CHAPTER III

POLITICAL DYNAMICS OF AGRARIAN TRANSFORMATION IN ETHIOPIA
(1935 TO 1974)

The purpose of 1931 constitution remained unserved due to Italian invasion.¹ Haile Selassie left the country in May 1936, which brought anger to many of his followers, who continued to fight Italians. At last Italians defeated Ethiopian army at the end of 1936 and claimed all Ethiopia under their control. Soon after a resistance to the Italian rule was organized in country by internal forces. They were guerilla forces in alignment with the Ethiopian peasantry. The alignment of forces no doubt rendered anti-fascist peasants resistance at a very low level. Whatever strength the resistance movement derived from peasantry and the students, it remained in the hands of military bureaucratic elite. This element became crucial and remained so even after the Italian occupation was over. However, due to its weakness neither the resistance from above nor from

¹ "The Italian colonialists, however, could not draw lessons from their defeat and humiliation at Adowa in 1896 and did not relinquish their aspiration to control the whole of Ethiopia. When fascism held sway in the world, they made extensive military preparation and once again invaded Ethiopia in 1935. The successful endeavour in late 19th century, was the lesson for Italians. Therefore its second invasion was more planned and well militarily prepared. The feudal Ethiopia had not, in the mean time, attained any significant progress in terms of military organisation and methods of warfare. Moreover, the fascist dropped large quantities of bombs and poisonous gasses from aeroplanes and used all the forces they could muster and committed atrocities against the broad Ethiopian masses." "The Worker Party of Ethiopia", Programme, (Addis, 1984), p.11.
below could successfully liberate Ethiopia from Italians. In 1940, Haile Selassie went to Sudan. He, while in exile, mobilised the British to intervene in Ethiopian situation against Italians. It was in 1941, he accompanied the British troops\(^1\) with the help of internal guerilla forces composed of Ethiopian peasantry and defeated the Italian occupiers. During their occupation Italians brought changes which had far reaching impact on Ethiopian political and economic structures.

The Italian's main purpose was the overall economic exploitation of Ethiopia. Consequently it gave emphasis on the organisation of strong state breaking down the existing socio-economic structure\(^2\) and introducing a new structural set up for massive colonial exploitation. To achieve these aims Italians took the above stated steps and created a mechanism of process which could secure more and more economic exploitation of Ethiopia.

**The Colonial Design**

The colonial policy as it works in every colony, the same way it would have worked in Ethiopia. It would

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have broken the socio-economic and political structure by introducing colonial and capitalist mode of production in Ethiopia but it failed due to the tough resistance of Ethiopian patriots, politicians, writers, workers, peasants, students, intellectuals. The Italian fascists could not consolidate themselves and had to leave the country due to defeat in war within five years. Nevertheless the Italian occupation made a dent in every scheme of Ethiopian economy and polity as it is reflected in the version of Angelo Del Boca the "Italians could not carry out the countless projects they had in mind." There was the plan for the trans-Ethiopian railway, which would have linked Eritrea to Somalia, besides there were plans for thousands of kilometres of new railway lines. There was the scheme of transforming Addis Ababa into a city of million habitants—a plan for which 12,000,000 lire had been earmarked.  

Another project that never materialised, a project which the fascist regime probably cherished above all the

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rest, was that of demographic colonialism which had roused such hopes amongst the Italian peasants who owned no land. The Italians were expecting to settle a million peasants on the most fertile regions of Ethiopia.\textsuperscript{1} Under this plan, within a few months of colonization 113,760 hectares of land in Shoa, Woggera, Jimma and Cherchers were annexed and 3,550 Italian families settled.\textsuperscript{2}

The task of carrying out the vast agricultural programme that would transform Ethiopia into the granary of Africa and Europe had been entrusted to the Opera Nazionale Combattenti and three societies named after the provinces from which settlers came: Apolia of Ethiopia, Emila Romanga of Ethiopia and Veneto of Ethiopia. On the outskirts of Holeta and Bishoftu, in Jimma and Hararage a few villages sprung up as migrant white cottages, Their rustic form recalled those of Agro Pontino or the hamlets built in Libya for the families of the men who worked on farms. But because of increasing opposition to fascism in Europe, the programme of demographic colonisation claimed by the regime as its main reason for the war, was dropped.\textsuperscript{3}

\begin{enumerate}
\item Gazzetta del Popolo, June 30, 1936.
\item Facts given by the Colonial Minister, Teruzzi in a speech to the Chamber, April 27, 1940.
\end{enumerate}
During five years of occupation, 30,00,000 Italians were absorbed in Ethiopia more than a third of whom were soldiers. In these five years Italians built in Ethiopia over 5,000 kilometres of new roads, some asphalted and some flattened with steam rollers. For this purpose 634 trucks were engaged along the terrifyingly steep and dangerous roads of Walkefit and Termer; thousands workers on the construction on the Dankil road, breaking up the burnt lava in the sweltering heat. An average 32,000 Ethiopian labourers were employed on the construction road for two and a half years, bringing the total number of work days to 1,70,00,000. 25 hospitals, 14 hotels, dozens of post offices, telephone exchanges, schools and shops were built. Deakmere became the largest transport centre in Ethiopia. There used to be as many as 3,000 heavy motor vehicles in the sheds and there was more money circulating there than in any city. It became a city of 1,00,000 inhabitants, the commercial and industrial artery of the empire with cinema houses, dozens of restaurants and espresso bars, dance halls, football stadium, a cycling track and dramatic society. The data provided by the Italian councillor, Fossa, informs us that in addition to settlers, "there were 986 professional men, 540 agricultural concessionaires, 4,007 industrialists who had invested a total capital of 2 billion, 700 million lire, and 4,785 businessmen and shopkeepers whose total investment
was over one billion 100 million lire.\(^1\)

**Italian invasion threw Ethiopia in a big economic loss.**\(^2\)

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2. In March 1956, Ethiopia restored the diplomatic relation after the agreement was reached on reparations. Ethiopia claimed the some of 185 million sterling (326 billion lire) for reparation. The figure finally agreed on was 62,50,000 million sterling (ten and a half billion lire).

**Table III.1**

A loss of big economy can be observed by the claim of Ethiopian government given as follows:

A. 1. Amount expended by the Imperial ex-chequer on arms, ammunition etc. to resist the aggression

\[2,68,13,368\]

2. Loss of imperial income during the Italian occupation

\[2,54,02,368\]

3. Other losses

\[13,25,30,000\]

**Total**

\[18,47,47,023\]

B. Destruction of 2,000 churches containing valuable libraries and pictures

\[20,00,000\]

C.

1. 525 houses and tukuls destroyed each valued at £ 20

\[7,60,30,000\]

2. 275,000 officers and men killed in the war

3. 75,000 patriots killed during the five years

4. 1,78,000 women, children and old people killed by Air Force

5. 30,000 persons killed the massacre of February 1937

contd...
Impact of Colonial Occupation

The entire purpose of the analysis is to point out the nature of Italian occupation which had aimed at destroying the entire traditional socio-economic and political structure of Ethiopia. The five year of occupation of Ethiopia by Italy had very definite socio-economic consequences for that country. It accelerated the collapse of

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6. 24,000 patriots tried by Italians and executed

7. 3,00,000 peasants died of hunger and deprivations after the destruction and their villages

Total Dead - 7,60,000 at £ 100 per capita

D. Animals Destroyed:

50,00,000 cattle at £ 5 per capita  2,50,00,000

70,00,000 sheep and goats at £ 1 per capita  70,00,000

10,00,000 horses and mules at £ 5 per capita  50,00,000

7,00,000 camels at £ 10 per capita  70,00,000

Total  4,40,00,000

Source: In a memorandum presented by the Ethiopian Government to the Conference of Commonwealth Prime Ministers' meeting held in London on September 1945.
the slave owning and feudal structures and patriarchal order in the countryside and this was reflected in a wider use of hired labour in the development of urbanisation, in mass migration to the cities and in the expansion of the domestic market. The policy of colonisation required the construction of highways and huge power plants and also the organisation of large commercial plantation. The purpose was massive circulation of foreign economy in the process of making a centralised political power.

