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The Continuing Saga of Globalism: Comparing Ethiopia's Developmental State Strategies to those of Malaysia

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The Continuing Saga of Globalism: Comparing Ethiopia's Developmental State Strategies to those of Malaysia

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Abstract:
Using the conceptual framework of a developmental state, forwarded by the Economic Commission for Africa, it was found that Ethiopia's democratic developmental state is unique and operates differently from the Malaysian developmental state model. Economically, Ethiopia has recorded staggering economic growth since it adopted the developmental state. The Malaysian developmental state was developed to be market-oriented and as a result Malaysia's GDP grew at 5.23 percent from 2005-2011. Malaysia's incidence of poverty declined from 49% in 1970 to less than 5% in 2000. Ethiopia has focused on a planned developmental state, without speeding the direction of industrialization, and has achieved an average 9.9 percent growth rate in GDP from 2005-2011. With economic growth, the poverty reduction measured by poverty head count in Ethiopia has declined from 41.9 in 2005 to 29.6 percent in 2011. Although Ethiopia's Human Development Index (HDI) has increased by 16% from 2005 to 2011, its HDI score is about 22% less than the average score of sub-Saharan countries. The poverty ratio of people living on less than $1.25 a day in Ethiopia is very close to about 30 percent. It means that those with low incomes have not benefitted from the staggering economic growth that much of the country has achieved in the last seven years.

The theory of a developmental state model proposes that professional bureaucratic elites design, manage, and run autonomously the short and long range plans of a country. In the Ethiopian "Democratic Developmental State" the short and long term plans are controlled by the ruling party, EPRD. The public and private sectors are minimally involved in the planning process. The economic growth rate which Ethiopia achieved from 2005 to 2011 doesn't operate in a fully market-friendly environment. Far from operating in a developmental state, Ethiopia operates under a centralized system. Also, in an era of economic globalism, the Malaysian type of developmental state model is outdated and is no longer relevant for Ethiopia. Therefore, to achieve optimal sustainable development, and thereby feed its people, Ethiopia must focus on an integrated, environmentally sensitive, and cooperative agriculturally-based type of development model.

Keywords: Democratic Developmental state, environmentally-friendly market system, centrally-planned system, state-led growth, autonomous professional elites.

Introduction

The Economic Commission for Africa (2011) argues that African States would catch up and accomplish a vibrant economic system if they could emulate Malaysia's developmental state model along with addressing democratic values that would allow the citizens to play meaningful roles in the country's governance. With this understanding in mind, the purpose of this study is first to determine if Ethiopia has established the groundwork necessary for the implementation of a developmental state that is similar to the Malaysian developmental state model; and second to ask if the Ethiopian developmental state model is moving towards establishing a participatory democratic developmental state, unlike the East Asian authoritarian developmental states which have postponed democracy until economic development is achieved.

The comparison of the developmental strategies of Malaysia and Ethiopia is based on the following characteristics of the developmental state model as suggested by Johnson (1982), Wade (1990), Fingleton (1996) and Dadzie (2012). According to their assessment, a developmental state is:

a) autonomous and heavily involved in a macroeconomic planning process, needed to promote structural transformation and which plays a strategic role in economic development;
b) staffed by highly qualified, professional government elites (i.e., insulated from the political process and not influenced by politicians, workers or the corporate class through the political process) who are given sufficient latitude to develop initiatives and operate effectively;
c) selfless in designing strategic visions, planning innovative processes, formulating appropriate policies and implementing plans to transform their societies;
d) a catalyst for efficiently executing the developmental (industrialization) goals of the nation;
e) democratic, allowing the citizens to play meaningful roles in the country's governance process;
f) encouraging to public-private strategic coalitions or cooperatives that are shaped by societal forces;
g) supportive of entrepreneurs who undertake risky ventures;
h) equipped with infrastructures, trained human and social capital and politically stable environments to entice foreign investors with capital, management, and marketing expertise to invest in the country.

