# The role of the state in models of development

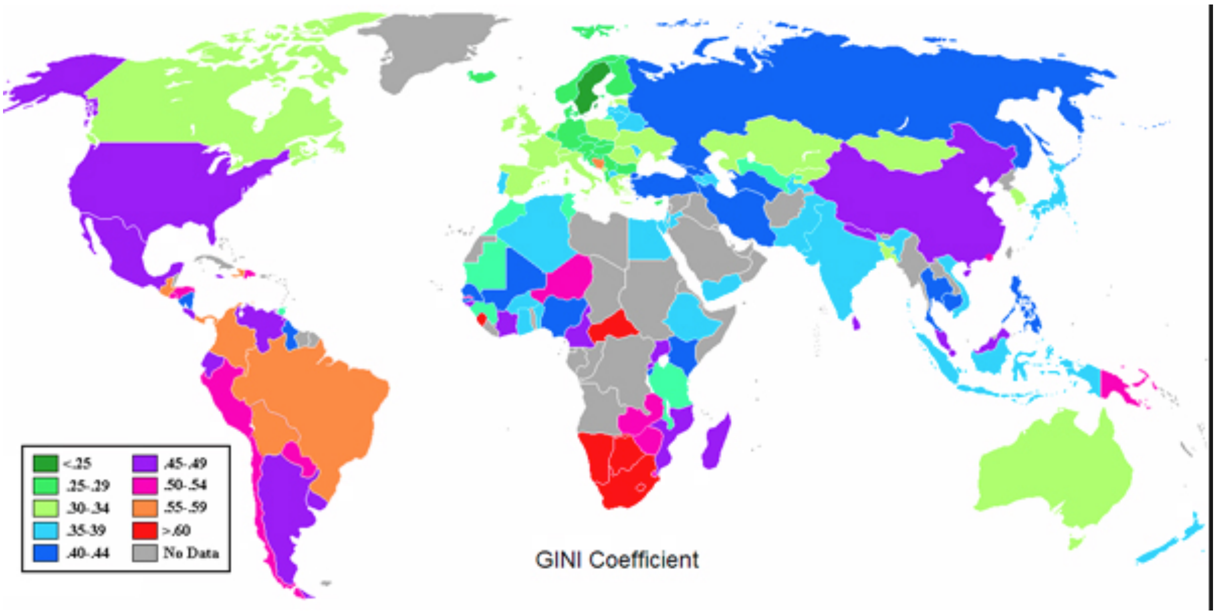
The state plays an important role in determining an economy's development and there are many different models of development that have been adopted around the world.

During the 1960s in Latin America (e.g. Brazil and Argentina) and certain decolonized countries, such as Senegal and Kenya, a **self-centred development strategy** was adopted by the government. This model of development which frequently resulted in failure, was based on protectionist measures, internal industrialisation to limit the need for imports, and a withdrawal from involvement in the world economy. Other countries, such as the so-called Asian tiger economies (e.g. Malaysia and Vietnam) pursued a model of development that was much more **liberalised** and open to the global economy.

Other countries have pursued development based on the export of primary products such as hydrocarbons (e.g. petrol and gas in Qatar and Saudi Arabia), agricultural products or mined resources. However, such models are exposed to the risk of substantial changes in international commodity prices from one year to another. Some countries have also focused on a tourism based development such as Egypt and Tunisia.

Mixed models also exist between liberalism and state control. This was the case of France following WW2 whereas Russia experienced brutal changes following the collapse of the USSR.

**Income inequalities in the world (2016)**




The Gini coefficient is used to measure differences in income. It varies between a figure of 0 (a situation of perfect equality whereby everyone has the same income) and 1 (an unequal situation in which one individual possesses all revenues, where the others have nothing).