In this process, of course, there was an endeavour to change economic structure of Ethiopia to subserve the interests of Italy. The developmental programmes were taken into task but for a better mechanism of their exploitation. During this period, the socio-political structure was also influenced by the economic developmental programmes. Million upon millions of dollars were spent to create a basic infrastructure. At great cost the Italians built a network of superb roads across the rugged Ethiopian terrain. For the first time in Ethiopian history the main regions of the country were linked by motor roads. Unlike Haile Selassie, who had always been hampered by regional resistance and limited funds during his eighteen years as regent Emperor, the Italians poured virtually unlimited

funds in a country where they maintained a large army and were able to accomplish much in the way of material modernisation. ¹

However, even with such a vast plan Italians could not expand their grip on the whole Ethiopian economy. A few hundred Italian colonists who were settled at a great expense on mechanised farms, had failed to produce even the 8,000 to 9,000 tonnes of wheat which Ethiopian farmers had marketed annually before 1935. This was because in 1937-38 the tithe was reimposed on Ethiopian cultivators, who shifted from their preferred grains to grow wheat for sale to government agents. Even then, 70,000 tonnes of wheat marketed in 1938-39 fell short of the needs of white population and much had to be imported. ² All kinds of other food were also imported, including eggs, and coffee from Brazil. Paper Lire were unacceptable either to the people who harvested wild coffee in the west or to plantation workers on the eastern plateau. Coffee exports, which had exceeded 22,000 tonnes in 1931-32 and 1934 steadily fell to 6,500 tonnes in 1939 ³ and thus we see that the entire old agrarian economy was shaken

¹. Ibid., p.241.
³. Ibid., p.738.
up but without basic change in the nature of established structure.

In this process the peasantry got involved in active politics to oust the Italian colonial administration. There was a new experience for the peasantry of Ethiopia. It was different from the past. The massive discontent in the peasantry created anti-Italian resistance. Peasantry was the only source of supply of men who could be used in the war against invader. The peasantry organised itself to fight the Italian forces.

From the various corners of country's strategic positions peasants participated in guerilla war on a big scale. A section of agriculturists also joined regular army to defend their country. The anti-colonial movement of the peasant succeeded in ousting the Italians. But unfortunately its leadership fell in the hands of the Emperor.

Post-War Political developments

After regaining power in 1941, Haile Selassie again tried to revive the 1931 constitution. The main purpose of which was to marginally reduce the powers of the provincial lords and to create central power system with two chamber parliament. The constitution provided by the Emperor the members of the Senate. The appointment to the second chamber, the Chamber of Deputies was done by the nobility and local chief. Since there were differences in the method of selecting the representatives of Chamber of Deputies, it gave scope for centralisation
among the local lords and nobility.

In the course of selection of representatives, nobility being more politically influential occupied a major share in Chamber of Deputies. Though Emperor wanted the Constitution to reduce the power of both the sections, the local chiefs or provincial landlords (Ras) were made main target of eroding their traditional influence. The provincial landlords tried to influence and pressurise the legislative process of Chambers but nobilities were more powerful. And this led to the confrontation between nobility and provincial landlords. This antagonistic division of nobility and the provincial landlords helped Emperor to proceed for the centralised state power system. Entry to Parliament was given only to parasite classes who lived on the exploitation of the poor sections. No direct election or representation to common men were allowed by the constitution.\(^1\) Constitution did not allow any change in the Land Tenure System.

**Change in Agrarian Relations**

After the defeat of the Italian, the continuous crisis was reflected in two forms, one the demand at low level for the redistribution of lands, the other striving by landed

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aristocracy in provinces for more and more powers. Though Haile Selassie realised the necessity of reforms but he did not have any clear understanding or perhaps his understanding was blocked by vested interests. However, change in agrarian relations were initiated by the Emperor through the Land Tax Proclamations in 1942-1944. These proclamations became necessary due to the severe loss of economy in Italo-Ethiopian war and the absence of regular income from agriculture due to disturbances in the collection of revenue and Land Tenure systems. The proclamations were a product of complex agrarian crisis where the state was in search of income from agrarian sector. The land taxes were levied throughout Ethiopia to obtain domestic revenue. These proclamations affected the very form of agrarian systems that existed in Ethiopia. The relation of local land owners were not in direct consultation with the state to fulfil the interests of imperial system. Therefore it became imperative for the maintenance of the imperial system to introduce a policy which could channelise the mechanism to generate agricultural income.

According to the proclamation of 1942 the Minister of Interior was empowered to make the rules providing for the measurement and classification of land. The proclamation

1. Negarit Gazeta, Proclamation No.8 of 1942 and No.70 of 1944; Markakis and Beyene, "Representative Institution in Ethiopia", op. cit., p.206.
intended to end diversity in land tenure by stating "Every
land owner shall be liable to pay tax at the rates speci-
fied..." by the government.

It is necessary to see the impact of the Land Tax
proclamation on various land tenure systems and its impact
on political institutions. Some important features of 1942
and 1944 proclamations can be stated, specially of the
proclamation No. 70 of 1944 regarding Land Tax.

a) A demand of universal standards, applicable equality
throughout the state.
b) Every land owners shall be liable to pay tax at rates
specified in this article.
c) Tax payment in cash not in kind.
d) Measurement and classification of land on the basis of
extension of tax including tithe.
e) Communal land areas were granted concessions and allo-
wed additional exemptions from the land tax. Excused
from payment were holders of Rist-Gukt, Siso-Gult and
Samon. "Both were traditional exemptions where the
Government allocated to the first tiller of the soil
a quarter or a third, or even more of the land which
he had cultivated." ¹

¹ Gebre-Wold Ingida Worq, "Ethiopian Traditional System
of Land Tenure and Taxation", Ethiopia Observer, vol.V,
No. 4, 1962, p. 304.
f) The ancient provinces of Gojjam, Tigre and Bagemdir, these rates were not to apply, but the rates of tax due in 1927, plus the estimated tithe, were to be paid in money. The reasons for this distinction did lie in the complex traditional methods of paying tax in these regions. There prevailed a communal land system. But the 1942 Land Tax Act remained in all these three provinces.

The political repercussions were obvious when such kind of proclamation came into existence. On the part of various political forces, it produced a retaliatory reaction. It was a proclamation without the consultation with land holding class and in the absence of any agreement amongst various forces in Ethiopia. Consequently when government did not take them into consideration the following reactions were natural on the part of traditional land holding class, because they were supposed to pay tax under the 1942-1944 Land Tax Proclamation:

a) The traditional forces of the state refused to tolerate any modernisation when their own interests were at stake. In other words, there was an extremely low level of support for regulation that challenged

1. The principle of communal land system was very simple and derives entirely from one principle. This principle is that the land of a parent is divided equally among all of his or her biological children (without regard to seniority or sex).
the traditional rules of the game;

b) These very forces permitted establishment of modern legislation but did not allow the effective application of it; and

c) If enforcement was demanded by Government, overriding traditional attitudes, the latter forces were to take whatever steps were necessary to halt government action.¹

More so, the leaders of Ethiopian orthodox church, placing pressure on the Emperor through face to face negotiations, obtained a specific exemption in 1944, which to this day the Government has not tampered with.²

The Land Tax Proclamation of 1942 enacted that the tax should be levied by collectors appointed by the Minister of Finance. Its main provision was the levy of the following tax upon each Gasha of land this being a measurement which varies in different districts between 80 to 100 acres.³

On each Gasha classified as fertile - £ 15
On each gasha classified as semi-fertile - £ 10

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² Ibid., p.47.
On each gasha classified as poor fertile - $ 5.¹

It was also a fact that, "It is clear from the Land Tax Proclamation that the land owner is the person liable to pay land tax (including tithe), where the burden of taxation should fall on the landowner only."²

The existing reality of political system was very clear that Ethiopia served as an example of a state where the political system operated at a low level of effectiveness.³ The landowners were in the direct touch with the Tax Collector but it was very difficult to collect tax in the money or kinds from farmer as regularly as state wanted. It was also a fact that in interior of the country a large number of village chiefs had underestimated the amount of harvest grown. Thus the tithe of the landowners was reduced accordingly.⁴

Therefore, we see that emergence of complexities due to the Land Tax Proclamation was so acute that it could not get implemented as an act. The weak political machinery and challenges posed by the traditional land

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1. Ibid., p.209.
4. Ibid., p.47.
holders made the act ineffective. These problems were not sudden and unexpected because the Emperor Menelik faced the same problems after the first Italian war in 1896.

In 1896, a large number of peasants participated to defeat Italian forces. Their role in the war left an impact on Ethiopian polity in a direction to make Emperor realise the land problems. But Menelik could not contribute in regard to solving the problems due to the resistance of provincial landlords. His position became weak. He slowed down the process of making a strong state power and died in 1913. Since then the traditional provincial landlord remained untouched until Haile Selassie took the power. Haile Selassie, taking the lesson from history, moved for the modernisation of Ethiopian state. He faced same challenges of the provincial landlords in his course of modernising the state. Taking the lesson from past he pursued a "delicately balanced policy of restoring and supporting the old stratified system in the north and south and at the same time, undermining them when they interfered with his own power and that of the central government. In the south Haile Selassie took away the temporary land grants or _fiefs_ that had traditionally supported powerful governors and others and substituted a slavery from the treasury in Addis Ababa. In the north he weakened the power of nobility by supporting and promoting a new group of younger educated men often
from poor backgrounds to governmental position. This process can be visualised when Christopher Clapham points out that the proportion of nobles in the central government dropped from 53 per cent in 1948 to 13 per cent in 1966.

