SUMMARIZING THE MISCELLANEOUS CRITICISM ON ROSTOW’S MODEL OF ECONOMIC GROWTH: AN OVERVIEW

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ABSTRACT

This paper is an attempt to summarize the miscellaneous criticism of numerous scholars contingent upon Rostow’s comprehensive model of *Stages of Economic Growth: A Non-Communist Manifesto*—one of the historical patterns of the economic development. This study argues that how have the different scholars criticized the Rostow model of economic growth or unwilling any importance to the theory. Others, while identified the author’s productive contributions in some aspects, recognized the numerous flaws in the terms of theory and experimental substantiation. His model of economic growth opposed to the Karl Marx phases of feudalism, socialism, capitalism, bourgeoisie, and communism. Therefore, economists and historians are uncertain and disapprove the substantiation of the division of economic-history into five stages of development as obtained by Rostow. This model of development acclaims that all societies evolved from a state of traditional society to the modern one and wangled into the economic maturity. This model has already outset the lively debate and endured the podium of criticism among various research scholars, economists and historians. The postulates of model shifted from economic growth to the politics and practiced by nine major countries—this general hypothesis is highly criticized by numerous economists for being too hazy, theoretical and feeble from substantiation point of view. Hence, no comprehensive work has yet been conducted to summarize the critique of various scholars.

Keywords: Stages of economic growth, leading sector (industrializations), political factors, nine major countries, capitalism, Marxism

INTRODUCTION

Rostow’s analysis of economic growth has provoked miscellaneous reactions in academic circles all over the globe. His postulates on economic growth are highly praised but the same portion of
economic literature is ruthlessly criticized. Rostow model of economic growth and its prominent five stages are the leading historical model in economic growth, foremost stages are; traditional society, pre-conditions for take-off, take off, drive to maturity and an age of high mass consumption—this complicated model has managed a lot arguments from numerous scholars has raised a maturity of thoughts in economic development theories.¹

It was first published in 1960’s during the crest epoch of the cold-war and was sighted as deliberately political as it diverse the impression of communism. Moreover, this model supported exclusively the nine European states in a western-society that were already somehow industrialized and urbanized too. Rostow model postulates shifted from economic growth to the politics and practiced by nine major countries and fabricate the assumption that all states outset with the similar primary foundations, for instance the same structure, climates, population sizes, and natural resources etc. It does not contain the growth of developing states that were colonized. However, the breach among developed and developing-countries may be expounded having into familiarity of historic strengths including the industrial revolution, colonization’s, the course of development of capital and power by the industrialized states that directed to such inequity. From that perspective, the developing states didn't have the equal conditions for growth that industrial states had, and hence the stages order of development that Rostow proposed do not appear more logical. So, how can various states with a diverse set of historic circumstances pursue the similar way to development.²

This article approach is analytical—based on eminent works of; stages of economic growth: A non-communist manifesto by W.W.Rostow, Essays in Bibliography and Criticism XLV, The stages of economic growth by A.K.Carincros, The stages of growth by P.T.Bauer and Charles Wilson, criticism of Rostow’s stage approach: the concept of stage, system and type by Yoichi Itagaki, Revisiting Rostow’s by Berry Supple etc.


² M.A. Seligson, Development and under-development: The political economy of global inequality, (Colorado: Lynne Rienner Publishers), pp.173-180
A linear model formulated by Rostow, in which, every state should get a position of a sufficient and sustainable growth until they would surpass the similar stages over time. His model comprised on five stages of economic growth such as; traditional society, pre-conditions for take-off, take off, drive to maturity and an age of high mass consumption. Under the concept of pre-Newtonian society, economic bustle is limited to survival with the production of fish, lumber, and cattle etc—being directly consumed by those who produce it. The economy is thus, pivotal on instant needs and nor on trade, being shaped by labor concentrated activities such as agriculture, hunting, logging and fishing, When the society achieved the pre conditions for take-off but has not so far entered a phase of high-growth, it reaches the transitional stage. Under this phase, trading formed as a central economic practice—with the entrepreneurs becoming a growing class. An adjunct of Investments and savings increased in income and developed the transport infrastructure; capitalize on the outcomes of trade and supporting its internationalization. Ultimately, the conditions for rapid growth have taken the place and society entered the take-off stage, moving to industrialize—with the labor gradually being shifted from artisan and agricultural field to manufacturing—bolstering this process of industrialization are the new established social and political institutions. Development is the self sustaining and intense in certain areas and some industries. When the economy outset to diversify, the society attains the drive to maturity stage. Under this stage, technological innovation endures numerous investment opportunities—foremost to a diversified production of goods and services, lessening the dependence on imports. Such ultimately will lead to a consumer-society, what Rostow assigned by High Mass Consumption Stage.

