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Elites as Agents of Economic Development

by Günter Endruweit, Stuttgart*

The frequent lamentation that the brain drain is one of the most serious obstacles to progress in the developing countries shows clearly that elites are accorded an important role in the development process. Nonetheless, all there is at present on the function of elites in economic development is a collection of theoretical fragments and empirical findings that still have to be fitted together to form an applications-oriented theory. The following article reviews the state of research in this field.

More mention of the word "elite" sometimes arouses suspicion that one is spreading anti-democratic ideology and propaganda rather than dealing with social reality.¹ However, one need only recall everyday conversations about coups d'état or landslide electoral victories in other countries or about economic difficulties uncovered in important enterprises in one's own country to see that everyone at least implicitly attaches importance to the function of elites in economic development and in fact takes it for granted.

National ideologies, especially those of a totalitarian hue, have of course tried to legitimise the supremacy of their proponents by reference to the "natural" functions of the elite. These attempts have been futile, because there is not even a pseudo-scientific theory of elites that legitimises specific groups of rulers rather than the bearers of purely abstract characteristics, if one can consider theories based on legitimisation certificates in the least scientific.

The use of modern sociological principles in explaining the underlying concepts involved immediately reveals the close link between elites and economic development.

The term "elite" is still defined in a variety of ways. If the elite is defined on the basis of its social function as those persons who exert a decisive influence on social processes that are characteristic of the social system and who are thus superior to other members of the system,² one has an ideological concept that can be applied to every conceivable social structure where there is a division of labour that distinguishes between functions of greater and lesser relevance for

development – and that is true of every social system above the level of the hordes.

Development has meaning as a separate concept only if it is sufficiently distinct from long-established concepts such as change, progress, evolution and growth. The existence of the terms "underdevelopment" and "overdevelopment" in everyday speech indicates that development is understood to mean something like the optimum utilisation of resources, so that we can define development in scientific terms as a social process whereby elements of the social structure are modified and in which real changes are seen in relation to the objective potential.³ Hence economic development would be the modification of the social structure in the manner described from the point of view of the production and distribution of goods and services.

For that reason even the Communists acknowledge the link between elites and development, although in the past they spurned the term "elite" as bourgeois, preferring the functionally almost equivalent term "cadre".⁴ An important practitioner of Communist modification of the social structure has this to say on the subject: "If we have good and numerous cadres in

¹ Urs Jaeggi: *Die gesellschaftliche Elite*, 2nd edition, Berne and Stuttgart 1967, p. 12.

² Günter Endruweit: *Elitebegriff in den Sozialwissenschaften*, in: *Zeitschrift für Politik* 26, 1979, pp. 30-46, with a fuller explanation of other definitions on pp. 36-45.

³ For a fuller treatment see Günter Endruweit: *Elite und Entwicklung. Theorie und Empirie zum Einfluß von Eliten auf Entwicklungsprozesse* (to be published in 1984)

⁴ See Günter Endruweit: entry for "Elite", in: Wolfgang R. Langenbucher, Ralf Rytlewski, Bernd Weyergraf (eds.): *Kulturpolitisches Wörterbuch Bundesrepublik/DDR im Vergleich*, Stuttgart 1983, p. 147.

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industry, agriculture, transport and the army – our country will be invincible”.⁵ In essence, this is no different from an American assessment of the function of an elite: “It is difficult not to regard the elite as a modernizing force, generating new norms of functional relevance to innovation . . .”,⁶ although in the interests of scientific objectivity it must be added that an elite can perfectly well use its functional superiority to impede or even reverse innovations of any kind; the direction of structural change is not a constitutive element of the concept of the elite but one of the most important questions that arise in empirical examinations of the development policy of actual elites. Such a concept is also the only one that takes account of the diversity of the situations found in developing countries, so that it is rightly demanded of development research that “The elite must be seen in functional terms, i.e. in terms of the part they play in preserving or reshaping the social structure”.⁷

