

# **The Importances of Economic Development to Consolidate Political Stability in Oromia**

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## **1. Introduction**

The social and economic transformation in the given region or countries depends on the level of economic development and political stabilities. Economic development refers to the improvement of social life through economic growth and structural change. Political stability refers to the peaceful decision of all political entities or parties in the given region/country. Now the question is which take the leading role in transforming the social life of the people. Many scholars said that economic development significantly strengthens political stability by improving social attitude and structural change in the economy. Against of this view few scholars focus more on political freedom to realize economic development. The former argument said that the simple political sovereignty could not produce social transformation. So the literature on the relationship<sup>2</sup> between economic development and political stability is varied and complex.

During the last two decades Oromia National Regional State has enjoyed economic growth that could not realized the political stability in the region. The last three years has witness the wide range social unrest and political instability in the region. Many argue that the political instability in the region was due to lack of inclusive and sustainable economic development. The regional ruling party Oromo Democratic Party (ODP) belief that economic development play pivotal role in economic transformation in the region. The recent reform and political change achieved enable the people and state to enhance the regional economic development and further consolidate political stability. In this regard there is confusion among public at large for which one priority should be given to achieve social transformation. The major purpose of this article was to show the importances of economic development in Oromia to consolidate the new political reform.

The article consists of six sections including introduction. The second section explains the concepts of economic development and political stability. The third section discusses the recent economic and political development in the region. The fourth section highlights the importances of economic development on consolidating political stability. The fifth section identifies the major challenges of economic development and political stability. The last section is summary.

## **2. Concepts of Economic Development and Political Stability**

Economic development involves something more than economic growth. In other words economic development indicates the change in quantity and quality of the economy. That means

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<sup>2</sup> The most influential article is the Seymour Martin Lipset's thesis first proposed in 1959, which posited a causal relationship between economic development and democracy

economic development refers to growth accompanied by qualitative change in the structure of production and employment generally refers to as structural change. Economic development<sup>3</sup> includes an increase in productivity, improvement in social and economic equalization, modern knowledge and improved institutions and attitudes. To say a country has achieved economic development, at least the major condition should be satisfied: Long period of economic growth (at least) for two or three decades, reduce income inequality, the economic growth should come with participation of many people (mass participation) and reduce absolute poverty over a period of time. According to DFID (2014) Economic development takes place when a country achieves long term, high rates of economic growth and when this growth is accompanied by a wider economic transformation that benefits the poor and shares prosperity broadly.

Politics is refers to as the exercise of power, the science of government, the making of collective decision and the allocation of scarce resources in the given region. It is seen as a particular means of resolving conflict, that is compromise, cancellation and negotiation rather than through forces and naked power. In other words political behavior is the behavior that exhibits distinctive characteristics or qualities and so can take places in any and perhaps all social contexts. That is why politics is called an art of the possible or cooperation<sup>4</sup> than conflict<sup>5</sup>. Political stability is the ability of a people's government to share, access, or competes for power through nonviolent political processes and to enjoy the collective benefits and services of the state. So political stability<sup>6</sup> is a means and cannot be an end for our society. The final and the direct desire of the people is economic development.

### **3. Recent Economic and Political Development in Oromia**

Oromia National Regional State is one of the regions established since 1994/95 when the multinational base federalism introduced in the country. The region prepared and implemented various sectoral socio-economic policies to improve the life of its people. During the last ten years the region has enjoyed higher economic growth with the provision of social services. The government efforts in the last twenty years has increased student enrollment at all level and improved the health status that increase the life expectancy. In the same way the road net work and other infrastructure has been considerable increased during the last two decades.

Despite the above performances the region could not achieve fundamental social and economic transformation. The economic growth achieved in the region not supported with the

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<sup>3</sup> Any county achieve economic growth without economic development, but not possible to achieve economic development without economic growth. So economic development includes economic growth but economic growth may not include economic development.

<sup>4</sup> Cooperation refers to working together achieving goals through collective action.

<sup>5</sup> Conflict refers to the competition between opposing forces, reflecting a diversity of opinion, preferences, needs or interest.

<sup>6</sup> There are major precondition for political stability which includes provision of essential services, efficient utilization of state resources, civic participation and empowerment, and political moderation and accountability. All these precondition of political stability are the outcome of economic development.

modernization of the agricultural sector and industrial development. The failure of the agricultural modernization and rural transformation increases the rural-urban migration which led higher urban unemployment and inequality. Recent report indicates that the region number of people under poverty line has increased by more than a million as compared to 1995. Investment undertaken in the region during the last ten years was not sufficient for economic development and at the same time not friendly to the local community and environment.

Incapability of the regional government to address the public grievance on time has deepens the political unrest that enforced the government to introduce new regional level political and economic reforms. The deep reform identified and recognizing the major political and economic problems at the region and community level. The reform gave more priorities to address the public demand through pragmatic measures in consultation with communities. The major measures taken since the reform were: building strong democratic nationalism, encourage asset ownership of the people, increase economic and political participation of the people, broadening the democratic base in the region, allowing free expression of idea and improving the services delivery. Currently around fourteen Oromo political organization freely express their program to the public at large. More than 40 thousand people were released from prison in the last three years. The government has taken these measures to change the traditional or backward political practices. Today politics in Oromia is not the sources of conflict rather the sources of unity and economic development. Oromia economic revolution was started in the region by establishing more than ten large Agro-processing industries and other business activities to bring economic empowerments.