More specifically, to assess the Ethiopian developmental state based on the attributes of the Malaysian developmental state, as forwarded by the Economic Commission for Africa, the following vital questions are posed:

1) Is Ethiopia's commitment to the democratic development state goal supported by a strong vision that is tailored to trigger a process of profound societal transformation?
2) Is the developmental state planning process in Ethiopia designed by competent, efficient and autonomous professional bureaucrats who work collaboratively with the private sector in policy-making efforts?
3) Is the developmental state plan in Ethiopia managed by competent, professional bureaucrats that are solely recruited on meritocracy to work autonomously---free from forming close relations with the politico-legislative elites?
4) Are the Ethiopian bureaucratic elites free from corruption and rent-seeking mechanisms in order to effectively manage and perform their duties?
5) To attract foreign investors with capital, management, and marketing expertise, is the Ethiopian environment equipped with an investor-friendly and permissive environment equipped with 1) the necessary infrastructures, 2) trained human capital, and 3) a politically stable environment that includes well established rules of law and social accountability?
6) Is the Ethiopian developmental state operating in a democratization process that calls for accountability, transparency, and the participation of the public in policy-making?

The Vision of a Developmental State

The history of development in Malaysia points out that an important component of development relies on state action. That is, state action in industrial upgrading, employment generation, reduction of inequality, and the protection of civil liberties is necessary to prevent underdevelopment. Infused with private sector ingenuity, the autonomous public sector in Malaysia has been used as a catalyst for development to meet the overarching, '2020 Malaysia developmental Vision.' That is, the 2020 Malaysian Vision was planned by the Malaysian government to create a fully developed nation and to facilitate growth with improved equity and poverty reduction. As a result, the expansion of economic coordination and due to judicious state intervention within the Malaysian developmental state, schools, roads, health centers and public housing have made a steady transition from poverty towards achieving its developmental state agenda (Khoo, S. 2007).

As in Malaysia, since 2004, Ethiopia has identified the development of agriculture as a means to industrial development and has made this a priority policy. Recently, the policy makers in Ethiopia have embarked on the five-year Growth and Transformation Plan (GTP) for the period 2010/11 to 2014/15, to achieve not only the United Nations Millennium Development Goals but also to develop Ethiopia into one of the middle income countries by 2020-2030 (Kunama, G. May 12, 2011).

To rekindle the Ethiopian economy, which was on the brink of colossal failure during the military (Derge) regime, Ethiopia's current Democratic Developmental State Model has been guided by very strong governmental intervention in the market, giving power and authority to the government bureaucracy to plan, supervise, and implement the developmental processes of the country. The developmental state governs the process of investing in key economic sectors. The matrix presented in Table 1 gives a template that can be used to compare the conditions of the developmental states operating in both Malaysia and Ethiopia. For the last seven years (i.e., 2005-2011), while Malaysia's GDP grew at 5.23 percent, Ethiopia, without speeding the direction of industrialization and being mainly centralized rather than fully market-oriented, achieved an average of 9.9 percent growth rate in its GDP.

As targeted by the Malaysian Developmental State Model, the incidence of poverty in Malaysia declined from 49% in 1970 to about 5% in 2000 (Khoo, 2007). Realizing record economic growth, the poverty reduction measured by poverty head count in Ethiopia has declined from 41.9% in 2005 to 29.6% in 2011, significant when considering the time span. Similarly, Ethiopia has achieved a remarkable trend in establishing health services according to its 0.619 health index (compared to Malaysia's health index of 0.855). Similarly, due to poverty reduction and access to health benefits and the expansion of the Ethiopian economy, the Human Development Index (HDI), measuring life expectancy, the level of schooling (adult literacy rate), and real GDP per capita (standard of living), Malaysia's HDI improved by 3.1% (i.e., from 0.738 in 2005 to 0.761 in 2011), whereas, even though Ethiopia's HDI improved by 16% (i.e., from 0.313 in 2005 to 0.363 in 2011), its HDI score is about 22% less than the average score of sub-Saharan countries.

One can conclude that the Ethiopian developmental state has played an important role in supporting quantitative economic growth. However, those with low incomes don't appear to benefit from the staggering economic growth of the country. The poverty ratio of people living on less than $1.25 a day in Ethiopia is very close to about 30 percent. Based on the extreme social inequalities and abject poverty that still exist in the country, it is possible to show that the majority of Ethiopians have not been able to share the benefits of the country's economic growth during the last seven years. It is also possible that Ethiopia may not achieve what it has set for its 2015 Millennium Development Goal because of escalating fuel prices, loose monetary policy mainly used for public infrastructure investment, and high prices of edible food products.

