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SOCIAL FACTORS IN ECONOMIC DEVELOPMENT

By

A. Eugene Havens

All views, interpretations, recommendations and conclusions expressed in this publication are those of the author and not necessarily those of the supporting or cooperating organizations.

SOCIAL FACTORS IN ECONOMIC DEVELOPMENT¹

by

A. Eugene Havens²

When the Twentieth Century ends and historians of the Twenty-first Century begin to analyze our times, they may record that one of the most impressive post World War II trends was concern with economic development. A large number of countries have embarked on the planning and execution of economic development programs. The Western World and the Communist-block countries have demonstrated a willingness to assist less advanced countries by providing technical and investment assistance to a degree uncommon to other historical eras. At the same time, the more advanced countries are still struggling with the development of the lagging sectors of their own economies. Social scientists have responded to this concern in their research activities. Probably if one were to perform a word count in recent social science journals, the concepts of economic development, economic growth, social change and underdeveloped would win the popularity poll in a landslide. Yet these concepts are far from being precise. The purpose of the present study is to specify a set of necessary and a set of sufficient conditions that will lead to sustained economic development. The hypothesized set of sufficient conditions are not argued to be the only set available but they are hypothesized as sufficient.

¹ Paper prepared for the Annual Meetings of the Rural Sociological Society, August, 1965, Chicago, Illinois. The author acknowledges the helpful comments of W. K. Warner and E. A. Wilkening.

² Assistant Professor, Rural Sociology, University of Wisconsin and the Land Tenure Center. The views presented herein are those of the author and not necessarily those of the cooperating or supporting agencies.

Indicators of Underdevelopment

Attempts to define underdevelopment are paramount in the literature of the social sciences. Many writers recognize the complexity of underdevelopment and attempt to indicate the problem by describing the structure and functions of the major institutions encountered in such areas. Still there is a tendency to feel a need to draw some arbitrary line in order to pinpoint areas for foreign aid or national assistance to underdeveloped areas. For example, the United Nations report or Measures for the Economic Development of Underdeveloped Countries stated:

We have had some difficulty in interpreting the term underdeveloped countries. We use it to mean countries in which per capita real income is low when compared with the per capita incomes of the United States of America, Canada, Australia, and Western Europe.

Higgins noted that, employing this definition of underdeveloped, countries with per capita incomes of less than one-quarter those of the United States are therefore underdeveloped. This means in rough terms all those countries whose per capita income is less than \$500 per year.³ One wonders, however, if underdeveloped is being defined or if "poor" is instead the subject of definition. Venezuela has for many years had a high per capita income due to oil exportation, but only in recent years could it be classified as other than underdeveloped. One segment of the Venezuelan economy was highly advanced, but the other areas were not. As Higgins noted, there is a difference between underdeveloped countries and underdeveloped areas.⁴ The United States has several areas which are underdeveloped relative to the average per capita income of the country. Perhaps the relevant question is, how many underdeveloped areas must be present before the country is underdeveloped? In fact, it appears that one of the criteria necessary for defining underdevelopment is uneven growth. A high number of underdeveloped areas coupled with a concern for these areas may serve as a vehicle for classifying countries

³ Benjamin Higgins, Economic Development (New York: W. W. Norton and Company, 1959) p. 6.

⁴ Ibid., p. 6.

as underdeveloped.⁵ But this would only serve to classify and not to define because we still do not know what an underdeveloped area is nor how many and what areas must be underdeveloped to (1) generate concern, and (2) allow the entire country to be viewed as underdeveloped.

Some clarification of concepts may be attained if economic considerations are coupled with sociological ones. This is not a new idea. Economists have been asking for some time that the sociologists assist them in their study of development. Dusenberry⁶ and Kuznets⁷ especially have presented cogent arguments for the need of including factors from other disciplines in economic development. Hagen has gone a step beyond this and actually attempted to include such factors in a search for a theory of social change.⁸

Sociologists probably rankle at the work of Hagen and at statements such as the following: "In particular economists have come to consider factors and influences which previously had been relegated to institutional literature or left to other disciplines ... we think that economic propositions of some generality and depth can be established about them and their interaction with the variables and influences usually studied by economists."⁹ In a footnote these authors list family obligations as one example of these factors. Some sociologists might argue that the economists are invading their field and that the economist is poorly equipped to study these areas.

