



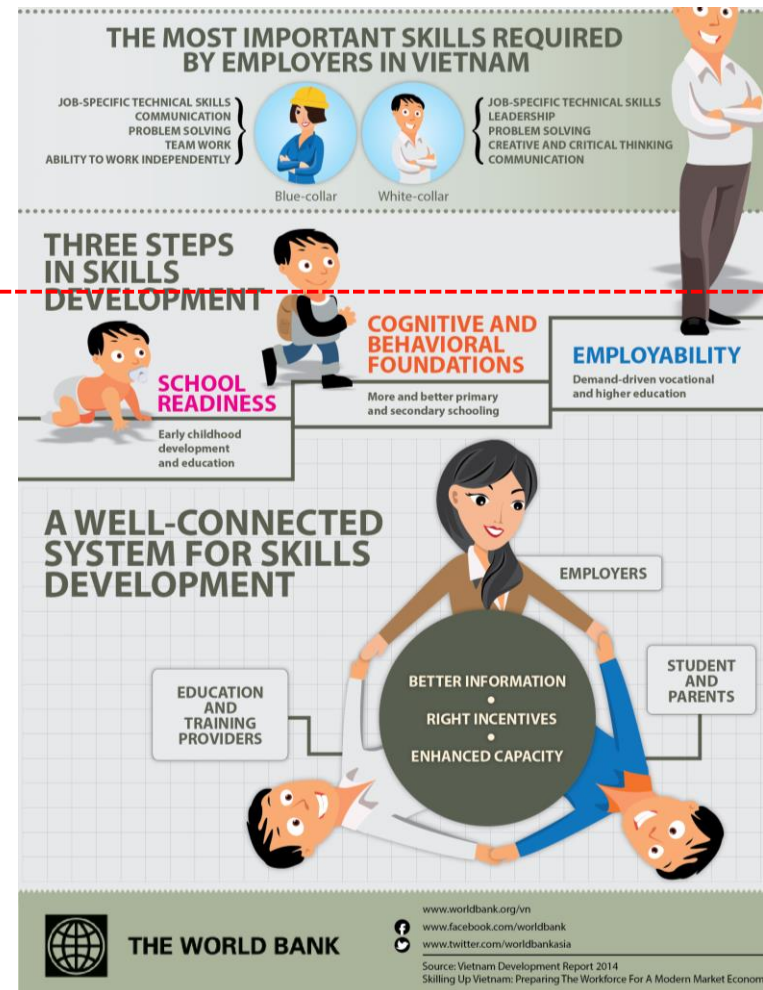
Development Policy 2019

Session (3): Modernization and Washington Consensus

Class Schedule

- Meaning of 'Modernization' and Development – Conceptualization
- How could western countries modernize?
- How could we 'theoretically' understand the modernization?
- How does 'Washington Consensus' represent modernization and are there any critic? Implication for developing countries and Vietnam?

Meaning of Modernization



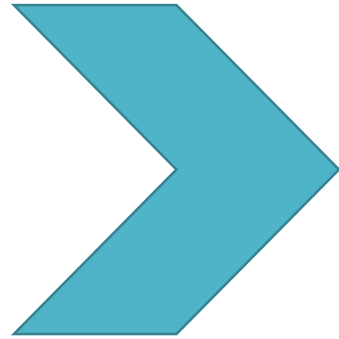
What does 'a modern market economy' mean here?

Vietnam's Modernization Track

Theoretically, Vietnam has pursued...

1. Import Substitution (Protection)
2. Catch-up Economy (competitive sector)
3. Leading Fundamental Science and Technology Sector

With limited funds and resources – Vietnam has paid attention to 1 and 2 options



Little Progress in
Human
Development,
Science and
Technology,
knowledge-initiative



Emulating other countries

Why should Vietnam be modernized?

What is modernity?

