

**INDIGENOUS INSTITUTIONS AND LOCAL
DEVELOPMENT INITIATIVES: CASE STUDIES FROM
SELECTED *GURAGE* AREAS OF ETHIOPIA**

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ACRONYMS

| | |
|-------|---|
| ACS | Archdician Catholic Secretariat |
| DAAD | Deutscher Akademischer Austauschschdnidt (The German Academic Exchange Service) |
| DA | Development Association |
| GDA | <i>Gurage</i> Development Association |
| GPSDO | <i>Gurage</i> People Self-Help Development Organization |
| GRCO | <i>Gurage</i> Road Construction Organization |
| GTZ | German Technical Cooperation |
| HH | Household |
| HHH | Household Head |
| NGO | Non Governmental Organization |
| NIE | New Institutional Economics |
| OIE | Old Institutional Economics |
| OIGA | Other Income Generating Activities |
| PA | Peasant Association |
| SNNPR | Southern Nations, Nationalities and People=s Region |
| SWOT | Strength, Weakness, Opportunities and Threat |

GLASSORY OF LOCAL TERMS

| | |
|-------------|---|
| Areqie | A traditional local alcoholic drink. |
| Bete-gurage | Refers to a tribe among the gurage people. |
| Chat | A mild stimulant crop, the leaves of which are chewed by people. In the study area and in many other parts of Ethiopia, the crop is a very important source of cash income for farmers, intermediaries who are involved in the sell of it, and the country which earns revenue tax on the sale. |
| Enset | The staple food item for people particularly in the southern and southwestern part of Ethiopia. It grows to a medium size tree. Its root is the main part for consumption but the leaves are also important parts for other different uses. |
| Geyiz | A local system or institution by means of which men operationalize a work party to work collectively on agricultural activities. |
| Godarre | A small root crop that is used for consumption as food for humans. |
| Gosa | Refers to a clan among a tribe of people within the gurage. |
| Gurage | One of the groups of people in Ethiopia found in the Southern Nations, Nationalities and Peoples Region of Ethiopia. |
| Guraginya | The local language of the <i>gurage</i> people. |
| Iddir | A traditional system or institution established to help and support each other during bereavement and in times of other crises and problems. |
| Injera | A local bread thinly made from teff. It is the staple food for the majority of Ethiopians. |
| Iqqub | A traditional rotating system of saving and credit. |
| Jefore | The lowest level of geographical unit in which people have settled. It is a collection of homesteads or households living in one place. A collection of |

| | |
|------------------|--|
| | jefores make up a village/PA. It also refers to a road that cuts through two parallel settlements of homesteads or households, through which people and cattle pass. |
| Kebele | The fourth and lowest level of classification in the current administrative set-up of Ethiopia. |
| Mahber | Literally means association. Traditionally, people of the same religious background form a mahber to meet once in a year to celebrate a religious holiday on a day chosen by the members and which normally coincides with one of the saints= day in the month, after which the mahber is named. |
| Mahberawi Shengo | Scoail courts operating at the local (kebele) level, in which elects of the people are represented. |
| Maresha | A local digging material used for preparing agricultural land. |
| Masqal | Literally it means the Cross. In Ethiopia, the masqal holiday is celebrated yearly in the month of September to commemorate the finding of the True Cross. |
| Qerater/mazoya | A traditional system or institution through which people guard the community during the night on a rotation basis to secure its peace and protect property. |
| Qib-yidemuji | A local system by means of which people accumulate butter and share it on a rotation basis. |
| Qicha | The customary laws of the <i>gurage</i> people. |
| Region/state | The first level classification in the current administrative set-up of Ethiopia. Regions are created based on language/ethnicity as the main criterion. However, there are regions composed of people of different ethnic origins. Regions are consisted of zones |
| Sebat-bet gurage | One of the major tribes of the gurage people. |

| | |
|--------------|--|
| Senbete | A traditional religious association established to maintain social ties among people of the same religious background, particularly orthodox Christians. |
| Tella | A traditional local beer. |
| Watt | A traditional sausage made of meat, lentil, beans, or peas with which injera is eaten. |
| Wedero | A local unit for measuring land. One wedero is equivalent to one hectare. |
| Wekiya | A local system by means of which people help each other by giving to one another access to cows, their milk and manure. |
| Wenzem/wezem | A joint livestock production contractual arrangement. |
| Wereda | The third level classification in the current administrative set-up of Ethiopia. Weredas are consisted of are divided into kebeles. |
| Wujo | A local system by means of which people accumulate milk and share it on a rotation basis. |
| Wukiyer | A traditional system or institution through which the gurage people in the countryside meet during the night to chat and discuss various community issues and teach the youth. |
| Wusa | A traditional bread made of enset. |
| Wusacha | A local system by means of which women operationalize a work party to collectively work on uprooted enset processing activity. |
| Yejoka | A traditional administrative and conflict management institution of the Sebat-bet gurage people. |
| Zeng | A loacl unit for measuring land. 24 zengs are equal to 1 wedero. |
| Zone | The second level classification in the current administrative set-up of Ethiopia. Zones are consisted of or are classified into weredas. |

TABLE OF CONTENT

| | <u>PAGE</u> |
|---|-------------|
| ACKNOWLEDGMENT..... | i |
| ACRONYMS | ii |
| GLOSARY OF LOCAL TERMS..... | iii |
| TABLE OF CONTENT | vi |
| LIST OF TABLES | viii |
| LIST OF FIGURES | ix |
| LIST OF CASES | ix |
| LIST OF MAPS..... | ix |
| LIST OF ANNEX..... | ix |
| ABSTRACT | x |
| | |
| CHAPTER I. INTRODUCTION..... | 1 |
| 1.1. Background | 1 |
| 1.2. Statement of the Problem | 4 |
| 1.3. Objectives of the Study | 7 |
| 1.4. Research Hypotheses | 8 |
| 1.5. Research Methodology and Sources of Data | 9 |
| 1.6. Significance of the Study | 13 |
| 1.7. Limitations of the Study | 14 |
| 1.8. Organization of the Paper | 15 |
| | |
| CHAPTER II. PROFILE OF THE STUDY AREA AND CHARACTERISTICS OF SAMPLED HOUSEHOLDS | 16 |
| 2.1. Location, Topography and Physical Features of the Gurage Zone | 16 |
| 2.2. Population and Settlement Patterns | 20 |
| 2.3. Economic Activity | 21 |
| 2.4. Characteristics of Sampled Households | 22 |
| 2.4.1. Sex Distribution of Respondents | 22 |
| 2.4.2. Main Occupation Respondents | 22 |
| 2.4.3. Out-migration of Household Members | 24 |
| 2.4.4. Labor Source and Land and Livestock Ownership | 25 |
| 2.4.5. Participation in Other Income Generating Activities | 34 |
| 2.4.6. Participation in Indigenous Institutions | 37 |
| 2.4.7. Common Property Resources, Soil Fertility Management and Environmental Protection Practices | 38 |

| | |
|---|-----|
| CHAPTER III. CONCEPTUAL AND THEORETICAL FRAMEWORK..... | 44 |
| 3.1. The Concept of Institution | 44 |
| 3.2. The New Institutional Economics Theory | 48 |
| 3.2.1. General Theoretical Considerations | 48 |
| 3.2.2. The Transaction and Information Costs Approach | 51 |
| 3.2.3. The Collective Action Approach | 52 |
| 3.3. Conceptualizing the Place of Indigenous Institutions in Development | 52 |
| CHAPTER IV. INDIGENOUS SOCIO-POLITICAL INSTITUTIONS IN THE <i>GURAGE</i> AREA | 61 |
| 4.1. The <i>Yejoka</i> | 61 |
| 4.2. The <i>Mazoya/Qerate</i> | 72 |
| 4.3. The <i>Wekiya</i> | 76 |
| 4.4. The <i>Wukiyer</i> | 80 |
| 4.5. The <i>Iddir</i> | 83 |
| 4.6. The <i>Senbete</i> and <i>Mahber</i> | 89 |
| CHAPTER V. INDIGENOUS FINANCIAL AND PRODUCTION-ORIENTED INSTITUTIONS AND OTHER WIDER COMMUNITY DEVELOPMENT- ORIENTED ASSOCIATIONS | 91 |
| 5.1. The <i>Iqqub</i> (<i>Wujo</i> and <i>Qib-yidemuji</i>) | 91 |
| 5.2. The <i>Geyiz</i> | 100 |
| 5.3. The <i>Wusacha</i> | 103 |
| 5.4. Other Community Development Oriented Associations | 106 |
| CHAPTER VI. THE ROLE OF INDIGENOUS INSTITUTIONS IN DEVELOPMENT | 110 |
| 6.1. Development Gaps Filled by Indigenous Institutions | 110 |
| 6.2. The Relationship Between Indigenous Institutions and Government and Non-government Organizations (NGOs) | 115 |
| 6.2.1. Indigenous Institutions and Government Organizations | 115 |
| 6.2.2. Indigenous Institutions and NGOs | 126 |
| CHAPTER VII. SUMMARY OF MAIN FINDINGS AND CONCLUSION | 131 |
| 7.1. A Summary of Main Findings | 131 |
| 7.2. Conclusion | 137 |
| REFERENCES | 139 |
| APPENDICES | 143 |
| DECLARATION | 148 |

LIST OF TABLES

| | <u>PAGE</u> |
|---|-------------|
| Table 1. Distribution of Respondents by Sex | 22 |
| Table 2. Distribution of Respondents by Occupation | 23 |
| Table 3. Distribution of Respondents by Reported Occupation of Out-migrated Members of Households | 24 |
| Table 4. Distribution of Respondents by Reported Amount of Remittance Received from Out-migrated Members of Households | 25 |
| Table 5. Distribution of Respondents by Major Sources of Labor for Different Agricultural Activities | 26 |
| Table 6. Distribution of Respondents by Reported Land Holding | 28 |
| Table 7. Distribution of Land Holding in the <i>Cheha</i> Wereda | 29 |
| Table 8. Distribution of Respondents by Reported Land Shortage Problem | 30 |
| Table 9. Distribution of Respondents by Reported Strategies to Cope with Land Shortage | 31 |
| Table 10. Distribution of Respondents by Reported Number of Livestock Owned | 32 |
| Table 11. Distribution of Respondents by Reported Number of Other Income Generating Activities they are Engaged in | 34 |
| Table 12. Distribution of Respondents by Amount of Yearly Cash Income Generated from Other Income Generating activities..... | 36 |
| Table 13. Distribution of Respondents by Number of Indigenous Institutions they Participate In | 38 |
| Table 14. Distribution of Respondents by Reported Level of Land Fertility | 41 |
| Table 15. Distribution of Respondents by Perceived Reasons for Reduced Land Quality | 42 |
| Table 16. Distribution of Respondents by Reported Reasons for Non-use of Modern Fertilizers | 42 |
| Table 17. Distribution of Respondents by Number of <i>Iddirs</i> they Participate In | 83 |
| Table 18. Distribution of Respondents by Reported Reasons for Participating in <i>Iddir</i> | 84 |
| Table 19. Summary of Development Gaps Filled by Indigenous Institutions | 110 |
| Table 20. Distribution of Respondents by Reported Sources of Credit | 12 |
| Table 21. Distribution of Respondents by Reported Amount of Outstanding Debt | 121 |
| Table 22. Distribution of Respondents by Reported Rate of Interest Paid on Outstanding Debt | 122 |
| Table 23. Distribution of Respondents by Reported Repayment Form of Outstanding Debt | 124 |
| Table 24. A Summary of the Characteristics of Indigenous Institutions Covered in the Paper | 133 |

LIST OF FIGURES LIST OF FIGURES

PAGE PAGE

| | |
|--|-----|
| Figure 1. A Graph of the Distribution of Respondents by Size of Land Owned | 25 |
| Figure 2. A Graph of the Distribution of Respondents by Number of Indigenous Institutions they Participate in | 33 |
| Figure 3. Forms of Institutional Design and Relationships Between the Public Sector, the Private Sector, and the Civil-Society Sector | 52 |
| Figure 3. The Organization Structure of the <i>Yejoka</i> Institution | 58 |
| Figure 5. The Organizational Structure of the <i>Cheha</i> Wereda Council | 107 |

LIST OF CASES LIST OF CASES

| | |
|--|-----|
| Box 1 (Case 1). A Financial Dispute Handled by the Cheha Bete-gurage Council Assembly | 64 |
| Box 2 (Case 2). A Murder Dispute Handled by the Cheha Bete-gurgare Council Assembly | 65 |
| Box 3 (Case 3). An Example of a Traditional Day-time Security Check | 71 |
| Box 4 (Case 4). A Case Illustrating the Handling of a Theft Case by Elders | 72 |
| Box 5 (Case 5). A Case Illustrating a Wekiya System | 73 |
| Box 6 (Case 6). A Case Illustrating an Extra-ordinary Wukiyer Meeting | 79 |
| Box 7 (Case 7). A Case Illustrating an Iddir System | 82 |
| Box 8 (Case 8). A Case Illustrating an Iqqub System | 89 |
| Box 9 (Case 9). A Case Illustrating Women=s Iqqub | 90 |
| Box 10 (Case 10). A Case Illustrating a Qib-yidemuji System | 96 |
| Box 11 (Case 11). A case Illustrating a Geyiz Work Party | 99 |
| Box 12 (Case 12). A case Illustrating a Wusacha Work Party | 101 |
| Box 13 (Case 13). A case Illustrating a Self-initiated Youth Association | 103 |

LIST OF MAPS LIST OF MAPS

| | |
|--|----|
| Map 1. Ethiopia B National/Regional Self-government Units Boundaries | 17 |
| Map 2. SNNPR - Zone and Wereda Boundaries | 18 |
| Map 3. Gurage Zone Wereda Boundaries | 19 |

LIST OF ANNEX

| | |
|---|-----|
| Appendix 1. Main Questionnaire Used for the Study | 139 |
|---|-----|

ABSTRACT

This paper attempts to investigate the raison d'etre and development implications of indigenous institutions. The meaning of institution and indigenous institutions is provided in the context of the available literature and the study area of the paper. The explanatory power of institutional theories has been assessed and attempt is made to give a theoretical explanation as the background to the existence of institutions that are based on the customs and traditions of local people. A model of institutional design is also developed in the context of the situation in the study area to show the place and relative contribution of indigenous institutions in promoting development at the local level. Based on a systematic examination and analysis of the various functions of fourteen different indigenous institutions identified in the study area, the paper shows that these institutions occupy a very important place in the development actors network as well as the state and private-sector actors. Not only are indigenous institutions important in performing their own distinct functions in their specific localities, but also they play a significant role in promoting development by acting as collaborators to and intervention points for other government and non-government organizations.

I. INTRODUCTION

1.1. BACKGROUND

This thesis paper focuses on one of the least studied areas and approaches in the field of development studies, particularly local development initiatives that are undertaken through the traditional cooperative endeavors of local people - people who are the supposed beneficiaries and main actors of development. These initiatives are directed and governed by the various institutions¹ that draw on the culture and the traditional organizational practices of the people. These institutions, their role in promoting local development initiatives and their relevance to sustainable development² in less developed countries is assessed in the paper.

The study of the institutions is presented against the background of past development approaches in which the problems of developing countries were thought to be solved through policies that emphasized either a public sector-led macro-development or a market-driven, private sector-led development. One of the problems of past approaches was that emphasis on the complementary roles of the public sector and the private sector was lacking. It is observed, however, that development is no one's single task; that both the public sector and the private sector have their own distinct roles to play, one complementing and facilitating the functioning of the other so that development is achieved in all its different forms; economic, social, political, environmental, etc.

¹ 'Institution' is a concept used to refer to many things; organizations, associations, principles, rules, and/or norms established to shape and guide relationships among individuals in society. As it is outlined in the conceptual and theoretical framework of this paper (Part III), by 'institution' we mainly refer to the various rules and social norms that are established to govern (economic and social) relationships among people, even if reference will also be made to associations that operate on the basis of oral agreements or written by-laws to achieve different aims.

² Different definitions of sustainable development emphasize many different aspects of development; economic, political, social, environmental, institutional, etc. In this paper, sustainable development means development that not only focuses on economic aggregates but also one that emphasizes the giving of priority to people and their institutional capability in stimulating development at the local level.

On the other hand, even in situations where reliance is made on approaches that emphasize the role of both the public-sector and the private-sector in development, the economies of the developing world are seen still working under conditions of pervasive market failures and state deficiencies in services delivery. The services available to local people by the public sector and the private sector are inadequate not only in terms of basic human needs but also in raising productivity and generating more broadly based economic and social development. In a country with large sections of rural and poor population such as Ethiopia, some kind of community-based institutional intermediaries are required to reach the people.

As it is exemplified in this paper, a significant part of exchanges and development activities are undertaken through various forms of non-market³ arrangements and without the involvement of public agencies. One example is provided by indigenous institutions⁴ that provide people with the opportunity to develop collective and cost-effective ways to solve development problems and offer the mechanisms by which to engage in a range of reciprocities that facilitate exchanges between individuals. It is hypothesized that local development initiatives that are undertaken through various traditional collective work arrangements, associations and resource pooling systems play a significant role in improving the lives of local people.

Local development is a recent approach within national development strategies that is used to stimulate local economies through the utilization of local institutional as well as human, social, and physical resources (Tirfe, 1995; Blakely, 1994). The view is based on the understanding that the performance of local economic, political, social, etc., systems is inextricably linked to

³ Non-market arrangement or exchange here refers to the investment of resources by people not in expectation of profit or a specific return but to form a relationship with others so that they can count on them in times of difficulties, shortages or generally when need arises.

⁴ In this paper, 'indigenous institution' is used to refer to those institutions set-up by local people themselves based on their own organizing practices, as opposed to 'induced institutions', i.e., those created by government and/or other development agencies in a top-down approach, with methods brought in from outside. Local people set up these institutions by creating various collective work arrangements, resource pooling mechanisms, resource usage rules, moral constraints, and decision-making systems.

the performance of the system(s) at the national level, and thus local development promotion is a vital component of facilitating sustained national development (Blakely, 1994). This has been recognized recently in view of the need to strengthen the competitive position of regions and localities within regions by developing the potential of otherwise underutilized resources, to increase people's participation, and to improve the quality of life of residents. It is further observed that, in essence, local development is both a reaction to large-scale national economic transformation and a positive response to the possibilities of formulating locally based solutions to development problems (Ibid).

Thus, in promoting development at the local level it is emphasized, *inter-alia*, that the focus has to be on people and their institutions as well as on economic aggregates such as GNP growth rates. As Friedman (1992) has stated, one of the prime objectives of development is to lead to self-reliance and sustainability. Development involves the use of diverse resources and the use depends on who controls the available resources and how decisions are made affecting their use. In line with the concern about the ways in which people attempt to overcome development problems at various levels, the paper addresses the alternative home-grown institutional strategies which they adopt to determine access to resources and initiate and promote development at the local level. Issues of alternative institutional arrangements have become one of the main strands of development thinking in the 1980s and 1990s (for instance, see Davies and Hossain, 1997; Blakely, 1994.) The preoccupation with poor people's strategies reflects the shift in development thinking away from externally imposed, often blue-print solutions towards a more iterative approach between development professionals' prescriptions and poor people's own development capacities (Davies and Hossain, 1997).

Indigenous institutions as the study material for this paper are analyzed within the framework of what we call the "civil society" as the third category of actors in development in addition to the public-sector and the private-sector actors. In the context of this paper, civil society refers to

those associations beyond the reach of the state structure and market (or corporate) economy which have the capacity for becoming autonomous centers for action (Friedman, 1992). Civil society is further distinguished by the fact that the activities contained therein take an organized and collective form, the spectrum of which can range from small, exclusively local associations in neighborhoods to organizations with a national orientation and membership (Hadenius and Uggla, 1996:1621).

Thus, among the three categories of actors, by focusing on the community/the people as the source of local development initiatives, local tradition-based institutions such as informal associations, norms and rules are studied in the Ethiopian context in general and in the *Gurage* area in particular. By concentrating on selected rural areas in the *Gurage* Zone of the Southern Nations Nationalities and People's Region (SNNPR), various types of indigenous institutions are identified and their nature and relevance to sustainable development and the existing theory are explored.

1.2. STATEMENT OF THE PROBLEM

For the purpose of this paper, it is argued that one of the major problems of developing countries like Ethiopia has been the top-down pattern of development planning and the channeling of resources through externally-induced methods and organizations which often give rise to bureaucracy, inefficiency, and neglect of locally based solutions to development problems.

From what has been said as the background to the paper, it follows that not only external forces (such as private capital investment and/or government policy) but also internal forces (such as the community's collective initiatives) need to be considered in analyzing the problems of

development. Consequently, not only the institutions of the market and the government but also local institutions that draw on the people's culture and organizing practices need to be studied. The existence of civil society institutions in developing countries seems to have been known since decades ago. However, their distinct place and roles in development has not been recognized until recently. Where there is such a recognition, the emphasis has been on the formally structured ones such as foreign-born NGOs (for instance, see Davies and Hossain, 1997), well organized and legally recognized community organizations including domestic NGOs, and community groups formally linked to various development activities. In the latter category are found such (community) groups as those linked to water projects, irrigation projects, road projects, etc (Messer, 1997). Generally, however, the significance of involving various community groups in development has become the subject of recent writings (for instance, see Venema *et al*, 1995) and the themes of public discussion in various forums such as on conferences (for instance; the recent Second Annual Conference of the Ethiopian Sociologists, Social Workers and Anthropologists Association on *The Role of Indigenous Institutions and Associations in Development* - held in June 1998).

It is observed that despite the key roles of indigenous institutions in livelihood adaptation, they are generally marginalized by the state's and other formal local institutions' attempt to support such adaptation (Davies and Hossain, 1997). These institutions are relatively less visible to outsiders than the more formal institutions. Thus, as Davies and Hossain noted, it may be difficult to observe, measure or make generalizations about the informal indigenous institutions. However, it is observed that, though often based on customary practices, these institutions are by no means static but have proved to be dynamic and resilient, having been supporting the lives of people under varying conditions.

The literature on indigenous institutions in Ethiopia are sparse. Of course, we can site some of the recent works of Dejene and Getinet (1998) on the place of civil society organizations in

development; Dejene Aredo (1997, 1993) on specific informal and semi-formal financial institutions; Tirfe Mammo (1995) on indigenous knowledge, traditional practices and local institutions; and Aspen (1990) on traditional associations and institutions in Northern Shewa. Some relatively old writings which the researcher has come across include the ones done by Salole (1986) Kibebew Daqa (1978) on some 'voluntary' associations in urban and rural Ethiopia; Fekadu Gedamu (1974, 1966) on 'voluntary' associations and multi-ethnic groups; and Koehn and Koehn (1966) on the role of *iddirs* in urban development. In some literature, we also find a few passing remarks or a two-three pages chapter on some institutions in Ethiopia (for instance, Hailu Abatena, 1987). In assessing these and the other literature, it is seen that the works are not comprehensive and the specific as well as general development implications of the institutions they cover are not widely examined.

Thus, there exists a general need to deeply study indigenous institutions and their relevance and contribution to poverty alleviation and sustainable development. Moreover, it is necessary to investigate how to link up development efforts and organizations with local institutions and community groups. This is considered to be a necessary condition for local development which is largely based on the mobilization of local resources, and most importantly which draws on "...a system of organizing development activities on the basis of local organizing practices and building on existing, informal institutions, such as social networks and neighborhood groups" (Hilhorst, 1997). The central advocacy is for a participatory approach to be applied in solving day-to-day problems and achieving sustainable development by involving the main stakeholders in development.

In line with this, the following major and other minor questions are raised as investigation points for the study.

1. What are the nature and characteristics of indigenous institutions?
2. What are the physical and social settings under which these institutions operate? To which development problems or gaps do they relate?
3. What purposes or objectives do the different indigenous institutions serve?
4. What theoretical explanations can be given concerning indigenous institutions?
5. Are there any relationship and/or linkage between indigenous institutions and other modern governmental and non-governmental institutions and organizations?
6. What is the implication for sustainable development of these institutions?

1.3. OBJECTIVES OF THE STUDY

The purpose of the study is to explore the nature, characteristics and functions of indigenous institutions and identify the roles these institutions play in the local socio-economic environment. The objective is to assess the potential of these institutions, which make up a type of local development initiatives, to contribute to sustainable development.

More specifically, the study attempts to:

1. identify the major types of indigenous institutions that exist in a defined geographical area, describe their nature, characteristics and functions and explain the reasons for their existence;
2. study and describe why these institutions are resilient despite changing conditions and the emergence and expansion of modern economic, social and political institutions;
3. study how these institutions are used by local people in trying to achieve development objectives perceived within their reach, acquire resources, manage resources, and develop coping strategies in the face of resource shortages and other problems and difficulties;

4. investigate the explanatory power of recent theories of institutions such as the New Institutional Economics, and relate it to the indigenous institutions in the study area; and
5. study the relationships and linkages between indigenous institutions and modern governmental and non-governmental organizations to assess the best organizing practices and draw important lessons to be applied in promoting sustainable development.

1.4. RESEARCH HYPOTHESES

This study seeks to see the validity of the following general and other specific hypotheses:

1. Potentials exist to promote development through grass-roots approaches, working with and through local people's groups and indigenous institutions.
2. There are different integrative principles such as common interests, traditional values, social norms, mutual trust, and moral pressures underlying indigenous institutions which contribute substantially to their practical significance to local development, as opposed to more formal and modern institutions which operate on the basis of formal regulations and rigid structures.
3. Indigenous institutions have advantages over modern institutions in that they are best adapted to the local conditions, in which people live and work. This nature of the institutions enables them to reduce the cost of delivering services and undertaking development activities. They are flexible and have a more direct access to the village community, which make them the preferred form of institutional intermediaries by local people.
4. The role of the government and other non-government organizations is to strengthen and support indigenous institutions and domestic NGOs that have proved to be relevant rather than being operational themselves at the community level. They are involved in

institutional development; i.e., strengthening the capacity and efficiency of existing and emerging community-based local intermediaries.

5. Modern institutions that are organized at national and/or regional level set-up their structures that act as intermediaries between themselves and the local people, the set-up of which follows local organizing practices.

1.5. RESEARCH METHODOLOGY AND SOURCES OF DATA

The research idea and the theoretical position outlined for this paper recognize the different contexts or sources from which development initiatives emerge so that processes and structures which produce and shape actions (at the local level) can be identified and analyzed. The latter issue acquires its importance in relation to current views that recognize patterns of diversity in development and emphasize the need to suggest alternatives to the ways in which development is brought about or initiated. Thus, the paper attempts to show in more general ways the analyses of development initiatives at the local level using a framework within which the relative roles of different actors can be viewed. In doing so, the case study method has been utilized to identify and study various indigenous institutions operating in the study area, the nature and functions of which have been fully described and analyzed in chapter IV and V of the paper.