Under the Land Tax proclamation, 1942-44, the Church was given full rights over its land and right of collecting tax. As the history had lessened Emperor (that Church should not be touched for any harms to their interests) by overthrowing Emperor Theodore II in the latter part of 19th century, by using Ethiopians to fight against the Emperor, because Theodore II had confiscated church land was a historical fact before Haile Selassie.

Therefore, this proclamation affected the local landowners most. The political mobilisation began to take place against Emperor. Opposing the 1942 Land Tax Act the landowners of Tigre, mobilised the peasants and revolted in 1943. At the same time, Gojjam uprising and revolt took place in Gozam. These were crushed with the help of British Air Force. Although this uprising had the backing of forces of nobility, Christopher Clapham writes, "When Haile Selassie returned to Ethiopia

his position was, therefore, in many ways stronger than when he consolidated his advantages by changes which cut at the roots of nobility's administrative control over the provinces.¹ The nobility's military functions were removed by training a professional army under Emperor's command which replaced the feudal levies and private armies of pre-War days; its power to raise tribute was severely reduced by creating a centralised system of Finance and the old provincial boundaries were systematised into hierarchy of province, sub-province, district and sub-district which was controlled from Addis Ababa, and all the appointments were made directly by the Emperor. Noblemen, who might have caused trouble if left in their own areas, were brought to Addis Ababa and many of them were given important posts in parliament and elsewhere.²

Agrarian Challenge and 1951 Land Tax Regulating Act

The revolts or rebellions dissuaded the Emperor to keep implementation of new Land Tax Proclamation 1942-44 in abeyance. He feared more resistance and thus kept the implementation in lingering. The overall political pressure was not checked and the challenges from agrarian side became more acute than other side. Consequently

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1. Ibid. p.68-69
2. Ibid. p.29
in 1951 an amendment to the Land Tax Proclamation of 1944 was made. The Government responding to pressure from the landowner divided unmeasured land into five categories. Each category of unmeasured land was assessed on its own rate of tax tithe. Article 8, 117 and 154 introduced in 1951 were the most important one. These articles brought the new amendment regarding the agrarian system. Firstly, it proceeded for the categorisation of unmeasured land into five categories and fixed tax. Secondly, for the first time a decentralised structure was treated with power to classify unmeasured Gabbar land was established. And thirdly, the classification of unmeasured Gabbar land was proposed to be assessed by a committee.

Structural differentiation seems to be a principal aspect of the process of political development. But it also failed. Because local conditions served to check the power of the commission quite substantially. In Gojjam, for instance, the citizenry would not permit assessment terms on their land. To avoid repetition of the crisis of 1942, the government permitted the traditional system of payment to continue. This meant no measurement of land, and the continuance of the process where the tax (on approximated unmeasured land) was levied in the whole province and was then broken down by local chieftains.

1. Proclamation No. 117 of 1951.
amongst individuals in accordance with their estimated holdings. ¹

The 1951 Land Tax Regulation Act also proved to be a failure due to the consistent pressure of traditional land holding forces. Till 1951 Ethiopia was severely suffering from the internal economic and political crisis. The changes in the political system due to the introduction of parliamentary forms created the dynamism in political atmosphere. The contradiction of Chamber of Deputies and Senate, the role of Emperor and its impact on the people opened the possibility of chaos and political instability. Economically Ethiopia did not develop from the previous position. The people were suffering from famine.

The initiatives for the modernisation of Ethiopian state created a counterforce among the traditional land holding classes. It was a period when attempts were made to assassinate the Emperor in 1951. Hereafter Ethiopia entered a new phase of political crisis in preceding years specially in 1955. ²

Constitutional Reform in 1955 and the conflicting forces:

The increasing eco-political crisis led to a situation where the need of constitutional reform became inevitable.

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2. Ibid., p.16.
The great achievement of 1931 constitution was the creation of parliament. And this parliament became the arena of political confrontation. The confrontation emerged in a due course due to the eco-political crisis and its pressure. Though parliament was under the control of Emperor but the role played by parliament created a pressure on Emperor. Particularly the Chamber of Deputies became an active house of parliament and its activity became a point of confrontation. The proclamation of 1942-44, gave opportunity to the Chamber of Deputies to activate itself on its composition. The nominated members of the Chamber of Deputies made use of the parliament against Senate and Emperor. Though Emperor had the right to control the Chamber of Deputies but he could not control. Because Emperor was facing a challenge of increasing socio-economic crisis of Ethiopian society. The Chamber of Deputies created heavy pressure taking advantage of critical situation outside the parliament. From outside, the pressure was two-sided, one from the deteriorating condition of peasantry and people as a whole and on the other side the increasing antagonism of traditional forces due to modernisation. Therefore, Emperor was forced to introduce constitutional reforms. And in this situation the 1955 Constitution was introduced making provision of election for Chamber of Deputies. Some important features of 1955 constitution regarding parliament are as follows:
1) The Chamber of Deputies, which until then had been virtually appointed, was for the first time elected by universal adult suffrage. 1

ii) The life of the Chamber of Deputies was fixed at 4 years and Senate for 6 years. 2 It was provided to convene the regular sessions of parliament on the twenty-third day of month of Tekemt of each year. 3

iii) Parliamentary powers were extended. Whereas before 1955 Parliament had been purely advisory, it now gained the power to veto or to amend the legislation proposed by the government including taxes and government spending, and to summon minister for questioning. 4

iv) Electoral system was defined and nature of representation was also fixed. "The entire territory of the Empire was divided into electoral districts containing, as nearly possible, two hundred thousand inhabitants. The location and limits of each electoral district was determined by law and each such district was made as regular in share as circumstances permit. In addition each town...

2. Ibid., p.412.
4. Ibid., p.413.
with a population exceeding thirty thousand inhabitants, was entitled to one Deputy and additional Deputy for each fifty thousand inhabitants in excess of thirty thousand. \(^1\)

Such a change in the nature of Constitution sharpened the political process in parliament. In absence of political party the nobility themselves involved in conflict for the representation. Many of old members belonging to nobility did not come back to parliament which further changed the composition of parliament. With these changes composition conflict grew in parliament. Some educated persons were also getting representation due to the electoral right. Though peasantry had no way to come in positive parliament interests of it were represented by the new faces in. Therefore, we see the constitutional reform brought the massive conflict among the forces represented in parliament.

**Deepening of the Decisive Crisis**

This was a period of agrarian unrest and political activities. In this period the agrarian problems became more acute and at the same time political polarisation started to take a shape against the Emperor. But still political strength of the opponents of monarchy was not in a position to overthrow the imperial system. The slow process of modernisation and absence of coercive step to

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implement the Land Regulation Act brought the two fold crisis in Ethiopia. Modernisation was not emphasised to accelerate the agrarian production. Since no developed skills were used, the speed of growth in production remained slow. It was not sufficient to fulfil the requirements of new developing Ethiopia. No land reforms were introduced. Emperor was more concerned for revenues for maintaining his royal imperial structure. To obtain funds the production of cash crops were introduced ignoring grain production. There was a need to increase production of grain to meet the requirements of the country's increasing population. In the field of food production new initiative had not been taken. There were no irrigation schemes and new instruments of production. At the same time land was neither in the hands of peasants nor incentives were given to increase the grain production. Many foreign companies like British, American and German had the large share in the cash crops plantation. Therefore, the full income from cash crops was not coming to the Ethiopian national economy. This aided to the perpetuation of ongoing agrarian crisis.¹

The burden on the peasants increased during this period. For example, in Welo province no rational norms existed for renting land. In the sub-province of Kalu, 44.26 per cent of the farmers paid rent in crop, 22.95

¹. Ibid., p.19.
per cent in cash, 26.33 per cent in crop and cash and 6.56 per cent in undefined services.¹

The share of the crop paid by tenants depended on whether or not oxen were supplied by the landlords.² In Kalu, when oxen were supplied, two per cent of the tenants paid less than fifty per cent of the crop as rent and seven per cent paid fifty per cent or more. When oxen were not supplied, nineteen per cent of the tenants paid less than sixty per cent as rent, and seventy-two per cent paid fifty per cent or more.³ The landlords had the unwritten agreements⁴ with tenants. The case of eviction of peasants⁵ by landlords in Shoa province was also a general


2. Oxen were usually the only input granted by landlords to their tenants.


4. When a tenant rented land from a landlord it was either verbal or written. In sub-district of Chore "only one-tenth of the selected tenants had made written agreements with the landlords. The remaining nine-tenths of the selected tenants had verbal agreements with their landlords. The period of agreements was not mentioned in nine out of eleven tenancy agreements (See Man, H.S., Land Tenure in Chore (Shoa), pp.28-29). All the legal and traditional rules of procedure were balanced in favour of landlords. Oral agreements had no validity in court and the written agreements include very little subsistence if there was no minimum period of tenant control.