Classical and Modern Theories of Elites

Even Marxism, the significant pre-sociological theory of society, contains suppositions about the relation between an elite in the modern sense and the economy. Statements such as “The only characteristic peculiar to capital is the amalgamation of the masses of hands and instruments it encounters. It agglomerates them under its dominion”⁸ are described as the “Marxist postulate of the political superiority of the holders of capital”.⁹ Later it was recognised that ownership of the means of production often brought less social influence than the control over them. It was this particular elite position of the managers that James Burnham, the former Trotskyite, meant when he wrote that “the managers will exercise their control . . . indirectly, through their control of the state, which in turn will own and control the instruments of production. The state . . . will . . . be the ‘property’ of the managers. And that will be quite enough to place them in the position of the ruling class”.¹⁰

Non-Marxist theoreticians arrived directly at the notion that it was organisational power in general that bestowed social influence, rather than that derived from

economic organisations. The oligarchy theory of Robert Michels is a noted example of this.¹¹ There is absolutely no link with economic activity in the most important sections of Gaetano Mosca’s theory of elites,¹² in which he sees the superiority of the elite residing solely in the fact that it is organised, for then the dominion of an organised minority, obeying a single impulse, over the unorganised majority is inevitable.

Other classical theories of the elite, such as those of Vilfredo Pareto and Karl Mannheim, see inherited economic power as one of the stepping-stones for entry to the elite.¹³ Pareto bases his theory of the circulation of elites on the succession of the rentier by the speculator,¹⁴ but it is only at first glance that this has anything to do with economic elites. In reality he is describing attitude models among political elites similar to those portrayed by Machiavelli,¹⁵ although there are greater differences in the economic orientation of the two types in that the speculator is attributed a better feel for the promotion of economic progress.¹⁶ It is to the credit of these older theories that they examined collectives, or to be more precise elites, rather than following the popular adulation of individuals who supposedly make history: “A civilisation is therefore more the work of elites than of great men”.¹⁷

A common feature of these classical theories is that they were formulated by reference to the societies to which the authors belonged, which without exception were developed societies. The theoreticians therefore saw little cause to reflect on the function of elites in the process of economic development. The age of the industrial revolution did not make this appear particularly problematic, and the simultaneous emergence of the problems of democratisation and national identity directed attention more towards the distribution of political power.

¹¹ See Robert Michels: Einige Randbemerkungen zum Problem der Demokratie, in: Sozialistische Monatshefte 3, 1908, pp. 1620-21; Michels: Zur Soziologie des Parteiwesens in der modernen Demokratie, 2nd edition, Stuttgart 1970, Part 1, Section A and B; Michels: Die oligarchischen Tendenzen in der Gesellschaft, in: Archiv für Sozialwissenschaft und Sozialpolitik 27, 1908, pp. 73-135.

¹² Gaetano Mosca: The Ruling Class, New York, 1939.

¹³ Karl Mannheim: Mensch und Gesellschaft im Zeitalter des Umbaus, Darmstadt 1958, p. 104; Vilfredo Pareto: Traité de sociologie générale, Geneva 1968, paragraph 2036.

¹⁴ Ibid., paragraphs 2178, 2228, 2274, 2276.

¹⁵ Niccolò Machiavelli: Il principe ed altri scritti, a ristampa, La Nuova Italia, Florence 1971, p. 152.

¹⁶ Vilfredo Pareto, op. cit., paragraphs 2274, 2276.

¹⁷ Maurice Muret: Grandeurs des élites, Paris 1939, p. 281. In actual fact in small social systems the elite is often still dominated by individual personalities. For example, the case study by John R. Cartwright: Political Leadership in Sierra Leone, London 1978, is essentially the story of the Margai brothers.

⁵ Joseph Stalin: Problems of Leninism, Moscow 1945, p. 524.

⁶ David E. Apter: The Politics of Modernisation, Chicago 1965, p. 154.

⁷ K.E. de Graft-Johnson: The Evolution of Elites in Ghana, p. 106.

⁸ Karl Marx: Grundrisse, Foundation of the Critique of Political Economy, Harmondsworth 1973.

⁹ Georges Burdeau: La classe politique, in: Archiv für Rechts- und Sozialphilosophie 44, 1958, pp. 207-221, this quotation p. 208.

