State formation and capacity in Ethiopia
Between the legacy of a centralised past and the promises of a federalist present

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INTRODUCTION: CAPACITY BUILDING AND STATE FORMATION

Following the failure of the structural adjustment programs in the 80s, a growing body of development literature re-discovered the role of institutions and particularly of the state for sustained economic growth and the correct functioning of the economy, with the goal of moving "towards the post-Washington consensus"[1].

The turning point has been sealed with World Development Report 1997 by the World Bank, where, following the approach of the new institutional economy, government effectiveness and other dimensions of good governance are recognised as premises for better development outcomes: "the state is essential for putting in place the appropriate institutional foundations for markets"[2]. The attention is therefore on state capacity, namely, "the ability to undertake and promote collective actions efficiently—such as law and order, public health, and basic infrastructure"[3], as necessary prerequisites to ensure development and peace.

In this perspective, the low level of development, recurrent crisis and civil wars affecting the African continent are automatically attributed to "the crisis of statehood —a crisis of capability that many countries in Sub-Saharan Africa are suffering from"[4].
At the origins of this crisis, according to the mainstream literature, lays the unfamiliarity of the model of the modern state to the African context: a model imported by the European colonial powers[5], without social and cultural foundations in the African context, artificially designed at the Berlin conference without taking in due consideration the ethnic maps of the continent.

In this respect the Ethiopian case appears as a troubling paradox. Ethiopia is one of the few African countries with a long and autochthon tradition of modern centralised state dating back to the middle of nineteenth century and it was the only one to resist colonial domination. But despite the fact that Ethiopian state institutions are genuinely rooted in social and cultural contexts, the country scores one of the lowest record in term of human and economic development (ranking 170 over 177 countries in the Human Development Index, fairly below

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[1] As auspicated in the speech-manifesto of by Joseph Stigltiz « *More instruments and broader goals: moving toward the post-Washington consensus*, 1998.
[2] World Bank, *World Development Report*, 1997, p. 4.
[3] Ibid, p. 3.
[4] Ibid, p. 14.
[5] Cfr. Bertrand Badie, *L'Etat importé. Essai sur l'occidentalisation de l'ordre politique*, Paris, Fayard, 1992.

Sub-Saharan average[6]) and is systematically placed at the bottom end of the rankings on institutional capacity[7].

This paradox is partly explained by the approach itself of mainstream donors' literature, that in discussing the role and prerogatives of the state remains highly normative and considers the sphere of politics merely as another technical variable to promote market efficiency and economic growth[8] (Hibou, 1998).
The focus of this type of literature is on institutions' *building*, neglecting state *formation*, namely "the historical process, mainly unconscious and contradictory of conflicts, negotiation and compromises between different groups", according to the distinction introduced by Bermann and Londsdale[9].

Thus, the present paper discusses current initiatives of capacity building for the delivery of basic services in Ethiopia, analyzing them in the perspective of the historical trajectory of the Ethiopian statehood, not to conduct an evaluation of their effectiveness, but rather to analyse their instrumental effects[10] on the process of state formation and reproduction.

The first part identifies similarities and continuity in the strategies of accumulation and consolidation of central power adopted by the different regimes that succeeded one another in ruling Ethiopia since its creation ad a modern Empire-state. In the light of this historical perspective, current initiatives of capacity buildings for decentralised service delivery are discussed in the second part.

Preliminary findings seem to indicate that, in spite of the rhetoric on ethnic self-determination, decentralisation and democratization, the contemporary Ethiopian state updates the strategies of its predecessors, to control the territory, extract surplus from the population and extravert external resources, in a version coherent with the international development discourse. While designing projects to build the capacity of the state to promote democratic governance and development, international and local actors are instrumental in reinforcing and legitimating these practices, in the name of the fight against poverty.

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[6] cfr, UNDP; *Human Development Report* 2006.

[7] Cfr World Bank, 2005, in particular "Annex 3. Capacity development lessons from 14 country case studies", pp. 118-156 and UN Commission for Africa, *African Governance Report*, 2005. according to the indicator for decentralisation of the African Governance Report (UNECA, 2005) Ethiopia is, after Niger, the African country with the worst capacities to manage decentralised responsibilities.

[8] Cfr. Beatrice Hibou, *Economie politique du discours de la Banque Mondiale en Afrique sub-saharienne. Du catéchisme économique au fait (et méfait) missionaire*, Les Etudes du CERI, n. 39, mars 1998.

[9] B. Berman, J. Lonsdale, *Unhappy Valley: Conflict in Kenya and Africa*, James Currey, Eastern African Studies, 1992, p. 5.

[10] Cfr. James Ferguson, *The Anti-Politics Machine. Development, Depoliticization and Bureaucratic Power in Lesotho*, University of Minnesota Press, 1994.