5. Eviction was supposed to be implemented as last and tenant first had the right to correct any abuses or pay a compensation fee to the landlords. The procedure for eviction was overseen by the Tenancy Tribunal.
phenomenon. In absence of any legal rights to claim, the peasants had no bargaining power. Landlords were forcefully crushing the rights of tenants because they were holding the key political position in the administration. Tenancy Tribunal\textsuperscript{1} and Tenancy Officers were under the full control of landlords. Tenants were virtually chained by a tight political system under the clutches of the composition of provincial landlord and Ethiopian public administration. Peasant population working under various existing agrarian system in Ethiopia had been required to support the non-productive classes of Ethiopian society. Particularly, peasant had suffered a lot from multiple taxation system. The landless workers and poor peasantry were required to provide labour for multifarious purposes and for a hierarchy of privileged position.\textsuperscript{2}

Due to the increasing pressure under critical situation Emperor was forced to move for reforms. The economic

\textsuperscript{1} According to the draft proclamation, the minister of Land Reform and administration might appoint a tenancy officer for each province. His function was to see that law is faithfully carried out in his area. Each Tenancy Officer was responsible to the Minister of Land Reform and Administration. Tenancy officers were empowered to adjudicate disputes between landlord and tenant and all the decisions were made by majority vote. Each Tenancy Tribunal worked to assist Tenancy Officers (see The Draft Agricultural Tenancy Proclamation, Article 70, 71, 72, 77, in Peter Schwab, Decision Making in Ethiopia, Op. cit., p.80. The Tenancy Tribunal and Tenancy Officer both were under the powerful influence of landlords.

dimensions of these reforms affected the various sections of the ruling (landed) elite differently. The revised version of 1955 caused no substantive dilution of autocracy and renewal of social base. Particularly agricultural reforms were blocked by traditional landed elite. It was a fact in Ethiopian social development that there were two types of elites. One emerged from the traditional landed sections and called feudal or traditional landed elite. And the other emerged from capitalist development, administration, army and education, called modern elite. The modern and the traditional elites found imperial control more and more difficult to accept, but for different reasons and with different goals. The conflict between them, obvious in terms of structures, was much more fluid and changing where personalities were concerned and it bore on the sharing of wealth power. Neither denied that oligarchy should retain its monopoly over both. But some, more aware of the backwardness of their country in every field, wanted to make sweeping changes by strengthening the power of the centre and increasing the range of areas in which the state intervened. Though both the elites were connected with imperial system but the initiatives for modernisation made them antagonistic. When agricultural reform was introduced, traditional landed elites opposed

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the Emperor. At the same time when modernisation was not implemented due to the resistance of provincial landlords, the modern elite opposed Emperor. Therefore, in nutshell we can say that on one hand the elite was afraid of the Emperor due to his policy for the changing socio-economic and political crisis and on the other the peasantry was rendered more insecure. Thus the fear generated by 1941 reforms was strengthened by 1955 constitution. Ever since then the intentions of the Emperor remained suspected by both the peasantry and the landed elite. A threat against one was manipulated to appear as a common danger for both. As a result almost every reformist initiative elicited disturbing reaction. It resulted in uprising in northern provinces. These uprisings were the manifestation of traditional landed elite who were against any agrarian reform. Whenever such uprising took place, the Ethiopian government proved to be unsuccessful in crushing it. Because the relation between traditional landed elite and provincial government was very close to each other.

The office of the Governor was structured by the Negus (King/noble) or Ras (feudal landlord) as head or Governor. The governor's headquarters were crowded with supporters, suitors, the soldiers or his personal bodyguards, priests, musicians, jesters, servants and slaves. The entire provincial administration was governed by the feudal landlord, Negus, and most conservative forces. That is
why in the process of modernisation, the Emperor lost the control on provincial administrative machinery. The provincial judiciary was also fully in the domain of conservatives, feudals and their officials. Though the provincial governors and their officials had differences with Emperor but to maintain the imperial structure both compromised with each other time and again. That is why a non-antagonistic contradiction existed in the relation between Emperor and provincial governors and officials represented by provincial feudals.

At another pale the peasantry was entangled in the process of further impoverishment. The taxation system which prevailed till the end of sixties, was heavy enough to break the bone of cultivators. After the land reforms, the landed class was freed of taxes while the cultivator was subjected to four different taxes. Cultivators lost their productive capacity due to imposition of taxes. To increase productivity, in the place of some incentive, government imposed more burden on them. And such acts on the part of the government hampered the growth of economy and revenue. The net result was the stagnation in the revenue of the regime which led to the building up of pressure for another round of reforms.

Another dimension, which became the pressing point, was the development of capitalism in agriculture. This capitalist development was not initiated by Ethiopian capitalists. The intervention of foreign capital was
fastly growing since the days of the Italian occupation. In mid-1960s more than 75 per cent private paid up capital in manufacturing was foreign owned. Similarly of more than 75 member concerns of the Federations of Employers of Ethiopia only 8 had Ethiopian management. Four firms controlled both export and import trade and even the retail trade at home were in the hands of aliens. It also debarred the growth of native bourgeoisie. The regime in its full ignorance of consequences was going for new liberalisation of the economy in favour of foreign capital.

The imposition of foreign capital on agriculture based economy of Ethiopia reflected some changes in the character of state also. Primary characteristics which was demonstrated by state, became obvious in some liberal tendencies in otherwise a conservative state. This further carried the surging conflict between groups opposed to it. With the passage of time this conflict was transformed into a central dichotomy. Keepers for the royalty were deployed in the capital itself. The growth in military apparatus was also momentous. The pattern of recruitment for administrative and military purposes was such that only the landed interests dominated it. There were some ethno-regional dimensions added to the making of the state. Most of the educational institutions were located in the northern region and some
ethnic groups like Amhara-Tigréan dominated the administrative and military apparatus. Most of them were drawn from the landed section with middle size holdings. Small peasants and southern tenants like Ormos were fully deprived. The administration apparatus, though did not belong to nobility, had nevertheless remained unshared by the people in the lowest echelons of the Ethiopian society. ¹

In late 1960s Ethiopian society was entering a new period of transition. This period reflected some of the most antagonistic conflicts in the political structure. In rural Ethiopia, where precapitalist relations were still in the hold of situation, large landowners represented a dominant class. With the control over rural production they were now entering the commercial process through provincial administration. Entrenched at the lower level were the traditional rural elite and small land owners with an expanding size of new rich farmers. At the lowest level were the categories of rural poor, sub-tenants, tenants, petty commodity producers and a class of wage earning landless agricultural workers. ²

In urban sector, the landowners with the substantial investment in urban property and a sizeable number of

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1. Ibid., p.20.
officials of nobility were dominant. Below them was a new stratum of civil and military bureaucracy which was striving to draw benefit from the expansion of state sector. Though at the cost of rural poverty, this class was striving to equate its locus-standi with that of traditional power holders. 1

With the townships cities and urban conglomerates, a considerable group of urban traders (mainly foreigners) craftsmen, clergy and semi-employed groups were growing in number. The urban population was in the process of being swelled by migrations. This process also created a significant size of industrial proletariat, though it was small compared to the rural poor. Obviously, this can be a making of a society in transition. The very life process of this transition was marked by a very serious rivalry and multiple mutual struggle.

The political manifestation of birthpangs of Ethiopian society were revealed at the level of executive authorities. The centre of authority remained with the Emperor. The nobility always attempted to break this political monopoly, particularly, Haile Selassie's policy of centralisation ensured a permanent hatred in nobility against Shoa

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Monarchy. 1

At another level students activism and their anti-monarchy politics was getting intensified. Essentially, the students' radicalism was addressed to land reforms

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1. The foundation of Shoa as an independent state goes back to the 18th century.