¹⁰ James Burnham: The Managerial Revolution, Harmondsworth 1962, p. 74.

It was only when the world as a whole came under analytical scrutiny, in other words when a comprehensive sociological perspective was adopted, that sufficient attention was paid to the comparative study of societies. It could then no longer be overlooked that societies with broadly similar situations or natural conditions at the outset often developed differently. The search for the reasons for this revealed, amongst other things, differences between elites.

This led to the realisation that individual entrepreneurs, economically oriented political leaders and the like may not be the only deciding factors in economic development. More important appeared to be the leadership of society as a whole, in other words the political elite in the broader sense: "It is the political elite in the underdeveloped countries which has been pre-eminent in deciding the course of their development".¹⁸

The way is thus prepared for a more functional consideration of the elite as a whole and of sub-elites¹⁹ within the social structure. The simple, one-directional relationships between the elite and the economy that were still to be found in Pareto's theses are therefore replaced by more complex networks of influences if, say, hypotheses about different directions of influence are grafted together, such as the assumption that economic elites "will give way to the politician under stress of chronic crisis"²⁰ and the statement that the political elite "seeks to maximise power, rather than profit or honour".²¹ This alone can become the foundation for a complete theory of change in economic crises. Individual trial hypotheses can therefore also express more complex relationships, for example the hypothesis that nationalistic political elites are encouraged by (a) memories of the struggle for independence, or (b) the desire for nationhood, or (c) the need for national economic planning.²² Links with the general theory of social change are also maintained; for example, Max Weber's well-known theory about the influence of the Protestant ethic on the development of modern industry can be discerned in the claim that the

less worldly asceticism the economic elite displays, the more economic development is dependent on the state.²³

Only a few of the many fragments of a modern theory on the function of elites in economic development can be sketched here.²⁴ As it is a frequent reflex to attribute the success or failure of developing countries' economic endeavours to their elites without bearing in mind that the conditions for such efforts are set from outside owing to the interdependence of the world economy or that internal social structures can also impose their own constraints, the hypotheses presented below have been chosen to draw attention chiefly to those conditions for development activities within a social system, which should, as far as possible, be kept under observation when exerting influence from outside the system.

Social Development as a Determinant

One aspect that is seldom paid sufficient regard is the fact that the actions of an elite depend in many respects on the existing social structure. The very size of the elite and the opportunities for specialisation within it increase only as society grows more diverse.²⁵ Hence the elite of a developing society cannot be expected to display the degree of professional specialisation and informed awareness usual in industrial societies. This also provides some explanation for the frequency of military revolts in developing countries: the less industrially advanced the society, the shorter is its experience of high-technology warfare, the less is the professional tradition of the armed forces and the greater the probability that they will be inclined to assume general elite functions.²⁶

This also means that we cannot expect certain forms of elite behaviour in every social system. "If we assume that the majority of people willingly make small relative concessions in order to reap large absolute gains and if we further assume that the leading brains of the elites in industrial societies are acutely aware of the gains they can draw from their concessions, we can only predict that they will make them."²⁷ This prognosis of a harmonious triad of the elite's medium-term willingness to accept deferred gratification, the long-term advantage of this (not least for themselves) and overall

¹⁸ Thomas B. Bottomore: *Elites and Society*, Harmondsworth 1964, p. 99; see also Günter Endrueit, Elisabeth Rissel: *Soziale Profile politischer Eliten in Westafrika*, in: *Die Dritte Welt* 1978, pp. 107-124 with further references.

¹⁹ With regard to this concept see Günter Endrueit: *Elite und Entwicklung*, op. cit.

²⁰ Harold D. Lasswell, Daniel Lerner, C. Easton Rothwell: *The Comparative Study of Elites*, Stanford 1952, p. 18.

²¹ *Ibid.*, p. 16.

²² Thomas B. Bottomore, op. cit., p. 105.

²³ Richard F. Behrendt: *Entwicklungslander (I)*, in: Erwin von Beckerath et al. (eds.) *Handwörterbuch der Sozialwissenschaften*, Vol. 3, Stuttgart, Tübingen and Göttingen 1961, pp. 230-241, especially p. 235.