I. Elements of continuity in Ethiopian State formation

In the process of Ethiopian state formation, the central power – from emperor Tewodros to the present government run by the Ethiopian People Revolutionary and Democratic Front (EPRDF) led by Meles Zenawi - shows a certain degree of continuity in the attempt of controlling a vast and instable territory by the means of: *(i)* a structure of administrative and bureaucratic control, through which the power of the central government is maintained and enforced over the people within its jurisdiction; *(ii)* a system of extraction and distribution, through which resources are extracted from the economy and distributed according to the priority of the government – "mostly of course for the maintenance of the state itself"[11] *(iii)* a strategy of extraversion of external resources to utilise technical, financial, military international assistance to legitimate and reinforce the central government; *(iv)* an ideological apparatus to legitimise these practices and encourage adhesion and support by the population.

1. A strong centre for administrative and bureaucratic control

The distinctive variant of central power consolidation in Ethiopia arose from the need to control and tight together a vast territory, densely populated by different ethnic groups and to defend it from external menace and centripetal movements. In fact, rather than on revenues from external trade as the majority of the other African countries, this power was based on surplus accumulation through direct exaction from a population living of agriculture.

This enterprise of accumulation built on and consolidated the dual process of centralisation and territorial expansion– almost reaching the border that we find today - undertaken by emperor Menelik at the end of the XIX century, culminated in the creation of a new capital, Addis Ababa (1886), in a more strategic position then previous political centres (Axum, Gonder) to control the new empire originated by the acquisition of the southern provinces.

While the most accurate description of Menelik period should be in term of "decentralised monarchy, rather than a centralised one"[12], things changed significantly under emperor Haile Selassie, with the central government tightening its control over the state territory by the means of a "modernisation" process to build a centralised and modern system of administration and bureaucracy and of the creation of a unified national army. In particular, Haile Selassie's first written constitution (1931) provided the legal and institutional framework for the achievement of his "modernizing" objective: introduction of a national taxation system, prohibition of local taxation by regional lords, establishment of a paid civil service, the creation of a national army and the prohibition of any local feudal army.

The military junta – the *Derg* - led by Menghistu Haile Mariam that seized power in 1977, "continued and perhaps completed the process of over-centralisation introduced by the modernising emperors of the nineteenth century"[13], transforming and developing the

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[11] C. Clapham, *Transformation and continuity in revolutionary Ethiopia*, Cambridge University Press, 1988, p. 101.

[12] B. Zewde, "Introduction", in B. Zewde and S. Pausewang (eds.), *Ethiopia. The Challenge of Democracy from Below*, Nordiska Afrikainstitutet Uppsala and Forum for Social Studies, Addis Ababa, 2002, p. 10.

[13] G. Calchi Novati, *Conflict and the Reshaping of State in the Horn of Africa*, in Triulzi A., M. Cristina Ercolessi (eds.), *State, Power, and New Political Actors in Postcolonial Africa*, Fondazione Giangiacomo Feltrinelli, 20042004, p. 97.

organisation inherited from Haile Selassie in a more explicit structured Leninist political system.

The *Derg* strengthened the existing means of control and introduced new ones: the army, the ministry of public and national security, the party and several mass organization, like trade unions, the women's and youth associations "through which virtually all Ethiopians were brought within a common administrative framework"[14]. Control was further ensured by the establishment throughout the country of organs of local administration, the *kebeles* and peasant's associations. These institutions "add up to a control capacity vastly greater than anything that could have been provided by the personal networks of the old regime" and "unrivalled in Sub-Saharan Africa"[15].

2. Mechanisms for surplus extraction

In Ethiopia, the process of political centralisation and economic accumulation followed a trajectory unique in the African continent, based on a peculiar agrarian system that led to the emergence of social classes. Thus, the modern Abyssinian empire-state, inaugurated by Tewodros II (1855-68) and consolidated by Menelik (1889-1913) and Haile Selassie (1930-1974) has been often compared with European feudalism and "differentiated from others in the continent by its greater organic linkage to society"[16].

In imperial Ethiopia, different land tenure systems and mode of production were adopted. In the historical "Abyssinian" northern core of the Empire, the system was based on "overlordship". This society was characterised by little differentiation between elite and commoner cultures, due to the ideology of kinship between classes and the possibility of upward – but downward as well – social mobility. Fief lords enjoy rights granted by the emperor, the *gult*, not on the land, but only on the peasants living and working on it, while peasant retaining the ownership of the land according to the *rist* tenure. As a consequence, Abyssinian system did not generate a category of landless people who had then to work for others as servants or wage labourers. Moreover, the lack of direct productive control over the land, limited the Abyssinian lords' economic interests in improving agricultural techniques, as occurred in Europe.
In the southern provinces, conquered lately, a system of "landlordship" - closer to European feudal standards – was created. Landlords, coming from the Abyssinian core of the Empire, were bestowed with title over lands and sent to administrate and tax the southern agriculture production, determining a system interpreted by historians and anthropologists in term of centre-periphery dynamic[17]. "The notion of extraction in particular was evident in the phrase commonly used to describe the appointment of lords to fiefs: they were sent to eat their respective countries"[18].

In addition to agricultural products, taxation included also monetary and labour obligations. In order to minimize its costs, the State shifted its social functions to the rural population,

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[14] Clapham (1998), *op. cit*, p. 113.