Nagassi: Son of wealthy landowner gained enough support by his victories over the Gallas to proclaim himself prince of Shoa. Later on, Sahla Selassie, the most important Shoaan ruler, ruled from 1813 to 1847 who was known as real founder of Shoaan Power. For some time, Kassa later known as Theodore captured the power and Menelik a Shoaan King was imprisoned. But Menelik escaped and started to expand and consolidate the territory under his control. Between 1868 and 1876 he succeeded in capturing Wollo Province and then turned his attention to the south and the west. By 1882 he conquered Somali and Oromo territories to the south and the east. By the end of 1887, Menelik had added Gurage, Arussi and Harar to his possession. After capturing the power from Yohannes in 1889, between 1890 and 1906 he added Ogaden, Bale, Sidamo, Wollamo, Kaffa and Illabor to his holdings. Thus stretching the state of Ethiopia to its present configuration, except for Eritrea. Menelik contributed to the strong formation of Ethiopian state. He organised army and elites and other dominant sections of the society for running the state. He was first Abyssinian Monarch to introduce the practice of paying taxes to the state. Rural cultivators were also expected to contribute a certain amount of labour each year to the state. Taxes and tribute collected at each level of administration. The administration was made very efficient to run the State. Therefore a certain ruling class were activated in running the State. Thus the Shoaan Monarchy played a crucial role in the formation of Ethiopian State. Haile Sellassie was the continuation of Shoaan Monarch who tried to centralise the State power more and more for the continuation of the Shoaan Monarchical influence on Ethiopia as a whole.
apart from anti-feudal and anti-Emperor demands. The students' movement drew support from Ethiopian students in Europe and America.¹

Until the Italian invasion peasantry paid the levies in kind, not in cash. But after Italians left provision was made to pay the taxes in cash. Cash was needed by the State. Since the barter economy was under pressure of money economy, this was one of the few changes that penetrated deeply into countryside.

Change over to the monetized economy was difficult. The peasants had to sell major part of their crop to pay taxes. They were left with only a small sum to buy a few goods. In south there was a considerable spread of cash crops. In 1970 it was estimated that a quarter of farm output was marketed. Other estimates suggest that the proportion of tenants paying their rent solely in cash varied from, under 10% in Arussi, Wollo and Tigre, to over 60% in Sidamo, Gomo-Goffa, Illababor and Kaffa regions. In this process of raising money from cash crops the rising tendency of privatisation of land acted as a powerful stimulus towards a money-economy. The spread of the money-economy and the privatisation of land went hand in hand with the growth of commercial agriculture accompanying the urban

The mechanised agriculture sector was developed with foreign capital, techniques and equipments. Beginning in the early 1960s, the development of the mechanised agriculture was seen as one of the keys to economic growth.

During 1955 to 1960, the major burden on low income groups was imposed in a big way. The entire low income sections of Ethiopian people were suffering. Particularly, peasants and students were agitating on large scale. Problem got further accentuated with large scale arrests of agitators. The arrests created a political pressure on government. A famine in 1958-59 brought greater sufferings and deaths to nearly 100,000 people. The government was slow to respond and there were serious delays in the distribution of wheat supplies.

With the domestic unrest various student and peasant organisations came into existence. The students, agitated for changes in the political structure of the country, and came forward to protest in 1960. In the meanwhile army also got divided. Consequently a coup d'état in December 1960 was attempted by the administrative officers and the army but it failed.

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1. Rene Lefort, _op. cit._, p.20.
Further Agrarian Changes and Changing Political Scenario

The political development in early 1960 forced the Emperor to change the land tenure system. A first minor step in the direction of land reforms was taken in 1964. To give incentive to peasants to produce more agricultural goods for export the Chamber of Deputies passed a bill reducing share of crops from 75 to 50 per cent of a sharecropper's production. The bill provided for tenant farmers to be freed from the obligations of the landowners. The Chamber of Deputies sent the bill for discussion to the Senate. The Senate was structurally dominated by nobilities who dismissed the bill as it was against their interests. But this success of Nobility in the Senate could not stop them from decline. The pressure against nobility was increasing from the various socio-economic forces arising in the country. "The nobility had been at from the receiving end of Haile Selassie's relentless centralisation and of other modernising pressures."¹

The increasing role and changing pattern of representation in Chamber of Deputies accelerated the contradiction in parliament. The members of the Chamber of Deputies were elected from the various sections of the countryside. Many of its members especially in north had been local squares, noblemen and their relatives, local government officials,

vocal groups of educated radicals, provincial school masters and traditional rural forces. Though, an additional representation was also given for town but proved to be very weak before above said forces. Therefore the Chamber of Deputies has a different character with the vast rural segments of Ethiopia where as in contrary to that the character of Senate was different due to its composition. This very character of Chamber of Deputies was such that it created a big pressure inside parliament. The forces represented in Chamber of Deputies were also against the Emperor due to his arbitrary functioning style or pattern in favour of feudo-bourgeois class - an emerging class of society. Therefore Chamber of Deputies was also opposed to the proposed bill of the Ministry of Finance in 1966. 1 This bill was later known as Agricultural Income Tax or Proclamation No. 255. Because this bill had the emphasis on raising the economic resources for the modernisation of economy in favour of feudo-bourgeois class. This bill was passed in 1967. It created a fresh eco-political crisis.

proclamation No. 255 of 1967 was most important from the agrarian point of view. Firstly, the basic thrust of that proclamation was for taxing on taxable income which shall be deemed to be the gross income derived from the harvest, diminished by the amount of any taxes on lands,

1. In 1966, the Ministry of Finance published a draft amendment dt. the Income Tax Proclamation in 1961.
the amount of any rent payable, and the deduction of one-third at the gross income in lieu of production expenses. This tax on income from agricultural activities was to be paid by persons exploiting lands, owners or tenants as the case may be.¹

Second point was that this proclamation also attempted "to end the classical system of privileged exemptions."²

Third point was that this was the first time when church's land was also taken into intention. Though Ethiopian orthodox church land was not mentioned in the proclamation but was not excluded also.

Fourthly, the tax was fixed on unmeasured land also in equal to measured land.

Fifthly, the proclamation also emphasised eventual abolition of tithe attempted to ease the burden of the tenant, since tithe had always been additional rent that tenant paid to the landlords.³

Proclamation No.255 was largely an attempt to bring more land under cultivation, lands which had so far remained fallow.

¹. Proclamation No.255 of 1967, Article 17A.
The proclamation had hampered the interests of landholding classes. Its main purpose was to impose the tax on landholding classes and tax-paying peasants. The tax imposed on measured and unmeasured land again effected the interests of landlord because the landlord had the illegal occupational rights on unmeasured lands. The communal landownership system also came under taxation where the landholding classes, chieftains and peasants were also the victim of tax imposition.

Therefore both the landlord and landed-peasantry emerged as the contradictive force against proclamation No. 255. The effect of this proclamation proved disastrous for Emperor. Firstly, he started to lose the grip over traditional landholding classes and landed peasantry, and secondly, due to the confrontation¹ in both the house of parliament Emperor was forced to come under the pressure of parliament particularly, the Chamber of Deputies.

The application of proclamation No. 255 affected the peasant community at large. Agricultural Income Tax of Proclamation No. 255 created a very antagonistic situation in Ethiopian polity. Tax-paying peasants reacted sharply against this proclamation, particularly the peasants of

¹ Confrontation took shape within the institution like parliament because the very nature of representation in Chamber of Deputies were against Nobility.
Gojam and Sidamo. This proclamation created problems mainly in those regions where there was communal land system. Landed peasants, who were mostly tax payers, became more violent against this proclamation and launched demonstrations at many places.

**Emerging Revolt**

The landed peasants (tax payers) felt too much attack on their traditional right to land. They started to revolt. Peter Schwab correctly observes the reaction and points out the reasons of revolt. They reacted violently when the central government sent tax assessors into the province in 1968. There were two fundamental reasons for their action: (a) since the government considered payment of land tax one of the means of determining ownership of land, the landed peasants of Gojam knew that by accepting this law they would, in fact, be relinquishing their communal land status, and would be opening the door to the destruction of communal land system, and (b) the Governor of Gojam, Mr. Dejazmatch Tsehai Inqu Selassie was despised by the peasants. They had always felt that he was unconcerned about Gojam and the people of the province. Consequently and continually the elders of Gojam have tried to pressurise the Emperor removing the governor.¹

In May 1968 the situation worsened. The peasants of Eastern Gojam sub-province (Bahir Dar Bichena, Debre Markos, Dimot and Motta) became organised. A group of peasants of Motta very energetically mobilised the province to face the new situation. The peasant of Gojam had always been armed with rifles because some arms were freely purchased and some arms were left over from Italian occupation. The Governor ordered the territorial army to enter Motta. This led to the bloodshed. Many Chiga Shums (local tribal chiefs) were killed. Peasants were murdered on large scale. Motta peasants Organisation mobilised peasants of the other sub-province of Gojam and pointed its struggle against the Emperor, the Head of Ethiopian State. Ultimately this revolt made Emperor demoralised and forced to think over again on the land problems.