²⁴ For further detail see Günter Endrueit: *Elite und Entwicklung*, op. cit., sections 2.3, 2.4 and 2.6.

²⁵ Erwin K. Scheuch: *Soziologie der Macht*, in: Hans K. Schneider, Christian Watrin (eds.) *Macht und ökonomisches Gesetz*, Berlin 1973, pp. 1028f.

²⁶ Morris Janowitz: *The Military in the Political Development of New Nations*, Chicago 1971, p. 114.

²⁷ Gerhard Lenski: *Macht und Privileg*, Frankfurt am Main 1973, p. 416.

social peace applies only to industrial societies, because only they offer a relatively certain prospect of being able to reap the fruits oneself at a later date rather than having to pluck them prematurely as a precaution.

Hence the links between the social stability of society and the legitimacy of the elite are an important aspect in the development activities of the elite and lead to the hypothesis that the durability of the elite's legitimacy depends on the stability of the social structure.²⁸ As developing countries are almost by definition transitional societies, that is to say social systems in the process of changing from one type of structure to another, the social structure cannot be very stable. There is therefore a high probability that the non-elite and the elite adhere to different systems of values. Congruence of values between elite and non-elite is, however, an important requisite for elite legitimacy,²⁹ as many historical examples show. The removal of social distinctions in the formerly aristocratic army of the Japanese Empire is one example, and the conversion of many German landowners to Protestantism was probably also an attempt to re-establish congruence of values with the populace.³⁰ Industrial societies must therefore ask themselves whether they are not unintentionally kindling or fuelling social conflicts in developing countries by educating their elites.

Traditionalistic and Modernistic Elites

If it can be assumed that the social structure has a strong influence on the structure of the elite and that developing societies are evolving from traditional to modern structures (whatever they may be), it might seem appropriate to promote structural change in this direction. One might therefore be tempted to encourage modernisation by undermining traditional authority, for there is a hypothesis that societies with firmly entrenched authority are fertile ground for the emergence of traditionalistic elites.³¹ In addition, it may be supposed that (traditionalistic) elites to which there is no possibility of entry on the basis of ability tend to become rigid bastions of privilege³² and that particularly powerful elites often exercise their power by means of "non-decisions".³³ Those who have witnessed the practices of the many overdeveloped state bureaucracies in underdeveloped countries will know what obstacles to development are being erected there.

The beginnings of social reform could be induced, for example, by changing the socialisation objectives in the education system; one theory suggests that recruitment into the elite by means of anticipatory socialisation leads to traditionalistic elites rather than modernistic ones.³⁴ One might well feel moved to intervene (have not the governments of the USA sometimes done so on the basis of such notions?) if one gave credence to the theory that class societies have plutocracies whereas stratified societies have elites based on achievement.³⁵ This conflicts with the classical Marxist theory that a sociocentric, and hence not egocentric, elite can only spring from the proletariat;³⁶ in practice, however, socialist society seems more to confirm the antithesis.

The extreme model policy continues to be a favourite of ideologues in shaping the social structure, but it is a strongly dysfunctional factor in overall development. History to date has provided relatively abundant evidence of the correctness of the statement that the importance of economic elites declines as a system becomes more socialist,³⁷ but the converse – the transfer of power from a society's overall elites (mostly the political elites) to the economic sub-elite – is certainly no recipe for successful development in the long term given the complexity of modern societies, as such development is possible only within the framework of an appropriate all-embracing social policy. Economic elites do not have a priori to display any particular aptitude in this respect; indeed, there is reason to believe "that the attitudes evolved by business leaders are incompatible with the close co-operation and high level of enlightenment which is essential for the discovery and putting into effect of policies essential to the continuing vitality of a social order".³⁸

Finally, the distinction between traditionalistic and modernistic elites cannot always be described in terms

²⁸ John Porter. *The Vertical Mosaic*, Toronto 1965, pp. 229f.

