

Peasants, Agrarian Socialism, and Rural Development in Ethiopia

Alemneh Dejene



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About the Book and Author

One of the few systematic field surveys undertaken following the 1975 agrarian reform in Ethiopia, this study analyzes the conditions constraining agricultural productivity of peasant farmers in the Arsi region and examines how farmers view peasant and government organizations established to attain agrarian socialism. Based on data generated through interviews with farmers, peasant association leaders, and extension agents, Dr. Dejene argues that the low prices for agricultural products, shortages of consumer goods, and lack of improvements in farming technology are among the major obstacles to increasing output among peasant farmers. The author also explores the government policy of transforming peasant associations into collective farming units, which he finds is supported by only one quarter of the farmers interviewed. His study indicates that peasant institutions could best mobilize labor and resources to generate agricultural surplus and undertake conservation activities that would prevent future famine. Thus the author concludes that present government efforts should emphasize strengthening the cooperative movement rather than establishing collective farming.

Alemneh Dejene is a post-doctoral fellow at the W.E.B. DuBois Institute for Afro-American Research, Harvard University.



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***To the Ethiopian peasantry, who deserve
a better life and a greater autonomy in
shaping their destiny***



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Foreword

The publicity about the famine in Africa and in Ethiopia touched a common chord in human consciousness. It resulted in an outpouring of compassion from the world community revealing an elevated aspect of humanity that sees starvation in a world of plenty as an affront to everyone. Nevertheless, beyond these noble but piecemeal efforts lies the crucial task of making a concentrated and sustained effort to look into the long-term solution of world hunger.

Dr. Alemneh Dejene's book, *Peasants, Agrarian Socialism, and Rural Development in Ethiopia*, presents thoughtful suggestions that assist in finding such long-term solutions to attain agricultural self-sufficiency in Ethiopia. His study is conducted in Arsi, one of the few surplus producing regions where the Swedish International Development Authority (SIDA) has financed the first integrated rural development projects in Ethiopia. His study is one of the few systematic field surveys conducted after the 1975 Agrarian Reform in Ethiopia. Dr. Dejene has undertaken an exacting task of generating, analyzing, and interpreting original data. He has succeeded in presenting the data in an instructive and insightful way that makes his study valuable for both academicians and practitioners involved in rural development.

Dr. Dejene's study addresses some of the pertinent problems that constrain peasant farmers' production. These problems have also been of concern to SIDA and include insecurity of tenure, inefficiency in the present marketing and distribution system, ineffectiveness of the extension system in disseminating improved innovations to individual households at the village level, and heavy investment in promoting collective forms of production at a stage when most farmers are unaware of the benefits of collective efforts. The findings have national implications since Arsi has been an experimental ground for new ideas and innovations, and farmers in Arsi tend to be more progressive than those in other regions in Ethiopia.

Dr. Dejene suggests that the most viable strategy to overcome these obstacles and increase peasant production is to capture and maximize the potential created by the Agrarian Reform. This potential lies mainly in the peasant institutions, particularly the service cooperatives, which could serve as vehicles to promote the *cooperative movement*, to bring rapid rural development and the gradual social transformation of the rural sector. Moreover, the cooperatives could generate an investable surplus in the peasant sector.

As demonstrated in Arsi, peasant associations and service cooperatives have the capacity to generate a surplus capital through labor and resource mobilization. These peasant institutions have pooled labor to build schools, clinics, and infrastructures, and have undertaken conservation practices that include soil and water management and reforestation to prevent future famine. Service cooperatives are promoting production and income-generating enterprises such as flour mills, dairy farms, and cottage industries. In addition, the majority of service cooperatives have assumed the task of input distribution and credit management formerly carried out by the extension service. They have also shown the potential to have an increased role in crop marketing and distribution of consumer goods, which are presently dominated by government parastatals.

Dr. Dejene's study draws a distinction between the *cooperative movement* and the promotion of collective farming. The latter has been given primacy by the Ethiopian government on the assumption that large-scale collective farming is superior to small-scale farming. As a result, the cooperative movement, by and large, is viewed as a means of transforming peasant farming directly into a collective form of production, i.e., producer cooperatives. Dr. Dejene's caution against this policy is well founded given the present level of subsistence farming, lack of exposure to modern methods by the majority of farmers, and the experience of large-scale agriculture (under the Ministry of State Farms) in Ethiopia.