[15] Clapham, Conclusion: revolution, nationality and the Ethiopian state , in Marina Ottaway (ed.), *The political economy of Ethiopia,* Library of Congress, 1990, p. 226.

[16] Gebru, T. 1991, Ethiopia, power and protest: peasant revolts in the twentieth century, Cambridge University Press, 1991, p. 26.

[17] Cfr. D. Donham and W. James, *The Southern Marches of Imperial Ethiopia*, James Currey, 1986.

[18] Donald Donham, *The making of an imperial state*, in Donham, D. and Wendy James, op. cit., p. 6.

recurring to *corvée* labour, for the construction and repairs of roads and offices, and in the cultivation of crown or government lands. "Peasants were also coerced to make ad hoc cash payments to support military campaigns and government programs of rural development"[19].

The revolution led by the *Derg*, in common with socialist revolutions elsewhere, involved a sharp increase in the level of public employment, and "a consequent need for an improved extractive capacity in order to maintain the enlarged state apparatus"[20].
In order to achieve this goal, the central element of *Derg* strategy was the land reform: nationalisation and use rights allocated through newly created peasant associations.
This lead to an increased capacity to extract resources from the economy, in particular through a land-use tax and an agricultural income tax that replaced the old system of taxation. Furthermore, "a hidden level of taxation on the peasantry was imposed through the pricing mechanisms for cash crops"[21].

3. Strategies of extraversion

Despite the caricatured and rhetoric image of Ethiopia as an isolated country that, "forgotten by the World, forgot the World" - often replicated in donor's analysis[22] - the building of a strong central authority has historically taken advantage from a peculiar position in the international system, benefiting firstly from the status of sovereign independent African state and more recently as one of the main recipient of international development assistance.

This allowed for the reproduction of strategies of extraversion, namely deliberate recourse to mobilisation of resources derived from their relationships with the external environment to compensate for the difficulties in the autonomisation of their power and to intensify the exploitation of their dependants. "The external environment thus turned into a major resources in the process of political centralisation and economic accumulation"[23].

Thus, Menelik first and Haile Salassie later, benefited from the norm of sovereignty and the participation in the global economy and political system on terms very different from those available to other African rulers. The Ethiopian Empire "not only survived European colonial occupation but increased its size by more than 65 percent in the wake of the scramble for Africa (…) taking full advantage of European capital and weaponry. It was European capital and technology that laid down the communication and transportation infrastructure, thereby transforming the means of coercion, and enabling Ethiopian rulers to centralize, unify and consolidate the state, a pattern unevenly duplicated in the rest of Africa"[24].
In particular, the internationally recognized statehood gave the opportunity to gain access to imported arms and technological improvements, such as the construction of the Addis-Djibouti Railway by French investors between 1897 and 1917, that allowed full incorporation of the country in the world economy.
After the end of World War II, Ethiopia was also one of the earliest developing countries to receive aid in the modern sense, starting in the late 1940s.

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[19] Gebru, *op. cit*, p. 21.
[20] Clapham (1988), *op. cit*, p. 123.
[21] *Ibid*, p. 124.
[22] See for instance the intoduction of Furtado, X, Smith J., *Ethiopia: Aid, Ownership and Sovereignty*, Managing Aid Dependency project, GEG Working Paper, Oxford University College, 2007.
[23] J-F. Bayart, *Africa in the world: a history of extraversion*, in "African Affairs", n. 99, 2000, pp. 217-267. See also J-F. Bayart, *L'Etat en Afrique. La politique du ventre*, Fayard, 1989 (nouvelle édition 2006).
[24] Gebru, *op. cit*, p. 27.

In particular the support from the USA, based on military, diplomatic and economic linkages, was critical for the existence itself of the regime of Haile Selassie. Under his rule, Ethiopia became the main recipient of American military aid in Sub-Saharan Africa.

Military support was matched with development assistance, particularly in the secondary education sector, that in the 60s was highly dependent from the presence of Peace Corps assistance[25].

Clearly, the Derg reversed this framework of international alliances, by aligning the country in the Soviet camp. However, the process of extraversion continued: the soviet alliance represented one manifestation of the close relationship between access to external resources and the control of local space[26]. The support of Soviet weapons was decisive in preserving Ethiopian independence at the time of Somali invasion in 1977-78.

Despite western aid was reduced during the Derg regime, the soviet alignment did not prevent a massive flow of food aid during the Great Famine in 1984-85. In all these cases, "external resources have been subordinated to domestic political control, induced to maintain a revolutionary process and the (domestic) political organization"[27].

4. Apparatus of legitimization

The control over the population by the centre was not exercised only recurring to coercion and violent means but also mobilizing a strong ideological apparatus. Whit the limitation of caricaturing the diversity and vitality of Ethiopian socio-political culture, it is important to acknowledge that this ideology contributed to the formation of "a political culture that emphasises a strict hierarchical understanding of society, where each member's socio-political position and status is clearly defined and understood"[28]. Scholars like Abbink argue that "this historical heritage of authoritarianism, and an ideology of power as a commodity possessed by a new elite at the centre"[29] still provides the context for the formation of the dominants trends in the political culture of contemporary Ethiopia.