²⁹ Harold D. Lasswell, Abraham Kaplan: *Power and Society*, New Haven 1969, p. 207

³⁰ See Kazuko Tsurumi: *Social Change and the Individual Japan Before and After Defeat in World War II*, Princeton 1970, pp. 84-87; Shmuel N. Eisenstadt: *Tradition, Change and Modernity*, New York 1973, p. 223.

³¹ See Ernst E. Boesch: *Zwiespältige Eliten*, Berne, Stuttgart and Vienna 1970, pp. 143f.

³² *Ibid.*, p. 243.

³³ Geraint Parry, Peter Morris: *When is a Decision not a Decision?*, pp. 319, 323, 327, with further references.

³⁴ Hans P. Dreitzel: *Elitebegriff und Sozialstruktur*, Stuttgart 1962, p. 102

³⁵ See Klaus von Beyme: "Elite", in: C. D. Kernig (ed.): *Marxismus im Systemvergleich*, Soziologie 1, Frankfurt and New York 1973, pp. 139f. with further references, Hugo Huber: *Afrikanische Eliten gestern und heute*, in: *Internationales Afrika-Forum* 5, 1969, p. 513; Bert F. Hoselitz, Wilbert Moqore (eds.) *Industrialization and Society*, Unesco 1969, p. 17.

³⁶ See Karl Marx, Friedrich Engels: *Manifesto of the Communist Party*.

³⁷ Harold D. Lasswell, Daniel Lerner, C. Easton Rothwell, op. cit., p. 15.

³⁸ *Ibid.*, p. 21.

of "dysfunctional" and "eufunctional" as far as their actual efficiency in the economic development field is concerned. In transitional societies in particular change tends to follow sectoral lines. Hence even predominantly traditionalistic elites can display individual modernistic traits, whereas elites with a modernistic tendency can be traditionalistic in some respects.³⁹ Where the greatest advantage will lie will vary from case to case. Moreover, this incongruity in the normative orientation of elites in the process of social change is one of the best documented phenomena in socio-developmental research.⁴⁰

Evolution of the Elite

There is broad agreement in the development research field that the elite must change if economic development in the modern sense is to be possible in a traditional society. Such an evolution is of no relevance to development, however, if it is simply a change in values; it must progress from the level of attitudes to that of action. Numerous studies have confirmed the everyday perception that thought and action are separated by a high barrier that must be overcome if a change in the elite's system of values is to influence its development conduct.⁴¹

The transition from traditional to modern ideas does not occur simultaneously in all compartments of the value system. Instead, there are indications that the traditional values, norms, patterns of behaviour and so forth to be abandoned first are those for which a replacement has been found in the new way of thinking.⁴² An example of this is the conflict between reason of state and family loyalty, which even modernists occasionally solve by acting in a way that outsiders see as nepotistic or corrupt. Viewed from the point of view of a transitional society's system of values, however, such conduct is essential because the new structures demand an impersonal discharge of the duties of office but provide no institutions to relieve the incumbent of his obligation to care for the extended

family. It can be no surprise that cultural change is only partial. Modernisation efforts will therefore probably be most successful in areas that are not rife in traditional patterns of social behaviour.⁴³

Change within the elite is therefore not a sufficient precondition for accelerated economic development; peripheral conditions imposed by the social structure can have a decisive impact. Hence the proven fallacy of modernisation theories that assume that development will be set in motion if the elites of developing countries simply transpose the patterns of industrial societies to their own. Such a transposition is bound to fail, because the social conditions for a take-off are different, for "the general problems of the underdeveloped countries arise largely from the accelerated pace of industrialization which is sought. . . and which has been provoked to a considerable extent by the example of those countries which are already industrialized. . . The industrialization of the Western countries began, in most cases, in far more favourable conditions of economic organization, political cohesion and stability, and psychological preparation of the population by the decline of traditional institutions, as well as being a more protracted and leisurely process".⁴⁴ Nevertheless, it can be concluded from this that the more development effort the population demands of the elite, the more it will probably invest, for "our elites would certainly be better if we were more demanding".⁴⁵

However, the deciding factor for development is the direction in which the elite evolves. If a traditional elite undergoes change the result is not always an improvement in the conditions for economic development. The stance of "modern" elites towards development can also vary enormously. For example, there is a theory that the more civil servants there are in the elite, the more strongly policy "is oriented towards welfare concepts than capitalist principles".⁴⁶ If, in addition, such a political sub-elite is increasingly closed to outsiders, excluded go-ahead individuals will force their way more into the economic sub-elite,⁴⁷ but there too they will be unable to make their optimum contribution to economic progress on account of the restrictive economic policy.