The use of the case study method is based on the conviction that the specific indigenous institutions can best be studied by concentrating efforts in a certain locality, with the lives of the residents of which the structures and functioning of the institutions are closely related. A relatively close acquaintance has been established with the institutions and the ways in which they operate. Their specific nature has been studied, examples of the ways in which they operate are generated, and the services they render to the local people and the wider development activities that they engage in are recorded and analyzed.

Although indigenous institutions are widely spread throughout Ethiopia and elsewhere, it must be kept in mind that institutions and their design differ depending on the typical socio-political and economic conditions prevailing in different areas. Therefore, the dangers of drawing general conclusions from a limited number of practical cases is generally borne in mind. But attempt is made to reduce these dangers by: 1) forming a study area that contains people sharing the same or a relatively similar culture, language, living style, and socio-economic conditions and 2) considering a wide range of indigenous institutions in the social, political, and economic spheres of life in the study area. It is firmly believed that the lessons drawn from the findings of the study can be considered in determining appropriate actions in programs of institutional design.

In undertaking analyses, focus has been made on individuals, households and communities as the unit of analysis. Actions and interactions through which individuals and/or groups pursue different aims or adjust to institutional requirements are analyzed. In doing so, the study has benefited from investigations carried out on individuals, households, groups, communities, institutions and organizations found in the study area. To allow such an investigation and analysis, quantitative and qualitative data have been collected from a combination of primary and secondary sources by employing the following techniques.

A. Questionnaire Survey

A structured questionnaire survey has been conducted to collect quantitative data on some of the socio-economic characteristics of selected respondent households as well as on certain variables of the institutions in which they participate. The survey covered 200 households randomly selected from two peasant associations in the *Cheha* Wereda. The quantitative data has been used to describe and analyze the nature and extent of the participation of respondents in specific indigenous institutions as well as to make a measurable socio-economic assessment of the respondent households. Logistics wise, the thesis research has been constrained in its

area coverage by the available time and resources. Thus, although there was the desire to survey a statistically representative sample number of households, the coverage could not go beyond 200 households.

B. In-depth Interview

In-depth semi-structured and open interviews have been held with individuals and groups to assess people's perceptions about the different aspects of their life and the institutions in which they participate. Individual members of communities, elders and group representatives who served as "spokespersons" have been interviewed at different times. The interview also involved other resource persons such as chairmen of peasant associations, wereda agricultural development agents, administrative officials and people working in NGOs. Data have been gathered on the different aspects of individuals' life, institutional settings and the relationships between indigenous institutions and other government and non-government organizations operating in the study area.

C. Participant Observation

In order to enrich the study with real cases of institutional operations, people were observed while participating in institutions in which they are members. The institutions were also observed while functioning. People's gatherings, meetings, discussions, decision-makings and actual involvement in group works have been observed to study group interactions and the institutional workings at the individual, group and community level. The observations have been tape-recorded and photographic illustrations of such events have been taken.

D. Document Review

In order to get insights into the multi-faceted problems of a country's development process in general and on the specific problem identified for this research in particular, numerous books, research papers, journals, and other documents have been reviewed. The sources have been

accessed in the various libraries of the Addis Ababa University and the offices of different organizations and local administrative units. Literature review has been a continuous process and it has been undertaken starting from the thesis project inception all the way through the thesis research and development till the final write-up of the paper.

Whereas the qualitative data collected by employing a combination of the above techniques is transcribed and analyzed qualitatively, the quantitative data has been entered into the computer and analyzed using the SPSS software to see the results as per the hypotheses of the research and the objectives aspired.

As part of the methodology, two among several reasons for selecting the *Gurage* Zone to host the study deserve mentioning here. One is the type of agricultural activity undertaken by the people in the area. As it is described in part II, the people generally practice ‘traditional’ mixed farming; i.e., crop production and animal rearing. Much of the tasks in agricultural production rely largely on cooperation and joint activities of the people. This seems common to most rural areas of Ethiopia. What caught my attention, however, is the practice of using mainly relatively intensive collective human labor and hand tools in agricultural production, as opposed to other crop-producing areas of the country that use mainly animal power for ploughing. Thus, the various institutional arrangements created to govern the pooling of labor and other resources for agricultural production appeared worth studying.

Secondly, the *Gurage* people are known for their traditional socio-economic and political institutions in which their strong solidarity have been manifested for over a century. There are numerous indigenous institutions and organizations of the people that have proved to be resilient and are still operational despite the introduction and expansion of other relatively modern government and non-government organizations. Like many other parts of Ethiopia, the *Gurage* area is characterized by poor infrastructure. The people are generally poor, with relatively less access to “modern” services. Therefore, it is hypothesized that their survival has

depended on their own traditional wisdom. Thus, the nature of these institutions, their contribution to improving the lives of the people so far and their future potential as tools for promoting sustainable development at the grass-roots level appeared worth studying.

The above reasons, coupled with the relative closeness of the *Gurage* area to Addis Ababa influenced the decision to eventually choose it to host the study.

1.6. SIGNIFICANCE OF THE STUDY

Against the background of only emerging works in the study of indigenous institutions in terms of their roles in the promotion of development in Ethiopia and the non-existence of a comprehensive research material on the topic, this research will be significant at general and specific levels.

1. The study adds up to the task of introducing the rural society in Ethiopia in general and the *Gurage* people in particular to the world of academia and development studies, and thus it will be a step to lift it up from the state of oblivion.
2. It contributes to the endeavor of exhaustively recording indigenous institutions in Ethiopia.
3. It gives insights into development researchers, planners, decision makers, NGOs and development students into the functioning, dynamics and role of indigenous institutions, thereby contributing to the general understanding of development initiatives undertaken by local people.
4. It serves as a case material for any comparative study of indigenous institutions and local development initiatives.
5. It gives lessons in the area of development administration, especially in matters of involving people in development activities and in considering their indigenous technical

and organizational knowledge for use in reforming programs dealing with institutional development and management.

1.7. LIMITATIONS OF THE STUDY

Limitations due to various reasons have been encountered in conducting this study. The major limitations were:

1. The study of indigenous institutions has been framed within the perspective that tries to show the relative position of different actors in development. Although it is generally expected that all the different actors should be given an adequate treatment with the use of such a framework, little account of the formal organizations such as government and non-government organizations in both the public, private and cooperative spheres extending from the national to the local levels have been made. This is purposely done to limit the scope of the study and give relatively more emphasis to the indigenous institutions that are the focus of the study.
2. Difficulties were also encountered in collecting real cases as the timing of the field work did not fully coincide with the main seasons in which of the indigenous institutions actually operate in their main area of service delivery (for example, agricultural activities are performed in different periods of time in the main agricultural season and the operation of such institutions as *Geyiz* could best be lively recorded while these activities are performed). It was also difficult to take a full account of some of the cases reported in the paper as some of the institutions such as *Yejoka* handle cases over a period of time that may sometimes extend over a year or two.
3. The difficulty to find adequate reading material on the subject of the study and on related issues was another limiting factor. The topic of the study in the context of Ethiopia is

relatively new. Also, the few articles and books on institutional studies that relate to this paper are not found in one collection and had to be located here and there.

1.8. ORGANIZATION OF THE PAPER

The whole paper is divided into seven chapters. After an introductory section on the research problem and its background presented in chapter I, the remainder of the paper is organized as follows.

Chapter II briefly presents a summary profile of the study area and the general characteristics of the sampled households. In chapter III, the conceptual and theoretical framework of the study is outlined. Chapters IV and V present the description and analysis of the nature, characteristics and functions of the indigenous institutions identified in the study area. In chapter VI, the development roles of indigenous institutions and their relations and linkages with other governmental and non-governmental organizations is highlighted in the context of the study area. Then the paper closes with a summary of the main findings and a concluding remark made in chapter VII.

II. PROFILE OF THE STUDY AREA AND CHARACTERISTICS OF SAMPLED HOUSEHOLDS

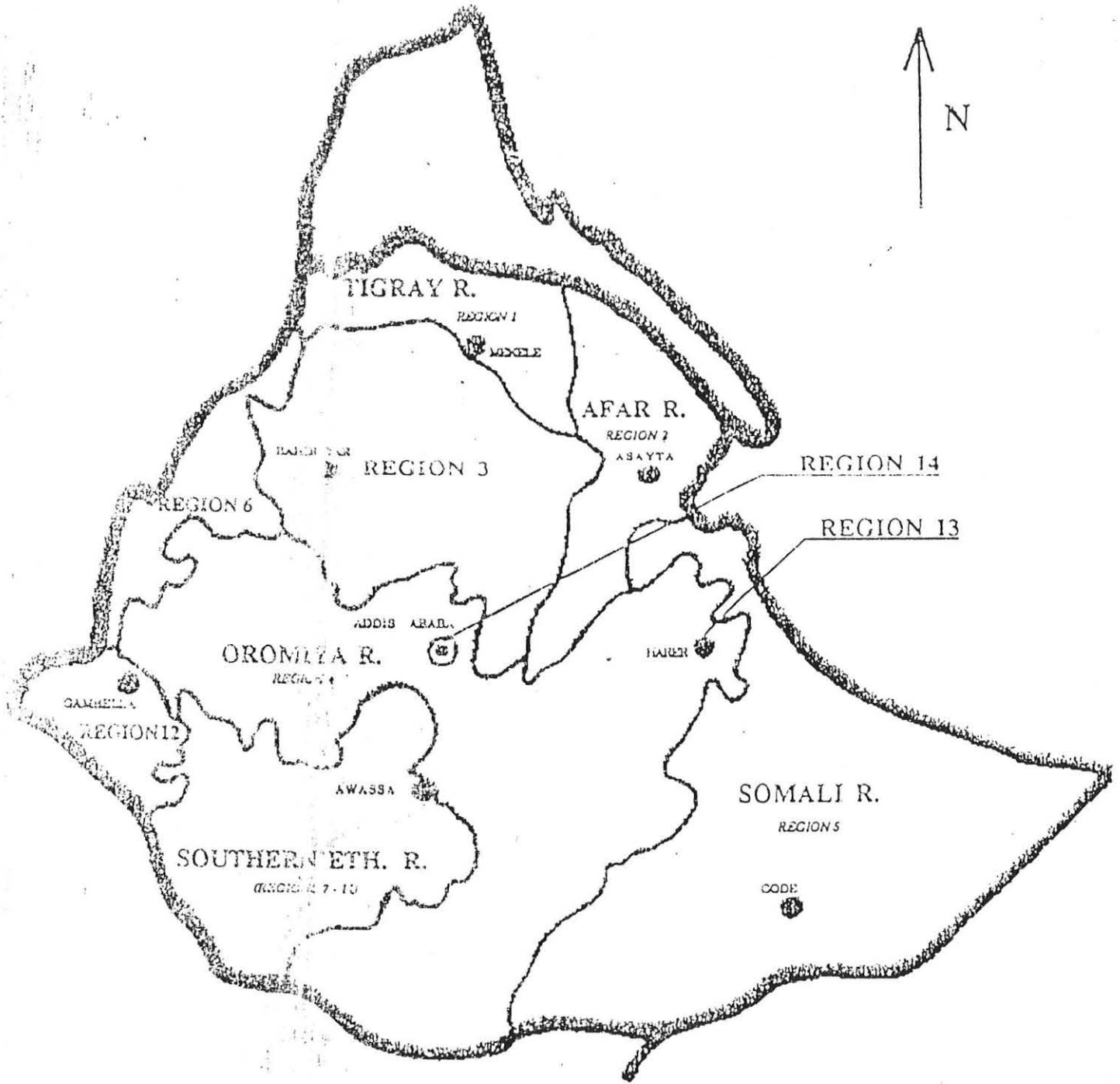
2.1. LOCATION, TOPOGRAPHY AND PHYSICAL FEATURES OF THE *GURAGE* ZONE

The *Gurage* Zone is one among the eleven administrative zones and the five special weredas in the SNNPR. The zone is found South-west of Addis Ababa between 150 to 250 kms distance. It is bounded on the north by West *Shewa* Zone and on the east by East *Shewa* Zone of the Oromiya Regional State; on the west by the *Yem* Special Wereda of the SNNPR; and on the south by the *Kambata*, *Alaba* and *Tambaro* Zone of the SNNPR. The administrative capital of the zone is *Welkite*, which is found at 152 kms distance from Addis Ababa on the road to *Jimma* (GPSDO, 1998; Dinberu *et al*, 1994).

The zone lies on a total of 721,515 hectares (5000 km²) of land, roughly between 7° 30" N and 8° 30" N latitude and 37° 30" E and 38° 30" E longitude. The elevation of the zone generally decreases from east to west. The zone is made up of mountainous, plain and undulating lands. The highest pike is on mount *Gurage* (*Zebidar*), which is 3600 Mts. above sea level where as the lowest point is on the margin of *Gibe* river, 1080 Mts. above sea level (GPSDO, 1998; Fekadu, 1990).

The climate of the zone ranges from lowland hot weather to highland cold weather. The zone is situated in one of the most rainy areas in the country. The average rainfall is 600-1600 mm and the temperature ranges between 10°C and 30°C. Of the total zonal area 10.8% is covered with highland cold weather, 61.3% by mid-latitude warm temperate climate and the rest, 17.9%, with low-land hot weather (GPSDO, 1998).

MAP OF ETHIOPIA
NATIONAL/REGIONAL SELF
GOVERNMENT UNITS

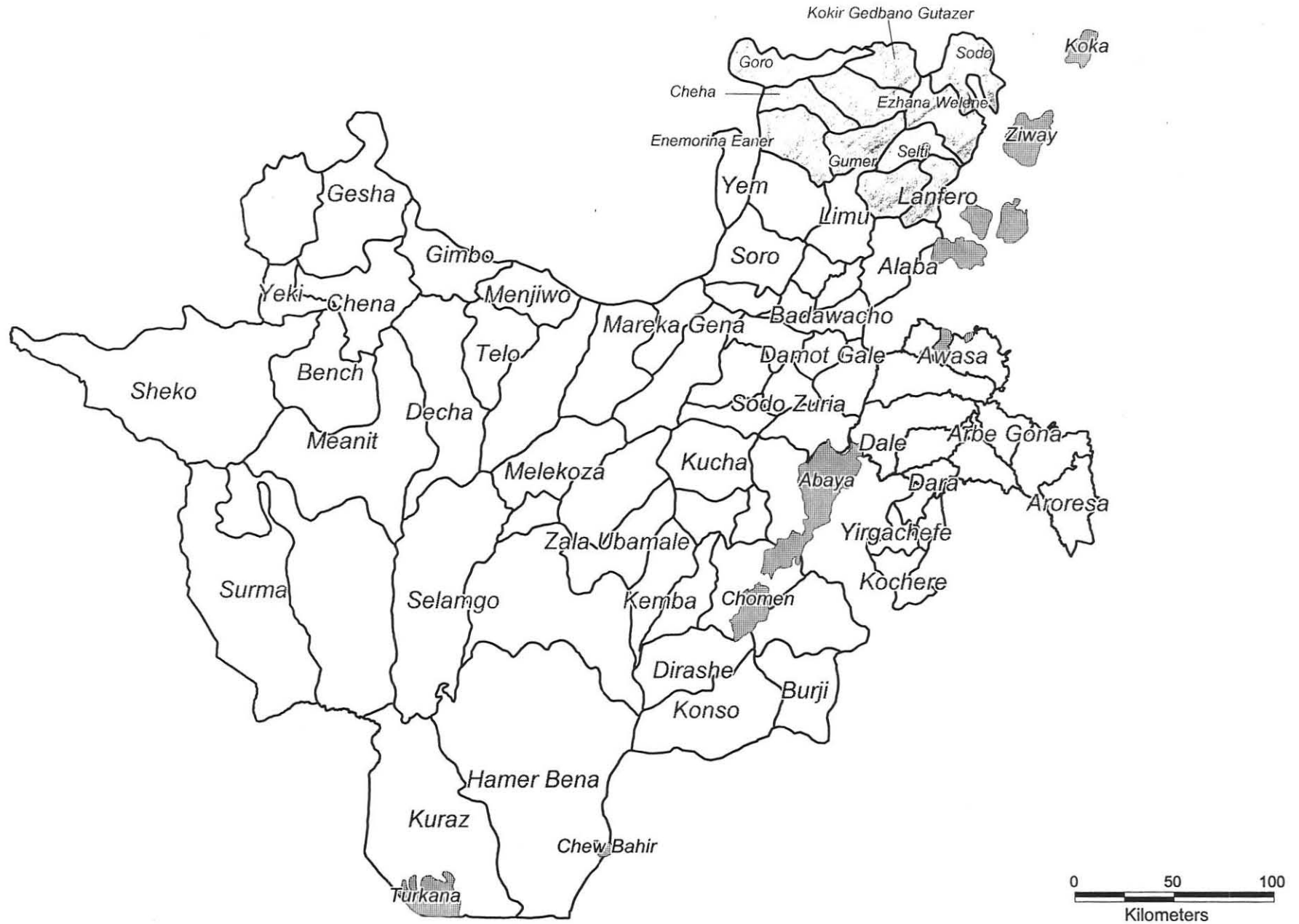


LEGEND

| | |
|------------------------|--|
| International Boundary | |
| Region Boundary | |
| Region Capital | |

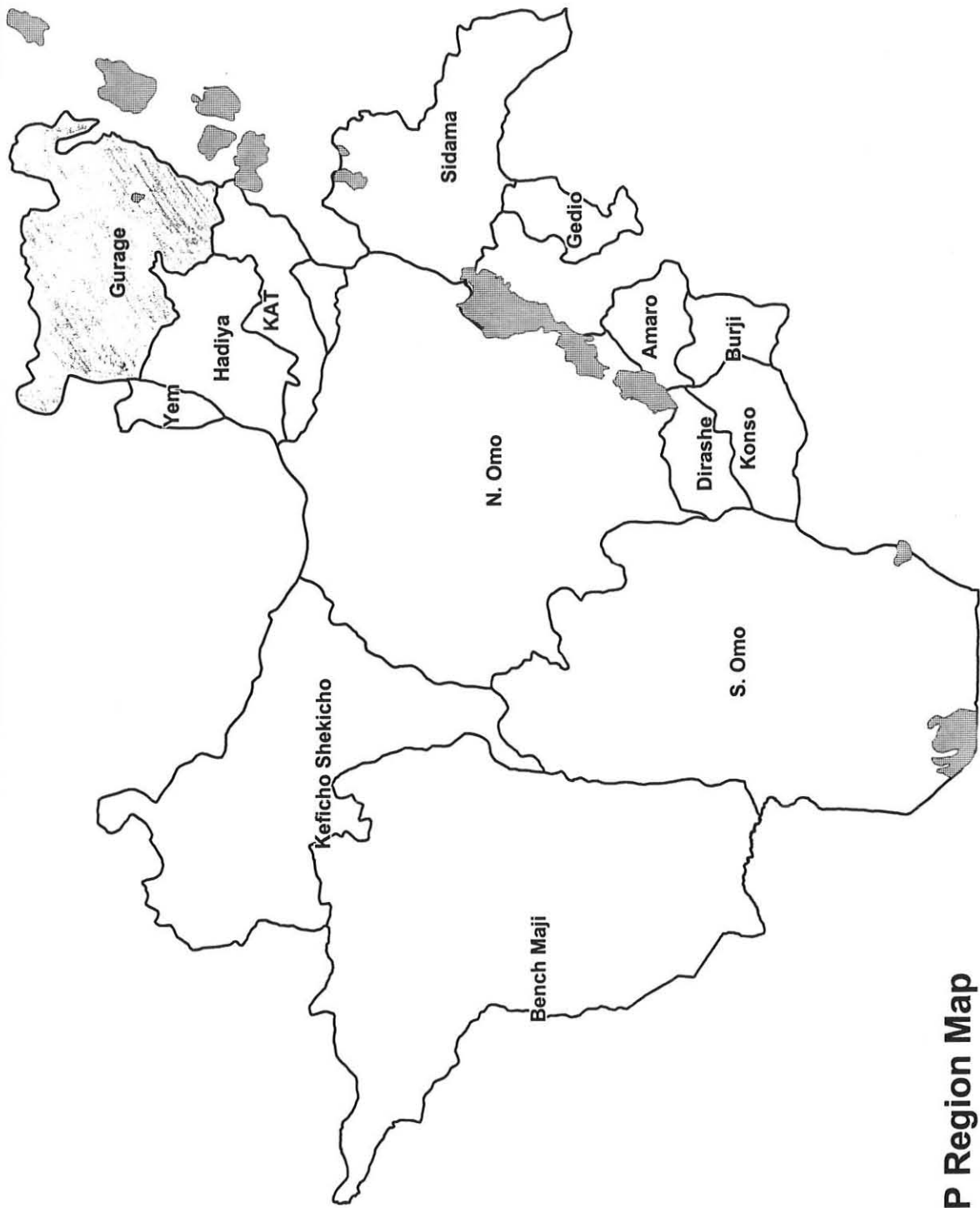
SCALE: 1:6 000 000
Regional boundaries are not official

SNNP Region of Ethiopia



21

All administrative borders shown are unofficial and approximate
SNNP Regional Education Bureau \ BESO USAID Education Mapping: April 1998



SNNP Region Map

2.2. POPULATION AND SETTLEMENT PATTERNS

The 1994 official statistics put the total zonal population at 1.56 million people, of which about 48.5% are male and the rest 51.5% are female¹. About 5 % of the people live in urban centers and 95% of the population is in rural areas. The total population is absorbed in 325,619 number of housing units. The number of households in the zone is 332,436 in total (FDRE, 1996).

The majority of the population lives in the mid-latitude temperate area, the cold highland and the hot lowland areas absorbing proportionally the next biggest and smallest size of the population, respectively (GPSDO, 1998).

The settlement pattern of the people generally is such that they live in a densely concentrated manner (with population density of about 233-300 per km², one of the highest in the country) where housing units are built in a cluster form especially in the main *enset* growing areas. Inhabited by relatively lower population, cereal and other temporary crops cultivating highlands and the lowlands exhibit a scattered pattern of settlement (Fekadu, 1990).



A Partial View of A cluster of *Gurage* Houses



A beautiful *Gurage* House

¹ One report estimates the total *Gurage* population living within and outside the *Gurage* Zone to be 3-5 million people (GPSDO, 1998)

2.3. ECONOMIC ACTIVITY

The major economic activity in the zone is agriculture. This seems obvious given the 95% distribution of the total population in rural areas (FDRE, 1996). Predominantly, the people practice subsistence farming characterized by the cultivation of *enset*² as the dominant crop, although cereals, legumes, root crops, fruits and vegetables and eucalyptus are produced and livestock bred at different intensities in different parts of the zone. Given its populous characteristic, the *Gurage* land has to provide *enset* as the principal item for consumption for its people, which is extensively cultivated through out the majority area of the zone, except in the colder highland areas and lowland parts where the people live on cereal production, legumes and other cash crops.

In the majority temperate area of the zone, maize, *godarre*³ (a root crop), *chat*⁴ and coffee are cultivated. In many cases, inter-cropping and multi-cropping are practiced in the cultivation of the main crops in this agro-climatic area. In the colder highlands, barley, beans, peas, wheat and *telba*⁵ are the chief crops, although some vegetables (e.g., cabbage) are grown in limited quantities. *Tef*, maize, sorghum, *selit* and *nug* are in the main produced in the lowland temperate areas. This area also hosts the production of some fruits and sugar cane that are mainly used for the generation of a modest cash income in the same way as *chat* and coffee in the highlands and mid-temperate areas.

² *Enset* is the staple food item for people, particularly in the south and southwestern part of Ethiopia. It grows to a size of a medium tree. Its root is the main part for consumption but the leaves are also important parts for other different uses.

³ *Godare* is a small root crop that is used for consumption as food for humans.

⁴ *Chat* is a mild stimulant crop, the leaves of which are chewed by people. In the study area and in many parts of Ethiopia, the crop is a very important source of cash income for farmers, intermediaries who are involved in the sell of it and the country which earns revenue tax on the sale.

⁵ *Telba* is a

It could be seen that manure is extensively used to support crop cultivation. Petty trade and small hotels are run in urban centers of the zone. Cereals, pepper, *chat*, coffee, eucalyptus, and small handicraft products form the bases of trade.

2.4. CHARACTERISTICS OF SAMPLED HOUSEHOLDS

2.4.1. Sex Distribution of Respondents

According to the general socio-economic survey done for this study, of the 200 households interviewed using a questionnaire, 86% of the respondents are male and the rest, 14%, are female (table 1). The respondents are basically household heads and thus this figure indicates the distribution of female-headed and male-headed households in the study area.

Table 1. Distribution of Respondents by Sex

| Sex of Household Heads | No. of Respondents | % of Respondents |
|------------------------|--------------------|------------------|
| Male | 172 | 86.0 |
| Female | 28 | 14.0 |
| Total | 200 | 100.0 |

Source: Computed from field data gathered by the author

Fourteen percent (14%) of the respondent households have a female as the household head owing either to the death of or migration of the husbands to other areas. But the figures relating to the latter two phenomena have not been separately obtained.

2.4.2. Main Occupation of Respondents

In line with general expectations, of the two hundred households interviewed 85% (170 households) responded that their main occupation is agriculture. According to this study, petty trade and handicrafts are occupations in which the second and third largest group of respondent households, constituting 6% (12 households) and 5% (10 households) respectively, participate. The remaining 4% (8 respondents) reported that they are mainly civil servants, retired citizens and people engaged in the sell of *tella*, *areqie* and *injera* as their means of livelihood (see table 2 below).

Table 2. Distribution of Respondents by Occupation

| OCCUPATION | No. of Respondents | % of Respondents |
|---|--------------------|------------------|
| Agriculture | 170 | 85.0 |
| Petty Trade | 12 | 6.0 |
| Handicrafts | 10 | 5.0 |
| Civil Servant | 4 | 2.0 |
| Sell of <i>Injera, Tella & Areqie</i> | 2 | 1.0 |
| Herding | 0 | 0.0 |
| Daily Labor | 0 | 0.0 |
| Unemployed | 0 | 0.0 |
| Retired | 2 | 1.0 |
| Total | 200 | 100.0 |

Source: Computed from field data gathered by the author

Whatever main occupation they may have, 98% of all the respondents said that they are engaged in agriculture. However, only 20.5% of the respondents said their income from agricultural activity as the main occupation is sufficient to meet their minimum requirements for survival. As a result, about 74% of all the respondents reported that they engage in other activities in order to generate additional income that they require for sustaining their life.

From table 2 above, it can be seen that none of the respondents said they live mainly on income generated from daily labor and herding or are employed.