The resentment can also be seen in Sidamo province which constituted largely of Gabar land-owners. The problems which Ministry of Finance had incurred in assessing land and collecting the agricultural income tax in Sidamo were indicative of the difficulties it faced throughout Ethiopia, since Gabar lands were the most prevalent type of land tenure system in the country.

When the assessment team was set up by the government

1. Ibid., pp. 163-64.
2. Ibid., p. 176.
and sent to the provinces, the resistance blew up. The members of assessment team were prohibited by the farmer (landed peasant) from estimating the products of the land in Kabado sub-district of Wanago, a district of Sidamo province. A fight took place between the governor and a farmer who was extremely angry over the imposition of this new tax. The farmer was killed by the governor and the latter was arrested.

From the above details it is clear that the application of proclamation No. 255 was challenged by the traditional forces and did not allow it to be effective. The resistance and revolt by peasants also inspired the students community who gave a tough resistance to Emperor in the past. Students also raised their voice for the democratisation of education supporting the peasant’s cause.

Students for Democratisation

In the meanwhile students were also posing a threat to Emperor because of elitist nature of education policy. The educational and health taxes imposed in 1961 were the cause of resentment among the students. This resentment aired the process of confrontation with Emperor.¹

Till 1967 Ethiopia had less than 5 per cent of population as literates. Traditionally education in Ethiopia

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remained in the hands of the Church. The instruction consisted primarily of memorisation of religious texts in Ge'ez (an ancient language) unintelligible to the students and often even to the teacher. More advanced instructors were to become debtaras or "learned clergy" in the church. In the advanced courses, the student might study music, church dancing and art of Ethiopian poetry. In August 1944 the Government issued an education policy emphasizing on mass education, education of girls, secondary education, higher education. It also announced Amharic to be the official language and English, Arabic and other Ethiopian languages to be promoted. Help was sought from foreign staff and missions and educational finance was increased. But while implementing the new education policy targets were forgotten. Inadequate finance, untrained teachers for teaching and inadequate equipment were the basic lacunae of Ethiopian education system. Therefore, there was extensive drop out. In 1964 about 69 per cent of all young people between the ages of 7 and 14 were living in towns. There was no good school facilities in rural areas like urban area. Among the 69 per cent of urban area's students only 3.2 per cent of rural students were studying.1

In the process of modernisation education system was directed for the benefit of the elite class. The aim of education was quite unambiguous to train the cadres required for the growth of state. Consequently far from serving the nation as a whole by disseminating knowledge adapted to the needs of the majority, education suffered. Moreover, schools were opened only in township areas and rural population remained neglected.

The clear cut attitude of imperial government was to neglect the democratic urge of education. To accelerate the elitist orientation of education for modernising the state and to eliminate the traditional forces from every level of social structure created a strong resentment among the students community. The student community moved for the support of peasants and they also supported the peasants' cause.

Between 1960 and 1968 numerous political and economical changes were introduced by various bills and proclamations. During this period we see an emergence of a new political force, that is the student. We are calling it a new political force because, it had the capacity to stand on its own feet against the oppressive administration of Haile Selassie and forced Emperor to step down from his high pedestral and agreed to negotiate with students.

It must be taken into account that students' demand, agitation and movements were not directly connected with
the agrarian problems. They were also not of great significance to their own life. But they convey the mounting resentments against the Emperor very clearly. The major role of students movement was creating an atmosphere of dissent against the government and strengthening the amity of the forces seeking democratisation of society. Students were observing the peasants' reaction to the proclamation no. 255 of 1967. This time students became a potential element in political atmosphere taking advantage from peasants' unrest. Students' agitation in 1966 against administrative high-handedness (at Fashion Show in the University) was met with force. Students and their leaders were arrested in large number. The agitation left an impact on Ethiopian polity and later proved to be a force in the removal of imperial system in 1974.

Introduction of Capitalist Economy

The seeds of capitalist institutions were sown during Italian occupation. The Italians had introduced centralized power, with single administration. They built roads connecting various parts of the country. They encouraged cash crop, plantation and monetized economy. After the departure

1. For example, the movements against Fashion Show became the immediate non-political issues and later turned into political mobilisation in 198.

of the Italians, Haile Selassie was reinstated, but he could not ignore the changes which had been introduced when it to survive Ethiopia needed more interaction with other nations, and had to play its role in the world economy since changes in world economy were affecting its own growth. To achieve this it was necessary to dismantle the feudal system and build a more advanced economic system. Moreover, the (i) Emperor needed centralisation of power to consolidate his hold over the entire country; (ii) To attain this it was necessary for him to raise revenue; (iii) Revenue could not be raised without changes in economy. Emperor during the 1937-41 period had realized that Ethiopia needed foreign exchange to modernise its economy. He encouraged investment of foreign capital in the area of cash crops production specially in coffee production. The Italians had developed some of the productive sectors which were not only retained but strengthened further.

The new economic structure started impregnating Ethiopian feudal system. New economic structure faced stumbling block of existing feudal system. The Emperor appeared to be in dilemma, he wanted to modernise Ethiopia but retain monarchical hold. He did not realise the interplay of contradictions. The growth of bourgeoisie necessarily meant weakening and eventually dismantling of feudalism. In the post-Second World War period, in the process of sharpening of contradictions Emperor Haile
Selassie's towering personality did not allow the dismantling of feudalism on one hand and the emergence of bourgeoisie on the other. The process of modernisation of economy left an impact on polity. The introduction of parliament and constitutional reforms, Land Regulation Act, introduction of modern educational institution, five year planning system, agricultural income tax etc. were the endeavours in the direction of bourgeois development. While creating new eco-political institutions, Emperor wanted to weaken the hold of traditional forces. The process was very slow.

For creating new economic structure in Ethiopia, the government introduced the Five Year Development Plan system. It was aimed to provide better and more varied diet for the population, more raw materials for domestic manufacturing industries and larger surplus export.¹ However, in first five year plan (1957 to 1962), there was no substantial development in the growth of cash crops in agricultural sector and industrial sector. During second five year plan, (1963-67) it was realised that since the economic development would be faster in the course of plan.² It was obvious that agriculture had to speed up its pace of growth, so as to be able to satisfy the growing demand of agricultural commodities.³ In order to meet

2. Ibid., p.53.
3. Ibid., p.53.
the increased demand and at the same time to decrease imported food products as well as for planned increase of export of agricultural products, agricultural production was to increase at the rate of 2.3 per cent as indicated in Table given below.

**Table III.2**

<table>
<thead>
<tr>
<th>Items</th>
<th>Total increase ('000 tonnes)</th>
<th>Index (1962=100)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cereals</td>
<td>530</td>
<td>111</td>
</tr>
<tr>
<td>Oilseeds</td>
<td>73</td>
<td>120</td>
</tr>
<tr>
<td>Pulses</td>
<td>51</td>
<td>110</td>
</tr>
<tr>
<td>Vegetables</td>
<td>76</td>
<td>115</td>
</tr>
<tr>
<td>Fruits</td>
<td>17</td>
<td>130</td>
</tr>
</tbody>
</table>


In second five year plan the target and achievements are given in the following table. The second five year plan was to some extent successful but not up to expectation.

**Table III.3**

<table>
<thead>
<tr>
<th>Products</th>
<th>Targets ('000 tonnes)</th>
<th>Percentage Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cereal Production</td>
<td>530</td>
<td>91</td>
</tr>
<tr>
<td>Oilseeds</td>
<td>98</td>
<td>53</td>
</tr>
<tr>
<td>Pulses</td>
<td>51</td>
<td>105</td>
</tr>
<tr>
<td>Vegetables</td>
<td>76</td>
<td>96</td>
</tr>
<tr>
<td>Fruits</td>
<td>17</td>
<td>88</td>
</tr>
</tbody>
</table>

contd...