What are key features of modernity? (compared to pre-modern)

** 'Definition of Development' in dictionary – “developing country or region whose economy has not reached the level of North America, Western Europe, etc. (Session 1 slide)

Attention to 'Modernity'



Philosophical Foundation



M. Condorcet

“Progress through technological advancement”



E. Durkheim

“Division of Labor”



I. Newton

“Human Progress through New Idea”



C. Darwin

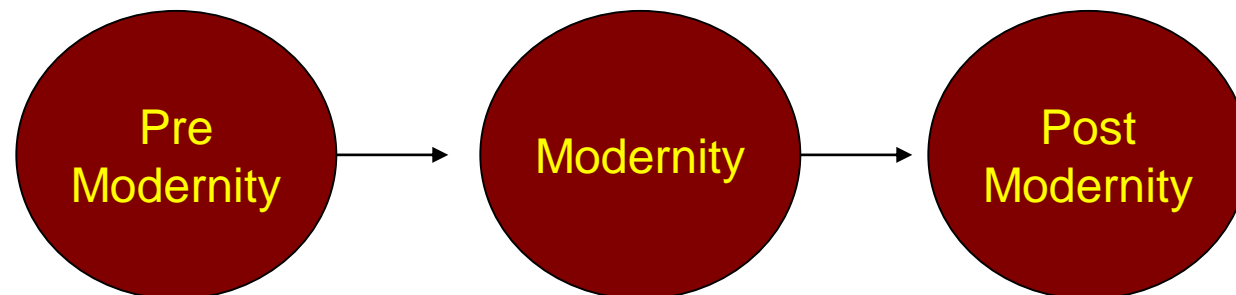
“Evolution”



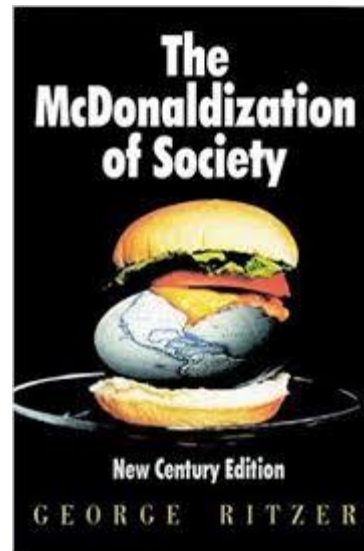
T. Parsons

“Technological Functions”

How do you define modern society?