Moral and cultural foundations of Imperial Ethiopia laid on the Orthodox Church's system of values and believes. "The operative ideological justification for the rulers derived from the divine right of the Solomonic dynasty" and Church's code of morality £with the belief in divine omnipotence, the sanctity of royal authority and the justness of overlordship" [30].

The Church's intellectual and moral leadership helped in the creation of a social system that allowed exploitation of producers by the political hierarchy and maintained the social order, by providing a code of ethics that stressed habits of conformity, deference to authority, and reverence for tradition .

This system of believes was disseminated among the population through the education system, controlled by the Orthodox Church, and the religious practices themselves.

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[25] Cfr. Clapham, 1998, *op, cit.*

[26] Clapham, *Controlling space in Ethiopia*, in W. James et al (eds.) *Remapping Ethiopia. Socialism and after*, Eastern African Studies, James Currey, Oxford, 2002, p. 17.

[27] Clapham, 1998, op. cit., p. 220.

[28] S. Vaughan and K. Tronvoll, 2003, p.89.

[29] J. Abbink, Discomfiture of democracy? The 2005 election crisis in Ethiopia and its aftermath, in "African Affairs", 105/419, p. 173-199, 2006, p. 193.

[30] Gebru, op. cit., p. 15.

In fact, local churches were not simply places of worship, but also important centers of political interaction, where normative values were acquired and social constraints imposed through an intensive calendar of festivities and celebrations.

Once the revolution succeeded, the Derg had to solve a problem of legitimacy, "since the Solomonic legend (reaffirmed in 1955 constitution, art. 2) could not longer be used"[31]. The new leadership found a suitable (and fashionable) substitute in the Marxism-Leninism they imported from Moscow, that performed functions similar to the earlier, externally procured, imperial legitimacy. In fact, In describing the perception of peasants of the Derg, Aspen, affirms that "Marxist ideology and organisation contributed to making the State into a factor that was matched only by Nature and God in unpredictability and power, although such a perception was not new to the Ethiopian peasants after centuries of "Divine Rule" by dictatorial Emperors[32].

At the beginning, Marxist doctrine was spread around the country by the Development Through Cooperation Campaign of 1975, popularly known as the *zemecha*: students from urban areas were sent to the countryside to indoctrinate and mobilize rural masses, explain land reform and encourage literacy. In the following years, the message was reinforced through the pattern of other campaigns, such as literacy and "villagisation", and the *encadrement* of rural populations in mass organisations and peasants' associations.

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[31] Bereket Habte Selassie, *Empire and Constitutional Engineering: the PDRE in historical perspective*, in Ottaway,*op. cit.,* p.121).

[32] Aspen H, "Models of Democracy - Perceptions of Power. Government and Peasantry in Ethiopia", in B. Zewde and S. Pausewang (eds*.), Ethiopia. The Challenge of Democracy from Below*, Nordiska Afrikainstitutet Uppsala and Forum for Social Studies, Addis Ababa, 2002, p. 63.

Similar patterns of central power consolidation have been followed by the coalition forming the Ethiopian People Revolutionary Democratic Front (EPRDF) that defeated the Derg in 1991, after twenty-five years of civil war in Ethiopia and Eritrea.

Elements of continuity with the previous system are identifiable even during this civil conflict: EPRDF often recurrent to the same strategies of the Derg: "forceful mobilization of a rural constituency and a rather sectarian ideology"[33] extraversion of external resources and in particular international assistance in response to the famine of 1984-84, so that they may be considered two moments of the same revolution reacting to the structural incoherencies of Hailse Selassie regime[34].

1. A strong centre in a Federal Republic

In principle, the Constitution elaborated by EPDRF and its allies in 1995, designed a radical devolved federation, composed by nine Regional States (Afar, Amhara, Benishangul-Gumuz, Gambella, Harari, Oromia, Somali, Southern Nations Nationalities and Peoples' Region, Tigray) and two Administrative Districts for the main cities, Addis Ababa and Dire Dawa.

Regional States have been endowed with a considerable degree of self-rule, and almost a "semi-sovereign" status[35] because they have a constitution, a flag and a regional language to be use in school, courts and public administration. Furthermore a unique aspect of the federal Constitution of Ethiopia is its recognition of nations, nationalities and peoples' right to self-determination, including the right to secession, as stated in article 39.

However, not even the new constitutional design has changed the very essence of state nature: "the Ethiopian state, despite reforms towards ethnic federalism, has remained centralist-authoritarian in a manner reminiscent of previous regimes"[36].

Ayenew utilises the expression "authoritarian ethnic federalism" to depict the tight control exercised by central authorities over the lower orders of governance.[37] In fact, several elements counteract this degree of devolution in practice:

a) the adoption of Stalin' approach to the nation question. Ethiopian Constitution is based on a fiction: the myth of the origin relies on the idea that several ethnic groups (Nations, nationalities and peoples), previously independent and sovereign, negotiate the rules of their unification. But in reality The Constitution does not specify differences among "Nations, nationalities and peoples" (cfr art. 39), just clarifying that Ethiopia is formed by regional states which are homogeneous from a territorial, linguistic and cultural point of view and that all of them have the right to their self-determination. According to the Stalinist approach to nationality, the recognition of their existence was bestowed from the centre[38], based on

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[33] J. Abbink, *op. cit.*, p. 179.

