

From Predatory to Modernizing Elites: Prospects in Abiy's Ethiopia

Messay Kebede
Professor

The starting occasion of this article is a video I watched on the 7th conference of Vision Ethiopia in which my old and dear friend and colleague, Dr, Befekadu Degefe, gives an insightful analysis on the requisites for economic development in Ethiopia. The analysis is premised on the commonly shared assumption that the private sector is the engine of economic growth and considers two possibilities by which said sector could be effectively developed. The first possibility is through a determined and systematic opening to foreign investments. The second is, paradoxical as it may sound, through state patronage harboring a nationalist agenda.

The obvious advantage of the first option is that it provides the Ethiopian economy with the much needed capital, know-how, and market access, all the more easily as it is in line with the fundamentally globalizing trend of our time. A major implication of this policy is that the Ethiopian government gives up the greater part of its role in the running of the economy.

According to Befekadu, the choice of over-relying on foreign investments has two major drawbacks. Granted that it is indeed necessary to curtail the economic role of the state to develop the private sector, such a policy assumes that the sector already exists and that state intervention prevents its growth. However, the fact about Ethiopia is that the private sector does not exist: it had started to burgeon during Haile Selassie's reign but was trampled on by successive governments to the point of extinction. Under this condition, any unrestricted opening to foreign investments, far from encouraging the development of a national private sector, will only result in a state of severe economic dependency. In what appears as a veiled criticism of the direction of the existing government, Befekadu underscores that a withdrawal of the economic role of the state where the private sector is non-existent entails nothing less than a grave loss of sovereignty.

The other drawback of the policy is its one-sided view of the economic role of the state. The idea that both state ownership of the means of production and intervention constitute impediments to the development of the private sector, while true in principle, overlooks that the state can also be instrumental in promoting the private sector. In fact, historical facts pertaining to economic development attest that the private sectors in the most developed liberal economies, including the US, owe their growth to deliberate governmental policies. Implementation of protective measures and foresighted planning by the state, not its withdrawal, are necessary for the private sector to thrive. So stated, such a prerequisite for development seems easy to implement. Unfortunately, the single and hard to come by attribute is the availability of states that are truly committed to the defense of the national interests of their country. When a state generates some

such commitment, it becomes naturally prone to devise policies aimed at furthering the private sector. So that, the paramount issue of economic development boils down to having or not having a state that is genuinely nationalist.

True, the general expectation is that a state, whatever its form may be, stands by definition in defense of the national interest. But this does not mean that the defense includes the economic development of the country. Far from it: traditional forms of political rule as well as perverted forms of modern governments aim first and foremost at protecting the narrow interests of given elites, less so at generating national wealth. The reason for this is that the condition for producing national wealth is different from the use of political power to insure the hegemony of an elite over the economic life of a country. In this last case, political power is used to exclude, that is, to reserve for the ruling elite whatever wealth the system produces by erecting political protections. Its purpose is less to enhance the production of wealth than to give the ruling elite a privileged, protected access to its control. Nothing prevents this political system from claiming that it is nationalist, except the fact that all the factors that encourage the private sector, such as free competition, the rule of law, protection of the national market against external competitors, stimulation of internal savings and investments, production of highly skilled nationals, the setting of national economic priorities, etc., are either ignored or given lip service.

In speaking of what needs to be done in conjunction with the issue of the state, Befekadu brings out the sad condition of education in Ethiopia. Since its introduction, modern education has been designed to produce, not innovators and entrepreneurs, but people with a dependent state of mind. Proof of this is that an Ethiopian goes through the various levels of modern education and graduates with one single objective, which is to be hired by somebody. In accordance with the state of the economy, the educational system is not designed to yield graduates capable of inventing and creating jobs for other people. Discussions on education in Ethiopia are focused on the question of how to teach and not on what to teach, that is, on what kind of graduates we want to produce. Needless to say, the private sector cannot develop if the system of education does not produce self-reliant and creative people.