Although common, the case of daily labor as the main occupation in the rural setting of the study area is generally absent. Two daily laborers who reside in the *Girarina Yefermazigbe* PA of the *Cheha* wereda said that they work as daily laborers in order to supplement their income from agricultural produce. They reported that they have their own small land to farm but they also spend part of their time working on other's farmlands in return for some amount of cash income. Responding to the question whether they think their situation applies to all or the majority of daily laborers in their area, they said it is difficult to generalize. But it is their general understanding that most daily laborers at least have a small piece of land to farm, which they own by themselves or share it from their relatives.

2.4.3. Out-migration of Members of Respondent Households

The figures in table 1 above have not been compared with the findings of studies held in other parts of the country but it is the general opinion of some interviewees that the figure for the female-headed households is inflated by the relatively intensive out-migration of male members of the community for which the *Gurage* people are very well known. This is supported by the finding of the study that out of the total 200 households surveyed, 113 (56.5%) responded that at least one member of the household has out-migrated in search of employment, education, or to live with a relative elsewhere (see table 3 below).

From the valid responses, 45.13% of the respondents said out-migrants from their households are civil servants by occupation. The next proportion, 38.94%, of the respondents said the out migrants from their households are traders. The remaining, 8.85% and 7.08% of the respondents reported that their out migrant members are students and not occupied, respectively.

Table 3. Distribution of Respondents by Reported Occupation of Out-migrated Members of Households

| OCCUPATION | No. of Respondents | % of Respondents |
|----------------|--------------------|------------------|
| Business/Trade | 44 | 38.94 |
| Civil Servant | 51 | 45.13 |
| Student | 10 | 8.85 |
| Not Occupied | 8 | 7.08 |
| Total | 113 | 100.0 |

Source: Computed from field data gathered by the author

Respondent households with one out-migrant member were also asked whether they currently get any form of remittance from out-migrant members of their household. Forty six percent (46%) of them responded "YES," and the other 54%, "NO". The reported amount of remittance that the first group of respondents received has been summarized in table 4 below.

As it is evident from table 4 below, the largest proportion (57.7%) of the respondents who reported to receive remittance from out-migrant household members get between 100 birr and

500 birr per year. While the second largest group (25%) receive up to 100 birr, the remaining 17.3% receive between 501 and 1000 birr. The average yearly amount of remittance received by a respondent is calculated to be 351.50 birr. The reported minimum amount of remittance is 30 birr while the maximum reported amount is 1000 birr.

Table 4. Distribution of Respondents by Reported Amount of Remittance Received from Out-migrant Members of Households

| Amount of Remittance | No. Of Respondents | Valid % of Respondents |
|----------------------|--------------------|------------------------|
| Up to 100 Birr | 13 | 25 |
| 101-500 Birr | 30 | 57.7 |
| 501-1000 Birr | 9 | 17.3 |
| Total | 52 | 100 |

Source: Computed from field data gathered by the author.

It is observed that out-migration is adopted as a risk management strategy whereby people try to ease shortage of income due to pressure from high population and the associated shortage of land. People also out-migrate to earn income to make up for low agricultural produce or total crop failure. Availability of better opportunities elsewhere is also a pull factor. Some people who were interviewed told that the money income obtained would be used for investments of various purposes, small or big, depending on the amount of money, and to meet different obligations, social and/or others.

2.4.4. Labor Source and Land and Livestock Ownership

A. Labor

Respondents were asked to list the major sources of labor on which they rely for different agricultural activities. Major agricultural activities for which respondents gave answers were land preparation, ploughing, planting/sowing, weeding, and harvesting/*Enset* processing. After having surveyed the possible labor sources in the study area, sources including the household head (HHH), children (CH), other household members and relatives (OHMR), daily labor (DL), *Geyiz* (G), *Wusacha* (W) and a combination of sources (C) were suggested to respondents from

which to indicate the main source(s) they use for each agricultural activity just indicated. Accordingly, the responses of those households who reported that they use some kind of agricultural labor are summarized in table 5 below. The percentages are calculated after adjusting for responses that have not been mentioned or left blank on the survey questionnaire.

It is observed that the people in the survey area have a diversity of labor sources. They work either individually or collectively considering sources of labor from outside as well as from within the family and from relatives. From among the various labor sources, access to labor for a large proportion of respondent households is facilitated through collective work arrangements. As it is evident from table 5 below, up to slightly over one third of the respondent households get labor for major agricultural activities from collective work arrangements. More specifically, *Geyiz* is the major source of labor for land preparation for 37.2% of the respondents whereas it covers the labor requirement for ploughing for 38.1% of the respondents. The distribution of

Table 5. Distribution of Respondents by Major Source of Labor for Different Agricultural Activities

| Major Agricultural Activity | HHH | CH | OHMR | DL | G | W | C | Total % |
|-----------------------------|------|------|------|------|------|------|------|---------|
| Land Preparation | 14.7 | 2.1 | 1.6 | 8.9 | 37.2 | - | 36.5 | 100 |
| Ploughing | 3.1 | 9.8 | 2.6 | 9.8 | 38.1 | - | 36.6 | 100 |
| Planting/Sowing | 21.4 | 2.8 | 10.5 | 9.5 | 23.4 | - | 32.4 | 100 |
| Weeding | 23.4 | 4.7 | 9.9 | 7.8 | 28.1 | - | 26.1 | 100 |
| Harvesting/Enset Processing | - | - | - | 0.5 | 0.5 | 85.8 | 13.2 | 100 |
| Herding | 7.1 | 10.1 | 3.0 | 1.18 | - | - | 78.7 | 100 |

Keys: HHH - Household Head DL - Daily Labor C - Combination
 CH - Children G - *Geyiz*
 OHMR - Other Household Members and Relatives W - *Wusacha*

Source: Computed from field data gathered by the author

respondents by the use of *Geyiz* as the major labor source is relatively lower for planting/sowing and weeding as compared to land preparation and ploughing, for which only 23.4% and 28.1% respectively of the respondent households rely on it. *Enset* harvesting/processing is also performed on a collective basis and about 85.5% of the respondents rely on *Wusacha* to get access to labor.

Only less than a quarter of the respondents reported that their labor need for major agricultural activities is covered individually by the household head (14.7% for land preparation, 3.1% for ploughing, 21.4% for planting/sowing and 23.4% for weeding). The labor contribution of children, other members of the household and relatives is not negligible; they contribute nearly up to 10% of the labor flow in some cases. Households rely on a combination of sources for the flow of labor for main agricultural activities. We can see from table 5 that 36.5%, 36.6%, 32.4% and 26.1% of the respondents' labor requirement for land preparation, ploughing, planting/sowing and weeding, respectively, is met by a combination of sources. Also, 13.2% of the respondents get labor for harvesting and *enset* processing from this source.

People in the study area use daily laborers for agricultural activities and other purposes. Generally, out of the total 200 households surveyed, 86 households (43%) reported that they make use of daily laborers on their farm. The rest, 114 (57%), gave a response to the otherwise. Eighty five out of the 86 households (98.8%) who use daily laborers said they effect payment in cash. One respondent (constituting 1.2%) said he paid his daily laborer in grain. Of those who pay in cash, 53% pay 4 birr per day, 33% pay 5 birr a day, 4.7% pay 6 birr a day, 3.6% pay up to 2.50 birr a day, 3.5% pay 10 birr a day and the remaining 1.2% pay 12 birr a day. The minimum daily payment is 2 birr whereas the maximum daily payment is 12 birr. Women daily laborers also work on *enset* processing work and earn a daily payment of 1 to 1.50 birr⁶.

Respondents were also asked if they hire herders to look after their cattle on grazing. It has been observed that only an insignificant part of the respondents (1.18% of them) rely on hired labor for herding (see table 5 above). People mostly rely on a source of labor from within the household itself and/or from relatives for herding. From table 5 above, it can be seen that of the valid responses, a combination of sources including the household head, his/her children, and other members of the household or relatives constitute the main source of labor for herding for 98.82% of the respondents. These latter sources of labor are used by households in association with a collectively organized rotating system of responsibility for herding cattle.

⁶ Compare these payment rates with the rates in the village survey report by the Economics department, which established that the present wage is 4 birr for men and 1 birr for women.

In general, a significant number of households in the study area rely on labor sources in which community members are mobilized by way of collective systems of work arrangements. These work arrangements are facilitated through institutional rules that operate among community members, which have been discussed and analyzed in chapter IV and V of the paper.

B. Land

One of the most difficult tasks in the fieldwork was obtaining information on the land holdings of peasants. Obtaining exact figures on land holdings in rural areas seems to be always problematic. Measuring the plot size of each peasant was unthinkable given the large number of interviewees viz-a-viz the limited time and resources available for field work. Sadly enough, this problem could not be overcome because of the unavailability of the peasants' existing own measurement of their land size. It was only a crude figure based on estimates that the peasants reported about their land size. Thus, a compromise method was utilized to get data on land holdings. During the interview enumerators were required to make their own personal assessment of the peasants' land holdings in addition to the best approximate figure that the interviewees gave. The following table shows a summary of the data collected on land size.

Table 6. Distribution of Respondents by Reported Land Holding

| Land Size in <i>Wedero</i> ⁷ | No. of Respondents | % of Respondents |
|---|-------------------------------|------------------|
| 0 | 1 | 0.5 |
| 0.1 - 0.5 <i>Wedero</i> | 107 | 53.5 |
| 0.60 - 1.0 <i>Wedero</i> | 63 | 31.5 |
| 1.1 - 1.5 <i>Wedero</i> | 24 | 12.0 |
| > 2 <i>Wederos</i> | 5 | 2.5 |
| Total | 200 | 100.0 |
| Average | 0.73 <i>Wedero</i> per person | |

Source: Computed from field data gathered by the author

It is determined that more than 84% of the respondents have a land size of less than or equal to one *Wedero*. Only 14.5% of them own a land size of more than one *Wedero*. In fact, more than

⁷ *Wedero* is the local unit for measuring land size. From the field information, 1 *Wedero* is approximately equal to 1 hectare of land. A smaller local unit for measuring land is called *Zeng*. 1 *Wedero* = 24 sq. *Zeng*.

half of the respondents' (about 62%) land distribution is concentrated between half a *Wedero* and one *Wedero*. The distribution of land holdings by respondents is graphed in figure 1 below.

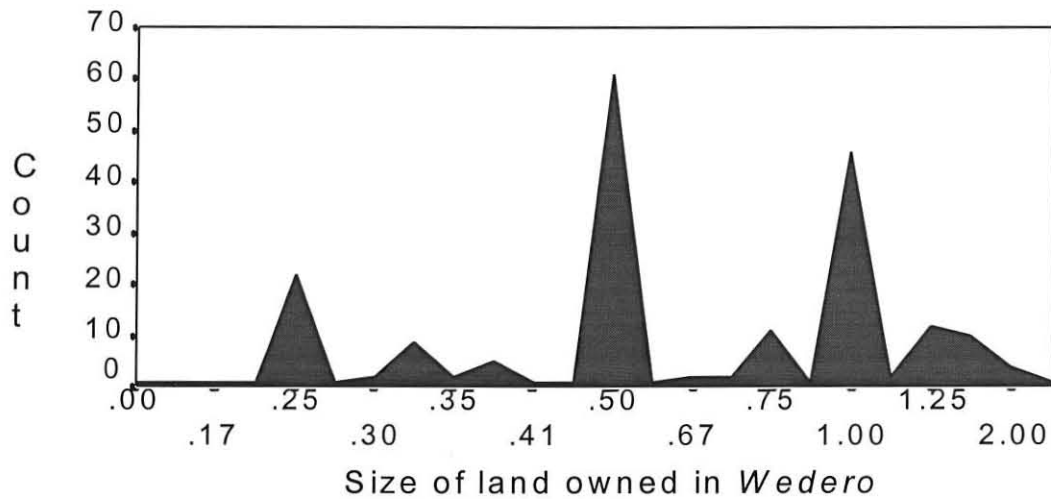


Figure 1. Distribution of Respondents by Size of Land Owned
Source: Developed based on field data gathered by the author.

The average land holding is calculated to be 0.73 *Wedero*. The maximum reported figure is 3 *Wederos* (which is approximately 3 hectares). Only 1 respondent (0.5%) out of the total 200 interviewed reported that he has a land size of 3 *Wederos*, while 4 respondents (2%) have 2 *Wederos*, 61 respondents (30.5%) have half a *Wedero*, and 46 respondents (23%) have 1 *Wedero* each. Perhaps it is interesting to compare these figures with the data compiled by the *Cheha* wereda agricultural office (see table 7 below).

Table 7. Distribution of Land Holding in the *Cheha* Wereda

| Land Size in Hectare | No. Of Respondents | % of Respondents |
|----------------------|--------------------------|------------------|
| 0 - 0.5 | 1156 | 5.2 |
| 0.6 - 1.0 | 8620 | 39.1 |
| 1.1 - 1.5 | 11,448 | 51.9 |
| > 1.5 | 825 | 3.8 |
| Total | 22,049 | 100 |
| Average | 1.18 hectares per person | |

Source: Computed based on data obtained from the *Cheha* Wereda Agriculture Office (1990 E.C. annual report)

As it can be seen from table 6 and 7 above, there is discrepancy in the size of land holding between that determined by this study and that compiled by the *Cheha* wereda agriculture office. Two main reasons are thought to account for the discrepancy in the figures.

One obvious reason is that the survey data contains reported figures, and as it is indicated at the start of this section (paragraph one) it seems that the peasants might have underreported their land holdings. This study has been undertaken one year after the wereda council took an inventory of the existing land holdings with the objective to review the situation with the payment of land fees by all land holders. Thus, it is suspected that the peasants might have given an underestimated figure wanting to avoid any more risk in association with the use of the information. Second, the discrepancy can be attributed to the small sample size of the survey as compared to the total wereda size on which the agricultural office's data is based. The two sampled peasant kebele associations are among the most crowded parts of the wereda and hence exhibit a relatively small land holding distribution.

The study area is located in one of the parts of the country where there is a relatively high shortage of land is exhibited. This is partly supported by the survey report that 54% of the respondents reported that they currently face a shortage of land (see table 8).

Table 8. Distribution of Respondents by Reported Land Shortage Problem

| Face Land Shortage? | No. of Respondents | % of Respondents |
|---------------------|--------------------|------------------|
| Yes | 108 | 54.0 |
| No | 92 | 46.0 |
| Total | 200 | 100.0 |

Source: Computed from field data gathered by the author

It is obvious, therefore, that the respondents who face land shortage would adopt a certain strategy to cope with the problem. These groups of respondents were asked to indicate their strategies to cope with land shortage, from among a few options suggested to them. Their responses are summarized in table 9 below.

Table 9. Distribution of Respondents by Strategies to Cope with Land Shortage

| Suggested Strategies | No. of Respondents | % of Respondents |
|----------------------------|--------------------|------------------|
| Share-Crop Farming | 5 | 4.6 |
| Share a Relative's Land | 14 | 13.0 |
| Engage in Other Activities | 35 | 32.4 |
| Do Nothing | 54 | 50.0 |
| Request the PA for Land | 0 | 0.0 |
| Total | 108 | 100.0 |

Source: Computed from field data gathered by the author

Share-cropping as a major strategy is not common in the study area as compared to other parts of the country, particularly North Ethiopia. This may be attributed to the type of agricultural activity that is dominated by *enset* cultivation as the major crop. Thus, only 4.6% of the respondents reported that they adopt a share-cropping strategy. Some others (13%) reported that they share a relative's land. A sizable number of the respondents (35%) said they engage in other income generating activities to supplement their income from agricultural produces. Given the limited options in the rural setting of the study area, 50% of the respondents who face land shortage reported that they do nothing to overcome the problem. It is to be noted that none of them said that they would request for additional land from the PA. This may be generally understandable given the overcrowded settlement and thus the unavailability of any more cultivable land to be distributed.

C. Livestock

Livestock are very important assets for the people in the study area. Farming and animal husbandry are very much interdependent activities in the area. Not only are livestock needed for consumption and from the sale of which to generate cash income, but also their manure is used as a very important input for farming. In turn the plants' leaves and residues are used as animal feed. Therefore, it is very common to find livestock in the peasant households surveyed in the study area. In line with this, the survey indicated that 94.5% of the respondents (189 out of 200) reported having livestock. It's only in the remaining 5.5% (11 households) that it is reported there are no livestock owned. The distribution of all the respondents by the number of livestock they own has been summarized in table 10 below.

Table 10. Distribution of Respondents by Reported Number of Livestock Owned

| | % distribution of Respondents Having the Indicated Number of Livestock | | | | | | | | | | | | % total |
|---------|--|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|---------|
| | None | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 10 | 14 | 22 | 25 | |
| Ox | 96.5 | 3 | 0.5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| Cow | 25.0 | 33.5 | 27 | 9 | 3.5 | 0 | 0.5 | 0 | 0 | 0.5 | 0.5 | 0.5 | 100 |
| Calf | 50.5 | 32.5 | 14 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| Heifer | 75.0 | 15 | 9 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| Sheep | 96.5 | 2.5 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| Goats | 90.5 | 6.5 | 2 | 0.5 | 0.5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| Donkeys | 99.0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| Horses | 100.0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| Mule | 92.5 | 7.5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| Poultry | 56.5 | 10 | 15 | 6.5 | 5.5 | 3.5 | 2 | 0.5 | 0.5 | 0 | 0 | 0 | 100 |

Source: Computed from field data gathered by the author

Ninety six point five percent (96.5%) of the respondents do not have any oxen. Unlike some other parts of the country, the use of livestock for agricultural activities seems limited largely to the use of their manure for farms. As cereal cultivation is not dominant in the survey area, the use of draft power for ploughing is not common. The people in the area use mainly hoe and what they call *Maresha*⁸ to cultivate the land. According to the data obtained from the *Cheha*



A Farmer Holding a *Maresha* by means of which he digs the farm land.

⁸ A *maresha* is a local digging material used for cultivating the land. It is a long and straight material which is held upright down by at least two people in digging.

wereda agricultural office, there is the use of ox for ploughing in the low-land parts of the wereda where there is cultivation of *teff* and other few number of cereals like wheat and barley. It seems that ox, bullocks and young bulls are used for beef and for the generation of income from their sale more commonly than for ploughing⁹.

Cows constitute an important part of the household asset. About 75% of the respondents own cows; 33.5% own one cow, 27% own two cows, and 12.5% own three and four cows. Three respondents, accounting for 0.5% each, reported that they own 14, 22, and 25 cows, respectively. Forty eight point five percent (48.5%) and 25% of the respondents reported that they have up to three calves and heifers, respectively. The other 50.5% and 75% of them do not have any calves and heifers, respectively. Only two respondents (1%) reported that they have 4 calves.

The ownership of sheep and goats is very limited. 96.5% of the respondents do not have any sheep, neither do 90.5% of them have goats. Only 3.5% and 9% of them have sheep and goats, respectively. Ownership of equines is also limited to only 8.5% of the respondents. However, about 44% of the respondents have poultry.

An important point about the use of livestock, especially cows, in the study area is the social security system operating to give households who do not have cows access to the use of milk and manure. The social security systems are called *Wekiya* and *Yibara*, respectively. Respondents were asked to tell if they make use of such systems to get access to cows, and thereby to their milk and manure. The data indicated that 28% of the respondents currently possess cows that they have obtained as part of a *Wekiya* and/or *Yibara* arrangement. (These social institutions are discussed in chapter IV of the paper).

⁹ Some of the peasants in the area expressed that a significant number of ox and bullock is consumed in association with the intensive celebration of some of the holidays, particularly at the time of *Masqal* holiday. This, coupled with a high distribution of animal disease in the relatively hot-weather low-land areas, generally reduce the number of ox and bullock that can be used for draft power.

It's not only cows that community members give to each other particularly on a *Wekiya* arrangement. But calves and heifer and even sheep and goats are given out and received on a *Wekiya* arrangement. Nineteen percent (19%) and 7% of the respondents reported that they currently have calves and heifers, respectively, which they obtained on a *wekiya* arrangement. Asked if they are currently using the *Wekiya* system to get access to other livestock such as equines and poultry, none of the respondents gave a positive response.

2.4.5. Participation in Other Income Generating Activities

The survey indicated that 73.5% of the respondents (147 in number) generally engage in other income generating activities (OIGA). The types of OIGAs listed to the respondents include petty trade, daily labor, pottery, wood work, blacksmith, spinning/weaving, sell of wood/charcoal, herding, sell of milk products, and sell of *injera/areqie/tella*. It was found out that about 68% of them engage in at least 2 types of OIGAs whereas 5.5% of them participate in three and more than three OIGAs (see table 11 below). On average, an individual participates in 1.5 OIGAs.

Table 11. Distribution of Respondents by No. of Other Income Generating Activities they are Engaged In

| No. of Other Income Generating Activities | No. of Respondents | % of Respondents |
|--|--------------------|------------------|
| 0 | 53 | 26.5 |
| 1 | 83 | 41.5 |
| 2 | 53 | 26.5 |
| 3 | 10 | 5.0 |
| 4 | 1 | 0.5 |
| Total | 200 | 100.0 |
| Average No. of OIGA Respondents are Engaged in | | 1.5 |

Source: Computed from field data gathered by the author

Data with respect to which member of the household participates in and the reported cash income generated from the different types of OIGAs have also been obtained (summary presented in table 12 below).

The general participation level in any OIGA stands only slightly over a quarter of all the number of participants (223) contained in the 200 households surveyed. The first and second highest percentage distribution of participants in these activities is 25.6% and 24.2%, which is in petty trade and pottery respectively. Daily labor, sell of *injera/areqie/tella*, spinning/weaving



Local Traders in *Imdibir* Market. The women (in the left and center photos) selling their hand-made household articles to generate cash income. The man in the middle (right photo) buying *chat* for resell.

and carpentry are the third, fourth, fifth, and sixth important OIGAs in rank in terms of the number of participants, with average percentage distributions of 17%, 15.7%, 8.5% and 3.6%, respectively. Sell of milk products, blacksmith, and herding hold the last three positions in terms of number of participants (with 2.7%, 1.8%, and 0.9% distribution). There are no participants engaged in the sell of wood/charcoal to generate income.

Overall, spouses, children and other members of households appear to be more involved in OIGAs than household heads. While 49% of the participants are only spouses, children and other household members, 35% of the participants are household heads. Out of the nine types of OIGAs for which responses have been collected, the former's participation is more than the latter's in four types of them; i.e., in petty trade, pottery, sell of milk and milk products, and sell of *injera/tella/areqie*. In the other five OIGAs; i.e., daily labor, carpentry and basketry, blacksmith, spinning/weaving, and herding, the participation of household heads is more than the participation of spouses, children and other members of household. However, 16% of the overall participation in OIGAs is both by household heads and spouses, children, and other members of the households. The OIGAs in which both groups of participants are engaged include petty trade, daily labor, pottery, and carpentry and basketry.

Table 12. Distribution of Respondents by Reported Participation in and Amount of Yearly Cash Income Generated from Other Income Generating Activities

| Activities | Participation in Other Income Generating Activities | | | | | Yearly Cash Income Generated in Birr | | |
|-------------------------------------|---|------------|-------|--------|------|--------------------------------------|----------|----------|
| | Total Number | Total %age | HHH | SCHOMH | Both | Mini mum | Maxi mum | Aver age |
| Petty Trade | 57 | 25.6% | 39% | 49% | 12% | 30 | 520 | 216 |
| Daily Labor | 38 | 17.0% | 79% | 16% | 5% | 48 | 1260 | 295 |
| Pottery | 54 | 24.2% | 0% | 98% | 2% | 60 | 960 | 301 |
| Carpentry and basketry | 8 | 3.6 | 63% | 25% | 12% | 50 | 1040 | 351 |
| Black Smith | 4 | 1.8% | 100% | 0% | 0 | 100 | 480 | 293 |
| Spinning /Weaving | 19 | 8.5% | 58% | 42% | 0 | 24 | 3000 | 493 |
| Sell of Wood/ Charcoal | 0 | 0 | 0% | 0% | 0 | 0 | 0 | 0 |
| Herding | 2 | 0.9% | 100% | 0% | 0 | 30 | 300 | 195 |
| Sell of Milk Products | 6 | 2.7% | 33% | 67% | 0 | 48 | 240 | 194 |
| Sell of <i>Tella/Areqie/ Injera</i> | 35 | 15.7% | 25.7% | 74.3% | 0 | 30 | 3000 | 208 |
| Total for all activities | 223 | 100% | 35% | 49% | 16% | 24 | 3000 | 283 |

Key: HHH - Household Head

SCHOMH - Spouse, Children and Other Members of Household

Source: Computed from field data gathered by the author

Income wise, a cash income as high as 3000 Birr per year is reported to be generated by respondents who engage in spinning and/or weaving and the sell of *tella*, *areqie*, and *injera*. The next highest income generating respondents are those who participate in daily labor as an OIGA, who said that they generate as high as 1260 birr per year. This income level is followed by a 1040 birr yearly income generated by those who participate in carpentry and basketry as an OIGA. From table 12 above, it can be seen that pottery, petty trade, blacksmith, herding, and sell of milk products constitute the third, fourth, fifth, sixth, and seventh relatively high yearly income generating activities. There is no respondent who reported to have generated any income from the sell of wood/charcoal. Average income wise, spinning/weaving, carpentry and basketry, and pottery hold the first three highest positions in terms of rank (with 493, 350, and 300 birr yearly average income, respectively). The overall average yearly cash income generated from OIGAs is calculated to be 283 birr.

2.4.6. Participation in Indigenous Institutions

The general participation of respondents in local institutions including indigenous institutions, peasant associations, and other formal development associations operating in the area has been assessed. Accordingly, 99% of the respondents reported that at least one member of the household participates in an indigenous institution, the peasant association, service cooperatives and/or the *Gurage* Development Association.

A graphic depiction of the distribution of respondents by the reported number of local institutions in which household members participate is portrayed in figure 2 below. The vertical line represents the percentage distribution of the respondents while the horizontal line represents the number of local institutions in which household members participate.

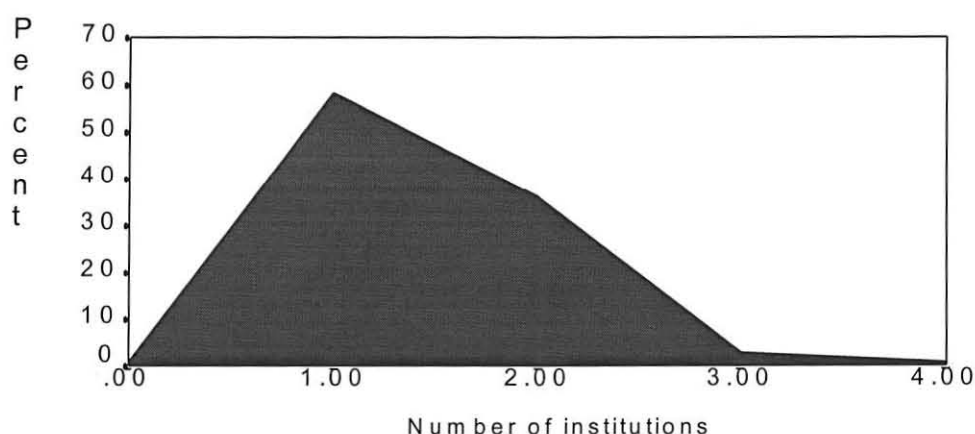


Figure 2. The %age distribution of respondents by the indicated number of local institutions in which household members participate.