One often hears the pragmatic demand that the new elites should, as far as possible, be composed of realists. One assumes that realistic elites would come

³⁹ Ernst E. Boesch, *op. cit.*, p. 159. See also C. E. Black, *The Dynamics of Modernisation*, New York 1966, p. 98.

⁴⁰ See inter alia P. C. Lloyd (ed.): *The New Elites of Tropical Africa*, London 1966, p. 44; R. S. Khare: *The Changing Brahmins*, Chicago 1970, p. 156; Victor T. Le Vine: *Political Leadership in Africa*, Stanford 1967, pp. 58 and 63; Arthur Tuden, Leonard Plotnicov (eds.): *Social Stratification in Africa*, New York and London 1970, pp. 276f; Scott, in: Seymour Martin Lipset, Aldo Solari (eds.): *Elites in Latin America*, New York 1967, p. 120.

⁴¹ Examples are to be found in *ibid.*, pp. 133f.

⁴² Ernst E. Boesch, *op. cit.*, p. 161.

⁴³ Cf. Joan Vincent: *African Elite*, New York 1971, p. 57; Gino Germani, Kalman Silvert: *Politics, Social Structure and Military Intervention in Latin America*, in: *Archives européennes de sociologie* 2, 1961, pp. 62-81, in this instance p. 77.

⁴⁴ Thomas B. Bottomore, *op. cit.*, p. 95.

⁴⁵ Robert Brun La Valette: *Le rôle social des cadres*, Lyon 1948, p. 295.

⁴⁶ Gerhard Hauck: *Die politischen Führungsschichten in den neuen Staaten Schwarz-Afrikas*, Dissertation, Heidelberg 1965, p. 69.

⁴⁷ Cf. P. C. Lloyd (ed.), *op. cit.*, p. 44.

into being if their members were recruited from among individuals who could revise their received ideas in the light of practical experience.⁴⁸ But here too the expectation of a direct link between experience and attitudes is exaggerated. Instead, practical experience will lead to realistic attitudes only if there is a predisposition to revise prejudices;⁴⁹ however, this is not always present in either developing or industrialised countries.

Finally, the demand for dynamic elites is a key to positive development, but here too success depends essentially on whether it can motivate large sections of the non-elite.⁵⁰ For that reason, particularly dynamic elites ranging from Japan to Libya are expending considerable effort in improving the education system in order to make the population enlightened towards their development aims, and not just capable of pursuing them.⁵¹ Presumably this cannot be a linear process, however, for if there is a counter-elite and at least the chance of elite circulation – the normal situation when an elite exists – a dynamic elite and a static counter-elite will have a reciprocal influence on one another.⁵²

Determinants of Successful Development

Even when the structure of the elite and the social structure are such that the elite gives high priority to economic development, there are still other factors that have a positive or negative effect on its conduct. A few typical examples of the many possible positive influences are outlined below.

One group of hypotheses, most of which have been fairly well substantiated, relates to the conditions for success that reside in the detailed structure of the elite.

First it is asserted that homogeneity improves the prospects of successful development activities by the elite.⁵³ Examples of inadequate development owing to dissent within the elite – such as dissent between old and new elites in Latin America,⁵⁴ between different

factions in the Canadian trade union movement,⁵⁵ owing to ethnic differences among Argentinian entrepreneurs⁵⁶ or because of local rivalry between African parties⁵⁷ – provide fairly strong confirmation for this observation. The assertion that cohesion between sub-elites of different socio-functional spheres improves the prospects for successful development activities⁵⁸ is scarcely more than a variation on the above theme. There is also evidence to support this view in the shape of efforts to achieve consensus on development objectives between political and economic sub-elites in Latin America⁵⁹ or simply within the political elite,⁶⁰ enhancement of the efficiency of conduct by raising the frequency of interaction⁶¹ and enhancement of the effectiveness of an elite through a high degree of lateral mobility among members of sub-elites.⁶²