The linear structure of the model— presuming the reality of the similar circumstances of development in various states, neglecting the heterogeneity and diversity that form every state and are effectively closed to the process of development. Actually, there is no sequence of linear process that can adapt itself to the history of every state. When one defend that every economy should pursue the similar line of development, one is misunderstanding the confusion of forces of development. Substantially, the socio-economic conditions of a state did not identify utterly by Rostow theory, or to examine more regarding its possibilities and position of development. More attentively, to know the complicated structure of the development, one obtains to study the multiple circumstances (geography, culture, and arising from history etc) that the states are creative through. It is noteworthy to understand that here, historic circumstances are to be work out as historical measures (slave trade, colonialism, and industrial revolutions etc), that have created societies in provisions of diversity, uniqueness and are essentially connected to the

potential, a state has to achieve the development. It should not be confused with the historic materialism of Karl Marx, which in term of form can be assessed to Rostow's stages of development—it recommended a linear model of accomplishment in which societies develop. Even though tries at approaching development in a universal and linear technique, it is neither challenging nor real to attempt the explicitness of a state taking into an account the common notion which is related to any certainty. Such attempts do not have any clarification for situations that decide and control the way to growth of various states.  

Rostow highlighting that his stages of development are not simply descriptive while these have continuity and an inner logic too. They have a logical structure fixed in a dynamic-theory of production. This theory is complicated to recognize. He analyzed the development phenomena not as a homogenous continuity but as a discontinuous way relating to the qualitative change. This historical phenomenon of “continuity of discontinuity” is then universal in a series of stages. Therefore, he recognized the stage as an idea which representing the discontinuous features of development and an order as indicating its continuous aspects. Further, there are sectoral best points definite ideally by the trend of population and income, by technology, the worth of entrepreneurship, and by the experimental facts that affirmation is normal way of each sector. So, it is clearly unsuccessful to make out any system of development which connects the different stages.

Critical approaches to Rostow’s model of economic growth

From various point of view, Paul Baran criticized Rostow—the Rostovian stage theory, in spite of its comprehensive historical and sociological arguments reduced the economic development to a particular model by classifying each state merely in reverence to its situation on their step-ladder, the middle step of which is the “take-off”… It focuses over the clear fact that, however general the technical issues of economic development may be, diverse societal kind of economic groups can decide them in exceptionally varied procedures. Baran claim thus on the significance instigating the concept of economic system into the dilemma of “stag discerning” The issue of either the sequence of stages in economic development should be analyzed as a historical point

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of view or just a “policy choice,” was an extra attention of vastly serious debate. As Rostow take the circumstances of challenging the materialistic interpretation of history by Karl Marx and also highlighted the sense of balance among substitutes rather than an order of firm, positive stage of history. He looks up at the entire system of the choice among substitute policy together with the political development and indeed, the religious and social maturity—an independent way for building decisions and choice, the choice model configured the structure acceptable by the varying environment of society. He is basically unsuccessful to identify any method of development which connects the diverse stages. Moreover, he expounded that, when the society achieved the pre-conditions for take-off but has not so far entered a phase of high-growth, it reaches the transitional stage. Under this phase, trading formed as a central economic practice with the entrepreneurs becoming a growing class. An adjunct of Investments and savings increased in income and developed the transport infrastructure; capitalize on the outcomes of trade and supporting its inter-nationalization. Ultimately, the conditions for rapid growth have taken the place and society entered the take-off stage, moving to industrialize—with the labor gradually being shifted from artisan and agricultural field to manufacturing—bolstering this process of industrialization are the new established social and political institutions. Development is the self sustaining and intense in certain areas and some industries. When the economy outset to diversify, the society attains the drive to maturity stage. Under this stage, technological innovation endures numerous investment opportunities—foremost to a diversified production of goods and services, lessening the dependence on imports. Such ultimately will lead to a consumer-society, what Rostow assigned by High Mass Consumption Stage.