Source: Developed based on field data gathered by the author.

From the reported data, 58.5% of the respondent household heads (i.e., only one member of the HH) participate in local institutions. Thirty six point five percent (36.5%) of the respondents indicated that one other member of the household in addition to the HH head participates in the institutions. Three percent (3%) and 1% of the respondents reported that 3 persons and 4 persons in the household including the HH head, respectively, participate in the institutions.

The number of indigenous institutions in which respondent households participate is summarized in table 13 below.

Table 13. Number of Indigenous Institutions in which Respondent Households Participate

| Number of Indigenous Institutions | No. of Respondents | % of Respondents |
|-----------------------------------|--------------------|------------------|
| 0 | 2 | 1.0 |
| 1 | 7 | 3.5 |
| 2 | 74 | 37.0 |
| 3 | 91 | 45.5 |
| 4 | 24 | 12.0 |
| 5 | 2 | 1.0 |
| Total | 200 | 100 |

Source: Computed from field data gathered by the author

The types of indigenous institutions which were listed for respondents included the *iqqub*, *iddir*, *senbete*, *Geyiz*, *Wusacha*, *Wekiya* and other community work groups. The largest proportion of the respondents is 45.5%, who indicated that they participate in 3 indigenous institutions. The next proportion of them, 37%, participate in 2 indigenous institutions. Those respondents who participate in more than 3 indigenous institutions constitute 13% while those participating in less than 2 indigenous institutions make up the remaining 4.5% of the distribution.

The nature and functions of these and other indigenous institutions (such as *Yejoka* and *Wukiyer*) operating in the study area and the participation of community members in them have been assessed. Chapters IV and V of the paper present the description and analysis of the institutions and the type and level of participation in them by community members.

2.4.7. Common Property Resources and Soil Fertility Management and Environmental Protection Practices

There are common property resources that community members use for human and/or livestock uses and for consumption. Such resources include forests, water bodies, grazing fields, etc. Of these, the general situation in relation to common forest resources and grazing fields has been

assessed. A small group of questions was posed to respondents on soil fertility management and environmental protection practices they have adopted, if any.

Out of the 200 households covered by the survey, only 70 of them (35%) reported that they are aware of the existence of a **common forest resource** in their village. All of these respondents understand that the said forest belongs to the state/peasant association. As to the management and control of the forest, 64% of the respondents say that community members collaborate in the control of illegal uses of the forest at least by informing kebele executives and/or other full-time controllers about such acts, when there is any. However, 29% of the respondents understand that the latter are fully in charge of controlling the forest. The remaining 7% think that the forest is left free.

In line with the fact that the forest belongs to the PA/State, 71% of the valid responses indicated that respondents do not use the forest or its products for personal purposes. But 13% of the respondents reported that they access the forest to collect fuel wood. While 6% of the respondents reported that they get construction wood from the forest, the same proportion of them said that their cattle graze in the forest. The remaining 4% of the respondents in this group reported that they get cash income from the sale of wood products that they collect from the forest.

Eighty percent (80%) of those respondents who reported that they use the forest or its products said their use was free of charge. This may be because of the fact that the uses are usually of small-scale nature and such uses as cattle grazing or collection of small tree branches and leaves are done without being noticed or do not affect the main forest¹⁰ so that the PA officials do not recognize and/or strictly prohibit them.

¹⁰ The use of forest described here does not include the usually large-scale tree cutting which illegal users exercise over the forest.

In connection to that, respondents have indicated the main **grazing area** on which they graze their cattle. Ninety percent (90%) of the respondents are aware that there is a common grazing land in their area. Seventy eight percent (78%) of them graze on the common grazing land and 10% use a privately held pasture near their houses. Seven percent (7%) of them use both a common and a private grazing land in combination.



An open access common grazing field in the *Yerezeb jefore* of the *Girarina Yefermazigbe* Peasant Association.

Respondents were also asked to describe their use pattern of common grazing lands existing in their area. Ninety eight percent (98%) of those who graze their cattle on a common pastureland expressed that all members of the community having cattle have free access and use the grazing field commonly. About 1.5% of them said that they privately control part of the common grazing land near their houses.

Generally, about 53% of the respondents who have cattle indicated that they face shortage of grazing land. Thus, although conflict over a limited common grazing land might be eminent, 91% of the respondents who use the common grazing land described the use pattern as generally good. They say that they graze on it with the general understanding of each other's needs. In many places, the people leave the land without being grazed during the starting period of the rainy seasons so that grass would grow on it. Although it is generally expected that there should be social norms and informal rules governing the use patterns, there were no clearly

defined and observed rules and norms that caught the attention of the researcher. This may be attributable to the general shortage of a common grazing land in the survey area.

In relation to this, it is interesting to note the strategies peasants adopt to overcome the shortage of grazing land. About 52% of the respondents reported that they have adopted some kind of strategy to overcome the problem. Of these, 72% reported that they use fodder at home. Twenty one percent (21%) reported that they overcome the problem by reducing the livestock population they own. The remaining 7% said they give out their livestock on a *Wekiya* arrangement.

Respondents were asked to give a general assessment of the **fertility of their land**. Their responses have been summarized in table 14 below.

Table 14. Distribution of Respondents by Reported Level of Land Fertility

| Level of Land Fertility | No. of Respondents | % of Respondents |
|-------------------------|--------------------|------------------|
| Good | 85 | 42.5 |
| Medium | 48 | 24.0 |
| Low | 66 | 33.0 |
| Do not Know | 1 | 0.5 |
| Total | 200 | 100.0 |

Source: Computed based on field data gathered by the author

Forty two point five percent (42.5%) of the respondents reported that the fertility of their land is generally good and gives a produce just enough to support their households. Twenty four percent (24%) said that the fertility level is medium. While 33% told that the fertility level of their land is poor, 0.5% (one respondent) gave no response. Those who reported that their land quality is not good have indicated the perceived reasons (see table 15 below). From table 15, it is evident that sixty seven percent (67%) of the respondents feel that their land quality is low because it is inherently poor. Eighteen percent (18%) of them said that frequent cultivation of the land has reduced the land quality. The other 9% reported that the situation is aggravated by the non-use of modern agricultural inputs. The remaining 6% think that the fertile part of the land has been washed away by erosion.

Table 15. Distribution of Respondents by Perceived Reasons for Reduced Land Quality

| Reasons | No. of Respondents | % of Respondents |
|-------------------------------|--------------------|------------------|
| Inherent Poorness of the Land | 76 | 67.0 |
| Frequent Cultivation | 21 | 18.0 |
| Soil Erosion | 7 | 9.0 |
| Non-use of Modern Inputs | 10 | 6.0 |
| Total | 114 | 100.0 |

Source: Computed based on field data gathered by the author

Respondents were asked if they adopt any means of improving the fertility of the land and/or to combat any further loss of soil fertility or **degradation**. Only 4% of them reported that they use modern fertilizers. The reasons for the non-use of fertilizers by the remaining 96% of the respondents have been summarized in table 16 below.

Table 16. Distribution of Respondents by Reported Reasons for Non-use of Fertilizers

| Reasons | No. of Respondents | % of Respondents |
|-----------------------|--------------------|------------------|
| High Price | 7 | 3.6 |
| Supply Problem | 9 | 4.7 |
| Can't Afford | 54 | 28.1 |
| Lack of Use Knowledge | 25 | 13.1 |
| Don't Need Fertilizer | 97 | 50.5 |
| Total | 192 | 100.0 |

Source: Computed based on field data gathered by the author

Fifty point five percent (50.5%) of the valid responses indicate that the respondents do not need fertilizers. This is because they do not customarily apply modern fertilizers in the cultivation of the dominant crop in the area, *enset*. The next higher proportion of the respondents (28.1%) reported that their economic status does not allow them to buy fertilizers. Some 13% of them said they don't even know how to use modern fertilizers. The remaining 4.7% and 3.6% told that there is supply problem and the price is too high to buy, respectively.

It has also been attempted to see if the peasants use animal dung as manure. Ninety six percent (96%) of the respondents gave a positive answer. Among the eight respondents (4%) who responded to the otherwise, two (25%) reported a shortage of manure as the reason. Five respondents (62.5%) face a competing use of manure as the limiting factor where as the

remaining one respondent (12.5%) said he can not collect manure because of old age and/or there is no one who could do the same for him.

Of those respondents who face soil erosion problem on their farm, 11.5% reported that they have built physical conservation measures to control erosion on their farm. Thirty four point six percent (34.6%) adopted biological measures, whereas the remaining 53.9% used a combination of these and other measures.

While 53.8% of the valid responses indicate that the said measures have been built by the respondents themselves, 42.3% of the respondents built the measures with the help of other people under various collective work arrangements. The rest 3.9% reported that they benefited from advice given by government agricultural development agents in building the measures.

III. CONCEPTUAL AND THEORETICAL FRAMEWORK

The purpose of this chapter is to discuss the meaning of institution and institutional theory and conceptualize the place of indigenous institutions in development. In the first section, the definition of institution is given in the context of the paper. The section that follows outlines the theoretical background against which institutions are analyzed. The theoretical background draws on the 'new institutional economics' theory that attempts to bring together contributions from economics and anthropology in order to explain institutions and their role in the economy. Finally, the 'state-market-civil society framework' is used to conceptualize and discuss the place and relative role of indigenous institutions in development.

3.1. THE CONCEPT OF INSTITUTION

Based on T.W. Schultz, Blase defines an institution as "a behavioral rule ... and considers particular political, including legal, institutions that in one way or another influence, or are in turn influenced by, the dynamics of economic growth" (Blase, 1971:10). Broadening the term to 'social institutions', Eggertsson defines institutions as "formal and informal rules, norms, and customs of a community that affect economic behavior, the organization of production, and economic outcomes" (Eggertsson, 1990:281)¹. Another definition adds a behavioral constraint aspect to institutions: "institutions are the rules of the game in a society or, more formally, are the humanly devised constraints that shape human interaction" (North, 1990:3). In the latter definition, institutions as the rules of the game refer to rules as forms of constraint that state what

¹ Note, however, that Eggertsson uses the term 'social institution' interchangeably with 'political institution' (Eggertsson, 1990).

to do or not to do in a particular situation and codes of conduct that underlie and supplement rules² (Ibid.) (Emphasis added).

Whether institutions are seen within the framework of social, economic or political relationships or generally as interactions of humans, the above definitions highlight the point that they can be understood from a behavioral perspective or from a rule perspective. In the first case, they are a complex of norms or behavior that persist overtime, by serving collectively valued purposes. In the second case, they are the rules of a society or of organizations that facilitate coordination among people by helping them form expectations which each person can reasonably hold in dealing with others (Nabli & Nugent, 1989). In this paper, various institutional arrangements are identified and studied by describing and analyzing their nature and characteristics representing both the two perspectives. Thus, different rules and norms and codes of behavior established to shape and guide relationships between and among people have been assessed. In shaping relationships among people and in guiding behavior at the individual and group level, institutions appear to be characterized by the following major features that are more or less explicitly stated in most definitions.

1. They have rules and constraints nature. As people form institutions to shape interactions between and among themselves, their rules and constraints nature is used to indicate to the participating members what is expected of each of them, what each can expect as an outcome of the relationship, and what action is required, prohibited or permitted of each of them. The whole effect is thus to order repetitive, interdependent relationships among the participating members (see Nabli & Nugent, 1989).
2. They have the ability to govern the relations between and among individuals and groups; whether voluntarily accepted or enforced and policed through an external

² Defined as such, North draws an analogy between institutions and the rules of the game in a competitive team sport. That is, institutions consist of formal written rules as well as typically unwritten codes of conduct that underlie and supplement formal rules, such as not deliberately injuring a key player on the opposing team. And as this analogy would imply, the rules and informal codes are sometimes violated and punishment is enacted (North, 1990).

authority, to serve an institutional role these rules and constraints have to be applicable in social relations (Ibid.).

3. They have predictable nature. The rules and constraints have to be understood, at least in principle, as being applicable in repeated and future situations (Ensminger, 1996; Nabli & Nugent, 1989). The value of this predictability is noted in the following saying:

“Institutions reduce uncertainty by providing a structure to every day life...They are a guide to human interaction, so that when we wish to greet friends on the street, drive an automobile, buy oranges, borrow money,...bury our dead, etc., we know (or can learn easily) how to perform these tasks” (North, 1990:3-4).

- 4 As patterns of behavior shaped by rules, they have a widespread use in society. This feature determines the extent to which they can be known, understood by members of society and used to govern human interaction at a small group or wider community level.

Thus, in analyzing each indigenous institution captured as the subject of the paper, attempt has been made to assess each to see whether it has the above characteristics so that it is judged to fulfill the desired purpose of shaping and guiding relationships among people. Before proceeding with the rest of the theory part, however, perhaps it is appropriate to distinguish between institutions and organizations and also see how the two are related to each other.

Institutions and organizations are conceptually different in that as there are the rules defining the way a game is played there are also players who are brought together in teams to play the game. Accordingly, following Douglas C. North, an organization can be described as a group of individuals bound by some common purpose to achieve objectives (North 1990:5). Further, an

organization can be viewed as having a structure³ that relates the objectives for which it is set-up, the people who form it, the various roles that the people assume in it, the regulations by which these people are governed, and the operational methods by which they are guided in performing assigned tasks. Thus, in addition to being a group of people, an organization is composed of other elements that enable it to function to achieve set objectives; i.e., the policies, regulations, and operational methods that define and guide the ways in which the people in the organization behave and perform their tasks. Pursuant to our earlier definition, these latter elements can be referred to as institutions that make the organization function by guiding its activities and the people who perform them. In this sense, institutions form a part of an organization, and thus organizations provide the framework within which institutions are exercised. This gives a micro setting at which institutions can be viewed; i.e., at the level of an organization. However, institutions may also be understood at the macro-level of the wider legal framework, such as the constitution, at which level they provide the rule systems within which organizations operate. From this point of view, the objectives for which an organization is established and the associated areas of operations it undertakes as well as the types of its ownership are defined in the wider rule system by which a country is governed.

For the purpose of this paper, the micro-level framework of analyzing institutions is adopted. But the framework is not a formal organizational setting that is often found in association with well-structured and legally recognized organizations such as state agencies or NGOs. Instead, the institutional arrangements of informal organizations and associations of people are studied in the rural settings of the study area. Accordingly, institutions refer to the rules, norms and customs of a community that are devised to shape and guide and/or constrain behavior of and interaction among people. These rules, norms and customs are exercised and applied in various socio-political and economic organizations of people. Thus, those social, political and

³ A structure may mean a network of relationships among objectives, roles and people that make up an organization.

economic institutions which are considered to fall within this definitional framework and the organizations and associations created to implement them are identified and discussed in the paper.

3.2. THE NEW INSTITUTIONAL ECONOMICS (NIE)

3.2.1. GENERAL THEORETICAL CONSIDERATIONS

The basic argument of this paper as outlined in the statement of the problem is that not only the institutions of the market and of the state but also institutions of the community that are based on traditional rules and norms need to be analyzed in studying the problems of development in developing countries. One analytical framework for this draws on the 'New Institutional Economics' (NIE) theory which grew out of attempts to modify and generalize micro-economic theories.

The point of departure in the NIE is 'institutions' that are looked upon as results of a process in which individuals try to solve recurrent problems and which have been treated by price theory or microeconomics as given; i.e., as factors implicitly assumed to exist but which appear neither as independent nor as dependent variables (Eggertsson, 1990; Nabli & Nugent, 1989). The NIE is an attempt to incorporate institutions, institutional change in economic history, and the organization of exchange in formal markets and non-market or informal settings (North, 1990). Thus, the NIE retains the neo-classical axiom of methodological individualism but rejects certain very restrictive assumptions in the notion of the market that is central to neo-classical economics: namely, the conception of the market as

“a ... realm of impersonal economic exchange of homogeneous goods by means of voluntary transactions on an equal basis between large numbers of autonomous, fully-informed entities with profit maximizing behavioral motivations and able to enter and leave freely” (Harris-White, 1995:87).

The NIE challenges these assumptions on the ground that in reality information is rarely complete, and that the market is composed of different individuals and groups which imply that there would always be different ideas of the way in which the world works around people. These are associated with transactions having costs assumed not to exist in the neo-classical model: i.e., costs of information (finding out what the relevant prices are, etc.), of negotiating and concluding contracts, and of monitoring and enforcing them (Ensminger, 1996; Harris *et al*, 1995; Eggertsson, 1990; North, 1990; Bardhan, 1989). Therefore, it is understood that institutions are created to serve as means of reducing information and transaction costs and of enforcing property rights.

In general, the NIE challenges the dominant role ascribed to the market, and by emphasizing the importance of market failures, shows that neither the market nor the state is invariably the best way in which to organize the provision of goods and services. It is a body of theory which ascribes an important role to traditions and culture. In the context of developing countries, it focuses on the less competitive market frameworks and stresses the vast applications of its concepts for the analysis of the effect of institutions and institutional change other than that which is transacted in markets and promoted by the state (see Ensminger, 1996).

It should be noted that the NIE has certain limitations as well as the strengths just mentioned. One general point raised against it is that as a 'grand theory' its claims at present far out-run its achievements. It is showed that even for the analysis of the micro-foundations of economies, the perspectives of the NIE essentially complement insights derived from other approaches; they do not constitute a comprehensive, new framework (Harris *et al*, 1995). More radically, however, the NIE is charged for having tendencies to tautological, functional reasoning. The lack of effort to measure transaction costs, the failure to 'cost-out' alternative institutional solutions - and the practical difficulties of doing so - exacerbates this weakness. Also, at the

macro-level many of the institutional operations on which the new framework focuses - for example, the role of the state - cannot be measured (Ibid.).

However, it is noted that possibly the NIE plays a role at least in setting agenda for economic historians and students of development and in providing them with an additional tool to analyze the institutional features of economies, thereby making an important contribution to the methodology. It is concluded, therefore, that the NIE is a significant theoretical contribution to development studies. It is not claimed, however, that it is a philosopher's stone (Harris *et al*, 1995).

As Nabli and Nugent (1989) observed, it would be difficult to synthesize the field of NIE in its entirety because of its rapid multi-directional growth. But the purpose of the following two sub-sections is to relate the most important strands of analysis that constitute the NIE to the study of development, especially to the one that is initiated at the local level through various traditional institutional arrangements. This goes in line with the assertion by many writers that institutions affect the performance of economies (for instance, see Ensminger, 1996; Eggertsson, 1990; North, 1990; Nabli and Nugent, 1989), and thus the importance of understanding local realities and conditions, and in particular the relevant institutions, for the proper design of development policy should not be exaggerated. In outlining the relevant theoretical considerations, it is noted that there is as yet no consensus on what is included in the NIE. But following Nabli and Nugent (1989), I have selected the two broad approaches in the NIE, the 'transaction and information costs approach' and the 'collective action approach', which I found to be relevant for discussion on the types of indigenous institutions identified for this study.

3.2.2. THE TRANSACTION AND INFORMATION COSTS APPROACH

One of the most important themes in the NIE is the transaction and information costs approach. In adopting a positivist approach to modifying or broadening neo-classical theory, the NIE attempts to incorporate the effect of these costs (the cost of finding price and other information, of negotiating and concluding contracts, and of monitoring and enforcing contracts) on economic performance into the theory. In extending the traditional economic approach, the NIE assumes that transaction costs are not zero: costs arise when individuals exchange ownership rights to economic assets and enforce these rights. And these costs have significant effect on the outcomes of exchange (Ensminger, 1996; North, 1990).

True, there are advantages to be gained from exchange/trade. But people trade as far as the cost of transacting is less than the benefits due to it. Thus, when the benefits of trade outweigh its costs then economic growth can be attained. The point is, therefore, society in its attempt to maximize the gains from exchange/trade does what it can to keep transaction costs down. One way of doing this is to set-up institutions defining property rights, standardizing exchange by introducing measures and by providing enforcement regulations, all intended to reduce transaction costs. As Ensminger (1996) states, institutional economists maintain that economic growth comes not merely from technological change, as has been the emphasis in most neo-classical analyses, but also from institutional change, particularly by a reduction in transaction costs.

The type of institutional devices that derive from the above usually are long-term contractual relations. Many forms of these relations are formed in the developing environment through institutions created either to overcome the information problem of people (such as through the *Wukiyer* system in the study area) or to reduce the cost of transacting in getting a service (as it is exemplified by the *Yejoka* system in the study area.) By simple elaboration, when the *Gurage*

people sit for a *wukiyer* meeting, their aim is to share and exchange information and hold discussions on any community matters, be it historical or current issues, which supposedly facilitates exchange and work within the village community. Similarly, a person who resorts to the *Yejoka* for conflict resolution is trying to avoid the cost of going to a court, of suiting a case in the court, and of passing through the lengthy process of litigation at the court.

Several traditional institutions can be modeled by the transaction-information costs approach. The indigenous institutions discussed in this paper (chapters IV and V) first emerged as rudimentary relationships and mechanisms by which people guide and administer their affairs and later on as developed substitutes for missing financial, social security, insurance, conflict management, governance and/or markets in an environment of pervasive risks and information problems. As Bardhan (1989) notes, the micro-economics rationale of the formation of such institutions is the subject of the NIE, the analyses of which has been cited as institutional obstacles to development in a poor agrarian economy.

3.2.3. THE COLLECTIVE ACTION APPROACH

One of the ways in which non-market relations and exchanges based on them are manifested is through the collective actions community members take to attain certain purposes. In the environment of the Third World, “individuals and households are tied together not only by way of kin relations but also by the need of economic security and survival” (Dejene, 1997:4), both creating the opportunity for people to devise cooperative solutions to development problems in the absence, underdevelopment, or inefficient functioning of the market and/or state system. At least three major areas can be identified where cooperation is required; namely, problems of the management of common pool resources and the need for the establishment of conventions to ensure their proper utilization at least in the absence of well-defined private property rights, the problem of maintaining social order in the absence of or without the involvement of the state,

and the problem of maintaining social security and ensuring the moral economy of villagers in the face of resource shortages or crises. Communities provide shared beliefs or norms, relations among members and systems of reciprocity that facilitate and promote cooperation and coordination among the members to deal with such problems. Whereas it is clear that all of these three areas are important in view of the multifaceted nature of development at the local level, due to the necessity to limit the scope of the paper, adequate treatment has been given only to the latter two areas and the area of common pool resource management has been purposely left out.

Accordingly, several forms of institutional arrangements that function to guide and help community members to perform functions such as the following have been identified and studied: 1) collective work on agricultural and other types of activities by pooling together labor and other resources to overcome seasonal resource bottlenecks in the absence of labor saving technologies; 2) management of conflicts and settlement of disputes among community members to ensure peace and stability and avoid anarchy in the absence or weak presence of the state; and 3) collective provision of public goods such as roads by pooling together resources and their efforts.

In an attempt to overcome resource shortages and weather limitations in agricultural activities, community members in the study area set-up institutional norms such as those manifested in a *geyiz* and *wusacha* work parties to achieve cooperation during peak agricultural seasons. In a *geyiz* arrangement, male community members pool their labor and other resources together in cooperatively performing much of their main agricultural activities and in the construction of houses and fences. Similarly, in a *wusacha* arrangement, women in the study area cooperatively process *enset*. Thus, the functioning of these systems helps the people to achieve economies of operations in agricultural activities particularly in the absence of modern technologies to promote efficiency.

Also, in conditions of inadequate state administrative structures and services delivery, community members resort to village councils of elders (like the *Yejoka*) or other institutions (such as the *Iddir*) for matters of dispute settlement and provision of services on a collective and mutual-aid bases. The context of this paper is an environment in which community members use traditional institutions in the condition of a partial existence and an inefficient operation of modern state institutions. In such situations, community members remain with options that draw on their own initiatives for the provision of basic social services, public goods such as roads, and the management of conflict among themselves.

Like wise, traditional systems of 'social security' operate by way of institutions that are established to shape and guide social relations that are geared to secure minimum subsistence for community members (Dejene, 1997; Platteau, 1991). These relationships are analyzed using the moral economy approach of explaining traditional institutions that are designed to achieve cooperation to solve recurrent problems within the community.

According to Platteau (1991), "... social arrangements and economic institutions in traditional village societies have ... been especially designed to cope with the threat of hunger and other kinds of contingencies" (p. 113). An example in the context of this paper is provided by institutions such as the *wekiya* (discussed in part IV) that offer generalized redistribution of the means of subsistence to community members. A non-market exchange takes place through this institution whereby a community member is given access to the use of livestock produce, particularly milk and manure, in return for the service to look after the cow, feed it and raise its siblings until such time that the owner takes it back. In the study area, given the widespread existence of such arrangements, a women who gives birth to a child is usually by no means deprived of milk for her baby even if she does not have a cow to milk.

An earlier finding by Scott (1976) has come up with the observation that, “within the community, a ‘subsistence ethic’ prevails to guarantee subsistence as a ‘moral claim’ or as a ‘social claim’ to which a group or community member is entitled” (quoted in Platteau, 1991:114). It is to be noted that “this ‘subsistence ethic’ is not tantamount to an egalitarian utopia; ... it claims that all should have a place, a living, not that all should be equal (Ibid.). It is true, therefore, that “the individual is capable of deriving utility not only from the possession of goods and services, but also from his fellow villagers’ material welfare” (Dejene, 1997:8). From the point of view of delivering services, it is therefore hypothesized that in situations where villagers face a threat of subsistence crises at the household level, the self-regulating markets are not considered as reliable mechanisms to ensure that food goes to the people who need it most. Other institutional arrangements (such as the *wekiya* just mentioned) are adopted that are supposedly more effective in providing subsistence security to the most needy members of local inhabitants (also see Platteau, 1991).

In a market system, goods and services are exchanged on the basis of their prices and quantities. And the exchange establishes a relationship between the goods and services as the objects of exchange. When, however, a *Gurage* gives out his cow on a *Wekiya* arrangement to another fellow *Gurage*, the type of relationship created is the one that takes place between the two persons, not the one which takes place between the cow and the receiver’s labor or any other input required for looking after and caring for the cow and/or its siblings; i.e., the exchange is between ‘subjects’, not ‘objects’. Through the gift-giving, the donor aims at establishing a durable personal relationship with the donee. This exchange can be interpreted as a social security mechanism through which transactors attempt to cover various kinds of contingencies and hence spread risks in order to reduce the total cost they represent (also see Platteau, 1991). Through such relationships, community members find collective methods to protect themselves against major contingencies and production hazards. As Platteau has clearly observed, in so far as these methods or mechanisms have proven to be workable, their success ought to be ascribed both to self-interested behavior on the part of the individual and to ruling

customs and norms that are designed to ensure their continuity and to control major incentive problems.