1. Ibid., p.53.
2. Ibid., p.54.
The third five year plan (1968 to 1973) was introduced to remove the lacunae of first and second five year plans. It was regarded as preparatory period designed to ensure more rapid and sustained agricultural development. ¹

The ground of industrial development was immensely broadened in Ethiopia since 19th century but due to lack of resources and technical knowledge it could not develop. It could develop in the 20th century with the help of foreigners, but on a very low scale. The first industrial enterprises appeared in Asmara (Eritrea) in the early 1930s. To some extent their product was instrumental in reducing imports of various commodities for Italian colonists. ²

The first industrial enterprises appeared outside Eritrea in the 1950s.³ Beginning in the early 1960s, several fairly large nationally import textile, tanning and shoe, food, cement, wood working and metalware factories were built. ⁴

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1. Ibid., p.55.
4. Ibid., p.203.
Most of the industries were financed, managed and operated by foreigners. From the very beginning in Ethiopia foreigners penetrated in establishing the modern industry, so the indigenous capitalists (National Bourgeois) did not develop there. By 1970, seventy per cent of factory and company owners or directors were foreigners. On the eve of the revolution, foreign shareholders owned 43.5 per cent of the paid up joint stock capital (about 65 per cent of all enterprise), local shareholders, chiefly neutralised businessmen and merchants (Greeks, Italians, Indians, Americans and others) 19 per cent and the state 27.5 per cent. All these investments often concealed the assets of the imperial family, nobility and top officials.¹

In such a scenario, the growth of Ethiopian investors was checked by the foreign capitalists due to its intervention since the beginning of the 20th century. Some foreign investors came by pressurising the government of Ethiopia and some were invited. While the foreign capital expanded, the local capital did not develop the way it should have. At the same time Ethiopian did not acquire the new technology to develop modern industry. Ethiopian capital was invested chiefly in trade and housing.² The prospect of industrial development depended in Ethiopia mostly on

agricultural raw material. For that agricultural raw material, the commercialised and industrially required agricultural production was introduced. For that the new institutional organisations and provisions were brought into force. In order to compensate partially for the lack of conspicuous economic attraction, the regime enacted an investment code, which was described as one of Africa's most liberal.  

In addition, it gave land (practically free), provided monopoly protection for any industry, and prevented organisation of labour in order to maintain low wages. It also invested heavily in the infrastructure required to sustain profitable investment and in numerous joint ventures with foreign capital, stimulated by the appearance of a domestic market - the state itself emerged as a major consumer - western capital was attracted into manufacturing for import substitution.

In the 1960s and early 1970s, the share of industry in the gross domestic product increased - from 2 to 4-5 per cent and by mid-1970s to 6.65 per cent  (and above data indicates efforts for industrialisation and thus development of capitalist institutions.) The causes for lower industrial growth were following paucity of investible capital on one hand and lack of purchasing power on the other.

2. Ibid., p.44.
Like industrial development agriculture was also brought under modern economy - cash crop farming, plantation production mechanisation and hiring of farm workers. For this purpose efforts were made to change agricultural production pattern since 1950s. Government located the area for the concentration of capitalist agricultural investment in the valley of Awash river. This region offered the additional attractions of irrigation from the water of the river, road and rail transportation, and proximity to the area of industrial concentration that extended along the railway line below the capital. 1

The introduction of plantation agriculture was made in 1954, when the government oriented the Gile, an Oromo pastoralist group from its land. Commercialisation in agriculture was designed to promote differentiation within the ranks of the peasantry by fostering the emergence of a class of middle peasants. 2 There was rush for mechanised agriculture in 60s and 70s. This modern agriculture sector was first created and developed with foreign capital, techniques and equipment to feed towns and increase exports. Mechanised agriculture often started by the more enterprising members of the urban elites, who leased or bought land from the traditional elites, brought.

2. Ibid., p. 57.
their tractors and got back their investment in a few years. The State allocated lands to foreign companies and held part of the shares in the new business. In exchange the companies developed the land and supplied products to the domestic market and to a lesser extent, the external market, too. The main crops were sugar, cotton, coffee, cereals, fruit and vegetables. For example, a scheme was launched by Swedish aid agency in 1967 in the Chilale district of Arussi province. The scheme integrated planning, credit and marketing facilities, price stabilisation, mechanisation, and even contemplated reform of local institutions. In four years, this area had 126 farmers with 184 tractors and 36 combines, cultivating 10% of the planted area. In 1960s the mechanised agricultural sector was key to economic growth. In 1968, the Planning Commission asserted that the rapid development of commercial agriculture was the only way to get the relatively quick increase needed in agricultural exports. It was very essential to induce more foreign private investment, and to import the needed managerial and technical skills...

It was from this sector that the rapid gains were expected in output and availability of surpluses, both for consumption domestically, particularly in the cities and towns,

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1. Rene Lefort, op. cit., p. 22.
2. Ibid., p. 22.
as well as for export. ¹

According to Rene Lefort, the first five year plan (1957-62) stressed large infrastructure works, the second (1963-67) allocated agriculture 6% of investment and third (1968 to 1973) 10%, but less than 1% of this was spent on traditional agriculture (35 million dollars as against 209 million for commercial agriculture). ² In the agriculture sector there were about 5,000 cash crop farms (by February 1974) covering 750,000 hectares of land. ³

Between 1961 to 1974, commercial agriculture grew rapidly as a result of the activities of multinational agro-business concerns and state enterprises. ⁴

The above discussed changes shook up the socio-economic structure of Ethiopian society. There emerged a new mode of production with its complexities and the contradictions within the forces of social structure. With new mode of production emerged new classes and strata, e.g. industrial bourgeoisie, plantation owners, working class, wage earners

¹. Rene Lefort, op. cit., p.22.
². Ibid., p.22.
in the agriculture sector, petty bourgeoisie including those engaged in service sector.

**Impact of Bourgeois Development and mounting crisis**

The development of capitalist institutions left a deep impact on the traditional economic structure of Ethiopia. The feudal structure began to scramble due to the introduction of new economic institutions. Though the political power remained in the hands of the Emperor, the growth of capitalism and emerging classes due to capitalist development became increasingly powerful within the feudal set-up. Dilemma was that the base of Ethiopian economy had started changing while political set up remained feudal. This sharpened contradiction between feudalism or traditional powers and new emerging classes. These contradictions were antagonistic in character.

The major capitalist institutions were dominated by the foreign capitalists who had the support of the Emperor. The Emperor had a share in their profits. There was little scope for the growth of national bourgeoisie. Consequently contradictions emerged between foreign capitalists and the embryonic national bourgeoisie (whose development was checked by foreign capital.) The new emerging national bourgeoisie had differences with the monarch on the question of continuation of feudal institutions. The Emperor became a target of their attacks.
particularly after 1969. Their purpose was creating a pressure on Emperor to grant them power. They were not in favour of giving any opportunity to the revolutionary forces to remove the Emperor. On this account they were united with the Emperor. But the monarchical and the feudal system could not be ended without the alignment of anti-feudal and bourgeoisie forces.

The landed peasants and the poor peasantry were suffering a lot. The landed peasants were the direct victim of tax proclamation. The poorer peasants were evicted forcibly from their land and land allocated for the commercial production.

The non-Amhara nationalities were the worst victims of the agrarian commercialisation. As power flowed at the peripheries of the Ethiopian system, people followed and provincial governors in the south attracted large following of northern immigrants to seek their fortune. These followers neftenya or gunmen, entered to serve the provincial armies, took up lower level administrative positions and became clergy in the newly established orthodox churches in the south. Many bought or were given land in the rural areas. The forcible seizer of lands in south by Northern brought in ethnic, regional and class dimensions to the conflict. The non-Amhara nationalities were reduced to landless status. This fact united these nationalities in struggle against the Shoen Monarchy. Most of the non-Amhara people
were the natives of the south but disappropriated from the means of their subsistence by northern settlers. 1

The poor peasantry gradually became wage earners. The massive transformation of poor peasantry into simple agrarian labourer created a vast area of rural underemployment. The inflation, famine and drought threw them in very miserable condition. The Emperor did not grasp the changing objective conditions. He ruled as a feudal lord and tried to continue in power. The sufferers (poor peasantry and landless labour) were not organised but their participation in mass upsurge accelerated the criticality of the situation.

The workers were paid very low wages. After 1960 a large working class emerged as the major productive force in commercialised agricultural field as well as in industry. The growing unemployment and the availability of free labours in lieu of right to squat lessened the importance of employed working class. They were given low wages. The owners were free to replace any workers and substitute them by others from open labour market. On this, bargaining capacity of employed workers were also kept in tight position. The workers' resentment was also against the Emperor. Time and again through unions, they launched their movements

for their democratic rights.

Due to the growth of industry a substantial growth of wage earning class, with low wages, emerged in Ethiopian social structure. The development created a money-commodity relation which accelerated a process of push and pull of labour force from the rural sector to the urban sector. The atmosphere created a thrust among the people to get a job in industry. A large migration of labour force from rural areas to town started. Since the industrial development was not expanding at the same rate, it could not absorb all the labour force.

