DVA 1501 ASS 02 - Assignment

Development Studies (University of South Africa)

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UNIQUE NUMBER : 820184
STUDENT NUMBER: 67843522
NAMES: MATHE LAURENCE

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INTRODUCTION

Development is a Geographical term that refers to the standard of living and quality of life of its inhabitants. Development is a process of change that affects people's livelihoods. This may involve an improvement in the quality of life to people undergoing this particular process of change. It also is a measurement, that considers a state's economics, politics and social factors. Typically, countries that are considered as 'developed', have a high level of economic, political and social status. They can be defined as MEDC's (More economically developed countries), and the opposite LEDC's (Less economically developed countries), which are situated on the lower end of the scale of development. It is important to understand that countries are continuing to make progress and are trying to improve their development.

The traditional view of development dates back to the colonial empire, where a countries development was measure on their resources commonly accessing these resources through its colonies. Development was largely influenced by its countries trade and its personal wealth, for example Britain had a large colonial empire stretching 35,500 km^2 in 1920 with many countries providing resources free trade such as India and many parts of Africa moreover Britain became the first western country to industrialise in the 18th century in this period the countries development was largely based on wealth.

However, after the second war the empires went for a process of decolonisation in the 1950s and 1960s. This had a slight change on the term development and countries were divided into first second and third world countries. The classification assisted countries economic status, first world countries being the highest which would predominantly capitalist nations such as USA, secondworld countries were many communist countries like the USSR and then the USSR control countries in the east eastern Europe where people lived in poverty. Also third World countries were the poorest and considered the least developed. These countries were mainly post colonial countries which have the lowest economic status.

After a system of classification was introduced there was more of an understanding of the countries development in 1980 the brand report was published to highlight the growing gap in economic development between the developed and the less-developed world it led to a north south divide where the northern hemisphere was develops the southern hemisphere was mostly underdeveloped the main exception being Australia and New Zealand in 1980 the United Kingdom situated in the northern hemisphere is GDP was US$565 billion and Angola had a GDP of US$5.9 billion.

However in the late 80s and 90s dramatic transition was seen as a third world was becoming more diverse due to industrialisation the term third world was seen as a derogatory term and new groups emerged such as newly industrialised countries and BRIC countries (Brazil, Russia, India and China). There was more than economic focus as poorer countries increase their GDP through industrialisation and fast growing economies it change the definition of development as it had a greater detail to the assessment of development within a country as more poorer countries would I versing into smaller more precise categories of contrast to their previous label as a third world country.

Economic Growth

Economic growth is an increase in the the production of economic goods and services, compared from one period of time to another. It can be measured in nominal or real (adjusted for inflation) terms. Traditionally, aggregate economic growth is measured in terms of gross national product (GNP) or gross domestic product (GDP), although alternative metrics are sometimes used.

KEY TAKEAWAYS

- Economic growth is an increase in the production of goods and services in an economy.
- Increases in capital goods, labor force, technology, and human capital can all contribute to economic growth.
- Economic growth is commonly measured in terms of the increase in aggregated market value of additional goods and services produced, using estimates such as GDP.

MODERNISATION

The liberal capitalist model was regarded as one that followed a single, linear path with success measured as larger national economies and industrial transformation.
This was seen as a recipe to be emulated in order to "modernise". As erstwhile colonies gained independence, this model or recipe was believed to result in growth and modernisation in the newly independent states.

The idea was that progress would replace traditional values and institutions. Modernisation was thus equated to the process of change towards those types of social, economic, and political systems that have developed in Western Europe and North America. This model of development was held to imply economic "catch up" for poorer countries, with the benefits of such growth "trickling down" to all people inside such countries.

Nations that did not side with either communism or liberal capitalism were referred to as the non-aligned nations. In the era of the Cold War and post-colonisation, it served the interest of some Western states and the US to extend control over non-aligned states via foreign aid and development assistance? This acted in securing access to the resources in these states. By providing technical and financial aid to the so-called "backward" societies, Western notions of modernisation became hegemonic.

