


*Ethiopia: political and social dynamics of a society in transition,
2005-2015*

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ETHIOPIA 2015: TRANSFORMATIONS & CONTRADICTIONS?

Ethiopia's economy: growing and diversifying, notably since 2005, e.g.:

- GDP growth 7-9 % p.y.
- Expansion of agriculture (area); and putting in place of a SafetyNet structure. But still not enough invested in food security.
- FDI (industry) is growing (low labour costs, plenty of supply)
- Creating conditions for growth: infrastructure, hydro-energy dams, railway grid being built
- 'Promising consumer market' (c. 91 mln) for foreigners
- Semblance of stability in a volatile region (H.o.A.), hence continued donor support (ca. U\$ 2.8 to 3 bln.  per year)

CONTRADICTIONS? SOME ISSUES

Yet, in 2015:

- 8-15 mln people in need of food aid in Nov. 2015 (FEWS data)
- Annual out-migration of tens of thousands of people
- Serious bifurcation of rich and poor – a new rich party-linked elite
- The myth of ‘inclusiveness’
- Mounting environmental problems – unsustainability

ECONOMICS AND DEVELOPMENT: DISCOURSE AND IMPLEMENTATION

- Economic transformation: on the basis of GTPs.
- GTP II now in force (2015-2020). (GTP I moderately successful, but many things not realized)
- Aim: 'middle-income' country status in 2025
- 'Developmental state': the party-state as top-down agent of economic and social change (supply-based, not demand-driven; command economy aspects)
- Private sector: tolerated but hardly assisted/facilitated
- No national policy debates on key economic & social strategies beyond the top party echelons

THE POLITICAL FRAMEWORK

‘Developmental state’ means:

- All is defined and decided by the state - the EPRDF one-party state
- No non-EPRDF people are represented in any local or regional administration. Party loyalty reigns, and regular ‘training sessions’ are obligatory
- No private property (land) is allowed - all rural and urban land is state land. Inhibits, a.o., the development of food security
- Legal framework overall is prescriptive and restrictive, also for business
- Over-securitized

ETHNIC ASPECTS

- Ethiopian ethno-federal state: the political and economic structure are defined/constrained by ethnic identities
- Disparities between ethno-regions in geographical & economic conditions and potential
- Each ethnic zone and district has its 'ethnic' preferential policy ('own people first'). Corruption is a persistent problem. Domestic investors from other regions need to make extra efforts – via the federal structure.

SOCIAL CHANGES & CHALLENGES

- A new, 'middle class'-like stratum is emerging – will demand political and civic rights
- Ethnic-regional elites are emerging - reflected in EPRDF internal friction
- Educational structure is expanding but still of relatively low quality – Univ. graduates are ambitious, want jobs, but 40-50% is unemployed, and their social and trans-region mobility is limited
- Religious constituencies - three major blocs, showing increasing competition and strong social conservatism
- An unsolved problem: high population growth - increases vulnerability to environmental problems and food scarcity.

CONTRADICTIONS EMERGING?

Wider political debate is absent; at least has little policy impact:

- Parliamentary elections (last in May 2015) had little if any influence on debates of socio-economic strategy – little if any accountability, no responsiveness to local problems or failing policies
- But during a recent Politbureau meeting (August) of the EPRDF party: glimpses of auto-critique; PM Hailemariam on ‘ethnic policy’; still the debate is ‘democratic-centralist’
- Reflects emerging real contradictions of ethnic politics on the regional and local level
- Similar in the sphere of private enterprise.

THE GROWING CONTRADICTION: ECONOMICS VS. POLITICS – TWO EXAMPLES

Ex. 1 - Private business and its problems:

- Internet lagging behind: Ethiopia in the African rearguard. Young entrepreneurs complaining

Ex. 2 - Local vs. nation 'growth narratives' and implementation in the large sugar plantations in Southwest Ethiopia:

- Long-term economic logic?

- Socio-cultural abuse and local resentment

- Environmental neglect: repetition of the Northern Ethiopia scenario?

No accountability:

- local populations - esp. when culturally different - have no voice; are not invested in. Government is only accountable to the donors - notably the World Bank - who hardly monitor or evaluate.

CONCLUSIONS

Contradictions in Ethiopia's trajectory are visible but are as yet unresolved:

- Economic dynamics and growth – primarily donor funds-driven –, esp. via large infrastructural projects, are *national*; create new political needs, interests and socio-political groups, if not 'classes', on the national level
- The state-directed national project clashes with the existing ethnicized political structures and pits regions and districts / zones against each other (ex.: the 2014 expansion of the AA Region vs. Oromiya)
- GTP plans were too ambitious, if not presumptuous. Donors dare not complain or criticize
- National debt burden is growing
- Policy alternatives are hardly if at all discussed – creating disparity and unease.

FINALLY

Ethiopia, as a country in development and with proven promises as to economic growth, creates new social realities and needs political adjustment and a new democratic consensus, so as to reduce the costs of political control and to prevent the contradictions between economic dynamics and civic/political constraints from aggravating and perhaps exploding.