In all, Dr. Alemneh Dejene's book presents strategies on the issues that adversely affect peasant production. The solution, as he suggests, largely rests on having more faith in, and granting more autonomy to, peasant institutions. This would seem to be a very constructive suggestion for Ethiopian policy-makers and outside donor agencies.

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The views expressed in this book are my own.

Alemneh Dejene



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Chapter 1

Introduction

I. The Nature of the Problem

Sub-Saharan Africa is facing an extraordinary food crisis. For the first time in the history of the United Nations, a meeting was convened in the general assembly to deal specifically with the economic problems of one region - Africa. As the document that is prepared by this special session for seeking more aid put it, "a sick Africa means a sick world and an Africa that remains stagnant or remains perpetually backward economically is a threat to the economy of the world." (1) (See Figure 1)

The optimism of the 1960's concerning the potential for economic development in the newly emerging African countries has been replaced by deep pessimism in the 1980's. Between 1960-70, the annual growth of the gross domestic product (GDP) of Sub-Saharan Africa was 3.8%, its population 2.4% and its *per capita* income 1.4%. But between 1970-81 the annual growth rate of the GDP and *per capita* income of Sub-Saharan Africa had declined to 3.2% and 0.4% respectively, while its population rate was soaring at 2.8%. (2)

Agricultural output *per capita* has declined by about 15% since 1980 in the twenty-four Sub-Saharan African nations classified as the most seriously affected countries by the United Nations Food and Agricultural Organization. Agriculture dominates the economy of these countries, employing over 80% of the population and contributing to over 50% of the GDP. Yet, they rely heavily on food aid and emergency relief to feed over one fifth of the population. (3)

FIGURE 1

Map of Africa



There are many reasons for the dismal agricultural performance in these countries: lack of investment in agriculture, high population growth rate, lack of capital investment to generate growth, lack of incentive to stimulate small farmers' production related to pricing, marketing and supporting services, lack of improvement in crops, livestock and farming practices, lack of infrastructure, drought and ecological degradation, political instability, declining export and prices for commodities, unfavorable terms of trade, shortage of trained manpower and the need for structural reform to induce change. Ethiopia is one of the Sub-Saharan countries most seriously affected by these problems.

Prior to the 1974 Ethiopian Revolution, the most frequently cited problems contributing to Ethiopia's agricultural underdevelopment were structural in nature. These mainly included the *feudal* land tenure system characterized by the absentee landlord, tenancy and land insecurity, and the fatalistic tradition of peasants reinforced by conservative religious institutions, and a feudal structure that was resistant to change and innovation. (4)

The myth about the fatalistic peasant was discarded and most studies attributed Ethiopia's poverty to two causes: (1) the neglect of peasant agriculture and (2) lack of the political will on the part of the imperial government to bring profound political and economic change which would in turn create the necessary conditions to stimulate peasant agricultural production. (5)

The 1974 Ethiopian Revolution overthrew the monarchy and instituted a fundamental structural change in the distribution of wealth and power in the society. It was soon followed by the Agrarian Reform that changed the relationship between the owners and tillers of the land. The Agrarian Reform dealt with the major obstacles to attaining agricultural growth by distributing land to the tillers. Peasant associations were established and recognized as the focal point of development and local organization. This led to the rising expectation that the development potential of the country would be unleashed. In practice, however, the Agrarian Reform did not adequately capture the interest of the peasant sector nor did it mobilize the peasantry to create surplus for re-investment in recently established peasant institutions.

The smallholder peasant sector comprises 90% of the agricultural labor forces and produces 94% of the nation's cereals, pulses and oil seeds. Efforts to stimulate the agricultural sector began in the 1960's, but they were primarily directed toward large-scale mechanized production of export crops. With no institutional mechanism to articulate the plight of peasant farmers, the government's development plan made hardly any investment in peasant agriculture. It was the Third Five Year Development Plan (1968-73) that gave importance to peasant agriculture and introduced the *package program* which involved distributing fertilizer and improved seed to small-scale and subsistence farmers. These innovations were known as the *green revolution* inputs. (6)