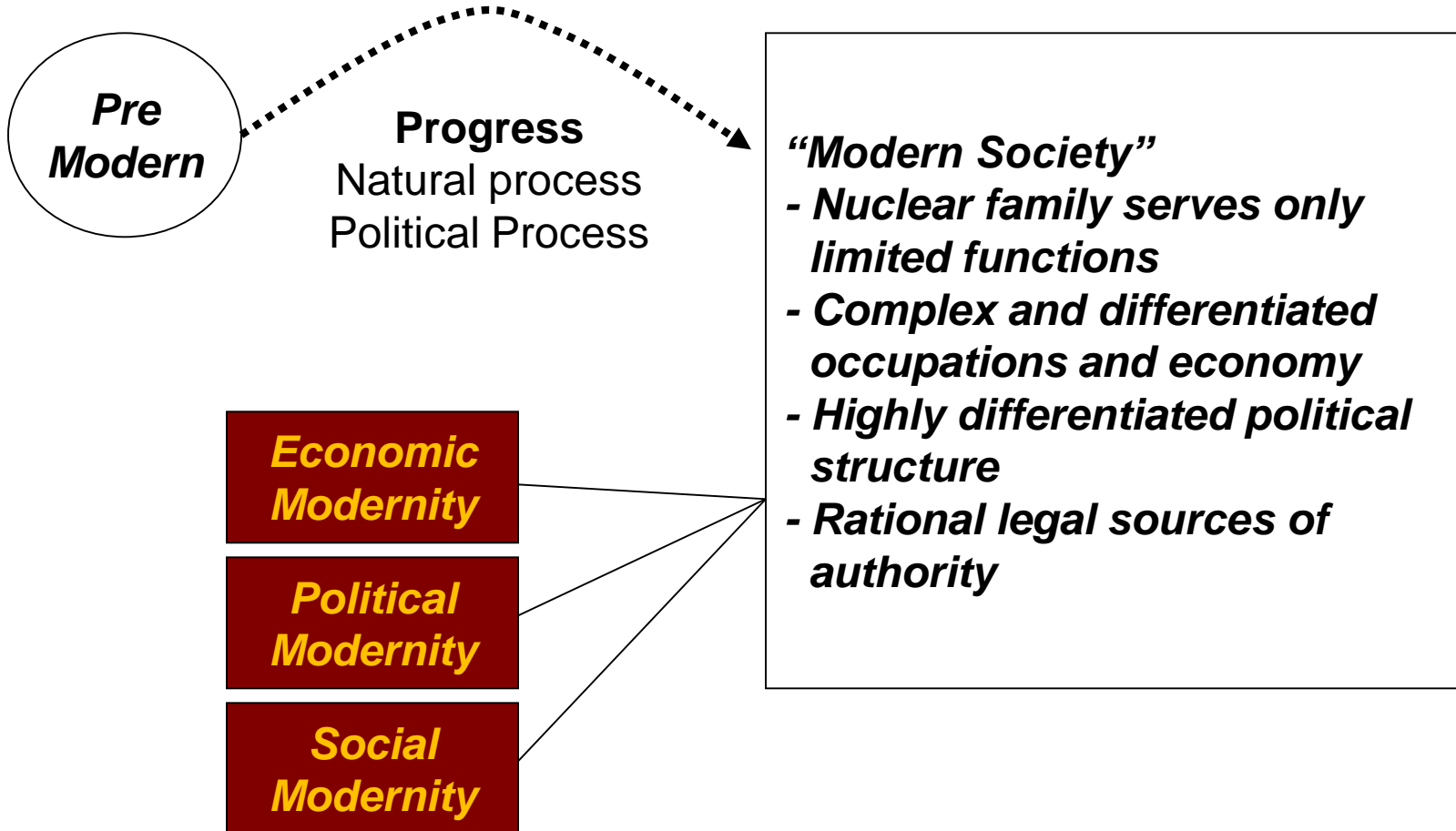
McDonalization



Dimensions of "McDonalization"

1	Efficiency
2	Calculability
3	Predictability
4	Control
5	Irrationality

Modern Society



Traditional vs. Modern

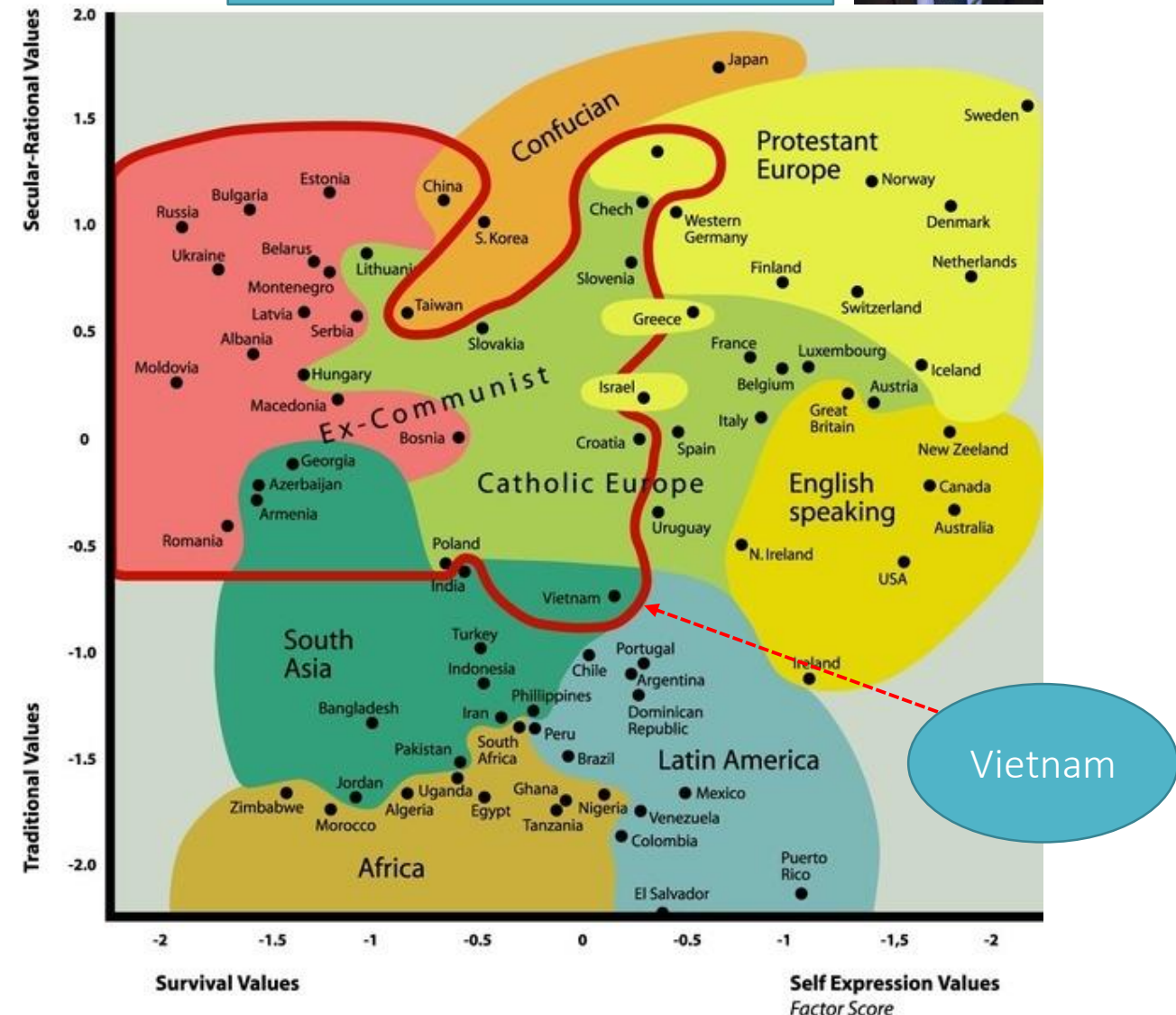
Dominant Characteristics	Tradition	Modernity
Technology	Animate Power Agriculture Mechanistic	Non-animal power Industry Organic (complex)
Outcomes	Rural Low life expectancy	Urban High life expectancy
Attitudes	Gemeinschaft “established belief in the sanctity of immemorial traditions”	Gesellschaft “rational authority, belief in the legality of patterns of normative rules”
Division of labor Legal Standard Identity	Diffuse roles Particularistic values Collective	Specific roles Universalistic Self orientation