The Ethiopian government is expected to spend 4.5% of GDP to attain the Millennium Development Goal of 100% primary school completion by 2015 (World Bank, 2005, p. 172), but as shown in Table 1, Ethiopia's GDP expenditure on education is 5.5%, compared to Malaysia's 4.6%. Nonetheless, the education index of Ethiopia is only 0.237 compared to 0.73 for Malaysia. That is, while 73% of the school age children in Malaysia complete primary and secondary schools only 24% of Ethiopian children complete their primary and secondary schooling. In addition, in terms of quality and equity, Ethiopia has the highest student-teacher ratio in the world. It was reported by the World Bank that since 1993-94, the pupil-teacher ratio is 65:1 and the number of pupils per section is 75 to 82 in government primary schools, compared with about 30:1 in privately operated schools in non-governmental organizations (2005, p. xxiv). Thus, when compared with Malaysia, Ethiopia gives less emphasis on investment in human capital as an important ingredient for economic transformation and the assumptions of the developmental state model.

If Ethiopia's intended plans and visions had been fully implemented, there is no doubt they could have achieved their intended goals. However, many fruitful projects were delayed because the governmental functionaries lacked the professionalism and commitment needed to mobilize the limited resources of the nation (See Desta, July 7, 2011). Put differently, if the Ethiopian functionaries had been willing to operate efficiently to address the economic challenges of the country and if government intervention had been implemented carefully, there is little doubt that these plans would have generated the greatest welfare for the largest numbers of Ethiopians.

There was a missing precondition in Ethiopia's developmental policies that having to do with rent-seeking practices. As pointed out by Fischer (2011; Kaufmann, 1998, p. 524) since rent-seeking is a means of resistance to reform, it may be seen as a kind of 'legitimized theft' purposely designed by government officials to appropriate rent in order to maximize their ability to embezzle funds and demand bribes from their clients. In addition, rent-seekers may also be powerful interest groups or lobbyists who exert considerable influence, who bribe government bureaucrats to hinder competitors so that their inefficient companies win governmental tenders. Thus, as a result of rent-seeking, many projects have not been implemented adequately in Ethiopia and as a result the policy outcomes have been negatively affected. It is also possible that austerity measures might not have been whole-heartedly endorsed by the ruling party. Also, the government's decisions to introduce reforms might have lacked coalition support by policy advisers and technocrats. As stated by Pang (2000), technocrats generally make decisions with national interest at heart, but with an eye to global realities. "What matters to them is what their colleagues overseas think of their actions. They are interchangeable technocrats, moveable parts of the their governments, often influenced by the views of those sitting in Washington, London, Bonn , Paris…".

Finally, the Ethiopian government's vision is to enhance large and ambitious development projects in order to accomplish the five year Growth and Transformation Plan in the short run, end poverty and become a middle income country in the long run. Instead of searching for the optimal combinations of local resources, Ethiopia's developmental state calls for foreign capital to finance its yearly budgets deficits, thus it may be very difficult to accomplish its ambitious plans (See for example, Ohashi, Nazret.com, 6/9/2011).

Table 1: The Economic and Social Performance of Ethiopian Developmental State (2000-2011)

Indicators	**Malaysia**				**Ethiopia**		
	2000	**2005**	**2011**		**2000**	**2005**	**2011**
Human Dev. Index (value)	0.705	0.738	0.761		0.274	0.313	0.36 3
Heath Status							
Life Expectancy(years)			74. 2			52	59. 3
Health index			0.855				0.619
Expenditure on health (% GDP)			1.9				2.2
Economic Status							
Real GDP/ capita ($)		4937.43	10, 429. 51			119.28	605.71
Annual GDP Growth (%)	8.9	5.3	5.16		6.1	11.8	8.0
Poverty ratio, people living below $1. 25/day (%)			<5.0		41.9	39.0	29.6
Consumer price index		9.0	22.0			38	40..0
Education							
School life expectancy			11.5				4. 3
Education index			0.73				0.237
Primary school enrollment			0.70		61.6	74.2	90. 7

Secondary school enrollment					17.1	**23.1**	20.3
Educ. Exp/GDP			4.6				5.5

Source: CSA abstract, 2003-2011;LISANE MASIE, March, 2012; World Bank (2011), World Bank Indicators 2011, Washington, D.C.

