factories, mining, etc...)
- Stage 3 – Take-Off (Industrial Stage)
  - The development of manufacturing and supporting industries and governmental/societal institutions
- Stage 4 – Drive to Maturity (Post-Industrial)
  - Countries begin diversifying economic structure and modernizing governmental systems
- Stage 5 – High Mass Consumption (Modern)
  - The modern capitalistic/democratic society that produces very little, instead focuses on service sector of economy
Rostow’s Societal Make Up

<table>
<thead>
<tr>
<th>The Traditional Society</th>
<th>Primary Sector</th>
<th>Secondary Sector</th>
<th>Tertiary Sector</th>
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</thead>
<tbody>
<tr>
<td>Vast Majority</td>
<td>Very Few</td>
<td>Very Few</td>
<td></td>
</tr>
<tr>
<td>Pre-conditions for Take Off</td>
<td>Vast Majority</td>
<td>Few</td>
<td>Very Few</td>
</tr>
<tr>
<td>Take Off</td>
<td>Declining</td>
<td>Rapid Growth</td>
<td>Few</td>
</tr>
<tr>
<td>The Drive to Maturity</td>
<td>Few</td>
<td>Stable</td>
<td>Growing Rapidly</td>
</tr>
<tr>
<td>High Mass Consumption</td>
<td>Very Few</td>
<td>Declining</td>
<td>Vast Majority</td>
</tr>
</tbody>
</table>
Wallerstein’s World Systems Theory

- **Periphery**
  - Poorest of countries who supply cheap natural resources and labor to others

- **Semi-Periphery**
  - Medium development countries who use the periphery, but are also used by the core to produce cheaper goods and provide cheap labor

- **Core**
  - Wealthiest countries who use periphery and semi-periphery for cheap resources and labor. Supply high quality manufactured goods
Wallerstein’s Model

- **CORE**
- **Semi-Periphery**
- **Periphery**

**High Profit Consumption Goods**

**Cheap Labor and Raw Materials**

Wallerstein's World System Theory Model
Mapping the World Systems Theory