[34] Cfr. Clapham, *Controlling space in Ethiopia, op cit.*

[35] Cfr. Ayenew M., "Decentralization in Ethiopia", in B. Zewde and S. Pausewang (eds*.), Ethiopia. The Challenge of Democracy from Below*, Nordiska Afrikainstitutet Uppsala and Forum for Social Studies, Addis Ababa, 2002.

[36] Abbink, 2006b, p. 616.

[37] Cfr. Ayenew, op. cit..

[38] A. Fiseha, Theory versus Practice in the Implementation of Ethiopia's Ethnic Federalism

objectives and exogenously identifiable criteria – language, religion,…- creating "a form of indirect rule based on official definition of ethnicity. Local peoples were told that they have the right to rule themselves at long last – as long as they constituted and ethnic group associated with an appropriately defined territory"[39].

b) The pervasive structure of the ruling party, that overlaps at all different layers with public administration[40], "so that local government structures and officers were rarely either political neutral or perceived as such. The current system of local administration based on *kebeles* and *woreda* was inherited from the Derg, and similarly utilised as a tool to mobilise and control local populations. The arbitrary exercise of power at local level was encouraged by the absence - until very recently - of a clear legal and institutional framework for the implementation of decentralisation policies.

c) The adoption of a top down approach in government policy, replicated by international donors in designing development programs, matched with the official provision by chapter 10 of the Constitution that formally requires that Regional States' policy making develop in line with federal norms.

d) A financial balance of power tipped overwhelming in favour of the centre, which control the federal subsidy (the overwhelming majority of their budgets) to the Regional States"[41]. Similarly, negotiation, planning and allocation of international aid is concentrated at the federal level, in the name of harmonisation and alignment of development assistance practice.
The heavy regional dependence on the central government for budgetary allocation is a clear indicator of the top-down character of ethnic federalism in Ethiopia. This is reflected also in the relationship between regions and *woreda*, with the latter showing very limited capacity to raise its own revenue, and therefore depending for its administrative survival on the block grants flowing from the regional level. Those block grants, allocated by the regional government to each *woreda*, through calculations made on the basis of population and indicator of poverty and performances, represents in almost all the cases, the only budgetary resources of the *woreda*.

In fact, the originality of the Ethiopian federal experiment consists in the fact that the process has not been undertaken as a remedy to the failure of a weak central government, rather then as an instrument of a traditional strong centre to enhance its control over peripheral territories[42].

"Renewal" through capacity building

In 2001, following an internal crisis, mainly due to the disagreement over the handling of the conflict against Eritrea, the EPRDF undertook a process of "renewal". Some scholars interpret this crisis as "a breakdown of trust and thus a consequent power struggle between the leaders of two groups whose day-to-day interaction was no longer close enough to sanction and overcome differences"[43].

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[39] Clapham, *op. cit.*, 2002, p. 6.
[40] Cfr. Lovise Aalen, *Ethnic Federalism in a Dominant Party State: The Ethiopian Experience 1991-2000*, Chr. Michelsen Institute Development Studies and Human Rights, 2002.
[41] Vaughan, 2003, p. 12.
[42] Cfr J. Young, *Regionalism and Democracy in Ethiopia*, Third World Quarterly, Vol. 19, n. 22, 1998.
[43] Vaughan and Tronvoll, op. cit., p. 121.

This division, exacerbated by disputes on ideological differences and divergences over development strategies, lead to the purge of a dissent group composed by twelve senior cadres formerly occupying central positions within the government and party structure at national and regional level.

Thus, the "renewed" politburo of the ruling party reinforced its control over the state apparatus by replacing key officials at federal, regional and *woreda* levels and elaborating an official strategy emphasising "the need to reinforce political and fiscal devolution to the *woreda* and *kebele* levels to improve service delivery"[44]

In the wake of this split, among the steps taken to reorganise and consolidate the executive, Vaughan and Tronvoll include the creation of a series of "new federal superministries" for oversight a range of priority areas, among which there is also a Ministry of Capacity Building. Endowed with the role of coordination of major national policies, like the reform of the civil service, this ministry – and the equivalent offices at regional and *woreda* level – plays a crucial role in the processes of resources allocation to the public administration, as well as monitoring and evaluation of the performance of other ministries, offices and civil servants. Furthermore, it does not disdain to extend its sphere of influence of potentially critical actors, like demonstrated by ongoing negotiations – since 2004 - among government, donors and non governmental organisations on a program managed by the State and targeted to enhance the capacity of civil society[45]

Officially, among the main objectives of the Ministry of Capacity Building there is the enhancement of the capacities of local institutions for the delivery of basic services. In fact, political and administrative decentralisation was included as one of the fourth pillars of the national strategy to reduce poverty identified in the first Poverty Reduction Strategy Paper (PRSP) elaborated by the Government. Subsequently, this commitment has been recently reaffirmed within the second PRSP[46].