Meritocratic Bureaucracy

For elites and state institutions to play leading roles in steering the economy, the developmental state needs to be relatively autonomous. As stated by Nordlinger (1987:361), autonomy is defined simply to mean that the state achieves independence from the demanding clamor of special interest groups. Evans (1994) argues that a developmental state is more effective and efficient than a predatory (parasitic) state because it is managed and run by autonomous professional elites. Starting in the 1990s, being accountable to the public, the civil service in Malaysia has become embedded with the private sector and together they have been able to co-ordinate the economy. Thus, as stated by Zalanga (2012), using the "Client's Charter" reform, Malaysia has empowered the public by letting them know the minimum to expect from their public servants.

In line with highly selective meritocratic recruitment and long-term career rewards, the civil servants in Malaysia are recruited through a rigorous national examination system. Once employed, the employees undergo thorough and extensive training in their respective ministries. The skills and knowledge they acquire allow the bureaucrats to carry out their administrative duties with no major interruptions from politicians. In addition, the remarkable economic growth in Malaysia reveals the positive impact that a professional and comparatively meritocratic bureaucracy can contribute to economic growth, if the economic decision making is insulated from political pressures.

In the Ethiopian polity, on the other hand, private economic interest is carefully monitored and the possibility of an emerging leadership is limited. The functional requirements of economic growth and diversification by and large are left up to the prerogative of the developmental state. The bureaucracy is managed by civil servants, functionaries that are primarily recruited on meritocracy and have clearly defined functional obligations to serve competently. Similarly in Ethiopia, state functionaries are required to attend various in-service seminars or they are sent abroad to upgrade their professional standards and skills. But the institutions within which the various functionaries operate are not autonomous. "From an equal representation point of view, the higher positions in governmental departments are assigned according to an ethnic-based quota system. …the perception held by the public is that the bureaucrats are expected to operate in line with their ethnic affiliation rather than in pursuit of the goals of the organization" (Desta, 2012, p. 20). In addition, the state-driven developmental model is conditioned on a set of paradigmatic practices such as cronyism and unofficial favoritism for selecting and allocating a number of business firms from certain ethnic groups.

Insulation of Bureaucracy from Political and Societal Forces

The Malaysian developmental state goal is to achieve rapid economic development. Thus, it gives power and authority to the bureaucracy to plan, supervise and implement efficient policies. Like Malaysian bureaucrats, Ethiopian elites are highly skilled and well-motivated individuals who are the most talented graduates of the best universities in the country and abroad. Nonetheless, because they are recruited with regard to ethnic affiliation, they are strongly influenced by the ruling elites accountable to their regional state. Thus, Ethiopia, like Malaysia, appears to be a developmental state that has practiced judicious state intervention at some points, but the state interventions at other points seem to be achieved through ethnic political bargaining. Because of this, the bureaucratic leaders and high-ranking civil servants in Ethiopia are involved in widespread corruption. Instead of having selfless devotion to the Ethiopian economy, civil servants have become political cadres recruited for the maintenance of the party in power.

Though non-partisan professional public service is a prerequisite for a developmental state, the plans Ethiopia designed did neither take feedback from the private sector nor establish an interface relationship between the ruling party cadres, who focus mostly on policy-related and political matters in their departments or ministry, and those appointed as civil servants, who are also known as the "politics-administration interface" (See for example, Maphunye, April 2009). The developmental plans are too ambitious and are not initially based on the well-established infrastructure that would have engineered Ethiopia's take off strategy. For example, unlike what is heavily practiced in Japan and to some extent in Malaysia, the bureaucracy is far removed from the corporate sector. Former government officials of Ethiopia are rarely encouraged to take positions in top posts of private corporations after retirement where they could be engaged in transforming the institutions.