It is also thought that better co-operation between the sub-elites that plan actions and those that execute them increases the success of development activities,⁶³ a view that is supported by studies on Japan and Nigeria and by general comparisons.⁶⁴ The unsubstantiated hypothesis that the greater the authority of a sub-group within the elite, the better its prospects of achieving success in its actions seems to point more to the advantage of hierarchical structures than to the value of horizontal egalitarian co-operation.⁶⁵ Nevertheless, it cannot be ruled out that this very circumstance limits the efficiency of the elite as a whole.

Another group of hypotheses lists conditions that can be more or less governed by the elite itself. For example, it is claimed that the more personal responsibility and ingenuity an elite possesses the more successful it can make its development efforts.⁶⁶ The preparedness to accept deferred rewards is also seen as a positive

⁴⁸ Lasswell, Lerner, Rothwell, *op. cit.*, p. 12, might be interpreted in this way.

⁴⁹ Ernst E. Boesch, *op. cit.*, p. 99.

⁵⁰ Cf. Robert Presthus: *Elites in the Policy Process*, London 1974, pp. 213 f.; Thomas B. Bottomore, *op. cit.*, p. 109.

⁵¹ F. LaMond Tullis: *Politics and Social Change in Third World Countries*, New York 1973, pp. 202 f.; Crowley in: Bernard S. Silberman, Harry D. Harootunian (eds.): *Modern Japanese Leadership*, Tucson 1966, pp. 270 and 275.

⁵² Cf. Karl Mannheim, *op. cit.*, p. 111.

⁵³ See Walter Troger: *Elitenbildung*, Munich 1968, p. 71; Karl Mannheim: *Essays on the Sociology of Culture*, London 1956, p. 172.

⁵⁴ Cf. Scott, in: Seymour Martin Lipset, Aldo Solari (eds.), *op. cit.*, p. 120.

⁵⁵ John Porter, *op. cit.*, p. 310.

⁵⁶ Landsberger, in: Seymour Martin Lipset, Aldo Solari (eds.), *op. cit.*, p. 257.

⁵⁷ David R. Smock, Audrey C. Smock: *Cultural and Political Aspects of Rural Transformation*, New York 1972, p. 31.

⁵⁸ Ivor Crewe (ed.): *British Political Sociology Yearbook*, Vol. 1, London 1974, p. 19.

⁵⁹ Cardoso, in: Seymour Martin Lipset, Aldo Solari (eds.), *op. cit.*, p. 97.

⁶⁰ Scott, in: Seymour Martin Lipset, Aldo Solari (eds.), *op. cit.*, pp. 120 and 128.

⁶¹ See in general Robert Presthus, *op. cit.*, p. 333.

⁶² John Porter, *op. cit.*, p. 531.

⁶³ Ernst E. Boesch, *op. cit.*, p. 15.

⁶⁴ See Bernard S. Silberman, in: Bernard S. Silberman, Harry D. Harootunian, *op. cit.*, pp. 250 f., 256 f., 421 f.; David A. Smock, Audrey C. Smock, *op. cit.*, p. 129; Shmuel N. Eisenstadt, *op. cit.*, pp. 55f.

⁶⁵ See Wolfgang Schluchter: *Der Elitebegriff als soziologische Kategorie*, in: *Kölner Zeitschrift für Soziologie und Sozialpsychologie* 15 (1963), pp. 233-256, in this connection p. 252.

⁶⁶ Max Weber, as interpreted by Urs Jaeggi, *op. cit.*, p. 64.

factor.⁶⁷ Neither hypothesis has been fully verified, although they are based on Max Weber's theory. On the other hand, there is empirical evidence to support the view that development efforts will be all the more successful the greater the use made of traditional patterns of behaviour.⁶⁸ This is seen as the reason for the success of Japan's early industrialisation: "The traditional authority of the Emperor system as the dominant political institution, the preservation of the traditional family and village norm of conduct, of the traditional value of the unity of loyalty to the Emperor and filial piety to one's own parents . . . were used to accomplish speedy industrialisation."⁶⁹

Determinants of Unsuccessful Development

A number of theoretical considerations, some better validated than others, have been put forward on the structural conditions for the failure of development efforts; again, only a few examples will be given here.

