

Ortlieb, Heinz-Dietrich

Article — Digitized Version

Development needs in industrial countries

Intereconomics

Suggested Citation: Ortlieb, Heinz-Dietrich (1971) : Development needs in industrial countries, Intereconomics, ISSN 0020-5346, Verlag Weltarchiv, Hamburg, Vol. 06, Iss. 9, pp. 260-, <https://doi.org/10.1007/BF02929112>

This Version is available at:

<https://hdl.handle.net/10419/138519>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

Development Needs in Industrial Countries

If the experts can be believed, the economic backwardness of the developing countries today is characterised by the following features: First, a very low standard of living in terms of per-capita income combined with excessive demands for a rising standard of living on the part of the population. Secondly, heedless exploitation in the past of economically relevant natural resources, which has become a decisive impediment to economic growth in these countries. And thirdly, a level of education which does not match the essential requirements of further economic development.

The shortcomings in education and training in particular make it often impossible for Governments and populations of developing countries to give adequate recognition to the conditions governing their society. The consequence is that they mistakenly look on their extravagant demands for improving standards of living as if they were a matter of course. They fail to appreciate that the savings and capital formation are not increasing as required to make up for previous neglect of infrastructure investments, to redress the consequential environment damage and to raise the standard of living of the individual at the same time. Progressive inflation is accepted as inevitable for balancing the productive capacity of the economy with the demands being made on it, and no heed is given to the fact that as a means of solving problems this is quite inadequate.

A close look at the development of the industrialised nations of the West however prompts the question whether the characteristic features of underdevelopment and its ensuing problems are not also, if to varying degrees, present in these states; for in the industrialised countries the standard of production and further increase of production are also held sacrosanct, and their priority is not to be questioned. The population has far too long held on to the illusion that air and water of sufficient purity are for ever ours as a gift of nature. That the continuous progressive deterioration of the environment is about to put human lives in jeopardy has been disregarded. To overcome the pollution of the environment more money must now be invested in the infrastructure, and this is bound to add to the costs of production. Besides, we have far too long failed to appreciate that economic-political coordination, especially in a democracy, makes demands on the citizen at this station in state and economy which are no longer matched by our educational facilities.

The increasing severity of the fight about the distribution of the national income mitigates also in the industrial countries against the accumulation of savings and capital to the extent required to make up for past sins of omission. People fail to see that it was only through neglect of the infrastructure—at the expense of the future—that the present standard of living has been achieved, and show less and less willingness to measure

up to the exigencies of the situation by stepping up their efforts and improving the quality of their work. The acceleration of the creeping inflation in all industrial countries is therefore an ineluctable symptom of the discrepancy between the level of development reached and the demands being made by the population.

In the Federal Republic this trend is very much in evidence. Since 1960 at the latest Governments and Parliament could and should have realised that a mountain of undischarged reforms was piling up. Stock should have been taken of the real unadorned situation in the state and in the economy and an appeal should have gone out to the citizen to put all group interests aside for a while so as to tackle at long last the neglected communal tasks.

The Federal Republic, in common with all industrial states, is today, as never before, facing the task of having to pursue a "development policy" at home — i.e., a policy of inner reforms. Given the right choice of priorities, the aid to the "developing countries" need not for this reason be cut in the short run. But if we fail to make up for past neglect by resorting to some feasible plan in our own country, we court a great peril in the long term. The development aid may no longer be capable of satisfying the great quantitative and qualitative demands which close in on it from all sides. Such an outcome would be to nobody's advantage!

Heinz-Dietrich Ortlieb