3.3. CONCEPTUALIZING THE PLACE OF INDIGENOUS INSTITUTIONS IN DEVELOPMENT

In part I of the paper, it has been indicated that development is no one's single task. It is thus outlined that all the different actors have to be given the recognition and understanding due to them so that development takes place in all its different forms. The shift in development thinking in the 1980s and 1990s from externally imposed, often blue-print institutional solutions towards those coming from sources within gives the chance to consider and understand the alternatives that build on the people's own capacities and initiatives.

As it is also argued elsewhere (Dejene and Getinet, 1998), despite the advantages of approaches and policies that emphasize the different actors (such as the state or the private-sector) separately, the problems of developing countries can only be solved considering the relative roles and contributions of all the different actors. Emphasis needs to be placed on the complementarity of the roles of the institutions of the state, the market and the civil society sector. The numerous market failures and inefficiencies of the private sector due to low level of entrepreneurship, poor market organization, inadequate information on goods and services and their prices, the existence of external diseconomies (costs not borne by the firm) etc., indicate that reliance on this sector alone has many dangers. Likewise, few would now contest that bureaucracy, inefficiency and undemocratic tendency in the state-sector has led to failure in service delivery. As a result, it should not be a question whether to consider the role of actors from the civil society sector and the contribution of the joint action of actors in the different sectors and the creation of institutional networks to take advantage of these joint efforts.

Civil-society has formal and informal constituents. According to the definition of Davies and Hossain (1997), the formal civil-society is comprised of visible, legally recognized organizations and institutions. Active engagement with the state - whether as collaborators or opponents - characterizes these organizations, which include foreign and local NGOs, business

associations, independent trade unions, and well-resourced and established community organizations. Informal civil-society, in contrast, is made up of less defined and less visible rules, alliances and (associations) based on kinship, gender and other economic interests, which operate within and outside the household. It refers to the more organized elements of communities, easily identifiable by insiders but often invisible to outsiders. The institutional rules of informal civil society are not so frequently converted into organizational 'players' as those in the formal civil-society.

An important aspect of the distinction made by Davies and Hossain between the formal and informal civil-society is that the two are parts of a spectrum of more and less formalized institutions and organizations, not distinct entities. Community organizations, for example, usually begin at the informal end of the spectrum, but can become part of formal civil-society as their organizational capacity grows as they gain access to (external) resources and obtain legal recognition. An example is the *Gurage* People's Self-help Development Organization, which emerged at first as a simple collective effort of the *Sebat-bet Gurage* people to pool together resources from the *Gurage* community and from outside sources to undertake local development activities and later evolved from the *Gurage* People's Road Construction Organization.

Generally, civil-society organisations occupy an important place in development. They contribute their share side-by-side the public-sector and private-sector. Conceived as such, the place of civil society institutions in development, and their relationships with the public- and private-sectors is depicted in figure 4 below. The diagram has been developed based on the ideas of Davies and Hossain (1997), Gerrard (1996), and Hadanius and Uggla (1996). The model, which has been contextualised in the study area of this paper, has been preliminary presented in Dejene and Getinet (1998) and is reproduced here with improvements and modifications.

As it is evident from figure 4, each sector has its own defined boundary in terms of the types of institutional arrangements found in there. The main actor in the public sector is the government

institutions with the collaboration of the concerned actors in the respective sectors; i.e., where participation is to be developed.

Currently, civil-society is the broadly favored sector to bring about participatory, bottom-up development. The formal civil society is relatively the most visible and oftentimes the only utilized one. However, it is unfortunate that it is still externally induced in terms of its organization and/or dependence for resources. The informal civil society is relatively old and it has also been significantly contributing to the lives of local people. However, it has been the most neglected in policy and program design largely due to the dominance of the formal civil society and other actors in the development arena. However, informal civil society did not disappear due to the dominance of actors in the formal sector.

Whenever people have been marginalized by the formal sector, they have always dealt with it by developing strategies which generate alternative opportunities, with parallel social, religious, economic and other institutions in the informal sector. This is evidenced by the multitude of institutions which the people in the study area have established and depend on for mutual-aid activities, various forms of cooperation, resource pooling and distribution, sharing of joys and grief, mourning and burial, participation in village politics and administration, conflict management and resolution, etc. As it can be seen from the discussions in subsequent parts of the paper, each of the institution has its own distinct function to perform. However, the discussion is presented by categorizing the institutions into two major groups; viz, socio-political institutions and production- and development-oriented institutions, financial institutions, and other wider development-oriented institutions.

1. Socio-political Institutions are concerned with general conflict resolution, security, peace and order in the society, mutual-aid activities, information exchange, social-security provisions, promotion of culture, religion and social relations (institutions in this category are the *Yejoka*, *Mazoya\Qerate*, *Wekiya*, *Wukiyer*, *Iddir*, and *Senbete* which are discussed in chaptert IV of the paper.)

2. Production- and Development-oriented Institutions: are concerned with the mobilization of financial resources through various traditional savings and credit mechanisms (*Iqqub*, *Qib-Yidemuji* and *Wujo*), concerned with agricultural production and other activities, mainly used for the mobilization of labor and tools (the institutions of *Geyiz* and *Wusacha*), and other wider community development-oriented institutions or work groups that are set up to perform various community wide development activities (such as self-initiated youth association).

These various indigenous institutions identified in the study area provide diverse services in the different spheres of the lives of the people. By their very nature, the institutions are generally voluntary units in which interested people participate. But from the practical situations the services they render are almost indispensable for the lives of the people. So, it seems that life would be difficult without support from these institutions and thus people would be compelled to participate in them in order to survive. However, it is still maintained that the institutions are basically voluntary and no one is forced to join them. It should also be noted that participation is determined by the financial and material capacity of the participant as well as being a member of the community in a given area.

IV. INDIGENOUS SOCIO-POLITICAL INSTITUTIONS IN THE GURAGE AREA

4.1. THE YEJOKA

The *Yejoka* is one of the most important institutions to the lives of the people in the study area. It is an institution that is operational among the *Sebat-bet Gurage* people (which includes the *Meqorqor, Ezha, Mohir, Cheha, Gomare, Gyeta, Enor, Aklil* and *Endogagn* tribes of the *Gurage* people)¹. Thus, the *Yejoka* is usually called *Ye-Sebat bet Gurage Sera* (to mean the customary law of the *Sebat-bet Gurage* people) (Dinberu *et al*, 1995). At present, *Yejoka* is the name of one of the thirty five peasant associations in the *Cheha* Wereda which is found at 17 kms distance east of *Imdibir* town, the center of the wereda.

The term *Yejoka* is coined from two words in the local language, *Yej* (to mean hand) and *Weka* (which means to touch). According to informants in the study area, the naming came in relation to an event that took place in association with one of the very old trees in the *yejoka* peasant association under which the traditional *Sebat-bet Gurage* people council assembly meetings are held. The branches of the tree (or its hands) grew so big and got heavy that they weighed down and touched the ground. The historic event is that the branches grew up again from the ground. Thus, that particular place, *Yejoka*, is referred to as the place where there is that tree, the branches of which touched the ground and rose up again (also see, GPSDO, 1998; Dinberu *et al*, 1995). Today, in all parts of the *Sebat-bet Gurage* different levels of the *yejoka* council assembly meetings (discussed shortly) are held under big trees that are found in the respective areas or villages (for instance, see the photo below).

The name *Yejoka* is therefore given to the customary laws collectively known as *Qicha*, which were formulated by *Gurage* elders on their meeting under the *Yejoka* tree. Hence, *Yejoka Qicha*

¹ The *Yejoka* is for the *Sebat-bet Gurage* people as the “*Ye-Silti Sera*”, “*Ye-Feragezegn Sera*”, “*Ye-Gordena Sera*”, “*Ye-Melga Sera*”, “*Ye-Sinano Sera*”, “*Ye-Danbus Sera*”, and “*Ye-Shadger Sera*” are for the *Silti, Mesqan, Sodo-Kistane and Wolenie, Melga, Dobbi, Azernet-Berberie, and Endogagn Bete-Gurages*, respectively. (see Dinberu *et al*, 1995)

and, therefore, *Yejoka* institution. *Yejoka* also symbolizes the group of *Gurage* elders and knowledgeable persons administering the *Qicha*. Thus, the name *Yejoka* remains in association with the *Qicha* even if the place where the council assembly meeting takes place is changed or moves/rotates place to place (also see Alemayehu, 1993).



A tree under which elders in the *Yerezeb Jefore* hold meeting

According to Dinberu *et al* (1995), the first general assembly meeting to formulate the customary laws took place under this tree. The time of the formulation of the laws is not mentioned but it is indicated that the *Gurage* traditional administration system used to be in place even prior to the time when Emperor Menelik II established in 1889 the rule of the Ethiopian Empire over the *Sebat-bet Gurage* (also see Shack, 1966). Shack observed the existence of what he referred to as the *Gurage* political unit, a group of people organized into a single unit managing its affairs independently of external control, which is based on the system of clanship which in itself can be defined in terms of unity and interdependence (Ibid.).

As an institution, the *Yejoka* functions primarily to enact laws by which the affairs of the *Sebat-bet Gurage* people are administered and disputes resolved. Marriage and divorce, social functions such as burial of the dead and mourning, respect for elders and support for the aged, proper social development of children, social and economic cooperation, wider community development activities, avoidance of harmful practices and cultural development, and protection of cultural heritage are among the issues for which *Yejoka* sets rules and establishes norms. In the main, conflicts involving murder, physical harm, destruction of personal and community properties, theft of larger scale, and divorce are cases for which the judgment and decisions of *Yejoka* council of *Gurage elders* are needed.

In handling cases relating to the above and other issues, the institution of *Yejoka* relies on the social² and geographical organization of the people that extends up to the village³ and *jefore*⁴ level. Basically, the *Yejoka* council assembly meeting is called to look at matters that concern the whole *Sebat-bet Gurage* people. Whenever issues or problems arise first they are normally raised and treated at the council assembly meetings of lower social and geographical organizations of the people. Before the *Yejoka* of the *Sebat-bet Gurage* people was created, all the *Gurage* peoples that formed the present *Sebat-bet Gurage* used to have their own independent collection of customary laws. Up on the formation of the former the latter laws became part and parcel of it. This structural relationship is depicted in figure 3 below.

Cases involving issues and/or conflicts between different *Bete-Gurages* lie within the exclusive boundary of the all-inclusive *Yejoka* council assembly. Issues involving people belonging to the

² I do not intend to use the anthropological terms like the tribe, clan, etc. to represent the social organization and division of the people in the study area. But the local representation of the social organization of the people in the study area is such that there is the all-inclusive *Sebat-bet Gurage* as the total aggregate at the top followed by the nine *Bete-Gurages* as shown in the structural depiction in figure 3 below and different *Gosa(s)* within each *Bete-Gurage* at the lower level.

³ The village is used to refer to the local aggregate of group of households or homesteads inhabiting a place and which share common resources such as water sources, grazing, forest land, etc. Villages are geographically distributed at neighborly distances. For the sake of convenience, in this paper the word village is used interchangeably with the peasant association.

⁴ *Jefore* is a lower geographical settlement of people. It is a collection of homesteads or households living in one place. A collection of *jefores* makes up a village/PA. The word *jefore* also refers to a road that cuts through two parallel settlements of homesteads or households (see photo), through which people and cattle pass.

same *Bete-Guarge*, on the other hand, are handled by the council assemblies at the *Bet* or *Gosa* level, depending on the type, level and complexity of the cases to be seen. However, whenever a person is not satisfied with the decisions given at the *Bet* or *Gosa* council assembly level he/she can appeal to the *Yejoka* council assembly. As it is indicated in Alemayehu (1993) as well, *Yejoka* council assembly is also summoned to handle cases that could not be solved or settled at lower council assembly levels. The laws that are applied at the different levels are now standardized although the council assemblies at the *Bet* and *Gosa* levels have their own laws and rules within the general framework of the *Yejoka Qicha*.

The council assembly meetings at all the three levels (*Yejoka*, *Bet* and *Gosa* levels) do not have a fixed chairman(men). It is also indicated in one of the latest collection of the *Qicha* that there are no permanent chairmen or traditional judges who are elected or appointed to chair meetings or hearings (GPSDO, 1998). Respected and knowledgeable elders who are good at litigation, discussion and speech are selected from among those who attend the meeting of the council assemblies to chair and facilitate the discussion and decision making. There is no formal election process undertaken in choosing the chairmen. Two known elders who are famous among the people in the study area, Ato *Tessema Amerga*, aged 64, and Ato *Midru W/Giorgis*, aged 70, describe the process as follows.



A Partial view of a *Jefore*



Cattle passing through a *Jefore*

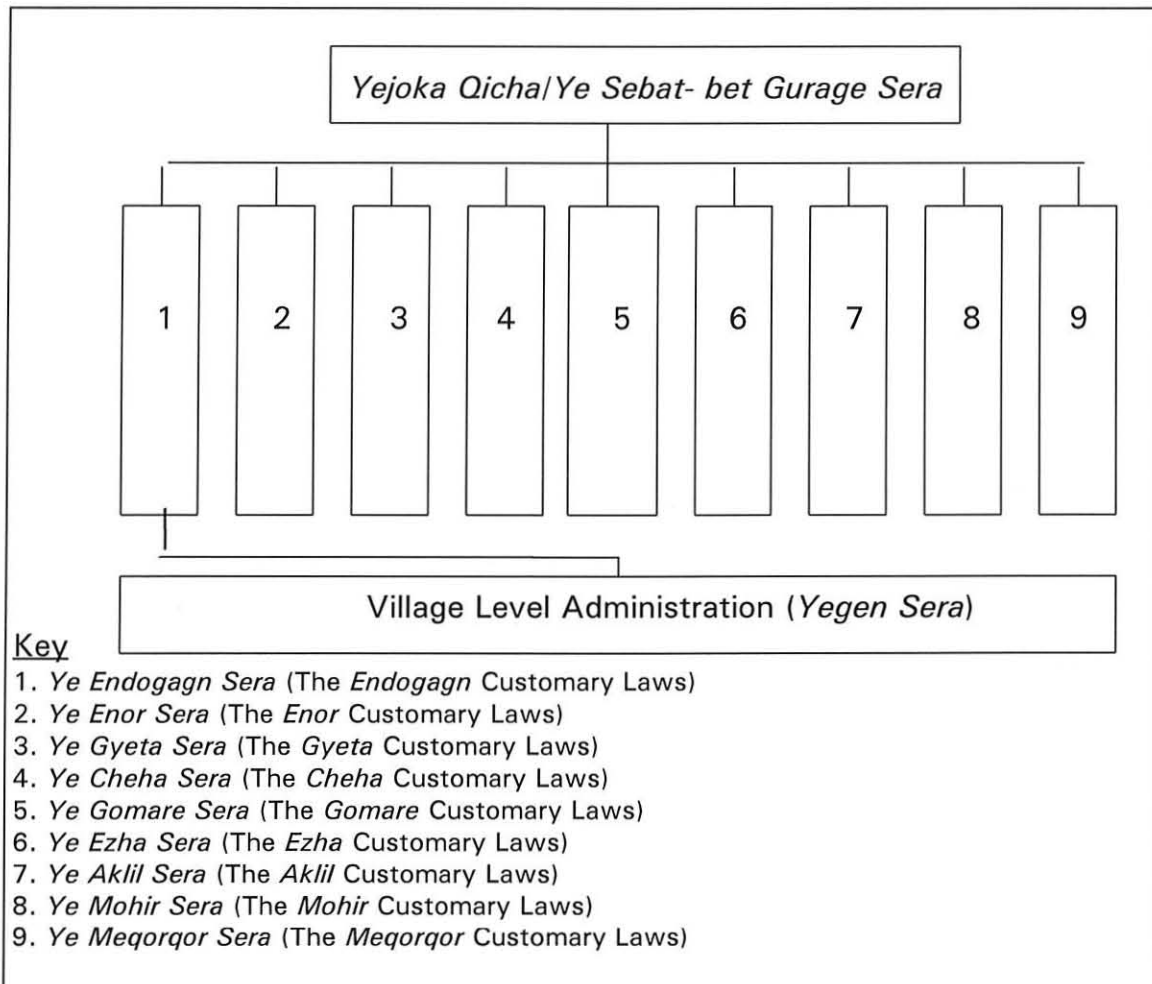


Figure 4. The *Yejoka* Institution Organization Structure

Source: Based on Dinberu *et al*, 1995 and field data gathered by the author.



A council of elders in the *Yerezeb Jefore*.



A PA level meeting in the *Yefereziye PA*.

“Whenever the *Gurage* sit for the *Yejoka* council assembly meeting, respected and knowledgeable elders are requested by the rest of elders and other men present on the meeting to hold the chairmanship position. The selected elders do not automatically accept the chairmanship. Some of them usually suggest other elders who they think are more appropriate for the agenda of the meeting to hold the position. Then the process ends upon the acceptance of the position by the elders.”

The selected chairman/men is/are supposed to facilitate the meeting of the day or until the discussion on a particular issue is finalized and decision passed on it.

The process differs when it comes to litigation cases involving two individual persons that are to be seen by the council assembly meeting. In such instances, the two parties to a case normally select one central judge on which they both agree. The central judge, together with other three to five judges selected on each side by the parties to the case, assume the judgment position until the case is settled. But Alemayehu (1993) describes the situation differently. According to him, the hearing of each case would be facilitated by a judge who is selected with the agreement of the two parties to the case. If after the litigation, the assembly is divided on the verdict to be passed, at least three additional knowledgeable elders are selected to pass the final verdict. According to one of the informants in the study area, Ato *Tessema Amerga*, however, up on the event of such a division on the decision to be passed, the former selected elders separately exchange ideas on the different suggestions and then endorse the decision that seems most acceptable, preferably by consensus. If a tie is created, as Ato *Midru W/Giorgis* says, the seven, nine or eleven formerly selected judges would vote for the final decision.

Eventually, the decision announced by the elders would be communicated to the different *Bete-Gurage* council assemblies and passed on to the ones who are directly concerned with the matter for implementation (also see Dinberu *et al*, 1995). The decision given by the *Yejoka* council assembly is final and should be respected by both parties to a case and, for that matter, by the whole *Gurage* society. There are enforcement mechanisms by which the *Yejoka* institution ensures compliance to the *Qicha* and the implementation of the decision of the elders. The implementation is overseen by the elders who represent the council assemblies at all

levels. In case a person does not accept the decision or fails to fulfil the punishment decided on him by the elders,

1. S/he will be devoid of the right to participate in a *Gurage* iddir,
2. S/he will be made an outcast from the *Gurage* community so that s/he will not get guarantor(s) for any contractual agreements
3. S/he will be left out of social ties including the privilege to share food and drinks with others
4. S/he will be excluded from the *Gurage* community
5. Any one who supports him/her will also be punished and excluded from the community (GPSDO, 1998).

The writer has not encountered a council assembly meeting of the all-inclusive *Yejoka* institution. But in the *Cheha Bete-Gurage* council assembly meeting summoned at *Imdibir* on the 26th of April 1998 after the regular Sunday prayer at the nearby St. Mary Church, a few observations were made that are narrated here to illustrate the handling of cases according to the *Gurage Qicha* (see Boxes No. 1 and 2).

**Box 1: A Financial Dispute Handled by the
Cheha Bete-Gurage Council Assembly Meeting**

As soon as the *Cheha Bete-Gurage* council assembly meeting was in session, on the 26th of April 1998, a person called *Sheh Elias Shafi* came out of the crowd of people attending the meeting and appealed for his case to be seen. His case was that his brother, *Haji Abdo*, denied him his remaining share (valued at 140,000 birr) from the joint shopping business which they owned for two. He made a request for the case to be seen according to the *Qicha* with the administration of litigation by the elders. But his brother was reported to be sick and didn't avail himself for that day's meeting. Thus, the elders on the meeting made a discussion among themselves and decided that the case should be heard in the presence of both men.

It was also unfortunate that many of the elder *Yedebie* (*Cheha Bete-Gurage*) members who were called to the meeting were not present. Thus, those who were present decided that the hearing can not proceed in that situation. They also informed *Sheh Elias* that his brother should be present for the litigation so that he would defend himself. Then, they fixed an appointment for his case to be heard in three weeks time and they closed the case for that day.

Source: Gathered on a fieldwork conducted by the author

Although the *Yejoka Qicha* may be applied to any case that arises within the society, it seems, however, that in principle the parties involved should agree for their case to be handled by the *Yejoka* council of elders. Such an agreement is achieved usually after a lengthy process of negotiation. In situations involving complex conflict, murder or large-scale theft cases, concerned *Bete-Gurage* or *Gosa* people initiate the process of persuasion to such an agreement by organizing a group of elders from among themselves (see Box 2 below).

**Box 2: A Murder Dispute Handled by the
Cheha Bete-Gurage Council Assembly Meeting**

There was a murder case brought to the attention of the April 26th *Cheha Bete-Gurage* council assembly meeting mentioned in Box 1. A group of elders from the *Mogamene Gosa* in the *Cheha Bete-Gurage* presented a case involving the murder of *Ato Weldie Gebre* from the *Qotir Gosa* by *Ato Asfir Jijo* of their *Gosa*. *Asfir Jijo* has been under police custody and was going to be prosecuted in court once evidences were compiled. But his *Gosa* people wanted the case to be settled according to *Yejoka Qicha*. Thus, they requested the elders on the meeting to delegate and send a group of known *Cheha Gurage* elders to the family and relatives of the victim to persuade them to drop the case with the police and agree for the case to be handled in the traditional way.

Then about thirty elders and other men who were present on the meeting went to the place of the families of the victim. As soon as they reached there they settled in the open space in front of the house of a neighbor of the victim. There they were joined by some ten to fifteen more people who came late, among whom were other respected elders of the *Cheha Gurage* people.

It was not a warm welcome that the elders encountered at first. As soon as they reached at the place the eldest son of the victim came out shouting and showing a deep anger, aggressively telling the elders not to try to persuade him to sit and negotiate peace with his father's killer. Some five people had to struggle with him to stop him from coming close to the elders and show such an aggressive behavior in the presence of respected members of the society. They told him that, after all, all the elders present there came to find a solution to the problem, a solution which will be to his own good and that of the society at large. It took about forty five minutes to cool him down and to make his relatives and elders of his *Gosa* appear before the elders to speak to them.

After the elders from the victim's clan appeared before the guest elders, a lengthy process of discussion among the two groups of elders was undertaken to reach at agreement to handle the case according to the *Qicha*. Having reviewed the schedule of other similar meetings that the elders have to attend, the two groups of elders agreed to summon a meeting of the *Yejoka* council assembly at the *Cheha Bete-Gurage* level to undertake the hearings of the case as of May 28, 1998.

Source: Gathered on a fieldwork conducted by the author

In the process of persuading people to accept the settlement of disputes in traditional ways according to the *Qicha*, *Gurage* elders frequently open, support and wind-up their speech with blessings and persuasions by referring to the value to be attached to the culture and respect for elders. In handling the murder case narrated in Box 2 above, for instance, the elders from both

sides were speaking to one another as follows. A few of the sayings in *Guragigna* have been translated for illustration here.

The guest elders who came to persuade the victim's relatives and *Gosa* members first said:

“We beg your patience, forgive us! The relatives of the accused didn't ignore the problems created as a result of the murder; they recognize the harm that has been put to the victim and his family. For that matter, the two families used to be good neighbors; they used to drink coffee together⁵ and it must be the work of *Satan* that a conflict involving such an accident happened to all of us the *Gurage* people. Thus, please allow us to handle the case through traditional processes before the accused is handed over to the state prosecutor. *Gurage* elders will settle this murder case to the satisfaction of both sides and to that of the whole *Gurage* society. May God give a blessed family and generation to the victim's relatives and also mercy to the victim's soul. May God give you the strength to overcome the grief. The incident has been a sad news not only to the family, friends and *Gosa* members of the victim but to all the people around here. Thus, we beg you in the name of all the elders standing before you here and of God!”

Then the elders from the victim's clan, after having been back to the house and discussed among themselves, responded as follows:

“Let the mouth speak blessed words; may elders live long; the king⁶ stays on the throne; and the priest stays with his cross! May God avoid murders and conflicts from *Gurage* land! There are two things for which such a group of elders is gathered, to speak the truth and handle the dispute. You have seen how deeply the eldest son has been grieved at his father's death. You have heard him saying that if there is truth, he would search for it himself. Now, please tell us what we are supposed to suggest to the family and relatives of the victim. Did you come here to promise to find

⁵ To drink coffee together means to demonstrate that the two families are very close neighbors.

⁶ The king here refers to the respected traditional *Gurage* leader(s), the title(s) of whom was/were later changed to *Azmach* and who used to administer the affairs of the society. Also today there are elders with this title who play roles in traditional conflict resolution and involve in handling various problems through traditional methods among the society (also see GPSDO, 1998).

out the truth or to settle the dispute through negotiation? Tell us that the accused admits his wrong deeds and then we can discuss.

Then the guest elders thanked the elders on the other side for respecting and giving them the chance to speak and for calmly listening to them. The two sides finally agreed that a *Cheha Bete-Guarge* council assembly meeting be scheduled for May 10 to start hearing the case. Eventually, the elders dispersed to their respective areas, having drunk coffee that was prepared by the neighbors who are the *Gosa* members of the victim. The whole process of discussion and negotiation took a total of two hours and thirty minutes.

Although elders and the parties to a case have to pass through a process like the one described in the above few paragraphs, it seems the norm to accept arbitration and dispute settlement in the traditional way. It seems that the majority community members in the study area give high value to the social norms that keep them unified and serve as the source of respect for one another. The people in the rural settings of the study area do have a relatively deep social cohesion as compared to other people living in the urban settings. In the rural settings of the study area, maintaining social cohesion among the people is seen to be important not only for conflict resolution and arbitration in which elders play a pivotal role, but it is also essential for mobilizing the people for various community-wide development activities. Wherever and whenever group action and mass mobilization are needed, they are discussed upon and activated by institutions like the *Yejoka*, which are very important in the peoples' endeavor to improve their social and economic conditions.

In modern days, given the inadequacy of services delivered by the public sector, the services of such traditional systems in solving various development problems is very important to the lives of people. These systems contribute to the people's life not only in the condition of the absence of service delivery by the modern sectors. But earlier, before modern systems emerged, these were the ones that people relied on for services delivery. Even currently, as it is outlined in chapter III of the paper, there is a strong theoretical position supporting the utilization of such traditional systems as the best alternative institutional arrangements for services delivery. From the point of view of the users, for example, the *Yejoka* institution provides advantages in terms

of reduced cost of litigation and flexibility as reflected in the absence of bureaucratic channels which they would otherwise have to pass through to get their cases settled through government courts.