Socio-Cultural

- Traditional values block a country from developing e.g. valuing the extended family, blocks geographical mobility (Talcott Parsons)

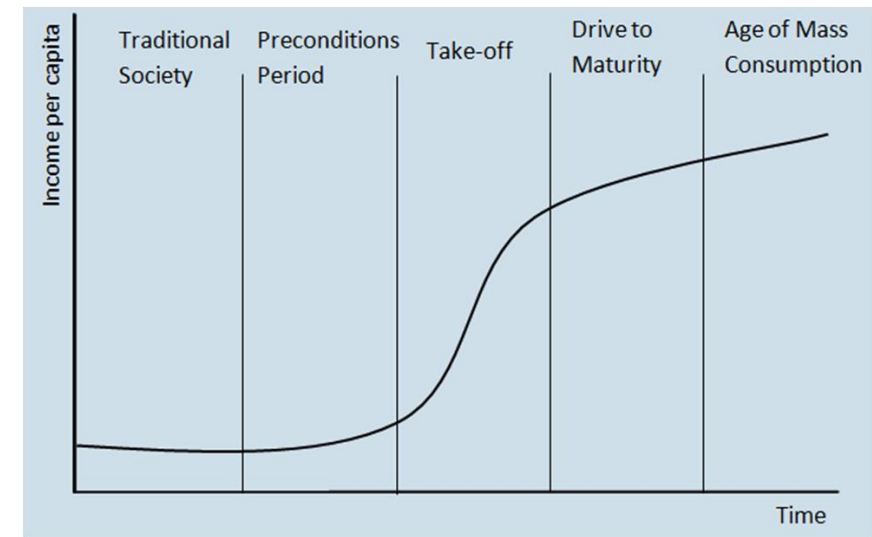
Traditional Values	Modern Values
Ascription	Achievement
Particularism	Universalism
Collectivism	Individualism

Source: [World Values Survey](#)

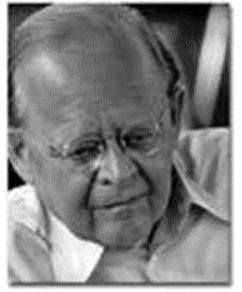


Economic Modernization

- W. W. Rostow (1960) *The Stages of Economic Growth*: Five stages of economic growth (traditional society – 2nd stage (pre-take off) – 3rd stage (the take off) – 4th stage (the drive to maturity, extend modern tech) – 5th state (high-mass consumption)
- Assumed that composed of stages are shared by ‘all’ countries – a homogenizing process, replicate European / North American values and worldviews.
- Irreversible process, progressive & transformative process (not revolutionary)

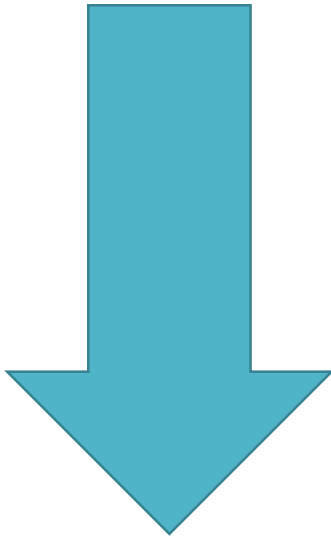


Political-Social Modernization



Karl Deutsch

- K. Deutsch (1961) “Social Modernization” – the process in which major clusters of **old** social, economic, and psychological commitments are eroded.