⁵ Higgins states, "One might label a country underdeveloped if its government considers development a 'problem' in a way which calls for positive policy." Higgins, op. cit., p. 6.

⁶ James S. Dusenberry, "Some Aspects of the Theory of Economic Development," Explorations in Entrepreneurial History, III (1950), pp. 63-102.

⁷ Simon Kuznets, "Toward a Theory of Economic Growth," in Robert Lekachman, ed., National Policy for Economic Welfare at Home and Abroad (Garden City, 1955).

⁸ Everett Hagen, On The Theory of Social Change (Homewood, Illinois: Dorsey Press, Inc., 1962).

⁹ Peter T. Bauer and Basil S. Yamey, The Economics of Underdeveloped Countries (Chicago: University of Chicago Press, 1951), p. 11.

But the plain truth is that we sociologists have been slow to respond to the questions economists have been asking us.¹⁰ Sociologists have studied development but have tended to "talk by" the issues raised by some economists. We have tended to argue polemically in attempts to show that other than economic motives are involved in human behavior. This is no doubt true, and many economists are willing to grant the point, but they want to know not only what these non-economic considerations are but how they operate either to retard or to enhance development. Unfortunately, these polemics have led to an over-concern with culture and its relevance but little systematic analysis of how it is relevant to a given development program. That peasant societies are oriented toward different goals than are advanced societies is not only interesting but axiomatic.¹¹ But how do peasant societies become concerned with these differences? How do they come to desire new or different goals? What must take place before they will give up their familiar ways of doing things and accept different ways? These seem to be questions of more relevance and questions that sociologists should be equipped to answer.

¹⁰ Cf., Wilbert E. Moore, "The Social Framework of Economic Development," in Ralph Braibanti and Joseph Spengler, eds., Tradition, Values, and Socio-Economic Development (Durham: Duke University Press, 1961), p. 57.

¹¹ For an example of what is meant by axiomatic formulation, the following notation should be sufficient. Report No. 2 from the First Interamerican Symposium on the Role of Communications in Agricultural Development (held October 5-13, 1964) states, "Characteristics of a traditional versus a modern society with respect to characteristics relevant for agricultural development may be suggested as follows ..." In respect to the first factor listed, "speed of change," the traditional society is termed "relatively slow" and the modern is "relatively rapid." At the end of the table is the statement, "Such a classification as the above provides a frame of reference for formulating hypotheses for change ..." Presumably, an example would be speed of change in a traditional society is slow when compared with a modern society.

Some Economic Definitions of Underdevelopment

Economists have struggled for some time for a definition of underdeveloped, and as was noted earlier, almost all the general definitions which have emerged may be summed in one simple word, "poverty" or "poor." But other dimensions are also noted. These are: (1) that poor is a relative term,¹² (2) that the poverty is a result of underutilization of current resources and not a result of full utilization of limited resources,¹³ and (3) that mere aggregates, such as per capita income, are not necessarily adequate expressions of poverty or growth, and the levels of consumption may be a more appropriate expression.¹⁴

The notion that poverty or poor is a relative term is an obvious dimension, but the importance of this dimension may be easily overlooked. The importance is embodied in the notion that without meaningful comparisons an area, a region, or a country may not realize that it is underdeveloped. Without such a realization, it is difficult to imagine how a concern for development could be generated without external influence. It would seem that it makes a great deal of difference who becomes concerned first about what in development planning. The locus of concern will be discussed in detail subsequently.

The dimension of underutilization of existing resources rather than full utilization of existing resources would appear to be an important addition. If underutilization is the cause of poverty, then the programming for change would be quite different than if limited resources were the cause. In the former case, one must develop some understanding about the factors that are currently limiting the fuller utilization of existing resources before an adequate plan for development can be

¹² Norman S. Buchanan and Howard S. Ellis, Approaches to Economic Development (New York: Twentieth Century Fund, 1955) p. 3.

¹³ Eugene Staley, The Future of Underdeveloped Countries (New York: Harper and Brothers, 1954), p. 15.

