

# Rationality, n-Achievement, and Personality in Economic Development

Il Chul Kim \*

MOST PROMINENT theories in development of economy from the socio-psychological view point at present time seem to be, Weber's "economic rationality and protestant ethic", McClelland's "n-achievement", and Hagen's "innovational personality". They are in the same position in a sense that propensity to save and invent and other attitudes necessary for economic growth appears in the end to be not economic but psychological variables. McClelland's and Hagen's theories are, by and large, psychological interpretation of Weber's in the light of modern concepts of motivation and personality. However, their basic stand-points seem to be slightly different in terms of emphasis. I shall briefly examine their theories and attempt to reformulate them on the basis of empirical case material. My special reference is primarily given to developing countries where are at the transitional stage from traditional to modern society.

To Weber, according to Parsons, an act is rational in so far as (a) it is oriented to a clearly formulated unambiguous goal, or to a set of values which is clearly formulated and logically consistent, (b) the means chosen are, according to the best available knowledge, adapted to the realization of the goal.<sup>1</sup>

His rationality is 'ideally' constructed. The most distinguished rationalities are '*Wertrationalität*' and '*Zweckrationalität*'. The former is directed to absolute value and commanded and demanded. The latter involves plurality of values and may consider alternative means to the end.

---

\* Assistant Professor of Rural Sociology

1. M. Weaer, *Theory of Social and Economic Organization*, Trans. by Parsons (Free Press, Now York, 1966), p. 16.

His rationality becomes much clearer in consideration of economy. Modern economic system itself is rationalism, based not on custom or tradition but on the deliberate and systematic adjustment of economic means to the attainment of the objective pecuniary profit.

In Weber's context economic rationality is a consequence of certain religious world view stressed by Calvinist sects; ethic of Calvinism added something positive meaning to the idea of the necessity of proving one's faith in worldly activity. It accompanies transformation of asceticism to activity within the world. What Weber calls the 'spirit of capitalism' is a set of attitudes or values (in Pareto's term 'state of mind') toward the acquisition of money and activities involved in it. To earn money is a ethical obligation for its own sake. This mentality and spirit which directed toward economic activities come from 'calling'. Calling is a strenuous and exacting enterprise to be chosen by himself and to be persued with a sense of responsibility. This calling enables one to devote to its own task without exogenous stimuli. Labor and hard work are thus based upon this calling and regarded as a glorious thing for God. Therefore, to him, actor is continuously making an effort to conform with certain ideal, not simply as responding to a stimuli. This force has been contributed to the development of Capitalism.

In Weber's context desires for goods and profit making (in modern sense it is motive) have been substituted for calling, a religious aspiration. At the same time economic rationality also, on the other hand, is a product and reinforcement of the calling and the activities stemmed from calling. McClelland stands on right this point.

To McClelland how hard work a person would directly reflect the strength of his achievement motive. However his motive, more accurately 'need for achievement' which is empirically developed in 'Achieving Society', is a motive which is based on primarily emotion, not identical with emotions but rather an expectation of change in the affective condition.<sup>2</sup> These affects are from birth a function of discrepancies between the adaptation level of the organism and the sensory or perceptual processes. Positive affects are determined by small discrepancies, negative affects by large

---

2. McClelland D. C., et al., *The Achievement Motive* (1953) pp. 28; also see Evaluation by K. B. Madsen, *Theories of Motivation* (Munksgaard Copenhagen, 1961), p.199.

discrepancies. <sup>3</sup>

He thus associates n-achievement with entrepreneurial potential and occupation. The sources of the motive tend to be, such as, race, environment, child rearing practice, physique, family structure, economy, physical environment. <sup>4</sup> He specially emphasized early child rearing practices as an important source of high n-achievement.