The inevitable follow-up question deriving from Befekadu's analysis is, of course, the question of knowing the cause or causes of the emergence of nationalist states. The question has inspired rich and varied scholarly studies that are beyond the scope of this article. I limit myself to the conclusion I have arrived after an extensive reflection on these studies (see my books, *Meaning and Development* and *Survival and Modernization: Ethiopia's Enigmatic Present*). For most development scholars, the issue of economic development is best summed up in the formula "tradition versus modernity." It amounts to asking what motivates elites to move away from traditional social order and values so as to espouse modern settings and norms. What is traditional is custom-bound, authoritarian, and ascriptive, while the modern is innovative and achievement-based.

An inquiry into the history of modernization suggests that traditional elites embark on the path to modernity when they clearly realize (often under the influence of enlightened political leaders) that modern settings and values are necessary to preserve their social status. Indeed, what is more motivating than self-preservation? In other words, when the social order protecting the political

and economic hegemony of a traditional elite is threatened (the threat can be caused by social crises, external invasion, internal dissension, etc.), the ruling elite has the option of either defending its status and interests by increased authority and repression or engage in the task of reforming the society to counter the threat. The first option can only retard the inevitable defeat of the ruling class for the reason that its inability to find real solutions to the crisis invites popular uprisings leading finally to a revolutionary culmination. Experience invariably shows that the revolutionary solution draws the society into a bloody and disruptive process that often ends in the institution of another authoritarian regime that is no better than the previous one.

By contrast, the second option, the path of reform has proven to be more promising. The fact that the determination to reform derives from the clear understanding that more authority and repression do not provide the solution to the crisis indicates that a genuine commitment to change is in the making. Most of all, the fact that it is about the survival of the ruling elite itself makes the will to reform into a determination impelled by self-interest and hence more reliable and consequential. I see no better way to give the gist of this theory of modernization than to provide a quotation from my own book, *Meaning and Development*. I write: “the drive toward industrialization springs from the need felt by ruling classes to counter external or internal threat. Ruling classes become industrializing elites as soon as they accept change as the best way to preserve their interest and power. They thus make their societies into societies ruled by the standard of achievement.” As opposed to rent-seeking and ascriptive methods as well as to political exclusions based on race, ethnicity, and religion, the rule of achievement links social promotion to merit and actual contribution to the advancement of the society, by which alone the perceived threat can be removed.

Facts supporting the theory abound. Thus, Japanese industrialization was propelled by changes perceived as necessary to counter the threat of colonization. The industrialization of East Asian countries is little intelligible unless we connect it with the need to counter the influence and spread of communism through the realization of economic advancement. Likewise, the continuous wars between neighboring countries and the subsequent need to back or counter expansionist designs go a long way in explaining the industrialization of European countries as well as that of North America.

Interestingly, at about the same time of Japan’s awakening to the imperative of modernization and in response to the same similar colonial threat, Ethiopia went through a comparable awareness epitomized by the rise of Emperor Tewodros. What else were Tewodros’s endeavors to end the Era of the Princes and his failed project to manufacture the first cannon but telling indications of the need for modernizing changes to resist colonial onslaughts? Still highly cognizant of the looming danger, Emperor Menilik opted for the different solution of expansion to the south. He conjectured that the integration of new territories would provide him with the much needed human and material resources to ward off the colonial danger. Unfortunately, the growing influence of foreign interests coupled with the spread and consolidation of a landed gentry generated the premises of an imperial autocratic system that postponed the need for reforms. We know what came next: the revolution of 1974 and the rise of the Derg, which led to the subjection of Ethiopia to the divisive and hegemonic rule of the TPLF.

Another chaotic, bloody, and perilous revolution was about to engulf the country when, as a result of the ethnic inequality and perverted rule of the TPLF and in reaction to popular uprisings, internal dissensions grew within the EPRDF. This political evolution put Ethiopia back in the situation where it can nurture a reforming nationalist elite. That the will to reform came from inside the ruling EPRDF and that this will emerged from the clear grasp that increased repression, as advocated by the TPLF, is useless, is perfectly in line with the conditions that fashion modernizing elites. Both the stubborn policy of repression of the TPLF and the continuous popular uprisings created the condition in which the survival of the elites that control power became dependent on conceiving and implementing reforms replacing ethnic entitlements and clientelism with the standard of achievement.

