

# VII. Rostow Modernization Model

## A. Overview of the Model

1. Rostow sets out in the 1950's to explain and predict countries patterns of economic development.
2. Rostow's model consists of five stages through which all countries move as they improve their economic development.
3. MDCs exist in stages 4 and 5, LDCs 1, 2, 3
4. Once a country starts investing in capital (factories) it will begin to develop.



B. Walt Rostow's Modernization Model Assumes that all countries follow a similar 5 stage process of development.

1. Stage One: Traditional Society: Economic activity is mainly subsistence farming with little investment in innovation.

2. Stage 2: Preconditions for take-off: As a region begins to develop a small group of people initiates innovative "take off" economic activities that pave the way for economic development.

Ex) S. Korea invested in high tech computer industry

3. Stage 3: Take off: The small number of new industries that begin to emerge in stage 2 begin to show rapid growth. In this stage, industrialization increases and subsistence farming decreases, in regions where the take-offs take place.

4. Stage 4: Drive to Maturity: At this stage, more advanced tech, and development begins to spread to a wider region and other industries (not just the take off) begin to experience rapid growth and workers become more skilled & educated.

5. Stage 5: High Mass Consumption: The economy shifts from the dominance of secondary factory jobs to the dominance of service-oriented jobs that required higher levels of education.

### C. Criticisms of Rostow's Model

1. Some think that the model cannot be used for all countries b/c it is based on the pattern of Western European and Anglo American.

2. Rostow's model does not consider structural issues that might limit a country's ability to develop, such as a post colonial dependency.

3. Model considers each country an independent agent, rather than one piece of an interlocking system of countries.



4 Stage 5 assumes that higher economic productivity leads to high mass consumption of G+S. (might not happen)