¹⁴ Jacob Viner, International Trade and Economic Development (Glencoe: The Free Press, 1952), p. 125. The concern for higher levels of consumption is also expressed by Galbraith in his "Popular Consumption Criterion." John Galbraith, Economic Development (Cambridge: Sentry Edition, 1964), p. 11.

generated. In the latter, new resources must be created; it may be more efficient to create new human resources rather than physical resources.¹⁵

The dimension concerning how best to express poverty and/or growth is more of a measurement concern and will not be treated at this time.¹⁶ The focus of the present study is not upon these interesting questions of measurement. Rather it is to attempt some conceptual clarity with regard to underdeveloped and development. A review of the relevant economic literature indicates that an underdeveloped country (1) is relatively poor, and (2) misuses its resources.

Some Relevant Sociological Factors

The notion that underdevelopment is a relative question may be a fruitful starting place to introduce some of the more important social factors. Because this is such an obvious fact, little further consideration is given to this aspect of underdevelopment. But because it is so obvious, we may be overlooking some insights into the nature of the development process. For example, Higgins places a strong emphasis upon the notion that a concern must be generated if a country is to develop a plan for growth.¹⁷ But how is this concern generated? What must take place before a country defines itself as poor and is willing to take steps to improve its relative position?

¹⁵ This may be the case in the current development planning for Appalachia. Presumably, a resource inventory would be taken before any commitments were made to a definite plan for change. Also, it is generally easier to create new capital resources rather than physical resources, assuming that there is some profitable alternative to investing them.

¹⁶ Cf., Simon Kuznets, "Statistical Trends and Historical Changes," Economic History Review, 2nd Series, Vol. III, No. 3, 1951, p. 275; G. Warren Netler, "On Measuring Economic Growth," Journal of Political Economy, February, 1957, pp. 51-63; and Dudley Seers, "The Role of National Income Estimates in the Statistical Policy of an Underdeveloped Area," Review of Economic Studies, Vol. 20, 1952-53, pp. 159-168.

¹⁷ Higgins, op. cit., p. 17.

First of all, concern will probably not be forthcoming if a country or region is not utilizing its resources to the fullest capacity and at the same time is not "poor" in comparison to other countries or areas. In fact, underutilization of existing resources may be functional in some cases, particularly if surpluses are involved. But if those individuals or groups of a particular country or region perceive themselves to be "poor" in comparison to other countries or regions, then concern may be easily generated. In brief, relative deprivation may be a necessary component of generating concern for economic development.

The notion which emerges, then, is that individuals orient themselves to groups other than their own in shaping behavior and evaluations.¹⁸ This involves a knowledge of these other groups, knowledge which does not have to be complete or even accurate, since how the individual perceives the group is the crucial component. If individuals in country or region A have knowledge of others in region B and feel that those in B are "better-off," then A may feel deprived relative to B. Thus the concept of relative deprivation refers to differences perceived when one individual or group compares itself to other individuals or groups, finds the other groups to be better and becomes concerned about this perceived difference.

But we should not expect always to observe a response to feelings of relative deprivation to appear in measures of economic growth. It is possible that opportunities either (1) do not exist, or (2) are not perceived, which would allow individuals who are concerned with advancement actually to improve their lot. Sometimes new alternatives must be created, or new risks must be taken into which the individual is unwilling to enter. But unless an individual feels relatively deprived, why would he even attempt to change? It seems that some relative deprivation is a necessary condition in order for concern to be generated about economic development. But it is not sufficient for economic growth. The search for a sufficient condition for sustained economic growth should prove fruitful.

That relative deprivation is not a sufficient condition for sustained economic growth may best be seen if the locus of concern is included in one's analysis. If, for example, a national body, such as national government, is the first

¹⁸ Robert K. Merton and Paul F. Lazarsfeld, Continuities of Social Research. Studies in the Scope and Method of the American Soldier (Glencoe, Illinois: The Free Press, 1950) p. 50.

to become concerned with their country's relative economic development, then it is logical to expect the nation-state to become the "leading sector" and attempt to construct development plans for certain sectors of the economy. Almost invariably, initial concern is directed toward the rural sector. This is partially due to the notion that industrial development may be inhibited unless agriculture is able to produce sufficient food supplies and raw materials for further economic expansion in the industrial sector.¹⁹ An equally important reason, however, is that the rural sector is more traditional.²⁰ Urbanization produces a set of conditions favorable to development and planning. The concentration of population provides for a greater degree of communication between the residents, highly visible evidences of relative deprivation, a greater possibility for organization of the populace into political parties, labor unions, or other pressure groups, and therefore, the development of channels for presenting demands to those who control the allocation of resources.