#### **4. Importances of Economic Developments to Consolidate Political Stability in Oromia**

Economic development refers to the multidimensional process of the reorganization and reorientation of the entire economic system. Economic development consolidates political stability through the provision of basic need, modernization, mass participation of the people in the economy, establishment of strong economic and political institutions and higher economic growth. The first importance of economic development is it increases the availability and widens the distribution of basic life-sustaining goods such as food, shelter, health, and protection. This enable the people to get basic need that improve the social value of the people. The improvement of social value increase social well-being and increase political stability.

The second importance is economic development has become relevant to the full range of nation, places and communities. Economic development serve the entire part of the society unlike the politics that may be depends on the types of democratic practices. By its nature economic development involves the individual that broaden social involvement in the economic growth. These types of economic development achieve sustainable and inclusive economic growth. Economic development objective is creating prosperity and increasing citizen quality of life. The ultimate goal of economic development is to create economic prosperity and high quality of life. The inclusive economic growth and improvement of citizen life quality reduces income

inequality to realize social justice and equity. Sen's (1999) said that economic development strengthening an autonomy and substantive freedom which allow individual to fully participate in economic life.

The third importance of economic development<sup>7</sup> is it facilitates the process of modernizing the economy. It is focused on quality improvement, risk mitigation and entrepreneurship that place the economy of a higher growth trajectory. According to Schumpeter (1961), economic development is the means to achieve sustained increase prosperity and quality of life realized through innovation, lowered transaction cost and utilization of capabilities toward the responsible production and diffusion of goods and services. The Swedish Nobel prize-winner Gunnar Myrdal said that the broad concepts of economic development involve a change of entire society in the direction of the modernization ideals that includes rationality, planning for development, efficiency and effectiveness of public institution, political democratization and improvement of life qualities. Such economic development outcomes increase people participation in political decision that enhances political stability.

The other importance of economic development is it creates strong economic and political institution. Democratic or economic institutions<sup>8</sup> are the rule of the game, enforcement mechanisms or the accepted standard of behavior in society. Economic development changes the relationship between state and society to favor the emergence and consolidate political stability. The strong economic development enhance the society capability and empowerment that strength state institution. Such fast economic development enhances the wealth accumulation of the society that reduces the income inequality.

The last but not the least importance of economic development is it create the condition for economic growth and encourages future economic transformation. It creates condition that enables long run economic growth. The higher current and future economic growth increase per capital income and also maintain inter generational income equity or distribution. The faire distribution of resources through economic growth led the mass participation of the people in the economy and also continues economic growth improve the life quality of the people. Lipset(1959) argued that increased wealth reduces the overall level of objective inequality, weakening status distinctions and, most important, increasing the size of the middle class. For the lower class, economic development means increased income, greater economic security and higher education. This facilitates the political stabilities of the given nation.

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<sup>7</sup> Economic development brings sectoral transformation that changes the economy from substance agricultural economy to the modern industrial economy.

<sup>8</sup> Institution work with the specific rules and procedure that lower transaction cost and inspired confidences by certifying the range of potential outcomes

Social scientist argues that economic development should not be viewed in terms of economics only. The experiences of developed countries indicate that economic development change demographic structure, attitude and mentalities, cultural change, political change and nation building, the transformation of the rural society and the process of urbanization. Most studies of the importance of economic development on political change suggest a strong relation between rising levels of economic development and the openness of the political success and between changing social structures and the emergence of political competition.

Economic development is the foundation of political openness or stability. The higher economic development would reduce income inequality that increases the participation of the people in the political or economic decision. Thirty years of economic reform in China and South Korea have produced one of the economic miracles in history. In the same way the Botswana and Ghana economic development has improved the political development of their respective country.

## **5. Challenges of Economic Development and Political Stability in Oromia**

There are various challenges on the importance of economic development in Oromia. This study briefly identifies the major challenges. The first challenge is lack of awareness on the role of economic development on political stability. Many people focus on the need of political liberalization or freedom like the means without ends. There is no country who survived only by political freedom or liberation. We have many countries which improved their citizen with economic development without the political freedom. The second challenge is the lack of strong and effective economic and political institution. The absence of these institutions challenges the rule of law and reduced government implementation capacities.

The third reason was wrong perception about the concepts and practices of politics. Politics is the art of working together than focusing on differences. There is no perfect winning party in politics. Many people do not have this understanding about politics. The fourth challenge was the failure of the inclusive economic growth and structural change in the last two decades. During last twenty year many people was working for few people. Investment and other government development program were not inclusive and effective in addressing the social problems. These increase unemployment and higher income inequality that strongly affect the impacts of economic development on political stability. The fifth challenge was lack of social obligation in economic development. Development goals cannot be attained if government not impose obligation on their citizen. In our region society demand development but there is no clearly identified social obligation for their economic development. The last challenge was inability to maintain the constitutional order of federalism in the region by federal government. During the last twenty seven years the region failed to exercise its constitutional autonomy to build strong region and country. This erodes its fiscal capacity to finance the regional development activities to reduce absolute poverty. Today the region covers only 20 percent of its annual budget.

## **6. Summary**

Understanding the importance of economic development facilitate the social and economic transformation in our region. Economic development involves the reorganization and reorientation of the entire economic system to improve the life quality of the people. Te countries who achieved economic development improve the life quality of their people. The SSA (Sub Saharan African) countries who failed to achieve economic development are facing wide range public unrest and political instabilities. The developed countries have achieved political stability after successful economic development. Economic development affects or achieves political stability through higher economic growth, efficient and effective institution, modernize the economic, reduce income inequality and unemployment. Our region must work hard on economic development to maintain the existed political gain achieved by our people. Political settlement or using the existed political gain by any cost important to transform our people life. We must use the modern science of politics to achieve our common economic development goals than conflict. Economic development is the foundation for our regional transformation than our political differences which cost of our life.

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**God Bless Oromia and Ethiopia !!!!!!!**