Mr. E.H. Carr said, that “The present era is the utmost historically minded of all eras”. But apart from this, there is an additional deep-rooted intellectual cause for the burly prima-facie plea of his approach—it is an approach which seems to disappears little out of account, and in fact enlighten not simply economic transform but also numerous social phenomena’s. It assures to maintain the rigour of an economic analysis while overcome its limited outcome. It disparate quickly not with the formal-growth models of the Harrod or Domar form, but also with those of other particular content, such as that proposed by professor W. Arthur Lewis limited to one or two variables—the limitation of such models, specifically the more formal-models, to a little number of key variables and connection seems to disappears out of account several patently significant impacts, specially, social, cultural, and political factors. Hence, it seems impractical that such simple models can clarify or enlighten the perplexities of a society and of its


8 Ibid
development. By disparity, Rostow’s model and his approach has only the plea of comprehensiveness: nothing seems to be left-out, while at the same time there appears to be an emphasis on the key variables.\textsuperscript{9}

P.T. Bauer and Charles Wilson said that Rostow argue to present a general theory of economic development by putting stripped the clear-cut factors following the advancement of societies from one stage to another but his claim is not substantiated. At the time he proposed that growth depends on a few definite variables, while at other times this is (notably) changed by the preamble of extra variables or qualifications so general as to cover-up all the circumstances. The explanation thus fluctuates between the proposition. Rostow obviously defined exact criteria for the categorization and chronology of the stages of the growth, formed it very complex to come to grasp with the argument. The stages are not clear in terms of definite or specific culture, material, scientific or technical accomplishment. The deficiency of such criteria facilitate the author to organize the historical stages pragmatically at will, thus enabling him to consider 18\textsuperscript{th} or even 19\textsuperscript{th}-century—North America, Britain, and Western Europe as traditional and huge parts of under-developed world in the 20\textsuperscript{th}-century, together with India as two stages more forward.\textsuperscript{10}

At critical stages in the debate where the arguments stress on an evaluation of precision, the term vague and hazy. For instance “Maturity” is assumed to be reach when latest modern techniques extend throughout the economy. If the modern present to what is the utmost advanced at the time, then neo-lithic Europe was a mature economy with advance practices of those of the Old-Stone Age. If, on the other hand, it refers to the taking-up of methods known to us now, this condition of maturity is a part of historical parochialism on the element of a viewer whose criteria are limited to his own-age. These he considered as a selective and decisive (final). As for “High Mass Consumption”, it is illogical to assign as Rostow dose, the wide-spread use of consumer durables as its criterion—‘High’ is a essentially a proportional concept, generally concern to what has gone before. The 19\textsuperscript{th}-century can at least as understandably be term the age of high mass consumption, but then its articles were economical commodities which caused a drastic transformation in the social life of the people—nor is self-sustaining in the sense of ongoing irrelevant of the maintenance or growth of suitable approach and institutions and the pursuit of appropriate policies. This is so not considering of the rate of investment, which itself is much subjective by these other factors and an option of a 10%— rate of net investment as necessary for a sustained grow in real-income per head is illogical. Even if the rate of growth of income per head depend merely on the growth of capital and on technical advance, a hysterically