Market-orientations and Foreign Direct Investment

With feedback from the private sector and by allowing the market to operate freely, the Malaysia developmental state is heavily involved in designing its developmental plans, creating implementation strategies and constructing summative evaluation techniques. To serve its national developmental goals the Malaysian developmental state has created a stable state, and invested heavily in infrastructure such as highways, electricity, telecommunication, and information technology. It provides health services, quality housing, schools for its citizens and has introduced long-term state-determined incentives, all necessary for development. This approach enabled Malaysia's phenomenal success in attracting foreign direct investors to invest in the country. To make its products globally competitive, the Malaysian economy is open and has upgraded the quality of its administrative and production system to the level of receiving international recognition in form of the ISO 9000 certification. Thus, the Malaysian government is doing everything possible to make the Malaysian economy competitive while also achieving sustainability. As stated by Khoo (2007), the Malaysia's rapid growth trajectory is based on the global market.

Shifting from an agricultural to an industrial economy is very strenuous, so to speed up Ethiopia's industrialization process and climb higher on the developmental ladder, Ethiopia is spending about 20% of its GDP to reengineer its infrastructure, such as roads, schools, railways, air transport, dams, and telecommunication services. The economy is controlled by the government and not entirely adapted to the market. To entice foreign investors, the Ethiopian government is giving special investment incentives to create a favorable environment for foreign capital. For example, contrary to the argument that the country could face depleted soil, dry aquifers, and a ruined ecosystem from chemical overuse (Mersha, 2009), Ethiopia is leasing virgin farmlands and bestowing tax holidays and tax relief to foreign investors. However, foreign investors in the agricultural sector are crowding out domestic investors. Being less regulated to follow domestically-mandated requirements to reinvest some of their profits in Ethiopia, foreign corporations in Ethiopia are creating problems such as land grabs. In addition, few multinational corporations operating in Ethiopia are effective in creating jobs. They bring capital and technology, but are not helping Ethiopia to gain access to world markets for the benefit of Ethiopia.

Democratic Governance

According to the Malaysian government, democratic values are Western constructs, purposely designed to impose Western values on non-Western countries. Therefore, the Malaysian state is prolonging the conversion to democracy until it achieves sustainable development (Mohammed, T. 1994). Based on this stand, it is generally argued that development in Malaysia requires better state action and not Western-induced democratic values. Currently the Malaysia state is governed by a powerful bureaucracy, incomplete democratic institutions, and limited political freedom.

Unlike the Malaysian Developmental state, Ethiopia at times has exhibited appalling human rights violations. Even so, the EPRDF Party without undertaking institutional reforms appears to be implementing, simultaneously, the twin-tracked approach of democratization and developmental state. The EPRDF ruling party in Ethiopia constantly argues that it is applying fair, good governance and equitable administration, as well as fair judicial and electoral practices so that Ethiopia appears to be a democratic developmental state. Various opposition groups, on the other hand, feel that because Ethiopia is strongly centralized, the ruling party is using democratic governance for window dressing. Instead of holding elections on a broad suffrage basis, the opposition parties argue that the outcomes of elections in Ethiopia have been fraudulent and undemocratic. Though the elections held in Ethiopia are based on broad suffrage, those elected are mainly political cadres and the outcomes of the elections have been predetermined. During the 2010 election, for example, the US Assistant Secretary of State for African Affairs, Johnnie Carson, and the Chief European Union (EU) observer, Thijis Berman, argue that while the elections were peaceful and well organized, they were not played on an even playing field (BBC news, May 25, 2010). Moreover, the judiciary system currently in Ethiopia is executively controlled as an extension of the ruling party. Since a prerequisite for democracy involves the participation of all concerned citizens in decision-making processes, the Ethiopian governance system needs to restructure its institutions to provide information held by public authorities to empower the masses and ensure the developmental state model bears fruit.