The rural structure generally presents no such form. In most of the underdeveloped parts of the world, the rural sector is largely tied to a more feudal form of social organization. There was (or is) a high concentration of power in the hands of a small few, usually the head man, the large landlord or his agent, the priest, and a few elders. While the intravillage network of communications is highly developed, there is no effective system of communications between villages or between village and urban centers. Therefore, there is relatively little opportunity for the peasant to receive knowledge of remote groups that he can employ as a comparative reference group. As a result, any relative deprivation that he might feel would be highly locally based. It is for this reason that the patronal forms of social organization were (and are) so tenacious. It is not that the old elite were so capable of coping with all demands; the demands frankly were low.

¹⁹ Raoul Prebisch, "The Role of Commercial Policies in Underdeveloped Countries," American Economic Review Papers and Proceedings, Vol. 44, May, 1959.

²⁰ Rural sectors are not necessarily traditional. However, most rural sectors in underdeveloped countries more closely conform to Redfield's characteristics of a "little community" -- distinctiveness, smallness, homogeneity, and all-providing self-sufficiency. It is for this reason that Redfield prefers a folk-urban continuum rather than a rural-urban continuum. See Robert Redfield, The Little Community (Chicago: University of Chicago Press, 1955) pp.4-8 and pp.154-168.

Even assuming that a number of individuals within a rural community become concerned with their relative deprivation, they may find it impossible to translate this concern into an action program of community improvement. Probably the crucial obstacle is the existing social structure. Given a social structure which lacks institutionalized channels for expressing concerns from the local level to the national level, the expression of concern on the part of a number of individuals is effectively blocked. Single individuals facing all the institutionalized social controls are not likely to be able to bring about change by themselves. They need group support which the community does not provide. It is important to keep in mind that a community is not necessarily in a position to present demands to higher authorities. A community is basically a geographical unit which houses the major social institutions. As such, it may house divergent, conflicting interests. There is no logical reason to expect consensus to exist within any given community.²¹ Generally, demands are most effectively presented when individuals voluntarily associate in order to obtain some desired goal. But before voluntary associations can arise, certain structural changes must occur. The compliance system in the majority of traditional, rural communities is based upon the influencee's perception of the influencer's ability to observe and control his behavior.²² If the influencee (in the present case the peasant) feels that the influencer (the locally based elite) can influence his behavior as an individual but not the behavior of a voluntary association, then the conditions may be present for the emergence of voluntary associations that come to be new power contenders and place new demands. But this is the resultant of a particular social process.

²¹ If one posits a community to be an isolated unit, such as tribal organizations, consensus may be present to a larger degree. But there is little evidence which indicates that communities even in underdeveloped countries are completely isolated. Cf., Vera Ruben, ed., Caribbean Studies. A Symposium (Seattle: University of Washington Press, 1960); and Sol Tax, Penny Capitalism (Chicago: University of Chicago Press, 1963).

²² Frederick W. Frey, Four Working Papers on Political Development, Working papers prepared for the summer seminar on Political Research in Development held by the Inter-University Consortium for Political Research, Ann Arbor, Michigan, July 27 - August 7, 1964.

Most of the cases of countries which have moved from underdeveloped to developing have followed one of the two paths presented herein. Either some form of tutelary, quasi-national governments²³ have emerged as a "leading sector" for economic development without permitting the necessary structural changes which would allow for sustained economic growth, or a structural change has preceded which demands economic development as part of a self-sustaining social development within a political structure that assures the participation of relatively all social groups. The latter is, of course, a pluralistic society. The remainder of the present paper is devoted to an attempt to specify the conditions under which one or the other of these paths will be pursued and the likely consequences of them.