People go to the government courts for litigation where the courts are available at an accessible distance and only when they can afford the cost of getting court services in terms of the often lengthy process of litigation and the high cost of contracting a lawyer to use in the litigation.

In the study area, government courts' availability is limited to the wereda main administrative towns, which are usually very far from where the majority rural people live and work. It is learnt that the social courts being created as part of the rural peasant kebele association administrative organs are not yet fully operational. Even when they become operational, their service is going to be limited because their defined legal power is limited to certain simple dispute cases. Cases involving murder and high-level crimes can only be seen by wereda level and zonal level courts. For instance, murder cases cannot even be handled by the wereda-level courts as the power to do so rests with higher courts at the zonal level. Thus, for a person to get such a service at the zonal level, s/he would need to travel long distances to get to the capital of the zone, *welkite*, spend a number of days in a hotel, contract a lawyer, pay court fees, and lose some days work as a result of being away from home and his/her main occupation. Thus, the opportunity cost of getting the services of the government courts becomes so high that people would be discouraged to use them. In this situation, traditional methods of conflict resolution and arbitration would remain to be the sole options for use by the rural people.

Finally, it should be noted that the version 'traditional system' does not necessarily mean a past-oriented and static concept. 'Traditional systems' are understood as having earlier emergence and being based on the rich cultural heritage of the people. The systems are also dynamic and future-oriented. They adapt to changes in the socio-economic conditions and try to avoid problems by controlling potential conflict situations as well as searching for optimal solutions to problems when they arise. For instance, the elder members of the society and the council assemblies existing at the different levels in the social and geographical organization of

the people in the study area work to ensure peace and stability among the people by disseminating knowledge, promoting open and participatory dialogue and creating the forums for solution to actual and potential problems faced by the people. In this way, they contribute not only to conflict management but also to conflict prevention by trying to settle disputes to the best satisfaction of all the concerned parties and by transmitting the knowledge obtained from the matured experience of the elders and lessons derived from past conflict situations.

It is because of this realization that community-born organizations like the *Gurage* People Self-help Development Organization (GPSDO) engage in activities that promote the development of such traditional systems that are existing and operating among the society. As part of this effort, for example, the organization has recently made a collection of the customary laws by which the *Yejoka* institution operates, arranged for the discussion and improvement of the laws with contributions by all segments of the concerned people and published them in a book to facilitate easy reference and documentation.

4.2. THE MAZOYA/QERATE

Mazoya/Qerate is an institution that is concerned with ensuring security among the community in the study area. It is a system that operationalizes a rotating responsibility for households to patrol around at night and check the security of their areas and properties.

According to informants in the study area, before the introduction of a centralized state to the *Gurage* land the administration of the affairs of the society required such traditional systems as *Mazoya/Qerate*. As part of the traditional administrative system, the *mazoya* has been essential for controlling theft, ensuring stability and order among the people, and protecting the community and its farms against wild life attacks. In earlier times the indispensability of this system is strengthened by the fact that a state police system was non-existent in the area. Even after a government police system was introduced, the system of *Qerate* has been operating partly to make up for the inadequate service from the police system and partly to give services that are not given by the state police system.

In the study area, police forces operate mainly in the urban areas and the rural areas are served by kebele armed forces composed of a limited number of untrained men. In terms of statistics, for instance, there are only two police stations (one in the wereda center town *Imdibir* and the other in the town of *Gubre*) and 28 members of the police force in the *Cheha* wereda. If we see this police capacity against the total of 134,969 people to be served in the wereda, it will not be difficult to understand that the capacity is far from enough. The ratio of police stations and police force to people is about 1:67,485 and 1:4820; i.e., one police station serves about 67,485 people where as one police person serves 4,820 people in the wereda. Of course, the symbolic presence of 20 armed kebele members in each peasant association is an additional, if at all they are giving adequate service.

Besides, the current police service is severely constrained by resource limitations. One problem area is lack of facilities by which to carry out normal activities in association with cases to be investigated. Because of lack of trained manpower and equipment at the wereda level, complicated cases are handled either with the help of the police force at the zonal level or even left without being adequately investigated. Also due to the limited budget capacity of the government the meager financial resource at the wereda level does not allow the available police force to move to different places to carry out normal police activities. In case people have to get police service in the rural areas it is often times the situation that the beneficiary would be compelled to cover the cost of transportation and per diem for members of the police assigned to handle the case. The fact is, however, that the majority people in the rural areas can't afford to cover such expenses and thus remain to be out of the reach of the hands of the police force.

According to informants in the *Girarina Yefermazigbe* peasant association, people in the rural areas run a well organized rotating system of responsibility to patrol around in their villages to ensure security during night time. Neighbors, particularly those who have *Chat* farms, collaborate with each other to protect their farms and other properties. Generally, there seems to be a norm among the *Gurage* community in the study area to collectively or individually check around and control abnormal or unexpected situations in their village/*Jefore*, during the day or

at night. Even strangers can't just pass through villages in the *Gurage* community. Whether they like it or not, they will encounter unexpected inquiries and checks by members of the villages (for instance, see Box 3 below).

Box 3: An Example of a Traditional Day time Security Check

On May 2, 1998 I was stopped by a resident in the *Yerezeb Jefore* of the *Girarina Yefermazigbe* peasant association while traveling through to record study cases and interview people on an iddir meeting at the *Qoyya Jefore*. The man, estimated to be around 45, saluted me in the local language. I responded by greeting him with a throw of two of the local words that I learnt in the area, *Wahem-wari*, generally to mean 'how are you'. Having learnt that my accent was unique and that I don't speak the local language, he asked me in Amharic where I was going alone and whether I know the area well. I told him where I was heading to and that I would be joining one of the resident research assistant with whom I would be going to the place of the iddir meeting.

Without asking me whether I needed it, the man just "escorted" me on my way until I reached the house of my research assistant. On our way, I told him who I am and that I am doing a research in the village having obtained the permission from the chairman of the kebele and from the known elders in the village. I briefly explained what my research is all about and that I would also be holding a survey in his area. When my research assistant saw the two of us heading to his house he quickly came out and told the other man that he knows me and we would be going together to the *iddir* meeting in the *Qoyya Jefore*. They talked in the local language for a little while and then the man wished me good luck and departed us.

I asked my research assistant what that was all about. He informed me that the man wanted to make sure I am not just wandering around or am in the village for some other purposes. He also inquired about my ethnic origin and told him to find out from me why I got interested to study the *Gurage* while I am of a different ethnic origin.

So, I wondered if the *Qerate* system was just applied on me. And the man with me confirmed in favor.

Source: Gathered on a fieldwork conducted by the author

When crimes are encountered and detected by the *Qerate* system the usual procedure is to make the person who committed it appear before elders in the *jefore*/village and admit his/her deeds, after which he/she will be made to pay for the loss or receive a punishment decided by them. In one case recorded in the study area, a situation in which people were trying to handle a theft case that they identified in association with the operation of the *Qerate* system has been illustrated (see Box 4.)

Box 4: A Case Illustrating the Handling of a Theft Case by Elders

On April 30 1998, a neighborhood/*Jefore* level informal meeting of people was held in the western end part of the *Yerezeb Jefore* of the *Girarina Yefermazigbe* peasant association. The meeting was held starting about 9:00 a.m. in the morning in the house of *Ato Weldeyesus Yabe*, one of the important elders in the *jefore*.

The men, estimated to number around 25, met to arbitrate a dispute that arose between *Ato Weldeyesus Yabe* and another resident in relation to the act of stealing *Chat* by the latter's son from the farm of the former. The accused stole the *chat* in one of the days more than a month ago, around 11:00 a.m. in the morning, with four other collaborators of him. He was seen by three men who are residents of the *jefore* who later on reported the incident to *Ato Weldeyesus*. The three men were not on a regular duty of a *qerate* but they did the reporting as part of their general responsibility to ensure the security of their village.

The accused's father earlier requested the elders in the area to handle the theft case in the traditional way. The main elders in the area accepted the request and made him select four elders from his side and the victim to select five elders from his side, too. The selected elders, after having undertaken investigation into the matters of the case for a duration of about one month in a series of discussions in frequent meetings held before, passed a decision that the accused should pay 500 birr in compensation to the victim for the amount of *Chat* stolen from his farm.

Subsequently, on the day's meeting the accused's father complained that the decision passed by the group of elders is tough for him. The father said his son is only a child (aged 14) and didn't realize what he was doing in entering the victim's *Chat* field. So, he requested the victim for his forgiveness in the presence of the other members of the village. But the victim explained that the stolen *Chat* must be compensated for. Thus, the elders suggested to the accused's father that he discuss it with his guarantors, which he produced before, and come up with his decision in two weeks time.

Source: Gathered on a fieldwork conducted by the author

In the case narrated in Box 4 it could be learnt that two reasons have been stressed as the bases for the decision of the elders. One of the elders who participated in the investigation process was of the opinion that the punishment is not to be exaggerated. For one thing, he thinks that the amount of the stolen *Chat* is estimated to value as much as 500 birr, if not more. For another, he believes that the accused's father must effect the payment to show his respect for the norms of the society and for the decision of the elders so that possible similar future attempts are discouraged. In doing so, however, the elders also want to make sure that the amount or level of punishment is commensurate with the capacity of the accused to pay. Thus, it was the strong belief of the elders that the accused's father has the capacity to pay 500 birr in punishment for his son's wrong doing. Compared with what the accused would face if he were exposed to the formal government and police and court systems, he would receive more punishment as a compensation for the stolen property and put in prison for his wrong doing.

Therefore, the operation of the *qerate* system gives cost effective service to residents as well as help them find locally-based solutions to problems which they encounter in their daily life.

4.3. THE WEKIYA

Wekiya is an institution by which neighbors, relatives and other members of the society ensure the existence of cooperation for redistribution and risk minimization purposes. In the theoretical background outlined for this paper (section 3.2.2), it has been indicated that this type of an institutional arrangement is created to secure minimum subsistence for poor community members in times of crises or shortages. This redistributive function is maintained side-by-side risk minimization aims pursued by those who give out their assets on some form of contractual arrangement.

In the *Gurage* society, those people who are in a relatively better-off position support those who are at a relatively low level of living to sustain their life. In the livestock sector, for instance, the institution of *wekiya* functions to systematize cooperation between community members for helping one another by giving each other access to cows to use their milk and milk products. The person who receives a cow(s) on a *wekiya* arrangement keeps it for use on a temporary basis, in return for which he is expected to feed and care for the cow and raise its siblings. Normally, he can keep the cow and use its milk the minimum up to the end of the first cycle or round of milk production after delivery of a calf. As a matter of morality and of social norm, the one who gives the cow on a *wekiya* arrangement does not take back the cow until the receiver gets the benefit at least for that period of time (see Box 5 as an illustration).

Box 5: A Case Illustrating a Wekiya System

Ato *Tekle Leqa*, aged 40, is a resident of the *Yerezeb Jefore* of the *Girarina Yefermazigbe* PA. He is one of the poor members of the community who does not have his own livestock. Thus, he makes use of the cows which he is keeping for his use on a *wekiya* arrangement.

Fifteen years ago, Ato *Tekle* sold for 80 birr the only heifer he had at the time to a man called Ato *Bogale*. The latter was a relatively rich person who had a number of cattle in his household. Knowing this fact and realizing that he was going to give the heifer to someone on a *wekiya* arrangement, Ato *Tekle* asked him to give him the

chance to keep it. Having paid the price for the sale to *Ato Tekle*, *Ato Bogale* allowed him to keep the heifer on a *wekiya* arrangement.

The heifer has now become a grown cow and has given birth to four calves since then. *Ato Tekle* is still keeping the cow and all its siblings and is using its milk products for human consumption and their manure for his farms. As a matter of the rule of *Wekiya*, however, all the cattle are the sole properties of *Ato Bogale*. The former has been using the cow for longer period of time than the minimum allowed under a normal *wekiya* arrangement. Thus, the latter has the right to take back all or part of his cattle property at any time he pleases. For instance, he sold one bull last year and used all the money from the sale for his own, except that he gave 10 birr to *Ato Tekle* just to keep his moral.

Ato Bogale is said never to have come to *Ato Tekle's* house to check his cattle since the start of the *wekiya* arrangement before 15 years. The two persons used to trust each other for all these years. But, last year *Ato Bogale* came to the latter's house to check the exact number of his cattle. He did this because he heard from others the rumor that the cow gave birth to one more calf which the latter is said to have not reported to him. However, after seeing the situation with the existing cattle and having discussed the matter with *Ato Tekle* and his eldest son *Gebru*, he got convinced that what he heard was just a rumor. In fact, he felt happy that the cattle are in a very good condition. Having been satisfied with the situation of his cows and the explanation by *Ato Tekle* and his son, *Ato Bogale* later rejected the proposal by *Ato Tekle* that he can collect all his cattle if he pleases.

Ato Tekle's son *Gebru* said that the expense for keeping all the four cattle now is higher than what they can afford because there is shortage of grazing fields and animal feed in the area. *Gebru's* wife, *Tena*, reported that they spend more than 60 birr per year for feed only. This, coupled with the cost of maintaining their health, becomes more than what they are benefited from the use of the cattle. *Gebru* also said that the opportunity cost of raising the cattle on a *wekiya* arrangement is to be borne in mind; i.e., they can raise cattle on more advantageous arrangements such as *wenzem/wezem* (discussed shortly).

Source: Gathered on a fieldwork conducted by the author.

There are social norms by means of which such a mutual help relationship is established and governed between the two parties involved in a *wekiya* arrangement. In return for using the cow's milk and its products, the receiver takes responsibility for feeding the cow, maintaining its health and raising its sibling. Although altruistic tendencies from the part of the donor form the basic reason for giving out a cow on a *wekiya* arrangement, the donee has this obligation to fulfill while benefiting from such an arrangement. Thus, altruism is not the only thing promoted by the social norms. In practice, the relationship in a way takes the form of mutualism, facilitating a redistributive function while at the same time minimizing risk and cost of production from the part of the donor.

Altruistic behaviors and cooperative spirits among community members give rise to such a system, a system which is essential for peoples' survival especially in times of a subsistence crises encountered by certain categories of people in the society. Thus, the system can be

considered as a means by which emergency relief activities are operationalized. Relief activity is an important part of development, the latter being perceived in this context as involving improved conditions of life for people to secure subsistence. In that sense, it is a (local) development initiatives geared towards ensuring short-term adaptations and survival.

It should be noted at this point that sometimes it may be difficult to maintain such a system by simple reliance on trust and faith between the individuals involved. This might be reflected in a breach of agreement between any two parties at any time in the life of a particular *wekiya* arrangement. This may arise as a result of one of the parties trying to take advantage of the situation to generate an unfair benefit, due either to misunderstandings about the terms of the agreement between the two, or due to the effect of new developments taking place in the market.

It is generally recorded in GPSDO (1998) that whenever such type of problems are encountered certain rules have to be followed in resolving them. For example, it is indicated in the latest collection of the *Gurage* customary laws (*Qicha*) that if the owner of the cow wants to take it back before the receiver benefits from its milk, he can do so but has to pay 100 birr in compensation to the latter. If, on the other side, the owner wants to take back the cow but the receiver refuses to give it back or wants to keep it for some more time after using its milk, the *Qicha* set that the latter should be made to give back the cow and also pay 100 birr to the former for the inconvenience he created on him.

It is reported by people in the study area that at earlier times such problems are hardly encountered. But with the passage of time, people started adopting unfair practices and try to take advantage of the good faith and trust of community members. From the positive side, however, conflicts of interest could be created as a result of an attempt to revise an earlier agreement made in a *wekiya* contractual commitment. This is normally encountered with the expansion of market operations and the increasing value of goods and services.

For instance, a conflict may arise between any two persons having a prior *wekiya* agreement in association with either of the two of them wanting to take advantage of what he considers the increased market value of the cow. The donor may want to take back his cow or request a revision of his agreement with the donee. The donee, on the other side, might claim a share from the cow he has been keeping for long. With the increase in the market value of livestock, people might want to adopt other systems or arrangements which they think would give them better benefits or more advantages without necessarily abandoning the system of helping others. As a result, previous *wekiya* agreements might be subjected to revision. While such processes mostly are undertaken smoothly it is normal sometimes to encounter conflicting interests of the parties involved.

Recent developments in the livestock production sector include the introduction of what are called the *Yibara* (literally to mean manure) system of mutual-aid and the *Wezem/Wenzem* (to mean joint share-holding) system of livestock production activities. The *Yibara* agreement operationalizes a system by which a person borrows another person's cow(s), oxen, or calf(ves) to use manure as input for farming. The *Wenzem*, on the other hand, is a system that is created between any two interested individuals who agree to invest in a joint livestock production scheme and share the benefits according to the value of shares they own in the investment. Although all the different systems can be used independently, people sometimes make use of a combination of any two systems (for example, Box 14 shows how the *wekiya* and the *wenzem* systems have been combined in a mutual-aid activity in the village in the study area).

Unlike the situation in a *wekiya* arrangement, any owner who gives out his cow or ox on a *yibara* agreement may take it back at any time he pleases, thereby resulting in an interruption of the agreement. Likewise, the *wenzem* agreement may end when either of the parties involved wants to take his share and quit the system.

The introduction of these two systems is attributable to the expansion of the market system. Thus, people who have been committed to each other in a *wekiya* agreement may want to change the agreement to take one or the other form of the above described two systems of

livestock production. When the two parties agree to change their agreement, then there would be a smooth settlement of prior agreements existing between them. However, conflicts might be encountered as a result of a breach of agreement by either of the two parties on his own. In such instances, the arbitration of disputes by elders might be sought to achieve consensus or end the *wekiya* agreement. This does not mean, however, that cooperation and mutual-aid activities would always disappear with the expansion of market systems. To the contrary, as the above two systems indicate the form of the relationships may take other forms to adapt to changing market conditions and accommodate the effect thereof.

4.4. THE *WUKIYER*

An institution in the socio-cultural field that facilitates the sharing of a common leisure time after work, exchange of information, discussion, enlightening of children and promotion of culture is called *Wukiyer*. It is an institution that creates a forum for the people where they can share their joys and problems collectively.

In a typical *wukiyer* arrangement, the people living in a neighborhood rotationally gather in the evening after the day's regular working time in one of the elders' house to chat and discuss any issue that concerns individuals or members of the community collectively. While men are the main participants in the discussion, women take part in the gathering by preparing coffee and a modest food, normally *Wusa* or *qolo*, which the participants eat in the host's house. Usually, the host family covers the largest part of the coffee and food preparation but other participant households take part in by preparing the same in their own house and bringing it to the host's house.

On a *wukiyer* gathering, people exchange information about any issue or problem concerning the past, the present or the future. They talk about how they spent the day, how the day's work went, any problems encountered during the day, their history and culture, their village, their country at large, the world as a whole, etc. In doing so, they share information and knowledge, teach and inform the youth, and discuss to solve problems. Such an exercise enables people to

get current information in relation to any social, political, economic, legal, technological activities. The forum creates the opportunity for new comers or visitors to exchange information and views about the situations in the respective environments from which they come. Thus, where there is no television, radio, newspapers, magazines or any other modern media to disseminate information or carrying advertisements, the rural people depend on such institutions to get access to information and share others' views.

Normally, a *wukiyer* meeting is held at night, after people get back from their day's work. According to informants, the meeting usually lasts for three to four hours, after which the participants disperse to their respective homes between 9:00 and 10:00 p.m. in the evening.

These days, people in a neighborhood gather during the daytime as well to discuss issues and/or solve different problems. The different institutions operating within the society are the main forums that facilitate such a discussion; i.e., people's gathering in another institution may serve this purpose. But people also make extra-ordinary *wukiyer* gatherings whenever they have urgent matters to settle or sometimes to compensate for previously postponed *wukiyer* meetings. Note, however, that in a particular extra-ordinary *wukiyer* meeting, the number of participants may be limited as compared to a typical *wukiyer* meeting in which any member of the neighborhood or the village participates (see Box 6 for an illustration of the latter case.)

As the above paragraphs show, in conditions where people do not have modern systems of information exchange and market operations, they always dealt with it by creating such institutions as *wukiyer* through which they obtain the necessary information and deal with issues that relate to any aspect of their life. It's interesting to note that the institutions create a least cost option for the people to obtain the information they require. Thus, as a result of participating in such institutions, members of the community get access to market and other information and the opportunity to discuss any matter that would facilitate the improvement of their life. In that sense, institutions like *wukiyer* help to reduce the cost of obtaining information and reduce the transaction cost of doing business.

The exchange of information and discussion is undertaken not only between and among permanent residents of villages. A *wukiyer* meeting creates a forum on which migrant members of the society meet the residents of a village. On such occasions, information relating to rural-urban linkages would be exchanged and other issues that concern the society would be raised and discussed. Migrants returning to their villages share with their village relatives and neighbors what they know about the urban areas. They inform them about job, education and other opportunities and about the conditions of life in general in the urban areas; share them their experience of life; tell them the lessons to be learned from the situations in other areas where they work and/or live; etc. By doing so, they exchange information and views about market conditions, political conditions, health conditions such as AIDS, etc. and discuss possible ways and areas of improvement of their life, thereby creating alternative methods of initiating development for and by community members.

Box 6: A Case Illustrating an Extra-Ordinary *Wukiyer* Meeting

On the meeting that has been held in the house of *Ato Weldeyesus Yabe* on April 30, described in Box 4 above, there were two other issues incorporated in the agenda set for the meeting. One is related to the water problem the community was facing and the second concerns *chat* production and consumption.

In the first case, the participants expressed that the problem of potable water for human consumption and livestock use has reached a point where their survival has been greatly threatened. The main sources of water for the community are rivers, springs, and rain. A general survey in the peasant association indicates that the people suffer from shortages of water both in rainy and dry seasons. Also the water they are using now for drinking, cooking and washing is dirty/impure.

The situation with water for human and livestock use in the area has been studied by experts and the present sources are not recommended for use. Thus, the people discussed the problem in great depth and exchanged ideas on the possible ways out. Several suggestions have been made among which the task of submitting a written request to the wereda administration office was made a priority. The people agreed that, side-by-side, they have to put together their efforts and resources to complement any possible external assistance. They suggested that they can mobilize the various work groups which they already have organized independently and in association with the government and collect money contributions from community members.

In relation to *chat*, they raised issues regarding the recent conference conducted by the *Gurage* Zone Administration Council. The conference theme centered around the "harmful" culture of *chat* consumption that has spread within the society at large. The people had the information that the conference participants eventually took a stand that the practice of chewing *chat* is subjecting the youth who are the resourceful members of the society to damage and thus passed a resolution that this practice has to be controlled and avoided. It was also believed that *chat* production should be replaced by the production of other crops.

The people discussed these interrelated issues. They appreciated the various problems that come in association with *chat* consumption. Among other things, they stressed that *chat*, brings a physical and mental harm to the person who chews it, thereby reducing his physical and mental energy that would otherwise be used for productive purposes. They also recognized that the expenditure on *chat* purchases destabilizes the economic condition of the person and of the nation at large. They expressed their feeling that the cultural dilution that has come to the present generation because of this destructive crop has reached an unbearable level and that something has to be done to solve the whole problem.

It is interesting, however, that the people think any action to be taken to solve this problem should come in a systematic manner. The fact that *chat* is currently a source of cash income to a significant number of people makes the problem

complicated. Thus, they believed that any proposal to solve the problem should include the category of people who have shifted to *chat* cultivation as the main source of their livelihood. One short-term solution they suggested is to create and promote awareness among themselves about *chat* and the associated problems, especially among the youth. In the medium- and long-term, they suggested that they need to shift to the cultivation of cereal crops and other useful ones. For example, some suggested that they should ask the wereda administration to facilitate for them to start the cultivation of *teff* on a collective farm that they want to create in their area.

Source: Gathered on a fieldwork conducted by the author

4.5. IDDIR

Iddir is one of the most common institutions in both the rural and urban areas. In the rural settings of the study area the participation of community members is wider in *iddirs* than in any other institution. For instance, the questionnaire survey conducted for this study revealed that about 97% of the respondents participate in this institution. Not only household heads but also other members of the household may have their own *iddir(s)* to participate in. Out of all the 200 hundred households surveyed, 46 households (23%) reported that other members of the household in addition to the household head participate in *iddir(s)*. Thus, a particular household may have more than one *iddir* to participate in. Table 17 below shows the data collected in relation to the number of *iddir(s)* in which respondent households participate.

Table 17. Distribution of Respondents by the Number of *Iddirs* they Participate in

| No. of <i>Iddirs</i> | No. of Respondents | % of Respondents |
|----------------------|--------------------|------------------|
| 1 | 43 | 22.3 |
| 2 | 71 | 36.7 |
| 3 | 43 | 22.3 |
| 4 | 20 | 10.4 |
| >4 | 16 | 8.3 |
| Total | 193 | 100.0 |

Source: Computed based on field data gathered by the author.

The highest proportion of respondents participates in two *iddirs* (36.7%). The number of respondents who participate in 1 *iddir* and three *iddirs* constitute 22.3% of the total participants each. About 10.4% and 8.3% of the valid responses indicated participation of respondents in four and more than four *iddirs*, respectively.

The services rendered by *iddirs* in relation to the every day life of the people is probably unmatched by any services provided by any other institution. *Iddirs* are widely spread and are of diverse uses to people. In the questionnaire survey, respondents were asked to indicate which specific purposes they intended to meet by becoming members of the *iddir*(s) in which they currently participate. Their responses have been summarized in table 18 below.

Table 18. Distribution of Respondents by Reasons for Participating in *Iddirs*

| Reasons | No. of Respondents | % of Respondents |
|---|--------------------|------------------|
| Burial and Mourning | 121 | 62.7 |
| To save money as a criteria to get access to credit | 2 | 1.0 |
| Diverse uses (Burial, credit and as a saving mechanism and insurance against fire on house, etc.) | 60 | 36.3 |
| Total | 193 | 100.0 |

Source; Computed based on field data gathered by the author.

From table 18 above, it is evident that nearly two third of the respondents join *iddirs* mainly for burial and mourning. But it should be noted that diverse reasons are furnished by respondents explaining why they participate in *iddirs*. Thus, the survey indicated that 36.3% of the respondents join *iddirs* for various purposes. For instance, although *iddirs* in the study area commonly give credit facility, only 1% of the respondents reported that they joined *iddirs* to get access to credit as the sole reason. The main reason for joining *iddirs* is for burial and mourning and the associated mourning money which members are paid upon the death of their relatives (Note that some 62.7% of the respondents indicated that their main reason for joining *iddir* is for burial and mourning).