Summary and Policy Implications

Based on the analysis given in Table 2, it can be concluded that unlike the conceptual framework forwarded by the Economic Commission for Africa, Ethiopia's democratic developmental state is unique, different from the Malaysian developmental state model. Economically, Ethiopia has recorded a staggering economic growth. From 2005-2011, as targeted by the Developmental state, Malaysia's GDP grew at 5.23%. The incidence of poverty in Malaysia has declined from 49% in 1970 to less than about 5% in 2000. Without speeding the direction of industrialization and mainly being plan-oriented rather than being a full market-oriented system, from 2005 to 2011, Ethiopia achieved an average of 9.9% growth rate in its GDP. With the miraculous economic growth, the poverty reduction in Ethiopia as measured by poverty head count has declined from 41.9 in 2005 to 29.6 percent in 2011. However, unlike the Malaysian developmental plan which is based on free market economic system, Ethiopia seems to be portrayed as a predatory state that has embarked on a state-led market system.

The Developmental State Model assumes that the organizational set-up of the state needs to be manned by highly disciplined professional government functionaries and technocrats, recruited based on meritocracy to fulfill clearly spelled out functional obligations. Also, it is assumed that non-partisan professional public service is a prerequisite to a developmental state. However, the developmental plans in Ethiopia are too ambitious and have not been founded on a well-established financial and infrastructural base that could have engineered Ethiopia's take off strategy. In fact it can be argued that Ethiopia's plans have been designed solely by politicians without taking feedback from the private sector. As it stands now, Ethiopia's developmental state is not operating in a market-friendly environment. A number of the government-initiated developmental plans are either obstructed or unduly delayed for implementation because some of the government functionaries lack the professionalism or commitment needed to mobilize the limited resources of the nation. They appear to be interested in maximizing their own benefits by imposing hidden rent-seeking agendas.

Table 2: Developmental State or Democratic Developmental State in Malaysia and Ethiopia: A Comparative Overview

Indicators	Malaysia	Ethiopia
Economic Growth	For the last seven years, (i.e., 2005-2011), Malaysia's GDP grew at 5.23 percent. As targeted by the Malaysian Developmental target, the incidence of poverty in Malaysia declined from 49% in 1970 to about 5% in 2000. Similarly, due to poverty reduction and access to health services and the expansion of the Malaysian economy), the HDI of Malaysia improved only by 3.1% from 2005-2011. Seventy percent of school age children in Malaysia complete primary and secondary schools; only 24 percent of Ethiopian children complete their primary and secondary schooling. Thus, Malaysia gives more emphasis on investment in human capital as an important ingredient for economic transformation as asserted by its developmental state model.	From 2005-2011, Ethiopia without speeding the direction of industrialization and mainly being plan-oriented rather than fully market-oriented, has achieved an average 9.9% growth rate in its GDP. With recorded economic growth, poverty reduction measured by poverty head count in Ethiopia has declined from 41.9% in 2005 to 29.6% in 2011. Due to poverty reduction, access to health benefits and expansion of the economy, the Human Development Index (HDI) improved by 16% but it is about 22% less than the average score of the sub-Saharan countries. The Ethiopian developmental state seems to have played an important role in underpinning quantitative economic growth. However, low income people aren't benefiting from the staggering economic growth of the country. The poverty ratio of people living on less than $1.25 a day is very close to 30%. Ethiopia's GDP expenditure on education is 5.5%, compared to Malaysia's 4.6%. But the education index

		of Ethiopia is only 0.237 compared to 0.73 for Malaysia.
Vision of Developmental State	Developmental model from Japan and South Korea. The 2020 Malaysian Vision was planned by its government with a clear vision of development to attain a fully developed nation, to facilitate growth with improved equity and to reduce poverty. It works cooperatively (or is embedded) with the private sector.	Development model from Malaysia. In addition, the Ethiopian state envisions a democracy that ensures popular participation. Its plans entail not only to attain the Millennium Development Goals by 2015 but also to becoming a middle income country by 2020- 2030.
Professional and Meritocratic Bureaucrats	The government bureaucrats are recruited through a rigorous national examination system and they carry out their duties autonomously without interference from politicians.	Civil servants are by and large recruited on meritocracy but are at the discretion of the Ethiopian Peoples Revolutionary Democratic Front (EPRDF) to carry out their duties. .
Insulation of Bureaucracy from Political and Societal Forces	The Malaysian developmental state goal is to achieve rapid economic development. Thus, it gives power and authority to the bureaucracy to plan, supervise and implement efficient policies.	Ethiopian elites are highly skilled and well-motivated individuals who are the most talented graduates of universities in the country and from abroad. Nonetheless, because they are recruited according to ethnic affiliation, they are strongly influenced by the ruling party.
The Economic System and Foreign Direct Investment	The Malaysian economy is largely market driven, planned by professional elites who also gets input from the private sector, and is accountable to the public. The	The Ethiopian economy is largely controlled by the government and not entirely tailored to meet market supply and demand. To entice foreign