McClelland's motive is basically a sociogenic motive (Sherif's term) which is acquired in the course of individual's development in a social setting. They are formed in connection with interpersonal relationships, group relations, established social values, or norms and institution. Therefore it can be assumed that high n-achievement might be a cause for entrepreneurial potential and also at the same time that it might be a product of developed technology and entrepreneurship. This is a paradox. Furthermore motives do not function as isolated units. In actuality a given motive ordinarily has a relation to other psychological functions and to social circumstances. And also behavior does not directly follow arousal of a motive state; neither does behavior follow directly an item of external stimulation. Motives have to be taken in relation to other factors operating simultaneously stemming from external circumstances as well as value and past experiences. <sup>5</sup>

Hagen's innovational personality in relation to economic development is more ambiguous. Economic action appears to be far away from his innovative personality. 'Withdrawal of status respect' is far more away from economic action. <sup>6</sup> Generally he confuses action with personal view and disposition. A logical inference tends to be made from his theory that poor people are poor because they are authoritarian and rich people are rich because they are innovational. It does not seem to be true. As far as profit making is concerned there seems to be no qualitative difference between two at all. Furthermore, according to his idea, there should be no rich people who are authoritarian.

From the above discussion we are not satisfied because these theories are;

3. McClelland, et al., *op. cit.*, p. 42-66.

4. McClelland D.C., *The Achieving Society* (Free Press, 1961), ch. 9.

5. Sherie, M., *An Outline of Social Psychology* (3rd ed. Harper and Brothers, New York, 1965), pp. 370-380.

6. Hagen, E.E., *On the Theory of Social Change* (The Dorsey Press. III., 1963), pp. 185-193.

(1) too straight forward in dealing with human action, e.g., no calling, then no economic action, then no development, or no high n-achievement, then no development, or no innovational personality, then no development.

(2) simplifying the problem in terms of single cause and effect, and failed to facilitate other variables. We always keep in mind that human action-taking is a complex-product of value, motive, personality, bearing on specific situational variables; time and space.

In discussion of the problem I shall start from examination of the case materials of our own:

*Dure*, literally means 'in turn' or 'in order', is a device of farmers to cover their deficient labors specially in spring planting. This was a group organized by landowners who have hired workers as annual basis. Each member of *Dure* sends his worker to planting in exchange of labors returned on the next day. For example, if there were four members, A,B,C,D, workers of A,B,C, first come together on the land of D to work, then move to C,B, and A's land in turn. This system was gradually adopted even among small peasant farmers. The size of this labor group vary from village to village, but usually less than ten. When *Dure* participants were working on the land, they were served with very hearty meals several times a day. They never accounted marginal differences of hours worked and quality of labor, because this was regarded purely as friendly exchange of labor. But change has been occurring; They now stopped to serve foods because it was really a heavy job. Now they go to their own houses for meals. They adopted a wage system. They began to account hours of working and foods served if any. Their attitude in economic valuation thus seems to be changed. They have been more economically rationalized. Individual economic rationality overweighs neighborhood 'collective-friendliness' which has been developed over long period of time.

More dramatic change has been occurring in *Marriage Kae*. *Kae*, literally means 'contract', is another group through which neighbors friendly helped each other on occasion of marriage of their neighbors. Those people who have matured sons or daughters join this *Kae* and a certain amount of money (or rice) is collected when one of the member's family is going to marry. Collected money is given to the

member whose family is marrying, with the hope that it could alleviate the financial burden. Every member of *Kae* has such a benefit in turn when their family is going to marry. The important fact is that this *Marriage Kae* becomes inactive and seemingly diminishing. Instead of this *Rice Kae* is uprising and becomes very popular among the farmers. The purpose of *Rice Kae* is to loan out the rice which is invested by the members to the person who is in need of finance. Profit will be increasing gradually so that it would help financially much more than *Marriage Kae* does. This is like an investment club. Here also found that economic profit attracted people and individual economic rationality is awakened by profit making.