Does this mean that, with the installation of Abiy as Prime Minister, Ethiopia is out of the woods and on the right track toward a successful modernization? Of course not, for it is one thing to take a positive turn, quite another to consolidate the turn with institutional and structural changes. To begin with, nothing guarantees as yet that a majority of the EPRDF members are really committed to fostering an achievement-based social order. Secondly, groups that either defend ethnicity as a political and economic entitlement or call for the hegemonic rule of a given ethnic identity still proliferate in the country. These last groups are all the more dangerous as they find a natural ally in the sidelined but not yet defeated number one promoter of ethnic hegemony, namely, the TPLF. Thirdly, in the face of growing tensions and instability in the social order subsequent to conflicts fomented by highly ethnicized groups, Abiy and his supporters may well be compelled to resort to authoritarian methods. In fact, given that the primary role of the state is to protect law and order, a return to authoritarianism could become inevitable, despite Abiy's repeated reluctance to contemplate such an outcome. Also, seeing the weakness of opposition parties and their deep ideological divisions, there is no guarantee that the coming election will lead to a peaceful result. Most importantly, a defeat or weakening of the EPRDF will open the door to all sorts of scary possibilities, in view of the fact that I do not see how an alternative party or coalition of opposing parties could emerge given the weakness of the parties and their often wide ideological disparities.

As a matter of fact, unless there is an amendment to the Constitution, it is very difficult to see how an alternative party that would have a national reach could emanate from the current ethnically fragmented electorate in Ethiopia. The more one becomes aware of the legal and ideological obstacles standing against the rise of national parties, the more one realizes that the attempt to defeat or weaken the present standing and leadership of the EPRDF offers nothing but a situation favoring ethno-nationalist parties, which will then foment disorder and violence to achieve their true goals. My fear is not that the coming election will not be democratic but that the result will be so fragmented that it will hamper the formation of a government. All bets are off if the coming elections do not return to power the EPRDF with its present leadership. The effort to promote transfer of power in Ethiopia by means of democratic elections is laudable, but it can also turn into recklessness or naïve idealism if prevailing conditions are not conducive for a reliable peaceful transition.

To contemplate the likelihood of a return to authoritarianism can be justly characterized as a pessimistic predication. However, even in the case where authoritarian methods become

unavoidable, all is not necessarily bleak. Authoritarianism is not always a negative outcome so long as it continues to promote the order of achievement. It is imperative here to distinguish between political authority used to protect privileges (be they based on ethnic, religious, gender discriminations or on class rigidity instead of social mobility) and authority used to promote a social order upholding achievement. The distinction goes against the widely held view that democratization precedes and conditions economic development and modernization. In reality, a closer look at the history of developed countries shows that democracy is more of an outgrowth of societies engaged in the path of promoting achievement than a sine qua non of modernization. As indicated in the beginning of this article, what needs to happen is the rise of nationalist elites, that is, elites committed to modernize their societies so as to solve the crises threatening their social standing. What drives them primarily is not the concern for human rights or the equality of ethnic and religious groups, but the design and implementation of efficient methods to ward off threats. So conceived, their inspiration is not so much humanitarian, at least at the beginning, as scientific, if by “science” we mean the design of efficient methods to solve problems. And one fundamental condition for achieving developmental results is the end of all forms of clientelism and rigidity in favor of openness based on merit.

We often hear that democracy is about nothing else but the very survival of Ethiopia as a country. In thus assuming that there is only one way out and, what is more, the most difficult to achieve, we corner ourselves instead of opening various options. Yet, as Hölderlin said, “where the danger is, also grows the saving power.” This truth was verified by the rise of Abiy and his supporters. It could well happen again if we make good use of authoritarianism in case the latter becomes necessary to protect law and order threatened by the still virulent aftermaths of two decades of ethnic divisive rule. Instead of the previous authoritarian systems with their sterile, divisive, and ascriptive methods of rule, there is the option for an authoritarianism inspired by nationalist elites and whose objective is to make social status conditional on merit rather than on ethnic, religious, class, etc., affiliations. This form of authority is best defined by coaching rather than repression and extortion.

Messay Kebede

Professor

<https://udayton.academia.edu/MessayKebede>