*Through exposure to modernity:
Mass Media, Voting,
Urbanization, Non-agricultural
employment, literacy, per capital
income, etc.*

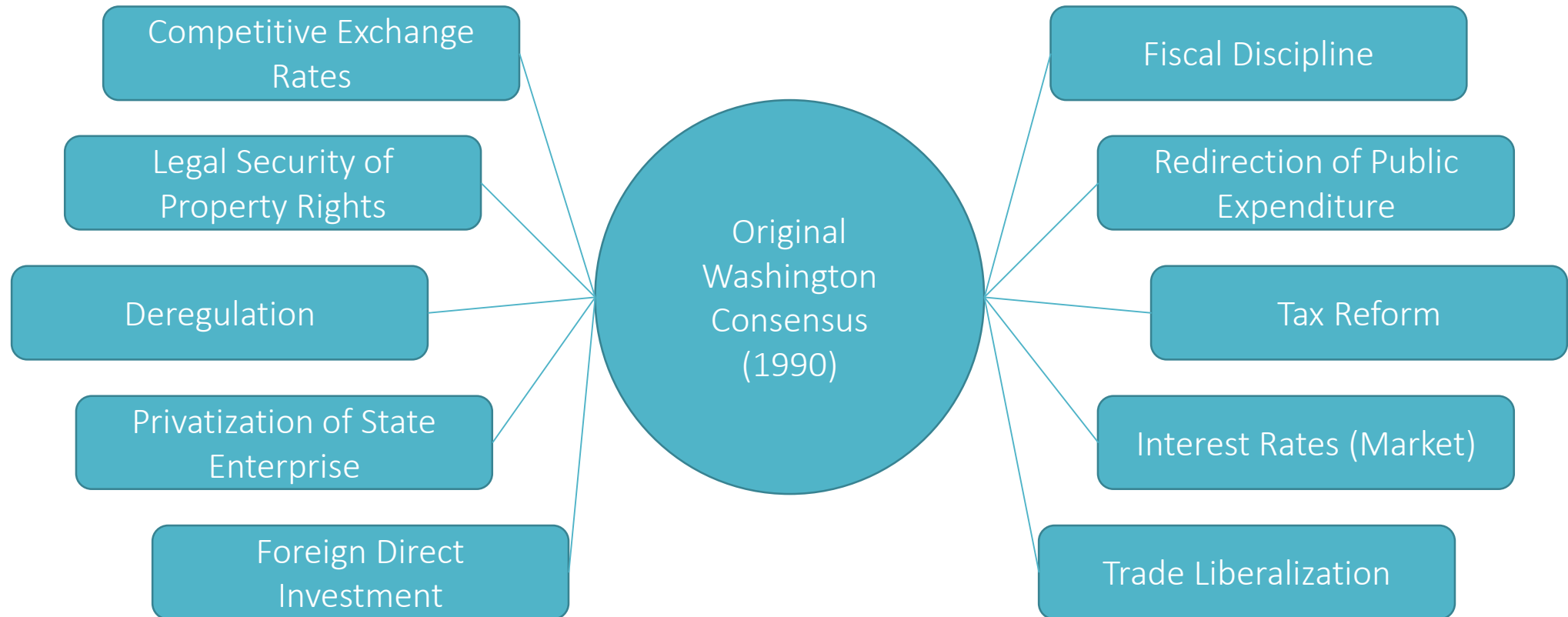
New patterns of socialization and socio-
political behavior



Essence of Economic Modernization



John Williamson



Several others: Anti-corruption, flexible labor, WTO agreements, Social safety Nets, Poverty Reduction, etc.

Developing Nations and Modernization

- Western investment in factories, expertise and equipment – use loans from World Bank, IMF, Western aid organizations
- Western funding to introduce meritocratic education (values of universalism, individualism, and competition).
- Dissemination of modern ideas via mass media, academics, tourism, etc.



Criticism to Modernization Idea

- Think about possible criticism to Modernization theory / Western way of modernization:
 1. Ethnocentric
 2. (e.g.) Japan & East Asian Tigers
 3. Access
 4. Ecological Values