DEPENDENCY

It became clear that the assumed alleviation of poverty and elimination of inequality did not occur in the so-called "underdeveloped" world. Instead, the world was polarised into rich and powerful core regions and impoverished and dependent peripheral regions. Especially Latin American and Marxist theorists developed the ideas for the dependency school of development. One influential dependency scholar was Andre Gunder Frank, who argued that underdevelopment was not an original condition in poorer nations, but actually the result of the development patch undertaken by rich nations. It was because rich nations exploited colonies that they were able to develop quickly and to the expense of the so-called underdeveloped regions.

EXPLOITATION

The exploitation theory is the theory, most associated with Marxists, that profit is the result of the exploitation of wage earners by their employers. It rests on the labor theory of value which claims that value is intrinsic in a product according to the amount of labor that has been spent on producing the product. Thus the value of a product is created by the workers who made that product and reflected in its finished price. The income from this finished price is then divided between labor, capital, and expenses on raw materials.

The wages received by workers do not reflect the full value of their work, because some of that value is taken by the employer in the form of profit. Therefore, "making a profit" essentially means taking away from the workers some of the value that results from their labor. This is what is known as capitalist exploitation. The theory has been opposed by, among others Eugen von Böhm-Bawerk.

In History and Critique of Interest Theories. He argues that capitalists do not exploit their workers; they actually help employees by providing them with an income well in advance of the revenue from the goods they produced, stating "Labor cannot increase its share at the expense of capital." In particular, he argues that the theory of exploitation ignores the dimension of time in production. From this criticism it follows that, according to Böhm-Bawerk, the whole value of a product is not produced by the worker, but that labour can only be paid at the present value of any foreseeable output.

HUMAN WELL-BEING

The move towards people-centred, participatory ideas of development to oppose the economic-centred notions, includes the ideas of Amartya Sen. Sen (1999) introduced the idea of development as freedom and development as based on human capabilities. Both ideas are based on an understanding that human well-being is a complex, multi-dimensional concept, based on much more than a person's income.

This means that development should be about expanding people's freedom to develop their 16 own capabilities. Such an expansion further implies that all impediments to human well-being should be addressed, such as poverty, poor health, educational and social services, lack of political freedom to participate in development and decision-making or in community life, and so on. These freedoms and expansion of capabilities then become both the means and the ends of development.

POSITIVE CHANGE IN A DEMOCRACY

Democracy is the process we use to integrate diverse social needs and wants so that they can be seen as a whole, and to prioritise these needs so that we can decide which ones have to be attended to first. If we approach development as “positive change” in this way, we are defining it as the freely-chosen project or strategy of the majority of a group of people or a nation. Here everyone takes responsibility for making the change or development effort successful. The form of democracy will vary according to differences in tradition, the strength of state structures (such as parliament, the courts, the bureaucracy) and how easy it is for the people concerned to communicate with one another. However, development must always relate closely to popular hopes and aspirations.

Development, in the sense of positive change, is thus a process. It must ideally occur though democratic and consultative practice, through identifying as accurately as possible what is good for people in a particular context, and then acting on this, and through the realistic identification of constraints and opportunities. We can assume that, in general, the development process will lead to greater material and spiritual welfare of the society concerned and for individual people living in that society, and to the eradication of poverty.

We can also assume that development efforts will lead to a better-organised national economy and government. Eventually, development efforts must change the inequalities of the world order. But, development efforts happen in particular contexts, which interact with one another and their results cannot be determined in advance. We therefore need to view each development process as part of the contexts within which it occurs. This means that we need to deal with each development problem in a way that acknowledges its uniqueness. We constantly need to keep in mind the words of Toye (1993:39) when we try to come up with solutions to a developmental problem.

CONCLUSION

In recent years the term development has become even more detailed as a definition takes into account the quality of life. Therefore, political and social factors have been included in the definition. For example, infant mortality rate and literacy rates. The UN in the indicator it shows the human development index which combines economic and social indicators such as ownership of telephones per capita. These indicators reveal information about general living standards in the country for example Switzerland has an employment rate of 80% aged 15 to 64.

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