The unemployment increased due to the imbalance between industrial growth and population growth. The number of industrial employees increased by 3.3 per cent yearly between 1967 and 1970, while population increased by 7-8 per cent. This resulted in increasing unemployment. This was further complicated by introducing import of advanced technology. Its result was yearly decrease of 35 per cent employees in the industry, although the productivity, measured in terms of gross value production per employee, increased by 11.3 per cent yearly. These new developments created unemployment. In fact, it was the inevitable result of capitalist methods encouraged by

the government's own policies. Import substitution was developed through what an ILO report termed highly mechanised, and extremely capital incentive methods. A large number of educated youth and students without the technical education were also not able to get the employment in industrial sector. They were frequently taking part in politics to create a pressure on government.

Among unemployed youth students and teachers discontent spread on large scale. Education system had its own defects. 93 per cent illiteracy was prevailing throughout the country. The education courses were not job-oriented. Some sections of students were given education only for the purpose of commerce or for semi-skilled jobs in industrial sector. This facility too was provided to only a few. Therefore discontent arose among general students. Teachers were not given proper training. They were not equipped for new educational needs. Their importance in the social structure was going down. Their irrelevance made them often feel humiliated and neglected. Therefore they were also dissatisfied with Emperor.

In the meanwhile a section of army was also coming closer to the political forces who were launching the

struggle against Emperor. Probably these sections were not organized and were working very secretly to change the system with the support of other struggling sections. All these above dealt contradictions were apparent from 1969 to 1973. Meanwhile, the rise in prices in 1969 and the drought and famine in 1972-73 spread the massive unrest was among the people as a whole. It was one of the worst famines which hit the country during the years 1971-73. Rains kept away from its fertile and rich land. 200,000 men, 650,000 cattle, 525,000 sheep, 450,000 goats and 50,000 camels perished. 1 Thousands of the famine-stricken fled to the cities, augmenting the number of unemployed, frustrated and potential rebels. 2 The crisis reached a peak.

All these factors gave a momentum to political upheavals. The political institutions were not capable to check the peasant upsurge, students agitation, workers strike and the radical participation of petty bourgeoisie. The formation of various classes, emerged since 1960 in contrast to existing political power, played an important role in accelerating the process of political change.

Formation of Unions and organisations and their role

Due to the large scale industrial growth in 1960s, the labour force increased. As it is seen in following table:

2. Ibid., p.161.
The increasing labour force played an important role in the formation of various unions and organisations. Peasantry and agrarian working classes were existent from the very beginning. Due to the bourgeois development in agriculture the wage earning agricultural labour were emerging on large scale. In the process of modernisation there was also the growth in industrial workers.

Besides all these productive classes, several other classes like, petty-bourgeois, small capitalists, traders and business groups were also emerging on large scale during 1961 to 1969. All these bourgeoisie developed under the feudal structure and did not play an independent role. Even though, it strengthened the feudo-bourgeois way of Ethiopian development. The development of these classes led to the formation of unions. The right to form unions did not exist before 1955. Even though the first workers' association came into existence in the name of
Ethiopian Radical Workers syndicate in 1947. This union launched a strike in 1949 which was brutally crushed by the military troops. In the beginning its leadership was highly paternalistic and cooperated with the government in planning legislation for setting unions. In 1956, a syndicate of the union of Free Workers in Eritrea was founded to represent workers' interests. A few years later another workers' association was formed at the government sponsored Dutch-operated Wonyi Sugar Estate. All these labour unions came from industrial sector. Gradually their role became crucial with the political changes in Ethiopia. After 1962 they often went against the Emperor. Their role in the beginning remained limited to their own cause but gradually with the rise of agrarian unrest, they moved to join with agrarian forces. The joint movement of industrial workers and agrarian forces were not apparent till 1967. After 1967 peasants, students, workers and other sections participated together in various political turmoil, against the Emperor. In this period the formation of various labour unions also led to politicisation of situation. The administration was forced to issue a new labour law. The Labour Relation Decree of September 5, 1962 recognised the principle of collective bargaining, prohibited unfair

labour practices and provided a creation of a labour relations board for the settlement of disputes. But the provisions of decree did not apply to those marginal positions or to public servants, domestic servants and farm workers. Moreover, unions could be organised only within industrial enterprises employing more than fifty workers.¹ At the same time it was estimated that only just over 200,000 Ethiopians were employed outside rural occupations.²

By mid-1963 forty-two labour unions had been formed and a Confederation of Ethiopian Labour Union (CELU) was formed with the membership of 70,000 workers. And there had been significant number of workers strikes as the Ethiopian Workers' movement had cautiously tested its strength. During the period of 1958 and 1969 the agricultural production (cereals) was given less importance than plantation production for more benefit. In this period number of plantation in Ethiopia grew from 133 in 1958 to more than 275 in 1969. This increment of plantation caused the increase in number of plantation workers who could become potential political activists.³

¹  Ibid., pp.558-60.
³  United States Department of Agriculture, The Agricultural Situation in Africa and Asia, 1969, pp.5-6.
The formation of unions of industrial workers was sporadic and uncoordinated. The industrial workers and their labour unions also came to fight for their just right. The demands for improvement in wages and working condition reflected economicism. Its political dimension was minimal. Each union section was effectively a version of the mutual assistance organisations traditional in Ethiopian society, and even when they came together it was on the basis of regional cooperations. Moreover, the union movement was essentially heterogenous, since its members came from two quite distinct economic sectors, some were of course from industry but most of them were from service sectors. They, however, were the early members of the feudal families - a new face in Ethiopian polity. The Emperor faced multi-cornered challenges from peasants, students and workers. Though the peasants organisation was not formed but the mass pressure of peasants played a vital role in the mobilisation for political upsurge.

Students who had been struggling since 1960 reached a stage to unite themselves under some organisation. In 1960, they participated in an unsuccessful attempt of coup d'état and the lesson of past movement forced them to form an organisation. In 1968, they united under the World Union of Ethiopian students, a broad front of students, opposed to the regime. Under the World Union of Ethiopian students a party was organised as the All Ethiopia Socialist
Movement (MEISON), a completely clandestine party of a few dozen members, most of them students in Europe and strongly influenced by western communist parties. The founders of MEISON favoured maintaining the students movement as a front, bringing together all militants subscribing to an anti-feudal and anti-imperialist struggle in order to pursue what they considered to be the priority task: mobilizing, training and providing cadres. This organisation contributed a lot in accelerating the political struggle of peasantry and other down-trodden sections of the society.

A radical section of the army was forging their unity. They were indirectly cooperating peasants and students movements. Later on it played an important role in the removal of Emperor.

Beginning of the Uprising (1962-73)

The period was marked by a massive political upsurge due to the emerging multi-cornered problems in agrarian field as well as in other sectors. With the introduction of capitalist institution (that is industry, plantation economy) there emerged various forces seeking changes for democratisation. The movement of these forces were
suppressed by coercive use of political power.  

On the one hand, government was weakening feudalism by introducing hard measures (such as taxation in cash) and freeing peasantry for a labour market which could fulfil the interests of new emerging weak capitalist forces. This way it tried to transfer the power from feudals and landlords into the hands of emerging bourgeoisie. The intention on the part of the Emperor was not in favour of deprived strata but in favour of newly emerging exploiters.  

The Ethiopian Teachers Association and the Confederation of Ethiopian Labour Unions were trying to articulate the activities against feudalism and imperialism. In response to above changes, students, teachers, working class and a section of army also rebelled against the Emperor. 

In this complexity of objective situation, three political trends were clearly visible in this period on the part of three political components. One that was naturally the Government, and second traditional feudals, landlords, nobility and others and the third peasantry, workers, declassified sections of students and a radical section of the army. A tug of war was going on among them. There was an all round growing resentment and unrest in Ethiopian society heading towards a new stage.

2. Rodney Larsen and Don Tomson, op. cit., pp. 54-55.
The crisis ridden structure of the Ethiopian society started manifesting the tendencies causing its disintegration. This process became evident in early seventies. The most serious crisis was witnessed in agrarian structure. It began with the conflict between the forces demanding reforms and those favouring status quo. In the agriculture sector, the capitalist development was melting the network of pre-capitalist relations. But at political level state was unconsciously trying to encourage development of capitalist relations. Eventually the forces of change succeeded in overwhelming the forces of status quo. Still inadequacy of development, though visible in the character, could not help but to give a blow to the precapitalist structure. Finally, the developmental process of capitalism in agriculture, though bearing a backwardness of its kind, succeeded in establishing its own superiority over the old systems.

At the superstructural level the hidden struggles of the political economy resulted in a bitter and violent conflict. Thus objective situation for revolution was getting prepared to overthrow the old regime.