That dynamism in the elite is not regarded as an advantage in all circumstances is asserted by the theory that the greater the (forced) mobility and hence insecurity of the elite, the worse are the prospects for the success of its development efforts.⁷⁰ This has been proved correct in at least one specific case; studies carried out in Canada have shown that frequent changes in honorary positions held by members of elites quite clearly led to greater inefficiency than was to be found where posts were held by permanent officials.⁷¹

The homogeneity of elites has been described above as fostering success, but there is also a view, admittedly not supported by empirical evidence, that as the degree of homogeneity of an elite increases so too does its tendency to direct development efforts towards its own advantage.⁷² Probably equally unverified is the supposition that development activity is all the more unsuccessful the more it is hedged around by rules on the separation of powers, competence, and the like.⁷³ As this is a widely held view, a study would be particularly appropriate, especially since these parameters would be relatively easy to change. There is an equally great need to examine the claim that failure is

all the more probable the more development is induced by external elites.⁷⁴ If this cannot be refuted, it would constitute a decisive determinant of development policy. The same applies to the supposition that development efforts that improve only the material infrastructure do not as a rule lead to social development and hence to further autogenous material development.⁷⁵

Conclusions

The foregoing examples have perhaps achieved their objective of demonstrating that we already have many of the components we need to construct a workable theory on the function of elites in social development in general and in economic development in particular. They have undoubtedly also shown that the theory is still incomplete. The task of piecing together fragments of theories and empirical evidence has barely begun; it is essential that this be done, however, if practical scientifically based advice is to be possible in this field, which is one where measures lacking a scientific foundation are not only a sure path to a succession of costly investment mistakes but also a frequent cause of social upheaval leading to a host of catastrophic socio-psychic effects and political consequences on the world level.

The links between the situation of an elite and the level of a country's development are now appreciated widely enough to be a subject of regular comment in the daily press, as the frequent reports on the effects of the brain drain show.⁷⁶ The loss of elites in this way is not only one of the most serious obstacles to progress in developing countries; by exploiting it, industrial societies can possibly derive a greater advantage than from disparities in the terms of trade.

The function of elites in economic development, alongside many other questions relating to the social requirements and consequences of development, would be a rewarding subject of concentrated fundamental research, rewarding not only in academic terms but also in the simple economic sense of improving the cost/earnings ratio in development activities and even in individual foreign investment projects. Advances in scientific knowledge in these fields would not render feasibility studies of individual projects superfluous and might even give them comprehensive social relevance for the first time.

⁶⁷ Richard F. Behrendt, *op. cit.*, p. 235 on entrepreneurs, although this can no doubt be applied more widely.

⁶⁸ Ernst E. Boesch, *op. cit.*, p. 245.

⁶⁹ Kazuko Tsurumi, *op. cit.*, p. 5.

⁷⁰ Ivor Crewe (ed.), *op. cit.*, p. 33.

⁷¹ Robert Presthus, *op. cit.*, pp. 114 f.

⁷² See Günther Schmid, Hubert Treiber. *Bürokratie und Politik*, Munich 1975, p. 220.

⁷³ Thomas B. Bottomore, *op. cit.*, p. 99.

⁷⁴ Karl Mannheim, *op. cit.*, p. 267.

⁷⁵ Deduced from Ernst E. Boesch, *op. cit.*, pp. 238 f.

⁷⁶ According to estimates made by UN experts, approximately 300,000 academics from developing countries emigrated to industrial countries between 1960 and 1972. It is calculated that in the USA alone they contributed \$3.7 billion to the national income in 1970, whereas the development aid of the USA came to around \$3.1 billion that year (see *Der Spiegel*, No. 13/1977, pp. 142-144).