Thus, what *iddirs* perform is not limited to the traditional burial and mourning functions with which they are associated in both the rural and urban settings. The *iddirs* of these days have added certain essential services as their duty to their members. They serve as a saving mechanism, insurance against accidents of fire on a house, a source of credit to their members, a forum for conflict resolution and settlement of disputes, and as a development intervention point for both the community, the government and non-governmental organizations.

When we say *iddirs* serve as saving schemes to their members, the service should not be viewed in the same way as the conventional type of bank saving deposit. Instead, a regular small

Box 7: A Case Illustrating an Iddir System

On May 2, 1998, a meeting of the *St. Gabriel Iddir* was held at the *Qoyya Jefore* in the *Girarina Yefermazigbe* peasant association of the *Cheha* wereda. After the regular collection of monthly contribution was over, I undertook a brief interview with the chairman of the *iddir*, Mr. *Shewa Bashe*, aged 82.

Mr. *Shewa* describes his chairmanship responsibility as the task of collecting the monthly contribution from members and effecting the payment of a mourning money, loan, and other development contributions when approved. He has been on this position for about forty years. He informed me in the presence of the *iddir* members on the meeting that he assumed the position after having been asked for it by the members. There was no election process at that time.

The *iddir* has about 280 members drawn from all the different *jefores* in the kebele. The collection of monthly contributions from individual members is not undertaken on the meeting of all the members, which is held in the different *jefores* in a rotation. Instead, the coordinators who have been assigned for each *jefore* make the collections from members in their respective areas and hand-over the money to the chairman on the meeting of the general assembly. The *Iddir* has a master book on which the names of all the members is listed and the amount of each monthly contribution entered. It does not have auditors and the management works by good faith and trust of its members.

The management council is composed of three elders plus the chairman and one secretary who assists in record keeping and reconciling the amount of each collection with the record. The recording is not systematic. Each individual contribution is centrally recorded in the ledger book by the overall secretary. This is done at the end of the collection and hand-over of the collection money by the *jefore* coordinators/representatives. The *iddir's* amount of capital has not been disclosed to me.

The *iddir* performs what is traditionally expected of any *iddir*. According to the information from the interview, it covers certain mourning expenses, gives stabilization money for mourner members, gives credit service, helps members in times of accidents and difficulties (such as reconstructing a burned house), and handles disputes that arise between members. Apart from these, it raises and contributes money for various socio-economic development activities in the community.

Payments and the purposes for which the money is to be used are approved by the management council. The interesting part of the decision process is that it is democratic and every member is free and has the forum to throw his ideas and influence the decision. The management council gives the final decision after considering the views of members.

Source: Gathered on a fieldwork conducted by the author

amount is collected from each member in a form of a contribution and is deposited with the *iddir* chairman or the treasurer. This money is later used to finance expenses that are to be incurred to buy certain necessary equipment, coffee and grain and some times food that are to

be used and consumed by people who come to mourn in the house of their member who encountered the death of a family member or a relative. Another use of the money is in the form of mourning money that is paid to the latter as a stabilization cost. In the traditional culture, close relatives of the deceased spend up to seven days in mourning. Other people who are *iddir* members, neighbors, friends, colleagues, etc. give company to them usually on a rotation basis. *Iddir* members have the responsibility to be regularly with them especially during the first three days of bereavement. After burial, their main service is to give company to comfort the mourners. They do this on a rotation basis and every group of *iddir* members prepares coffee and usually *qolo* that is taken to the mourners' house during the day sessions. At night, not only *iddir* members but also neighbors and friends take food and drink (usually local beer) which mourners eat and drink for their dinner.

Of all the forms of assistance generated from *iddirs* by their members, perhaps the human resource that is made available to them for burying the dead and their services during in mourning is the most important. Equally important is the mobilization of this resource in times of other crises such as in the event of the burning of a member's house. A sort of an insurance scheme functions to rescue and restabilize the victim(s) of such an accident. In addition to the *iddir* money made available to the victims, the labor of *iddir* members is mobilized together with that of other community members in reconstructing the victim's house.

Credit is also an important service which members are provided with by their *iddirs*. Credit is given to overcome any difficulties that they face in their daily life. Any application for credit is to be evaluated by the *iddir* management before a loan is approved. This is done for two purposes: to determine whether the application is based on a genuine problem or crisis and to ascertain the credit worthiness of the applicant. Usually, an applicant who has a genuine problem and who is credit-worthy is given the loan, provided that the *iddir* has enough money to allocate for this purpose. Normally, a modest interest is charged on the loan. In providing this service, *iddir* is not serving as a financial institution in the strictest sense of the word. Instead, the service is meant to help members overcome their problems by making loans available to them. This objective is manifested also in the relatively low interest payment

applied to poor members. Who ever the borrower may be, profit oriented formal financial institutions charge higher interest than *iddirs* and the exchange relationships are purely in financial terms. Besides, unlike other financial institutions, *iddirs* do not give loans for investment purposes. This indicates that they limit themselves to financial services in close association with objectives in the social sphere; i.e., to help their members overcome their problems, provided the *iddir* has the capacity to finance loans (see section 5.2.1. for a comparative analysis of the credit services from the formal institutions and indigenous institutions).

Iddirs provide a forum for conflict resolution, dispute settlement and discussion on various problems of the members in particular and the community in general. In relation to the wider range of purposes *iddirs* serve, their management body is usually composed of known elders that form the nucleus of not only *iddir* groups but also the council of elders at the level of the whole community. The role of the elders in *iddir* management goes beyond simple traditional *iddir* spheres of operation. They play the role of arbitration in settling disputes and conflicts that might arise between and among *iddir* members. They do this on forums created in two ways. The main forum is the regular *iddir* gathering during which any issue or complaint is put forward by the interested members, men and women alike, to the attention of the *iddir* management and other elders present on the meeting. The issues and disputes are discussed and settled on such a meeting or are passed over to other more appropriate forums or institutions in the community. The second forum is created when the elders agree to postpone the issue for discussion and settlement in an extraordinary meeting of community elders to be held for that purpose.

The participation of *iddirs* in wider community development activities is to be noted. Since development activities require the joint effort of community members, various organizations, including government ones, approach *iddirs* to contribute their share in financial, material and human resources. In the case of the *St. Gabriel Iddir* described in Box 7 above, for instance, the *iddir* has mobilized its members for different community-wide development activities such as the construction of terraces, small bridges and roads. It has also contributed an unspecified

amount of money for the construction of a new building for the nearby *St. Mary Church*. It is also indicated that *iddirs* are considering taking part in the mobilization of resource in support of the effort to rehabilitate those affected by the recent war between Ethiopia and Eritria.

Besides, *iddirs* have been collaborating with other community organizations, government agencies and non-governmental organizations in the various development works that these organizations run.

Thus, in the rural settings of the study area *iddirs* have expanded their scopes of service delivery to their members and the community in which they are found. Practically speaking, we see that *iddirs* have evolved to hybrid form of institution. By doing so, they have increased their area of contribution to the lives of people and have become more important than before.



A bridge in the *Yesemie jefore* of the *Girarina Yefermazigbe* PA constructed by an NGO with the collaboration community members mobilized through their different *iddirs*.

4.6 THE SENBETE AND MAHBER

These are religious institutions in which people who have the same kin background, who live in the same area or who have the same professional background who are mostly of the same religious background, particularly orthodox Christians, gather and celebrate their solidarity.

A *senbete* gathering is held after the regular Sunday church prayer program usually in the church compound. For example, most of the orthodox Christians in the study area go to the St. Mary Church that is found at about two to three kilometers distance from the *Imdibir* town. There are eight *senbete* associations of the people who come to pray at the church and each person participates in one of the *senbetes* where mostly his clan-people, kin, or *iddir* members participate. About sixty to eighty people participate in a *senbete*.

Members of a *senbete* bring *tella* and a local bread (also sometimes *Injera* with *watt*) to the church when they come for the Sunday prayer. They do this on a weekly rotation basis. After the prayer is over, the host household serves the drink and bread or food in one of the small separate houses just outside the main church compound. It is a very normal practice for people to drop by in one of the *senbete* gatherings to have a glass of drink and a slice of bread just after the prayer. While having the drink and bread people meet and greet each other. Those who have businesses to deal with do so for a short while and then depart to their houses or go together to another gathering if there is any. In the latter sense, the *senbete* sometimes serves as an intermediary for gatherings of people at different levels.



Orthodox Christians on a Sunday church prayer program in the St. Mary Church near *Imdibir* town.



Orthodox Christians on a *Senbete* gathering After their Sunday Church prayer program

The organization of a *mahber* basically follows clanship and kinship as well. But people brought together on friendship or professional background may have a *mahber*. Usually, the religious *mahbers* are named after one of the Saints in the Christian religion; such as St. Michael's *Mahber*, St. Gabriel's *Mahber*, St. Mary's *Mahber*, etc. Participants in a *mahber* meet each other every month on the day of the Saint after which it is named. The members host the gathering every month on a rotation basis with lavish food and drinks served on the day. The objective of such a *mahber* gathering is religious solidarity. But other issues that concern the members might sometimes be raised on the gathering for the members' discussion. The issues raised may be related to any aspect of life. Besides their religious purposes *mahbers* may serve as a forum for exchanging information and views and for settling disputes.

V. INDIGENOUS FINANCIAL AND PRODUCTION-ORIENTED INSTITUTIONS AND OTHER WIDER COMMUNITY DEVELOPMENT ORIENTED ASSOCIATIONS

5.1. *IQQUB*

In an agrarian country like Ethiopia, where the per-capita income is very low, it is difficult to find modern financial institutions operating in the rural areas. The few modern financial institutions mainly operate in the urban areas. For example, banks operate where relatively moderate amount of savings can be mobilized. The money economy is not strong in the rural areas and as a result savings mobilization is at a very low level. Thus, rural areas are not good candidates for hosting the modern financial institutions like banks.

Although modern financial institutions are lacking in the rural areas, alternative traditional forms of institutions operate to give services to the rural people. One of the traditional forms of institutions identified in the study area, the functions of which fall in the sphere of finance, is *iqqub*.

Iqqub is a rotating saving association whereby a group of persons contribute a monthly, bi-weekly or weekly regular fixed sum to raise a fund which is to be distributed to the members governed by a lottery system. The person to whom the chance to collect the fund on a particular collection day is drawn is made to take the money after having produced a guarantor or guarantors as a security against future failures to finish all the remaining regular payments. In all their interactions, *iqqub* members are governed by the by-laws that they formulate at the start of the *iqqub*. Whereas a few *iqqubs* in the study area have by-laws in a written form (for example, an *iqqub* described in Box 8 below), most of them rely on tacit agreements that are not put in writings (for example, the women *iqqub* described in Box 9).

The drawing of chances to distribute the funds by the lottery system can be done at different times in different *iqqubs*. One way is to make all the draws at the beginning of the *iqqub* cycle so that every member will know in advance when his turn it is to collect the fund. In a sense,

this is believed to make planning possible by the participant members; i.e., any participant can schedule his expenditures or investments in association with important activities and ceremonies to match the timing of collection of the *iqqub* money. A second way may be to make the draws immediately after each regular collection and let the members know on the spot who will take the fund. A third way is to make one drawing in advance of each collection week or month, depending on the time interval.

The above being the formal ways of distributing the fund, members of the *iqqub* may deal with each other to exchange the chance to collect the fund or share the fund between or among themselves through various mechanisms. Sometimes individuals who are hard pressed for money apply to the *iqqub* assembly to be given the chance to get the fund without recourse to the lottery system. If the members are convinced of the appeal made by the person and agree that they should help him by giving him the chance without recourse to the lottery system, then the person may be allowed to collect the fund. However, this is a rare case. Even if social factors such as mutual aid objectives lie behind *iqqub* formation, the financial objectives often take priority over the former. Thus, such a request may often be denied of consideration. As a result, members desirous of getting money from the *iqqub* fund at a particular date may deal with the person for whom the chance is drawn to borrow money from him with a payment of a fixed sum on it as an interest. This shows that members create a credit facility among themselves by participating in *iqqub* and thereby give help to others or receive the same from others.

Box 8: A Case Illustrating an Iqqub

There is a community-wide *iqqub* in the *Yerezeb jefore* of the *Girarina Yefermazigbe* PA. The *Iqqub* has 50 men and women contributing members who pay 10 birr each every Sunday, the regular collection day. The *Iqqub* was started about six months ago, renewing a previous cycle of *Iqqub* in which the majority of the present members participated.

Ato *Weldeyesus Yabe* said that he proposed to many people in his *jefore* to form the new *Iqqub*, with membership to be made open to any interested person who is capable of paying the weekly contribution regularly. At first, some fifteen people gathered and agreed to start the *Iqqub* with the above mentioned weekly regular payment per person. In the second week, many people who heard about the new *Iqqub* came and got registered to participate. In the third week, a total of 72 persons were registered as members. However, over time 22 persons dropped out; some were unable to continue paying the regular weekly amount after a few weeks collection, and others were cancelled from membership by the general assembly of the *Iqqub* considering their poor financial capacity and past records of failure to pay the contribution regularly.

The *Iqqub* has by-laws which have been formulated by the general assembly at the start of the *Iqqub*. The by-laws are put in writing and every member has signed on the ledger of the *Iqqub* to show that he has agreed to abide by them. A few rather

general provisions have been made in the by-laws. The major provisions in the by-laws (which have been translated from Amharic to English) included the following

- The *Iqqub* shall have a chairman, a secretary and three elder judges who are elected at the start by the general assembly of the *Iqqub*.
- The value of the regular weekly payment for one lot shall be 10 birr.
- Individual persons can be registered for one or more than one lot individually and/or own shares in a lot with other persons.
- Every participating member shall pay the fixed amount according to the value of lots he owns individually or jointly with other member(s) on the fixed day and time of the *Iqqub* collection.
- Any participating member who fails to pay the weekly contribution on the fixed day and time shall be made to pay a 25 cents penalty for not keeping the fixed time on the collection day and a 1 birr penalty for delays upto one week. A member who fails to pay the regular payment for over more than two weeks after the specific regular collection day shall be expelled from membership, with refund of the money contribution he has made upto the day he was expelled on the day his lot is drawn by a casting of lots.
- The weekly collected fund shall be distributed by a casting of lots, which shall be done every week on the spot after each collection. The rule shall be that, there shall be a free casting of lots for three subsequent weeks. Every fourth week shall be reserved for the selling of the collected fund to any interested member who might want to buy it for a 25 birr profit that would accrue to the whole *Iqqub*.
- The chairman of the *Iqqub* shall collect the fund for which he makes the regular fixed contribution without recourse to the casting of lots on the fourth week from the start of the *Iqqub* collection.
- Every member for whom a lot is drawn shall collect the fund by producing two guarantors who would agree and sign to be responsible for any future failure of the person to pay the regular payment for the remaining number of collection weeks.
- The secretary shall be paid a 2 birr service charge for his clerical service from the person who collects the fund every week.
- The money collected from penalties and the selling of lots every fourth week shall be deposited until the end of the *Iqqub* cycle and be used for purposes on which the *Iqqub* participants agree and decide.

Thus, this *Iqqub* is well organized as compared to many *Iqqubs* in the rural settings of the study area. The provisions in the by-laws are understood by all the members and the systematized operation has won the confidence of the participants. As one member expressed it, "this *iqqub* is superior to many other *iqqubs* operating in the area because it is predictable in that all the members know what is happening in their institution, rules are strictly followed and there is no favoritism exercised in its operation."

In their dealings to lend and borrow money to and from each other, participant members have established practices that they follow. For instance, if some one wants to buy the full fund or borrow part of it from the person for whom a lot is drawn, then he can do so by paying a 3% to 5 %interest (or better called a commission because time horizon is not usually fixed to the loan or purchase), provided that the latter is willing and ready to do so. In such a way, individuals who are hard pressed for money can be helped.

In addition to the financial objective of participating in the *iqqub*, members express their solidarity and cohesion through the celebration of their gatherings every week by sharing the small drink sponsored by the person for whom a lot is drawn (which costs 6 to 9 birr). The members also make a big celebration at the end of the *iqqub* by sponsoring a feast using the money collected and deposited from penalties and sell of lots during the life of the *iqqub*. Thus, the *iqqub* also plays a social role in addition to its normal financial roles.

Source: Gathered on a fieldwork conducted by the author.

Box 10: A Case Illustrating a Women's Iqqub

Twenty one women in the *Yerunche Jefore* of the *Yefereziye* PA have an *iqqub* in which they participate. It is a neighborhood *iqqub*, the composition of which is drawn from women with different backgrounds in the *Jefore*. The *iqqub* was started in February 1998 ago and the women have planned to renew it up on the completion of the current cycle. It has one chairwoman and a secretary, the former being chosen for being an elder women in the area and the latter for having clerical skills. The chairwoman has been given the privilege to collect the first draw but the secretary does not have any privilege different from the ordinary participant members.

The members make a weekly contribution of 2 birr each and the total amount of the fund is 42 birr. Each member is expected to pay the contribution before noon of every Sunday, the specific collection day. Those who fail to do so will be made to pay a 25 cents penalty for delays up to two weeks. If any member fails to pay her contribution within a month, she will be expelled from membership. It is mainly the responsibility of the chairwomen to implement these rules but all the women will cooperate in enforcing the rules and making sure that each member behaves accordingly. There are agreed up on by-laws that have been formulated at the start of the *Iqqub*, which are not put in writing. The members think that this does not create a problem as the number of participants is limited and manageable and that they trust each other.

In distributing the fund collected each Sunday, lots are drawn one week in advance and the lucky woman will host the next gathering upon which she will collect the money. As the host of the day's gathering she is expected to prepare coffee and *qolo* for the members, for which she would need to spend 2 birrs. Thus, in practice she would remain with forty birrs from the total collection.

On April 29, 1998, the regular gathering was made in the house of *Amsalech* and she hosted the gathering with coffee and *qolo*. One of the participants, *Tadelech*, says she joined the *iqqub* to save money which she wants to use to buy clothes for her children, herself and her husband. Basically, she thinks that the *iqqub* money supplements her household's income. Her husband being a farmer who does not have cash income, she said that her objective is to share responsibilities with him.

The chance to take next week's collection was drawn to *Ayelech*. *Ayelech* belongs to a traditionally low class occupational group in the society, commonly called *fuga*¹. She wasn't present on the gathering due to her father's illness but the secretary, *Tadelech*, told that she will be informed. However, she won't be made to host the next gathering because the majority main "*Gurage*" people still do not share food and drinks with her and others in her occupational group. Thus, the gathering will be made in another "*Gurage*" women's house. But *Ayelech* will still be made to cover the expense for preparing coffee and *qolo*.

Source: Gathered on a fieldwork conducted by the author

The driving force behind an *iqqub* is the desire to save money that will be used for different purposes. Thus, in relation to individuals the reasons for joining *iqqub* can be as varied as the use to which the money is put. In the rural settings of the study area, people may want to buy farm implements or livestock, build a house, start other income generating activities, buy tools, buy clothes, finance the expenses of wedding and other celebrations or ceremonies, etc. Thus, they pool together small amounts of money on a regular payment in an *iqqub* so that they would be able to raise the necessary fund to finance these and other expenses.

¹ The name *fuga* is used derogatively to refer to "low class" occupational group of people in the study area. Previously, these people used to have no land of their own and they mainly worked on the farm land of land lords. With the abolition of the feudal system, these relationship disappeared and the *fuga* have been made free to live on their own. These days, people are not heard using the name *fuga*. Instead, they refer to them in Amharic as the *Ijje-Werq* (literally to mean gold-handed), or the *Americans* (in connotation of the entrepreneurial spirit of the 'westerners'). They are basically artisans now and live on cash income generated from wood working and similar activities. There are some of these people who have become good achievers and in that sense some of the main '*Gurage*' people think their occupation is worth engaging in.



Women in the *Yefereziye Jefore* on an *iqqub* meeting. The woman sitting second from right paying her contribution and the secretary sitting second from left recording the contributions of all the member women.

In the questionnaire survey conducted for this study, respondent households have indicated whether they participate in *iqqubs* and what the nature of their participation is. Of the 200 households covered in the survey, 27% (54 respondents) reported that they participate in *iqqubs*. It is observed that the non-participation rate for *iqqubs* is higher than the participation rate; i.e., 73% of the respondents not participating in *iqqubs*. This may be attributed partly to the low level of money economy in the rural settings of the study area and partly to the overlap between some services provided by indigenous institutions (for example, credit facilities provided by *iddirs*).

The reasons for participating in *iqqubs* vary. About 32% of the valid responses indicated that the respondents join *iqqubs* to save money that they will be using for various purposes (to make small investments, to buy agricultural inputs, to buy livestock, to buy clothes and spend for various household uses). About 20% of the respondents in this group reported that their main reason is to get credit some time in the *iqqub* lifetime. The rest (48.1%) said that they

considered a combination of these and other reasons (for example, persuaded by others) to justify their participation in *iqqubs*.

Households join a number of *iqqubs* depending on how much and for what purpose they need the money. Of course, the number of *iqqubs* a person joins is highly influenced by his/her economic status. In general, 90.7% of the respondents who participate in *iqqubs* indicated that they participate in one *iqqub*, 7.4% of them in two *iqqubs*, and 1.9% in three *iqqubs*.

Participation in *iqqub* is not limited to the household head. Fifty two respondents (26%) reported that other members of the household participate in *iqqubs* as well as the household head. Thus, it seems that for each household head who participates in *iqqub*, there is another member of the household participating in *iqqub*. It was generally learnt that husbands and wives may have their own independent *iqqubs* in which they participate. Even if quantitative data is not available, general observations indicate that some children also have their own *iqqubs*.

Usually, individual members have their own separate lots in an *iqqub*. But people often buy shares in a lot for two or more. When their lot is drawn, they distribute the fund between or among themselves according to their share in the lot(s).

Individual members of a household may participate in their own *iqqubs* or have their own individual lots in the same *iqqub*. Men, women and children can participate in the same *iqqub* or may have *iqqub* for their particular group. Thus, it is common to find men's *iqqub*, women's *iqqub* (as illustrated in Box 10 above), youths' *iqqub* or those *iqqubs* in which any person can equally participate (for example, as illustrated in Box 9). *Iqqubs* may also be formed by persons sharing the same professional background. Thus, the artisans' *iqqub* and the like can be found.

Unlike some of the institutions operating in the other socio-political and economic spheres, an *iqqub*'s scope of participation in community-wide activities is very narrow. *Iqqub* is very much tied with individual participants and it is often difficult to mobilize its financial resources for

some other developmental activities at the community level. This does not mean that *iqqub* has no contribution to development. On the contrary, the cooperative spirit manifested in its formation facilitates and support peoples' small-scale development activities as well as solving their daily problems. However, since the money contribution still remains with individual owners of lots, unless the individual allows it on his/her own the money can't be used for other uses in the name of the whole *iqqub* or community. In some *iqqubs* in the study area, however, small collections obtained in association with their operation are deposited, later to be used for promoting solidarity and social ties among the *iqqub* participants (Box 9 above). Thus, *iqqub* has contributions to development not only from the financial point of view but also from the social point of view.

The present day *iqqubs* are based on financial contributions of their members. This seems common to *iqqubs* in both the rural and urban settings. This feature has led people to generalize and argue that *iqqub* originated in urban areas in association with the emergence and development of the money economy; i.e., in relation to commerce and industry (for instance, see Dejene, 1993). There is no doubt that the present pure financial form of *iqqub* has roots in commerce and industry. However, although more research will be needed to prove it further, it is also argued in favor of the rural origin of the concept of pooling together resources to take advantage of economies of scale. We shall consider two traditional institutions called ***Wujo*** and ***Qib-Yidemuji*** to support this argument with evidence. In analyzing the characteristics of these institutions it is learnt that they can be taken as the ancestors of today's financial form of *iqqub*.

Wujo is an institution whereby up to five to seven or more women in a neighborhood pool together milk for some days and make use of the collected milk on a rotation bases. This is done in order to allow the accumulation of milk from which butter, cheese and other products can be made². If an individual contributor wanted to do this on her own, she would have to wait for days until the small daily milk collection is accumulated. Thus, by participating in *wujo*

² In some parts of Ethiopia, *Wujo* is called with the name *Wijjo*. As it is shown in one document, *wijjo* operates to mobilize the accumulation and exchange of milk and its products among an association of women (Bekalu, 1997). But in the context of this paper, it is strictly associated with milk only and milk products particularly butter falls within the boundary of *Qib-Yidemuji*.

each woman would benefit by being able to save it for future consumption, from scale economies in being able to process and use the accumulated milk, and receive help from participating members by being allowed to use the accumulated milk and/or its products for various uses.

In the case of *Qib-Yidemuji*, a group of five to ten interested women or those who live in a neighborhood contribute a fixed amount of butter every week which will be accumulated in the house of one of the group members, usually an elder women. The objective is to accumulate butter for use during holidays, weddings or other similar occasions for which more quantity of butter is required than the regular usage amount. Not only is the accumulated butter used for such special occasions but some times it can also be sold to get cash income for critical uses.

Normally, the accumulated butter remains intact until a special ceremonial event or a holiday. However, in case any contributor wants to take her share at any time, in principle she is free to do so. But the participants do not usually do this for they would like to stick to the general interest of their group; i.e., accumulating the butter for as long time as possible so that they would have a good accumulation. Any member who would want to take bit-by-bit from the accumulation is judged not to be a good mate and other members may feel that they don't need a group activity with such a member. Thus, every member would try to stick to group interests as much as possible and the sharing will be undertaken at the time suitable to the majority of members; i.e., in the event of holidays, unless a particular member has a special ceremony to hold or needs to raise cash for emergency uses.

From practical point of view, some of the women think that they need some sort of a constraint in their every day use of butter at home. *Yemata Dinqe* of the *Yerezeb Jefore* in the *Girarina Yefermazigbe* peasant association expressed that if all the butter produced is kept at home, what ever plans she might have for its use, she would be tempted to use it for regular consumption and finish all the butter she has. Hence face butter shortages for most important occasions like the *Masqal* holiday. Thus, the *Qib-Yidemuji* arrangement serves as a constraint and creates the

opportunity to save and accumulate the butter for such uses (Box 11 illustrates the *Qib-Yidemuji* system).

The foregoing few paragraphs have introduced two rural non-financial forms of savings which resemble the financial institution of *iqqub*. The institutions operate in the non-monetary sector basic similarity is there between *iqqub* and the two institutions in that they all mobilize savings

Box 11: A Case Illustrating a *Qib-yidemuji* System

Ten women in the *Yerezeb Jefore* of the *Girarina Yefermazigbe* PA have a *Qib-yidemuji* group which they have been using for years to accumulate and distribute butter among themselves. The group was established on a neighborhood level before about ten years and has been operational among the members since then. The main purpose for which the accumulated butter is used is for consumption during the *Masqal* and other important holidays, to use it on the occasion of a wedding and other ceremonies, and to generate cash income from its sell for critical household purposes such as to cover urgent medical expenses, etc.