\textsuperscript{10} Ibid
rise in income per head could be reached with a much lower-rate of net capital pattern where the population is motionless or moving gradually. Such concepts or appearance as “Supply and demands in broadest sense,” which records pre-dominantly in the dynamic theory of production, are much to hazy to be supportive.\textsuperscript{11}

\textbf{Concept of “Continuity of Discontinuity”}

Yuochi Itagaki criticized highly the Rostow model of economic growth and demur any importance to the theory. Some extent he acknowledged the author’s productive contribution but he pointed-out numerous flaws and short-comings in term of theory and empirical substantiation. Rostow viewed the process of development not as a homogenous continuity but as a discontinuous way relating to the qualitative transform. This historical process—continuity of discontinuity— is then generalized in an order of stages. Therefore, he identifies the stage as a notion indicating the discontinuous aspect of growth and an order as representing its continuous aspects.\textsuperscript{12} Criticism came out under two aspects; Kenneth Brill, for instance, preferred to recognize continuity in history, and marks; historically, all the economies were in continuous transforming. He also affirmed that yet the Rostow viewed on the stage of “take-off” as the grand division showing discontinuity. The stage of “take-off” spotlights on the perplex at change, that the features of these changes are in-divisible, and that it is very vague either one can compart the continuous fluctuation of change into stages.\textsuperscript{13} For unreasonably overstress on discontinuity, A.K. Cairncross criticizing and inquires, is there a true discontinuity rather than a simple stepping up of development? While, the idea of “order” is showing the continuity which is already disapproved. Further says, that Rostow is curious to some of the distinctiveness of the successive stages of economic growth, he does not presented any method of relation between variables at each stage, The explications of the successive stages are missing, that admitting of their identification by position of verifiable criteria, the entire significant weak point of the stage-approach to the history that it intensify more but cannot answers to the problems, that what comes next? In concluding, he acknowledge that Rostow prepared a numeral of positive things with regards to industrializations, but after all he gives the impression to refute any importance to Rostow theory by his critical declarations but his findings remain very helpful, hence, in my analysis, an important question is raised, whether one should be curious about the process of

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\textsuperscript{11} P.T. Bauer and Charles Wilson, op. cit., pp. 190-200
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development as continuity or the—Continuity of Discontinuity, is thus essential to success of unsuccessful of the stage approach. He focused on the course of development as an array of stages or the continuity of discontinuity rather than a scale without jump, since as he himself highlighted, “these stages are not descriptive.” They are not only a way of generalizing the accurate observations, because they have an inner-logic and continuity. They have a logical format, entrenched in a dynamic theory of production. In this sense, Rostow concept of stage is highly different from that of German Historical School.\textsuperscript{14} The process of economic growth did not identify by his dynamic theory of production just in terms of exaggeration. It separated by a “orderly disaggregation” specific sectors at premature stage of their growth whose immediate rate of escalation play a necessary direct and indirect function in sustaining the general momentum of economy. These sectors are known as –leading sectors—these are collected in a changing order of leading sectors. Rostow endeavors thus to set up the practical base for his approach of the stages of growth, at that time, by examine what he calls the leading sectors? he suggests a logical theoretical foundation to the concept of discontinuity.\textsuperscript{15}

**Transition from stage to type approach**

Rostow model of economic growth has already failed to provide full thought to definite practical defects essential in the stage-approach itself. It is infamous, that his stage of growth shown the critical argument is as mature as the German Historical School. It’s comprehensive criticism by Max Weber, Carl Menger, Walter Eucken, and recently Karl Pooper appears to have an abscond such thinking’s. Although, it is significant that the debate results typically in a transition from stage to the type-approach. Initially, when the historical school envisaged its stage-approach, it was essential to continue a relationship between economic theory and economic history, and historical studies and theoretical studies too. Therefore, the stage concept had to be historical as well as theoretical.\textsuperscript{16} The idea of history specify at the “uniqueness” of the historical course, where the theoretical thought is regarding this “uniformities.” while organizing the stage concept, historical and theoretical. Then school of history tried to transcend of both concepts. It is verifiable, hence difficult to mitigate the contradiction and paradox of the “Anti-Naturalistic Doctrine of Historicism” while accepting the uniqueness of historical process and historicism allowing their uniformities.\textsuperscript{17} From Bruno Hildebrand, Karl Knies, Wilhelm Roscher and

\textsuperscript{14} A.K. Cairncross, op. cit., p. 453

\textsuperscript{15} Walter Eucken, *The overcoming of historicism*, (S. J: Jg. 62, Heft 2, 1938), pp. 63-86.