Two Paths to Development

If a tutelary, quasi-national government is formed in order to stimulate economic growth and simultaneously not seriously disrupt the balance of power with the social system, then certain conditions are most likely to be present at the time of emergence. These conditions are: (1) local communities are relatively isolated with few communication or transportation ties to the larger urban center, thereby limiting the possibilities for local residents to perceive their situation as being relatively deprived which precludes the possibility for developing meaningful local concern for economic and social development, (2) national elite is concerned with increasing economic growth, generally in the agricultural sector, since they feel that any further advancement in their own or others' positions might be inhibited, (3) educational levels are low with a high rate of illiteracy, (4) most of the economically active are either directly or indirectly engaged in agriculture, (5) agricultural production is largely at the subsistence level with locally based markets,²⁴ (6) mobility tends to be lacking with positions largely assigned

²³ This term is taken from K. H. Silvert, "Peace, Freedom, and Stability in the Western Hemisphere," Paper read at the Georgetown University Colloquium on Latin America, June 27-28, 1962.

²⁴ This does not imply that all markets are locally based or that the products that the peasants produce do not find their way to national markets or international markets. Rather it indicates that the peasant does not orient his production toward national market price fluctuations but toward family consumption. Any surplus would be sold, but to local buyers.

by ascription, and (7) authority is vested in a relatively few paternal institutions.²⁵

Under such conditions, early attempts to stimulate economic development and social change are likely to meet with little success, since the clientele are not initially concerned with change. The elite are concerned because even though they personally tend not to employ land as an income property they recognize that their own economic activities may be limited if the agricultural sector is not more productive. Most underdeveloped countries' balance of payment situation depends upon agricultural exports (such as coffee, rice, cotton and sugar, etc.) in a precarious balance with imports for industry and consumption. The elite may own land but it is for prestige and a hedge against inflation more than an income property. Therefore, the elite's own tastes must be satisfied by either inherited wealth or income from urban industrial and professional occupations. The elite know that any further industrial growth depends upon agriculture's ability to supply this sector or upon the exportation of minerals or petroleum. Since not all countries are blessed with these resources, agricultural production is viewed as the limiting factor.

As the tutelary government begins to press for economic growth, it may either consciously or inadvertently establish the conditions sufficient for moving toward a structural change which will allow for sustained growth, which will be described subsequently. On the other hand, if the tutelary regime desires to maintain the existing power balance and not disrupt seriously the social structure, start and stop growth is most likely to occur. One reason that growth may not be continuous is that no tutelary regime is sufficiently able to consolidate power without recurring conflicts.²⁶ As these conflicts occur certain human and capital resources are diverted from the productive process and invested in the conflict resolution. As a result growth tends to increase, while power is consolidated and slow-down or actual decline occurs

²⁵ Frederick Frey, op. cit.

²⁶ If it were, then it would be a complete totalitarian state. But not even totalitarian states have been able to reach full development with a sustained economic growth pattern. The Soviet Union is usually classed as an intermediately developed country, and where growth has been most dramatic, the state has relaxed its control; Soviet science is a good case in point. Cf. Silvert, op. cit.

during conflict resolution. Examples of this type of growth may be witnessed in almost all of Latin America with the possible current exceptions of Venezuela and Mexico.²⁷ Therefore, the tutelary path to development is not sufficient for sustained economic and social development. Of course, if a tutelary regime successfully maintains power consolidation it is no longer tutelary; it is totalitarian (see footnote 26).

If a structural change occurs which leads to the development of a pluralistic society demanding economic development, then a certain social process²⁸ must have occurred which establishes the conditions for sustained economic growth. This social process and its subsequent consequences may be described in the following manner. Two factors are viewed as necessary preconditions if the sufficient conditions to be detailed subsequently are to emerge. These are communication contacts and relative deprivation. Communication contacts must be present if individuals are to gain knowledge of new alternatives to their present situation. Lack of knowledge about new alternatives undoubtedly is functional from the point of view of the traditional elite since ignorance of other alternatives reduces conflict and lessens the demands for change.²⁹ Without these sources of knowledge about alternative patterns of behavior, there is no basis for relative deprivation. To be relatively deprived, one must be able to compare himself with others and feel that his position is inferior. If an individual does not feel relatively deprived (or concerned for improving his present position), there is no logical basis for expecting him to be interested in change.³⁰ Change, then, would most likely come as a result of the activities of a tutelary regime.

²⁷ Ibid.