While until 2001 the decentralisation process has been practically implemented only at the regional level, increasing efforts in order to promote local governments empowerment were undertaken in the framework of the District Level Decentralization Program (DLDP), implemented with financial and technical support from major donors including the World Bank. Recently, this initiative has been included in the framework of a wider initiative to enhance the capacity of the public administration, the Public Sector Capacity Building Program (PSCAP).

So, far, rather than improving the capacities of local tiers of the public administration – that according to official measures remains among the lowest in Sub-Saharan Africa[47] - all these efforts have been instrumental for the consolidation and control of the bureaucratic machinery, through material and human resources allocation.

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[44] Cfr. Watson D., *Capacity building for decentralised education service delivery in Ethiopia and Pakistan: a comparative analysis*, ECDPM Discussion Paper 57I, 2005.

[45] Cfr. Ministry of Capacity Building, *Civil Society Organizations' Capacity Building Program Program Design: Zero Draft*, 2004.

[46] Cfr. Federal Democratic Republic of Ethiopia, *Sustainable Development and Poverty Reduction Programme*, 2001 and Federal Democratic Republic of Ethiopia, *Plan for Accellerated and Sustained Development to End Poverty*, 2006.

[47] Cfr. UNECA, *Africa Governance Report*, 2005.

2. Decentralisation and extraversion: the PBS

After the overthrown of the Derg, official development assistance (ODA) levels began to steadily grow – with the exception of the conflict against Eritrea period -, and in the mid-1990s international donors committed to substantial increases in aid to support an agreed-upon set of sector programs, most notably in the health and education sectors. This process was encouraged by the international community's perception of Melez Zenawi, the EPRDF leader and Ethiopian prime minister, as one of the representative of the generation of "new African leaders" on which the hopes for peace and development of the continent were relying[48].

This increase in aid raised mainly between 2002 and 2005, partly in the context of the Millennium Development Goals, with several bilateral donor agencies choosing Ethiopia as a country of focus. As a result average aid inflows as recorded in the budget approximately doubled from 2000 to 2004 to reach the total sum of 1.823 million of US dollars, representing a remarkable 22,8% of the GDP[49]. According to Furtado and Smith, the share of foreign financing in total public spending adds 40% of total public expenditure in 2004/05[50].

This growth has been accompanied by a shift to new financing modalities (i.e. the untied Direct Budget Support, DBS), following international commitments on aid harmonization and alignment to recipient countries' national policies. In particular, by November 2005, donors were planning to provide approximately US$375 million in GBS, with plans to raise their disbursements to 500 million of US dollars in the following fiscal year.

This plan was reshaped in the aftermath of the national elections of May 15, 2005, and the ensuing political violence and turmoil. In particular, after the event of autumn 2005,.the level of trust between donors and the Government deteriorated quickly. Ethiopia's relationship with the international community became acrimonious as embassies insisted on the release of imprisoned opposition leaders and the Government repeatedly answered that those imprisoned had broken the law and that their cases should be handled through the courts[51]. In February 2006, donors did take the opportunity to design an alternative support programme, not to disengage from aid commitments towards Ethiopia, but to have a stronger control over their funding: the Protection of Basic Services initiative (PBS).

Despite little empirical evidence for the Ethiopian case[52] (as recognised also by the World Bank), this programme is based on the discourse that establishes the link between decentralisation, democratization and development. The program transfers money directly to the *woreda* level, instead than financing the national budget, as in the case of direct budget support. So far, donors have committed more than 800 million of US dollars for the year 2006-7.

The main objective of this new funding mechanism is "to protect the delivery of basic services by sub-national governments while promoting and deepening transparency and accountability

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[48] Cfr. M. Ottaway, *Africa's New Leaders : Democracy or State Reconstruction?*, Carnegie Endowment of International Peace, 1999.
[49] UNDP, *Human Development Report*, 2006.
[50] Furtado, X, Smith J., *Ethiopia: Aid, Ownership and Sovereignty*, Managing Aid Dependency project, GEG Working Paper, Oxford University College, 2007.
[51] Cfr. Burgis T. *Meles Unveiled*, OpenDemocracy.net, 1 march 2006.
[52] As recongised also by the World Bank itself in World Bank, *Ethiopia. Enhancing Human Development Outcomes Through Decentralized Service Delivery*, Report n. 32675–ET, 2007.

in service delivery"[53]. Basic services have been defined "the following key sectors and sub-sectors: primary and secondary education, health, and agriculture and natural resources (including water). Expenditures on these sectors account for about 63% of total sub-national government spending"[54].

This programme aims also to promote and deepen transparency and accountability in service delivery", through a package of four components: 1) funds channelled through public system directly to the *woredas* to help preserve originally budgeted level of basic services; 2) the provision of health commodities that require international procurement and therefore which is most cost-effectively done centrally; 3) technical assistance to *woredas* to improve financial transparency and accountability; 4) pilot initiatives to build the capacity of civil society and NGOs to engage on public budget issues.