\textsuperscript{16} Max Weber, *Collected Essays on Sciences*, (Tubingen, 1922)

Gustavo Schmoller to Max Weber, Arthur Spiethoff, Karl Bucher and Warner Sombart, the concept of stage progressively ruined its theoretical nature representing the uniformities of historical process or the regularities of successive transform. This transformation of the stage concept into the type approach meant that of the two elements of the stage concept—uniqueness and uniformities—the latter vanished and the previous alone survived. Thus, the original scheme of the stage-approach suffered a set-back. It may be observed that Rostow endeavored to bring the stage concept back to a new life and thus suggested, a new beginning of economic stage thoughts in the twentieth Century. Actually, Rostow does not intend to renew the notion of stage and approach in its unique type. He slightly plans to examine, if we connect the stage to a changeable corpus of conventional economic theory and specially endures the definitions that are some less conceptually quantitative and allowed logical accurate chronology or period. Rostow dose not closed the eyes on the issue of this synthesis but is convinced of its usefulness and probability. In these circumstances, The critics of Rostow may sound be contented with discussing the mistakes of his concept, and situation towards complexity in remedy its questions. However, if disproving any value to the stage concept, they go back to the “type approach” for solution, it means only a dodging. It is abstruse to verify, for instance, the criticism of Burno knall, if in a conclusion he twist from the stage concept to type approach, even though, we have been impressed by his well behavior in criticism. Knall catagories into sequence a variety of ‘economics” and “systematic” factors in cultural, social, and political areas of low developed countries, from the perspective of development shift. On the other hand, he offered two types of development with concern to developing countries, the “predominantly active society” and the “pre-dominantly passive society.” both have further subtypes. He thus, spread-out a sort of typologies. From the view point of both, Rostow stage theory and Knall plan is not designed to be connected with a theory of stage transform. We do not refute the importance to the type approach itself but objectionable, if we sincere to our problem, that form of type approach that replaces the stage theory.\(^\text{18}\)

Recently, the procedure of Talcott parsons using by professor Hoselitz also presented a theory on Patterns of Economic Growth—assessed more the development stage theories of German Historical School [GHS] and thoroughly made known the deepness of his clear understanding and pertinence of his development of various theories. At the same time he presented his views regarding “growth type theory” to develop into a “growth stage theory”. Therefore, Hoselitz is preceding to Rostow in methodological approaching, we may suppose to productive outcomes. In occlusion, we wished for a new approach to the stage-theory

in order to unanimity our knowledge of theory, history and policy by distinctive and relating at the same time the key concept of stage, phase, system, type, policy and strategy.\textsuperscript{19}

CONCLUSION

The world states are constructing of diverse social, economic, political and historic conditions and one cannot be measure into the linear model or methodologies. Thus, it is necessary for different development practitioners to tacit and sternly curious about prescribed phenomena that generalizations and universal principals (Codes) cannot be functional in a homogenous way. Each state is the out-come of diverse modifications and immense contrary to the Rostow suggested model of growth. Hence, the growth and development process of developing countries quite different from the well established and leading-sector states (developed states). Such postulates have been a general practices, with development institutions passing over the miscellany of the states they work with. History educated us the mainly booming treatments of poverty approach from the inside. Instead of introducing peripheral models of growth to states, one should ultimately understand that what states needs are an accurate strategy suitable to their societies, and who in enhanced position than the inhabitants who live there to plan such approaches?..Further, developing states must gain a guideline from the economic-history of developed states and seriously pragmatic in order to take-off and then to self sustaining economic growth.

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