From these cases some important changes should be taken into account; customary friendly exchange of labor is *rationalized* by adopting new wage system, and the *Marriage Kae* which has been purely friendly mutual assistance is *substituted for* profit making investment club. Individual self is separated from 'neighborhood-big-familiness'. An individual economic interest is seriously taken into account in their actions. How could this highly appreciated 'spirit of mutual assistance and big-familiness' be weakened and substituted for individual economic freedom? These facts are likely to imply a victory of individual economic value and rationality which depreciate custom and tradition over neighborhood collectivity which depreciate individual economic interest to a great extent. This change has been taken for granted as a necessary and good thing by collectivity norm. Traditional agricultural village where group solidarity is very strong (usually dominated by a single clan) is used to strongly emphasize a communal sentiment by which deviants are punished (e.g., sexual violation) and exemplars awarded (e.g., filially pious girl, widow).

The village was incorporated into oneness and an unit, rather than group in modern sense.<sup>7</sup> The people regard elder citizens as their parents and respect them. Now, 'neighborhood-big-familiness' is disappearing, instead 'individual family centered interest' appears to be an important way of action. This change might be called as transition from collectivity orientation to self orientation as Parsons termed.

Before I shall develop my own developmental schema, at least the following as-

7. M. Mead, *Cultural Patterns and Technological Change* (A Mentor Book, 1955), pp. 182-184, "Meaning of Cooperation".

assumptions should be explained in the light of the case materials presented:

(1) The changed action could not be sufficiently explained in terms of single psychological variable, such as motive, personality, and value. These variables are reciprocally influencing and mutually inclusive one way or another. Multiple variables, therefore, should be taken into account.

(2) Within the social system there exists two systems which are conflicting each other, specially in developing countries. These are usually called new system and old system. The former is usually imported by cultural diffusion and is progressive, latter is preserved and conservative. The term 'progressive' means antitraditionalism, and 'conservative' means traditionalism. Two forces of the systems are checking each other.

I prefer rather inclusive concept to a single variable, thus the concept adopted is 'attitude'. The term 'attitude' is hoped to imply a 'persistent' disposition and state of readiness to act which consist of individual psychological variables such as need, motive, personality and value.

Social action derived from this model is a function of attitude and facilitational variable.

A: Action

$A=f(\text{Att. Fv})$

Att: Attitude

Fv: Facilitational variables

Facilitational variables, such as collectivity norm and value, enables to facilitate given actor's attitude.

#### Action Model

Facilitational Variable	Ego Attitude	
	Support	Progressive
Developmental		Anti-developmental
No Support	Developmental deviant (prophet)	Revivalistic deviant (traditionalist)

Unless ego attitude is favored and supported by collectivity norm and value no developmental economic action is secured. Even ego attitude is supported by norm and value conservative attitude toward economy could not be functioning as positive value. Progressive attitude without support by norm and value will be regarded as

deviant, yet he is prophet. Conservative attitude without support by norm and value is regarded as revivalistic deviant and traditionalist. The term 'developmental' refers to a favorable attitude to economic achievement-action which is also prepared to accept new mode of life. The term 'developmental deviant' refers to an attitude which is not accepted by majority of the people because it is for advanced and more westernized than most of the people.

Economic development is a function of economic rational action and maximum utilization of the resources, human as well as material.

$$Ed = f(A, Ur)$$

Ed: economic development  
Ur: maximum utilization of the resources  
A: economic rational action

The term economic rational action is a profit pursuit social action based upon not emotion and custom but conscious deliberate scientific-reasoning for primarily self interest rather than collectivity interest. Conflict of two interests could be solved in such a way that collectivity interest will be achieved by securing *minimum* self interest.

**Development Model**

Utilization of resources	Action	
	Modernistic Orientation	Non-modernistic Orientation
High	Good Development	Pseudo-development
Low	Poor development	Non-development

Modernistic orientation of action is engendered from progressive attitude and non-modernistic orientation of action, on the other hand, from conservatic attitude. If resources are highly utilized by modernistive action the result is a good development. Low utilization of resources by modernistic action does not produce good result. High utilization by non-modernistic action is seen in some anthoritarian or communist countries where a small group of people command all development action usually with compelled force. This development well balanced in terms of human needs. Non-modernistic action could not achieve any kind of development by viture of low utilization of resources.