²⁸ Social process is used to denote change which occurs within an existing structure.

²⁹ Wilbert E. Moore and Melvin Tumin, "Some Social Functions of Ignorance," American Sociological Review, Vol. 14, December, 1949, pp. 787-795.

³⁰ Relative deprivation is used herein to also connote concern for differences between one's conception of self and one's definition of what he should be, that is, a difference between real and ideal self definitions. This might lead to a self-actuated concern for change without comparisons to other reference groups. But one's ideal self definition must be based upon some knowledge of other ideologies or styles of life. Such knowledge must come through some type of communication contact.

But if these two necessary conditions exist, then the following sufficient conditions may emerge.³¹ The communication contacts and feelings of relative deprivation allow for the growth of concern about how to express the demands of the individual. Since many of the individuals who feel relatively deprived also feel that the interests of existing authority structure conflict with their own interests, they may group around this perceived conflict and attempt to attain collectively what individually they would be barred from accomplishing. That is, voluntary associations may emerge that become new power contenders and place demands on the existing authority structure which necessitates some type of response. The response may be a reconsolidation of power which would indicate that the voluntary associations did not attain their goals or it may be concessions granted on the part of the authority structure. The set of sufficient conditions then are: 1) the formation of voluntary associations, 2) that seek to attain instrumental goals,³² 3) which either by accident or design are consistent with the broad goal of development, and 4) these voluntary associations are somewhat successful in attaining their goals.³³

If the voluntary associations are not somewhat successful in attaining their goals, they will not emerge as new power contenders. The traditional power structure will reconsolidate its power and maintain the subjugation of the less

³¹ It is possible that the process will stop here, particularly if the existing authority structure is able to maintain compliance and such a compliance precludes the development of channels to express concern. If this occurs, then conditions are favorable to violent overthrows or individuals may become fatalistic and apathetic.

³² Not all voluntary associations are necessarily concerned with social change and economic growth. Some may be totally consummatory. Cf., Arthur P. Jacoby and Nicholas Babchuck, "Instrumental and Expressive Voluntary Associations," Sociology and Social Research, Vol. 47, July, 1963, p. 461-471; and Arnold Rose, Theory and Method in the Social Sciences (Minneapolis: University of Minnesota Press, 1954), p. 52.

³³ For a partial indication of why voluntary associations may not attain their goals, or why goals may become displaced, see David L. Sills, "Voluntary Associations: Instruments and Objects of Change," Human Organization, Vol. 18, Spring, 1959, pp. 17-21.

privileged individuals. If they are successful in attaining their goals, then these voluntary associations will become new power contenders and there will be the creation of new positions and different expectations for behavior. That is, the structural change will be tenacious and institutionalized into the prior structure. If this occurs, then governments will tend to be more stable with less intense conflicts which divert productive resources to conflict resolution, and economic development will be self-sustaining.

The set of sufficient conditions may be considered as one side of an equation that, by definition, yields economic development. If 1) voluntary associations emerge, that 2) seek instrumental goals that are 3) consistent with the broad goal of development and 4) these voluntary associations are successful in attaining these goals, then economic development must accrue. Such a formulation is a logically closed system. The lack of any part will not yield development. Most frequently, the part of the equation that refers to attainment is lacking. It is not sufficient to form voluntary associations that seek instrumental goals consistent with development. These associations must also be able to attain their goals.

There is no implicit argument that this set of conditions is the only set that will yield development. Others may be stated that will also yield development. However, it is argued that the set hypothesized herein perform other latent functions that, in turn, are important for full-scale development. One such latent function is that societies that are pluralistic are less subject to manipulation by central governments.³⁴ Government's ability to stay in power depends upon its ability to serve the demands of its constituents. Of course, demands can be met by force and individuals can be coerced into acquiescence. However, if the societal values are consistent with a democratic ideology, then effective voluntary associations may serve as a check on government's power and may lend stability to a developing country.

³⁴See William Kornhauser, The Politics of Mass Society (New York: The Free Press of Glencoe, 1959).

Implications

If it is true that these two necessary conditions and the set of hypothesized sufficient conditions are indeed necessary and sufficient, then the implications of the present study are axiomatic. If a country desires to develop, then these conditions may be presented as one road to sustained development. In almost all underdeveloped countries or regions, voluntary associations already exist or are emerging. The problem, then, is not the creation of such organizations but, rather, assisting them in becoming effective in attaining instrumental goals.