	Malaysian economy is competitive and its growth trajectory is based on the global market.	investment, the government is in the process of creating an investment-friendly environment for foreign investors..But, foreign firms are crowding out domestic investors.
Democratic Governance	Malaysia looks at democratic values as Western constructs, not transferrable to the Malaysian environment. Therefore, it is generally agreed in Malaysia that development requires better state action and not Western induced democratic values to achieve sustainable development. In short, The basic argument in Malaysia is development first and democracy later.	Without undertaking institutional reforms tailored to facilitate human rights, the Ethiopian People Revolutionary Democratic Front (EPRDF), seems to be committed to a process of implementing simultaneously the twin-tracked approach of democratization and development.

Bureaucratic elites who design and manage Ethiopia's short and long term plans are not politically neutral and do not get necessary feedback from the public. Therefore, if Ethiopia desires to use the state as a very important vehicle to tackle its deep-seated developmental problems, it needs to create a system for constant improvement of its public administration sector to keep employees politically neutral and professionally competent and to ensure that the appointment of government elites is transparent and based on due process.

At present, based on the analysis, it can be concluded that the Ethiopian political system is neither a developmental state like Malaysia nor striving towards the ideals of a democratic developmental state. It seems confounded, giving the appearance of operating as a centrally-planned economic system. However, the bureaucracy is not disciplined. Its management system manifests extreme forms of inefficiency and endemic corruption. Given that Ethiopia's existing developmental state model is dysfunctional, it has been an obstacle to the implementation of well- intentioned poverty-minimizing reforms. It is weighted down by rent-seeking abuse and an inefficient organizational set up. If Ethiopia desires the Malaysian developmental state to be its role model it needs to institutionalize a free market system, retool its infrastructure, create institutions capable of staging the necessary developmental state, and free the bureaucratic elites from political influence. Since the foundation of a developmental state is based on good governance, Ethiopia like Malaysia needs to form a state run by autonomous professional elites with the capacity to determine the direction of the country by getting necessary feedback from the public and private sectors.

Finally, the question must be asked, "Is the Malaysian Developmental State Model the right one for Ethiopia?" Economic globalization has caused the appreciation of currencies and precipitated a huge influx of direct foreign investment and portfolio capital into Malaysia. However, the lack of prudent financial market regulations and the emergence of innovative investment practices have resulted in excessive private debt in hard currencies, fluctuation in asset prices, and severe exchange rate fluctuation. It is possible to argue that the distinctive Malaysian developmental state model that is suggested by the Economic Commission of Africa is too outdated to be replicated in Africa. In short, in this era of globalism, the Malaysian type of development may not be the right template for Ethiopia. If the Ethiopian government is willing to relinquish its direct control over many community organizations and abide by democratic values, it could sustain its economic growth and adequately feed its people, by going back to practicing sustainable agriculture because agriculture is the backbone of the Ethiopian economy. Ethiopia's sustainable economic model should be based on integrated, environmentally sensitive, and cooperative agriculture because the lives of more than 30 million Ethiopians are at stake and living below the poverty line (see for example, Kofi and Desta, 2008). Stated differently, if a democratic sustainable developmental state is to be effective in Ethiopia, a radical and far-reaching set of constitutional revisions must be established to dismantle the bureaucratic-executive state. Since more than 80 percent of the Ethiopia population lives in rural areas, Ethiopia needs to intensify its agricultural base to feed its own people rather than to be aimlessly flirting with irrelevant Western capitalist models and attempting to replicate the Malaysian Developmental state model.

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