However, so far, as admitted during the joint donors-Ethiopian government mechanisms of monitoring and review of the initiatives, the PBS initiative has not been translated in additional resources available at *woreda* level for basic services delivery, as stated in its objectives. It simply allowed the government to guarantee the necessary resources flow to sustain the administrative machine, mainly at the *woreda* and *kebeles* levels. *Woreda* administrations, which are responsible for meeting service provision targets, rely almost exclusively on unconditional block grants from regional governments. About 90% of these funds is spent on salaries and operational costs[55].

Especially in a period of social unrest and widespread contestation over the legitimacy and operate of the federal government, the administrative system remains and essential tool for the central power to control the territory. Again, international development assistance, and in particular resources allocated to the promotion of basic services delivery, are instrumental in reaching this goal.

3. Community contribution: a "participatory" surplus extraction?

Despite official proclamation and policy on decentralisation, planning and budgetary autonomy of the *woreda* remains highly affected by limited resources available, that allow for very little *marge* of manoeuvre in budget allocation by the *woreda* administration and the persistence of indications by the regional level of sector priorities or transfer of earmarked funds. As a consequence, the budget elaborated by the *woreda* Cabinet and approved by the *woreda* Council, often remains an irrelevant exercise, consisting on the mere repartition of resources among the different sectors to pay the salaries of the public officers. Without the disposal of funds for the necessary capital investments, the improvement of the delivery of basic services remain highly dependent on the flow of funds through external channels – sector programmes, NGOs projects,… - or the mobilisation of resources at local level.

Thus, especially in the education sector – the bulk of *woreda* competences, accounting on average for more than 50% of its budget – the direct contribution of the population is highly encouraged and stimulated by local administrators, with the official aim of realising the investments necessary to reach the development targets – in particular the Millennium Development Goals and the target of Universal Primary Education by 2015 - set at international level and endorsed by the Ethiopian government.

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[53] World Bank, *Ethiopia- Protection of Basic Services – Project Information Document*, 2006, p. 2.
[54] Ibid.
[55] Cfr. World Bank, op. cit., 2007, p. ix.

On paper, this practice is promoted in fully accordance with the participatory approaches to development and community empowerment elaborated in the seventies and officially endorsed by the World Bank in the 80s[56] (). These indications have been translated into the national "Guidelines for organization of Education management, Community participation and Educational finance" elaborated by the Ministry of Education in 2002, "to allow the communities to fully and actively get involved in education administration, budget allocation and the overall activities of the schools".

The official framework for community contribution has favored the mainstream of these practices throughout the country, following similar patterns despite the differences existing among regional system in Ethiopia. As an indicator of the top down approach in planning and management of these practices, their contribution is estimated and already calculated in the financing plan of the Education Sector Development Program, accounting for around 10% of the total expenditure of the indicative budget[57].

In fact, very often communities - which are usually requested to contribute with their limited resources also to other sectors (water, roads, health), beside traditional social (i.e: *iddir*) and religious obligations - cover the totality of primary school construction and expansion costs both in rural and urban areas, through contribution in cash, material or labor[58].
In the absence of any capital investment by local authorities "even tough contributions are supposed to be voluntary, in reality in some cases they amount to quasi-fees"[59]. This form of contribution, in areas where there is little cash circulation and income generation, direct contribution to school in kind, cash or labor could be seen a mechanism alternative to tax collection to extract surplus from the population[60].

A path often referred as "traditional in Ethiopian society" or "necessary given the structure and resources of the society and environment", that recall the mechanism of voluntary contribution or *corvée* labor and ad hoc cash payments to support military campaigns and government programs of rural development at the time of Haile Selassie.

4. Legitimacy through the "fight against poverty"

The strategies of mass mobilisation adopted by EPRDF are similar to those of imperial and revolutionary Ethiopia. Nevertheless, despite being the political heir of Marxist-Leninist guerrilla movement (in particular of the Tigray People Liberation Front – TPLF), it could not openly recur, due to the collapse of the Soviet Union and the end of the Cold War, to its ideological background to reshape the Ethiopian polity after the civil war. Rather, to gain international legitimacy, EPRDF was obliged to embrace the new orthodoxy of the international development thinking, namely democracy as necessary premise to development and poverty reduction.

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[56] See for instance Cernea (ed), *Putting people first: sociological variables in rural development,* World Bank, 1985.
[57] Ministry of Education (2005). *Education Sector Development Programme III. Programme Action Plan.* (August 2005). Addis Ababa: Government of Ethiopia., p. 73
[58] Cfr. Mussa, M. et al. (2005). *Draft Report on Community Participation in Primary Education,* Education Sector Joint Review Mission, October 2005
[59] ESDP, *Joint Review Mission Final Report*, 2006, p. 15.
[60] ESDP, J*RM Oromia Region Report*, 2006.