The effectiveness of voluntary associations in attaining instrumental goals is largely determined by four goal concerns, goal formulation, goal specificity, goal succession, and goal displacement.³⁵ The importance of goal formulation has been noted already in that organizations must set goals that are instrumental and will lead toward a future state of affairs involving better welfare for the country or region.

Even though the goals are formulated with development in mind, they must be specific enough that the participants can perceive some benefits. If goals are too broad, perceived benefits may be lessened. On the other hand, if goals are highly specific and attained, then the members of the association may disband. This brings into view the importance of goal succession. A specific goal that, through attainment, leads to the formulation of another specific goal, etc., is a crucial characteristic of effective voluntary associations.

The last goal concern, goal displacement, raises the issue of conflict. One of the tenets of conflict theory is that there is no place for weakness; the weak are subjugated to the more powerful. Conflict is functional from a given group's point of view only if the competing organizations are relatively equal in power. Emerging voluntary associations face the concern of goal displacement to a large degree in that the older established groups (such as those representing the interests of the traditional elite) may be able to displace the goals of the new since they have more power resources. However, successful associations attract more

³⁵ I am indebted to Professor Keith Warner for calling this to my attention. See W. Keith Warner, "Problems in Evaluating the Goal Attainment of Voluntary Associations," manuscript in process (Madison: University of Wisconsin, Department of Rural Sociology, 1965).

members and can muster greater commitment and more resources (e.g., labor unions started with very specific goals, successfully attained them, set new goals and attracted more members thus generating more power). Therefore, emerging voluntary associations may be more successful if they formulate specific goals that conflict least with more established groups, demonstrate their effectiveness in attaining these goals, and thereby attract more members and slowly broaden their power base.

Knowledge of these goal concerns performs two functions. First of all, the researcher may use them as part of his conceptual tools for analyzing growth of voluntary associations and the role they play in economic development. Secondly, the practitioner may find them helpful in working with these associations.

Discussion

The central thesis of the present study is that traditional rural structures do not provide opportunities for presenting demands to state and national decision-making bodies, and that sustained economic growth, when measured by productivity levels and per capita income, does not take place until such channels are established. Economic development is viewed as a consequence of a structural change, and, in order to be self-sustaining and all-pervasive, this structural change has historically involved the emergence of voluntary associations, which broadens the power base in a society.³⁶

Concern for economic development appears to be paramount when the rural sectors of a country lag behind urban sectors to such an extent that further urban, industrial growth may be hampered. Attention is then focused upon (1) agrarian reform, (2) increased agricultural productivity, and (3) improved rural levels of living.³⁷ Unfortunately, most programs for

³⁶ Vilfredo Pareto, The Mind and Society, tr. A. Bongiorno and A. Livingston (New York: Harcourt, Brace and Company, 1935), pp. 1419-1432; and Silvert, op. cit.

³⁷ Generally, agrarian reform becomes equated with a simple redistribution of rights to land. However, certain forms of land tenure require a certain social structure (the hacienda, for example) and, therefore, a true agrarian reform involves a structural change.

development attempt to bring about economic growth by providing new capital inputs and improved technology. These factors will undoubtedly increase productivity in the short run, but will not lend to growth and development, a self-sustaining characteristic. Such a characteristic is the result of the structural changes herein described.

If the central thesis of the present study is tenable, then rural sociologists should have much to contribute to studies of and planning for economic development. Historically, our concern has been with rural social organization and community development. In addition, we can trace our roots to U.S. concern for the lagging agricultural sector of the country and the establishment of the Country Life Commissions. Indeed we are frequently called upon to assist and advise on the development of effective voluntary associations. Obviously, the present study has not fully specified the types of voluntary associations that are most likely to attain the goal of sustained economic development. But rural sociologists should be most uniquely equipped to do so.

While the present study has focused entirely upon the underdeveloped countries and the types of structural change that is sufficient for sustained economic development, there is no reason to expect that these conditions are totally absent in the United States. If these hypotheses are tenable, then our own rural development programs might be more successful if these same principles are applied.

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