Coherently, the ideological apparatus of the fight against poverty was found as a powerful tool to legitimise the new central power and promote its agenda also in the domestic arena. Not surprisingly, this systems of legitimisation is based on mechanisms similar to those utilised by the previous Ethiopian regimes.

In fact it has been remarked that often development cooperation programs share a teleological faith and messianic goal typical of religions. Taking the World Bank as "ideal type of donor", Hibou shows that its "economic catechism" and the capacity to establish truths is not based on demonstration, but on repetition and power games" [61].
At the same time they are also described as new example of utopian social engineering, stemming from the same philosophical premise of Communist five-years plan in the Soviet Union or the French Revolution[62].

Not only the approach, but also practical instruments of mass mobilization available for transmitting a belief in the legitimacy of the regime are similar: the influence exercised by the *kebele* authority and party structures, the practice of workshops and meeting periodically organised by the ruling party on topics like "good governance" or "rural development". This practice has been revitalised after the 2005 national elections, with EPRDF feeling the need to indoctrinate key segments of the population (in particular the young students, teachers and public administration officers) and to incorporate them in the party structure, as indicated for instance by the workshop on the "good governance package" implemented in Amhara region following the 2005 elections[63].

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[61] B. Hibou, op. cit, p. 17. See also S. George and F. Sabelli, *Credit sans frontieres : la religion seculaire de la Banque Mondiale*, 1994.
[62] See in particular the first chapter of Easterly W., *The White Man's Burden. Why the West's Effort to Aid the Rest have done so much ill and so little good*, The Penguin Press, New York, 2006.
[63] Dom, C. and Mussa, M., *Review of Implementation of the Decentralization Policy. A Sample Survey in Six Woredas of Amhara Region.* For Embassy of Sweden, Addis Ababa and Amhara National Regional State (ANRS), Mokoro Ltd, 2006.

CONCLUSIONS

While promoting development and peace through the reinforcement of state capacity, international donors' theoretical frameworks and practical programmes often fail to grasp the peculiarity of the Ethiopian state – as any other state – and the working of practices and mechanisms that recur in the process of its formation and trans-formation.

In fact, Ethiopia's governments have achieved, throughout the history a good level of capacity to control its territory, extract surplus from the peasantry and extravert external resources, recurring to different legitimising ideologies. But this strong and capable state did not automatically lead in the past – neither does it in the present - to better performance in terms of economic development, poverty reduction and security promotion. To resort to Clapham's words, "while in much of Sub-Saharan Africa there has been a real problem of how to create effective political power, in Ethiopia the problem of power has been not of how to organise it, but rather of what can be done with it"[64].

Historically, the design of the system of production has been targeted more at ensuring the extraction of surplus by the elite than at promoting technical innovation and increasing productivity. The bureaucratic apparatus sustained by these practices has been historically used to achieve control and implement from above high programs and policies, like those proposed in the framework of development assistance, i.e. mass mobilisation, literacy campaigns or relief aid distribution.

Furthermore, this model has been particularly effective in raising one of the biggest and most efficient African army, utilised in long-lasting civil conflicts or traditional wars against neighbours, like the recent experiences with Eritrea and Somalia demonstrate[65] (especially the first is one of the few examples of classic international conflicts in Africa between the armies of two national states), that represent a key factor in shaping and explaining state formation in the Horn of Africa[66].

Current initiatives of development assistance, in particular those aiming at building and reinforcing the capacity of the state through decentralisation, are instrumental in contributing and replicating these practices of state formation.

Nevertheless, state power and capacity does not remain an attribute of the state machinery as such, but a product of the interaction between the state's ruling elite and all of its citizens. Not to fall in the trap of analysing the State as artificially opposed to "local communities" or "civil society"[67] further research is needed in order to understand how the accent on ethnic self-determination, decentralisation and good governance is influencing the moral economy of the people and the strategies of political actors, thus reshaping the process of state formation.

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[64] Clapham, op. cit., p. 236.
[65] The logic and interests behind the Ethiopian intervention in Somalia are analysed in R. Marchal, *Somalia: un nuovo fronte anti-terrorista?*, in "Afriche e Orienti", n.1, 2007, pp. 4-21.
[66] Cfr Calchi Novati, G., *Conflict and the Reshaping of State in the Horn of Africa*, in Triulzi A., M. Cristina Ercolessi (eds.), *State, Power, and New Political Actors in Postcolonial Africa*, Fondazione Giangiacomo Feltrinelli, 2004.
[67] Cfr. Geschiere P, *Le social standardisé: l'Etat contre la communauté?* in "Critique Internationale, n. 1 Automne 1998, pp. 60-65

In this perspective, some analysis is interpreting the results of 2005 national elections as the consequence of a new self- perception by societies living in secondary cities and peri-urban societies while others underline the persistence of a traditional political and cultural alienation of peasants[68].

This research will – hopefully – give some meaningful insight in particular to understand to which extent the socio-economic system of Ethiopia is able and willing – in a time of rapid population growth, recurrent famines and stagnation of price of commodity like the coffee - to sustain the actual practices of surplus extraction and extraversion by the state.

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[68] See Tamru, (2006) and Lefort, 2007.

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