In principle, the women agreed to deposit the butter for a year's time, the end of a one year's cycle usually being made to coincide with the *Masqal* holiday. Then, at the end of the cycle they would share the accumulated butter according to the amount of deposits each has been making. The accumulation of butter actually is undertaken during the rainy seasons of the year when milk production can be secured better. The group coordinator, *W/o Dinqinesh Aseffa - aged 39*, says every member actively deposits the butter every week. When a participating women does not have a cow to milk, from which the butter is processed, then she buys the butter from the market and deposits it. She says that previously they used to deposit the butter in one place, her house, and distributions used to be made once at the end of the cycle. But since recent years the practice has been changed with the reduction of butter production in association with the increased level of poverty in the community. At present, the group just coordinates the system in which each participating women makes a regular contribution of a fixed amount of butter and collects the total accumulation in turns. For instance, in the last year's cycle, the member women used to contribute one *Wederie* of butter once in a week every Saturday. (A *Wederie* is a local unit used to measure butter; one *wedrie* costs 12 to 15 birr). Then they used to receive the weekly total collection in turns on a rotation basis. Thus, the deposit actually was being made in each women's house.

W/o Tena Sahlemariam, aged 25, is one of the members of the group. She said that in the last year's cycle she deposited during a total of thirty active weeks about thirty *wederie* of butter. She got three turns in rounds of ten weeks during this period of time in which she collected the total contribution from each of the other nine women. *Tena* said that all the deposit wasn't kept for the whole period of time. Instead, she had to use a large part of it before the *Masqal* holiday. Thus, when the holiday approached she had not more than 1/5 of the total butter accumulation she received during the period of time. Generally, however, she could still benefit from scale-economies in obtaining an accumulated butter at once, which might otherwise be difficult to accumulate on her own.

Source: Gathered on a fieldwork conducted by the author

of some sort. Differences are observed in the types of savings mobilized by each institution. While *iqqub* functions in association with money savings, the traditional form of the latter two systems provide services appropriate to the rural areas in terms of facilitating non-monetized

forms of savings. Other differences relate to the number of participants and the types of by-laws used by the two groups of institutions. Thus, the member size is relatively bigger in *iqqubs* than in the other two institutions. The by-laws of *iqqubs* may sometimes be found in written forms whereas the case of the other two systems always exhibits only a tacit agreement by which participants are guided.

In conclusion, the concept of resource pooling is the basic objective of all these institutions that puts them under one umbrella. In cases of all the three forms of institutions, the resource distribution is made to members according to their individual contributions or shares. From the basic similarities in their general objectives and based on what has been described about the nature of these institutions, it can be argued that *wujo* and *Qib-Yidemuji* are the rural ancestors of the present day financial form of *iqqub*. It is suggested that a study of some more similar indigenous institutions in other parts of the country may come up with findings in support of this argument made in the context of the study area³.

In general, all the three type of institutions provide services that are appropriate to the rural setting. Savings can be made in kind, the size can be small, and the cost of saving is almost zero or insignificant. Compared with the saving services of modern financial institutions such as banks, the saving services by these institutions is less costly, flexible and more appropriate to the rural setting.

5.2. THE GEYIZ

The *Geyiz* as an institution is the *Gurage* counterpart for the *Dabo* institution that is commonly known to most people in some other parts of the country. The *Geyiz* is a rural institution, by means of which interested men pool together their labor resource and farm or other tools in a work party which they organize usually on a neighborhood level. The main purpose of *Geyiz* is to help each other during peak agricultural seasons and in some other works that require the

collective efforts of many people. The people who come to work together in a *geyiz* may also have the objective of helping poor households or those who may need the help of such a group of men working in a group. Thus, a women-headed household and other incapable members of the community may get the help of others through a neighborhood *geyiz*.

A notable aspect of agricultural activities in the study area is that joint labor is a very essential part of it during peak agricultural seasons. It seems as if a farmer cannot survive any particular peak agricultural season without the help of others with labor contribution. This is evidenced by the findings of the study that of all the respondent households covered in the questionnaire survey, 91% reported that they rely on others' help in performing major agricultural activities. According to the survey result, from among the various labor sources, the largest proportion of households' labor access is facilitated by collective work arrangements such as *Geyiz* and *Wusacha* (discussed shortly after). From table 5 in section 2.4.4, *Geyiz* constitutes the main labor source in land preparation for 37.2% of the respondents, in ploughing/digging for 38.1% of them, in planting/sowing for 23.4% and in weeding for 28.1% of them (compare these figures with those representing the percentage distribution for the other labor sources of respondent households summarized in table 5 in section 2.4.4).

In a typical *geyiz*, men ranging in number from five or six to twelve or more work jointly in main agricultural activities (such as land preparation, planting/sowing, weeding and harvesting) and in the construction of houses, fences, small bridges, etc. Basically *geyiz* has no formal organization but operates on a tacit understanding and agreement between people who want to help each other in these activities. A geographical boundary basically dictates the area scope of participation in a particular *geyiz*. Consequently, a neighborhood level of organization is the common practice although all neighbors may not necessarily work together in such an institution. It is learnt that the formation of *Geyiz* at that level offers advantages in economizing time and providing easy access to each other for close neighbors.

³ For instance, Bekalu (1997) has documented the existence of an institution concerned with the pooling together of spun cotton and allocating it to member women in a rotation from which the women can make and use or sell a

A *geyiz* work is performed for the group members on a rotation basis depending on the work schedule and preparation of the individual members. Whenever an individual member has a work to be performed collectively, he informs his *geyiz* members to come and help him on a particular day. Normally, the program is fixed in advance so that work overlaps and conflicts of interests among members would be avoided. The work is normally performed in the morning (starting between 8:00 and 9:00) and lasts for about four to eight hours, depending on the amount of work. When the day's work is finished, the participants take a break in the host's house and have coffee and *qolo* or *wusa*⁴. While having the coffee they discuss about the program for the next *geyiz* work and anything in relation to that (A *geyiz* work party is illustrated in Box 12 below).

Box 12: A Case Illustrating a Geyiz Work Party

On April 25, 1998, a neighborhood *geyiz* was called in the *Yesemie Jefore* of the *Girarina Yefermazigbe* peasant association. The *geyiz* members were nine and their names were: *Asra Yilma*, *W/Giorgis Shifa*, *Bisrat Yaqob*, *Shirga Shifa*, *Yohannes Yilma*, *Benti Seressa*, *Gebre Fersha*, *Idilu Ware*, and *Zeberga Shifa*.

The purpose of the *geyiz* was to jointly build a big fence around their farms extending from one end to the another in order to keep away a wild animal (which the people called it *Abegiyar*, wild pig) that has been eating and destroying their vegetables, *enset* and fruits on the farm.

At first, the problem was discussed on the gathering of the neighbors on the occasion of a mourning in the house of one of the neighbors. One of the neighbors, *Yohannes Yilma* who is a retrenched worker of the Ethiopian Roads Authority, is said to have raised the idea of setting up such a group to do the fencing work collectively. *Yohannes* says he didn't have difficulty getting the agreement of the persons as all of them were facing the problem. He reported that some of the neighbors at the border failed to join the group. They did this not because they didn't have the appreciation for working together in a *geyiz*. But they are said to have relatively better cash income and they could employ daily laborers to cover the work in their side.

I interviewed the men on the above mentioned day while they were cutting wood and collecting branches of trees to be used for the construction of a long fence at the margin of their farms bordering one of the rivers flowing through the village.

Source: Gathered on a fieldwork conducted by the author.

piece(s) of clothes.

⁴ *Wusa* is a local bread made of processed *enset*.



The group of men in *Yesemie* area cutting wood in a *geyiz* work party

5.3. THE *WUSACHA*

Wusacha is a rural institution that is a counterpart of *geyiz* in the women sector of the agricultural society in the study area. But unlike *geyiz*, it is an institution that is mobilized in direct relation to agricultural activities; i.e., it is not organized to perform other activities.

A *wusacha* is organized by neighborhood women to help each other in processing *enset*. It is normally formed among up to ten women. The membership size varies and any particular size of a *wusacha* group will be called or arranged depending on the amount of *enset* to be processed. Generally, for manageability purpose the size usually does not exceed ten women. The amount of work for a *wusacha* group is determined by the number of matured *enset* on the field that the participants can process in a day. Normally, a group of seven to ten *Wusacha* participants can process from eight to twelve number of matured *enset* plants. Generally, however, the length of *wusacha* work is also influenced by the amount of food and drink the host can afford to make available for the group.

A woman may generally be able to process an uprooted *enset* alone. As the work of *enset* processing is a heavy one, the daily capacity of a single woman will not usually go beyond one uprooted *enset*. As a result, a *wusacha* work party becomes indispensable. But all the *enset* processing work of any particular household may not be fully completed by a *wusacha* work party. Thus, it is common practice that households employ daily laborers to work on processing uprooted *enset* plants. The daily payment rate for women laborers in the study area ranges between 1.00 and 2.00 birr.

Wusacha work normally starts at about 9:00 in the morning and stays up to 5:30 to 6:00 in the evening. The participants are served coffee at about 11:00 a.m. and lunch, *wusa* or *injera* with *watt*, *aybe* (local cheese), and/or *zimamujet* (cooked cabbage) at about 2:00 in the afternoon. Coffee is served again at about 4:00 p.m. (see the illustration in Box 13 below).

Box 13: A Case Illustrating A *Wusacha* Work Party

A *Wusacha* work party was encountered in the *Yerezeb Jefore* of the *Girarina Yefermazigbe* PA. The work party was called by W/o *Werqinesh Kifle* and the participants included other seven women in the neighborhood (*Weletu Tekka*, *Aster Tekle*, *Demeqech Aseffa*, *Miresemuye Baqsira*, *Adanech Fersha*, *Dinqinesh Bireda*, and *Weletu Beredda*, one of the women being a daily laborer).

The work started at 9:00 in the morning and lasted up to 6:00 in the evening. The work actually was finished in the morning of the next day.

In fact, *Werqinesh* doesn't participate in *wusacha* work parties because she said that she doesn't have the time to spare for such a participation especially after her husband died three years ago. She reported that she bought the turn of another participant women who doesn't have *enset* plants to be processed. She paid her a total of 10.50 birr, at the value of 1.50 birr each for the seven participants who came to work for her. But, she didn't pay for the next morning as it is normal for the group to work on the unfinished *enset* on the next day.

Werqinesh also served coffee and roasted pea for breakfast at 11:00 in the morning, *injera* with *watt* for lunch at 3:00 in the afternoon, and coffee at 10:30 in the next morning. The breakfast cost her 7 birr each and the lunch 15 birr. So, she spent a total of 39.50 birr to get a total of thirteen *enset* plants processed.

Source: Gathered on a fieldwork by the author.



Women processing *enset* on a *wusacha* work party

The overall advantage of using collective work arrangements is to cope with seasonal fluctuation of labor requirements and benefit from scale economies in doing a large amount of work in a short time. It is also clear that participation in such a collective work arrangement promotes solidarity among the people living together in a given locality. Not only do people help each other in *geyiz* or *wusacha*, but also the collaboration with each other in such instances would continue to take place in other spheres of life. The economic relationship that is established in working together in a *geyiz* or *wusacha* work party facilitates the social relationship among the participants. Thus, the participant members are ready to jointly handle any social problem that may arise between them partly owing to such a cooperative relationship established between them.

5.4. WIDER COMMUNITY DEVELOPMENT ORIENTED ASSOCIATIONS

There are other associations and work groups that are set up by community members on their own initiatives, which are involved in various wider community development activities. Such activities include terracing and tree planting, bridge and road construction, and other activities performed as the need arises to solve recurrent problems and achieve development at a group and community levels.

While adults participate in their own work groups and institutions, the male youth in the survey area participate in associations that they set up on their own. The adults' work groups are mainly informal in the sense that they are not formally organized and are only activated to mobilize the members to contribute labor resource for different activities. The youth associations, however, are relatively well organized and also collect a regular small amount of money contribution from their members.

Essentially, the youth associations and the adult work groups are voluntary but the social norm seems to dictate the participation of at least one member of each household in such institutions. The adult work groups embrace almost all the able male household heads who are mobilized in small groups created *jefore-by-jefore*. The same organization pattern applies to the youth associations. The latter basically have their own management set up by election on an interval of time. While they are largely mobilized on their own work programs and schedules, they often work in consultation with and using the advice of the adult work groups and elders in the community. This happens when they are involved in activities they perform for the good of the wider community. Otherwise, they follow their own ways and programs in performing activities specific to their own major objectives (see the illustration in Box 14 below).

At first, it was assumed that every member of the community is aware of these "voluntary" community work groups. However, 70.5% (141) of the respondents reported that they are not even aware of the existence of such a group in their area. An exploration into this matter revealed that many of these work groups are too unorganized to be visible. At the household

level, respondents were asked in the survey questionnaire to indicate whether they belong to any such community work group that they are aware of existing in their area. Of those who are aware of the existence of such a community work group, 69.5% (41 in number) reported that they belong to it. The rest 30.5% (18 respondents) gave a “No” answer.

Box 14: A Case Illustrating a Self-initiated Youth Association

There is a self-organized youth association in the *Yerezeb jefore* of the *Girarina Yeferemazigbe* PA, which aims at creating the opportunity for improving the living conditions of the youth as well as the whole community in the area. The association also aims at helping poor members of the community to overcome problems in their life.

The association was established in 1992. It got the initiation from the community’s experience to organize itself to be able to collectively solve community problems. Currently, it has 64 member youths, drawn from the households in the community, on whom it depends for their financial and labor contributions. The members make a monthly regular contribution of 25 cents per person. But it undertakes various income generating activities to mobilize additional funds. For instance, it is engaged in the cultivation of *teff*, production of livestock using a combination of a *wekiya* and *wezem* arrangement, etc. It has written laws by which members are guided in their group activity. But it also depends on the help of elders to get decisions enforced on members and non-members.

A number of activities is reported to have been undertaken by the association. It participated in the construction of a bridge on one of the rivers (River *Gotam*) flowing in the village, raised a financial contribution for a new water project in the community, cultivated the land and maintained the house of a widowed woman in the community, raised its own funds and established a short-term financial help program for another poor women, and bought a cow and gave it to another poor women on a combination of *wekiya* and *wezem* arrangement.

Basically, the association works independently on its own program. But it some times associates with the adult work and other groups in the community for advice and moral support. It has a chairman and a secretary (who are re-elected every six months) who mainly coordinate its programs and activities. The association aspires to grow in capacity and be able to involve in wider community development works such as the installation of a power generator.

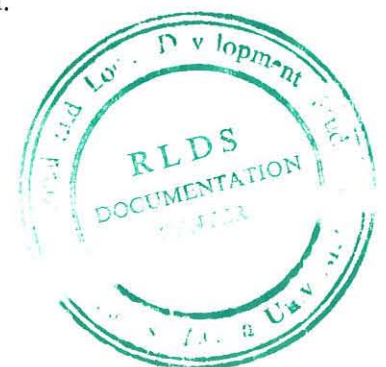
Source: Gathered on a fieldwork conducted by the author



The group of youth on a lunch break after *teff* threshing work.

Among those who reported that they participate in such work groups, 44% told that they have participated in terracing and tree planting activities, 27% participated in bridge and road construction in the village, and the remaining 29% participated in a combination of these and other activities.

Although these work groups are generally organized by community members themselves, it could be seen that government agents and non-government representatives are sometimes involved in the organization. Eighty three percent (83%) of the valid responses indicated that the work groups are organized by the community. Two percent (2%) of the respondents said that they have used an NGO consultation when they organized their work groups. The remaining 15% of the respondents reported that government (agricultural) agents have been with them when they organized their work group. But it should be noted here that, some interviewees have been observed confusing between the community's own work groups and the formal work groups set up by the peasant association and the government (agricultural development) agents. Thus, the latter figure may need to be qualified.



An attempt has been made also to assess the feelings of participants toward the said work groups. Respondents were asked to express, in general terms, how they see the organization of the work groups in which they participate. About 73% of the valid responses indicated that the respondents feel good about how their group is organized. Nineteen percent (19%) of the respondents feel that their work group has problems. The remaining 8% did not comment. Of those who see problems in their group, 42% reported that resource shortage is the main problem where as 58% said they also see a coordination problem.

VI. THE ROLE OF INDIGENOUS INSTITUTIONS IN DEVELOPMENT

6.1. DEVELOPMENT GAPS FILLED BY INDIGENOUS INSTITUTIONS

The entry point in this paper has been that, earlier where there was no centralized state structure, as it is the case in the *Gurage* area before its inclusion to the larger Ethiopian empire by Emperor Menelik in 1889, traditional systems at the local level were the ones exclusively administering the affairs of the people and giving them basic services. In today's environment, where there is inefficacy in the operation of the state apparatus and the lack of a well-developed private sector to provide services, traditional systems still operate to provide certain essential services to the people. As it is summarized in table 19 below, institutions that are created based on the people's traditional wisdom function to fill various development gaps left vacant by the state system and the private sector.

Table 19. Summary of development gaps filled by major indigenous institutions in the study area

| Institution | Development gap(s) with which the institution is associated | Implication(s) for Development |
|-----------------------------------|--|---|
| 1. <i>Yejoka</i> | -Inadequate government court systems -Absence of a cost-effective system of court service | -It helps to improve efficiency in conflict management by reducing risks and uncertainty and providing cost-effective and socially sensitive alternatives to resolving conflicts and ensuring stability and peace at the village level. -It is a preventive mechanism that provides the opportunity to avoid conflicts before they arise -Thus, it helps to build confidence for undertaking development activities at the local level. |
| 2. <i>Mazoya</i> or <i>Qerate</i> | - Absence of an organized police service at the local level. | -It helps to protect private property and community resources -It helps to ensure peace and stability at the village level, factors that are essential for running development activities at the local level. |
| 3. <i>Wekiya</i> | -Absence of a system to absorb shocks from economic crises and disaster conditions - Absence of a government social welfare program for poor people | - It helps to avoid risks and stabilize people affected by economic and other crises -It ensures the existence of a system of social security by which poor members of the society are helped |

| | | |
|--|---|---|
| 4. <i>Wukiyer</i> | <ul style="list-style-type: none"> -Weak educational system and mass media to disseminate information in rural areas -Absence of forums for free political, civic and social discussions and exchange of views. -Absence of a developed market-information system. | <ul style="list-style-type: none"> -It helps to distribute knowledge, exchange information, develop civic engagement, and strengthen social cohesion. -It helps to reduce the transaction cost of doing business by providing necessary market information. -It helps to inculcate good moral values and behavior in the minds of children and the youth |
| 5. <i>Iddir</i> | <ul style="list-style-type: none"> -Absence of modern insurance institutions, social and credit services from the government or the private sector at the local level. - Absence of adequate social welfare program run by the government | <ul style="list-style-type: none"> -It provides a flexible system of social security to the people in times of death or other crises. -It provides a flexible credit service for people -It provides a forum for discussing various community issues and problems - It provides the forum for conflict resolution - It collaborates in development activities |
| 6. <i>Senbete</i> and <i>Mahber</i> | <ul style="list-style-type: none"> - Absence of modern professional and other associations in which people can share common interests and advance common objectives | <ul style="list-style-type: none"> -Promote solidarity and social cohesion -Provide the opportunity for conflict resolution -Serve as an intermediary for the functioning of other institutions |
| 7. <i>Iqqub</i> | <ul style="list-style-type: none"> -Absence of modern banking services and credit institutions in rural areas | <ul style="list-style-type: none"> -It provides a flexible and appropriate system of savings and credit for various uses - It facilitates small-scale investment |
| 8. <i>Wujo</i> and <i>Qib-Yidemuji</i> | <ul style="list-style-type: none"> - Absence of modern saving schemes - Absence of modern production and processing technologies | <ul style="list-style-type: none"> - They provide alternative, appropriate saving mechanisms to people - They provide benefits of scale economies in milk and butter production, processing and accumulation |
| 9. <i>Geyiz</i> (for men) and <i>Wusacha</i> (for women) | <ul style="list-style-type: none"> -Lack of labor-saving technologies -Weak labor market | <ul style="list-style-type: none"> -They help to reduce seasonal bottlenecks in agricultural activities -They help to benefit from scale-economies in agricultural production by giving systems of pooling labor and other resources -They help to promote solidarity among people |
| 10. Other Development Oriented Associations (such as youth associations) | <ul style="list-style-type: none"> - Inadequate development capacity of the government - Absence of adequate social welfare programs run by the government | <ul style="list-style-type: none"> - They provide the opportunity to tackle development problems with the collective effort of community members - They provide welfare services by which poor people are helped at the local level - They serve as organized units of the community that can independently involve in development activities and/or collaborate with other development organizations and bodies |

Source: Based on field data gathered by the author.

As it is described in previous chapters of the paper and briefly summarized in table 19 above, each indigenous institution in the rural setting of the study area plays distinct roles that help to fill the gaps left vacant as a result of the inadequate operation of the state system and the private sector. As it is indicated, this situation has the implication for development for the community in particular and the country in general. Not only are the indigenous institutions important in

the face the absence of the operation and service of the state and market systems but they also serve as cost-effective institutional alternatives in conditions where these systems give inefficient services to the people in the rural areas.

The *Yejoka*, for instance, is a traditional multi-purpose administrative and conflict resolution institution that operates in areas where the formal government court or justice system is absent or gives inadequate services. It provides an alternative, least cost and effective system of conflict management at the local level. With the dual existence of the government court system and the *yejoka* institution, efficiency is increased because the number of conflict and other cases handled would increase. Thus, risks are avoided and uncertainty controlled in association with the operation of the *yejoka* institution. Even in areas where the formal courts operate such as in the wereda center towns, the arbitration of litigation and resolution of conflict by the *yejoka* is preferred to the formal court system because its services can be made available to people in areas where they live and work at a cost lower than that would be incurred for procuring the formal court services.

A very interesting feature of the *yejoka* is that it plays a role in preventing conflict before they arise as well as manage them after they happen. This is done by way of the rules it establishes and puts into practice which guide and govern the relationships among people. Often times, the council of elders at various levels meet to discuss potential as well as actual problems and define rules that help to solve the problems. For instance, three years ago the *yejoka* assembly meeting was held to formulate rules that are ought to help arrest problems relating to bride wealth giving. The rules established that the giving of lavish bride wealth on the occasion of a marriage should be abandoned and thereby constituted the attempt to control situations that carry potential problems and conflicts. Generally, if situations and/or persons are seen to be threatening the peace of community members, issues are brought to the attention of elders in the community who would deal with it in collaboration with other community members and put an effort to avoid it as early as possible before it takes place and creates damages.

The operation of other institutions like the *wukiyer* and *qerate* add up to the effort at smoothening life in the rural areas. The *wukiyer* facilitates the flow of information and knowledge and thus common understanding and beliefs are ensured between community members. The *qerate* system, on the other hand, operates to give protection and security to community members and their properties. All together, these institutions help to avoid and control risks and uncertainty. Hence, their existence and operation builds the confidence to undertake development activities and thereby play significant roles to improve the lives of people at the local level.

Likewise, the cooperative spirit promoted through other indigenous institutions such as the *wekiya* and *iddir* ensures the existence of social security systems by which community members help each other and try to overcome various problems in their daily lives. The background against which these institutions were explained is that there is absence of and/or inadequate welfare, social and other services from the formal state sector and private sector. Thus, the *wekiya* and other similar institutions (like the *yibara*) continue operating to ensure minimum subsistence to community members who are subject to short-term economic crisis. *Iddir's* participation in various service giving and development activities also implies that life is not impossible without the formal institutions of the state and the private sector. As it is discussed earlier, life is made even simpler by these indigenous institutions by way of the more appropriate, flexible and least cost services they provide. Therefore, by making use of the services of these institutions, not only are people able to adapt to short-term livelihood shocks but also achieve this objective with less cost.

In agricultural production and other activities, we have also seen that people cooperate with each other to take advantage of scale economies by pooling together their labor and other resources and use them in their daily activities. This is exemplified by such institutional arrangements as the *geyiz*, *wusacha*, *iqqub*, *wujo*, and *qib-yidemuji*. As it is noted, *geyiz* and *wusacha* help the people to overcome seasonal bottlenecks in agricultural production and other activities. In this sense, they provide alternative systems in the absence of modern labor-saving technologies. Also they provide the opportunity for people to benefit from scale economies in

resource pooling. Similarly, the institutions of *iqqub*, *wujo*, and *qib-yidemuji* provide saving and credit services that are more appropriate in terms of kind and amount to the rural areas. The types of services these institutions provide indicate that development programs for the rural people should be adjusted to their conditions.

Generally, it may seem that with the emergence and development of the state apparatus and the expansion of the market system in which private-capital operates on a free-market basis, it is normal that the role of these indigenous (or customary) systems would decrease in importance. However, the evidence in this paper shows that the emergence of the former systems alone is not a sufficient criterion to bring about such a change process to the latter systems. It could be seen that despite this expectation, the importance of the traditional systems of the people did not decrease. The reason is that the latter systems are more adapted to the rural conditions and in many cases provide services at lesser cost than that would be incurred for getting the services of the former systems (section 6.2.1). The situation with less developed countries like Ethiopia represent a case where development has lagged because there has not been efficacy in the formal systems of the state and private sector. This situation is even aggravated when the role of the formal civil society such as NGOs is overwhelmed by a type of emergency relief operations, itself run on an intermittent basis (section 6.2.2). Thus, it is not abnormal that there is a continued involvement of the traditional systems in efforts to cope with the shocks and crises created as a result of the lack of the capacity to bring about sustainable development in the formal sector.

It is also good to note that these informal traditional systems not only are service providers. But they also play a significant role by collaborating with the formal systems where they serve as points of entry for resource pooling and labor mobilization by governmental and non-governmental systems (see section 6.2).

Therefore, it can safely be concluded that the importance of the collective development initiatives of the people will never die even if state capacities grow and economies improve. The lessons drawn from the experience to cooperate and act together has given ways to the

establishment of various associations and unions in different countries. Today, it is very common to hear about various independent associations and community groups organized to further different purposes and aims. Thus, traditional systems have evolved to modern systems, by which the community is mobilized to co-involve in different activities by being organized in various social movements, environmental groups, human rights groups, animal rights groups, etc. Hence, the traditional wisdom of knowledge and organizing practices of the people deserve cultivation and maintenance.

6.2. THE RELATIONSHIPS BETWEEN INDIGENOUS INSTITUTIONS AND GOVERNMENT ORGANIZATIONS AND NON-GOVERNMENT ORGANIZATIONS

In order to analyze the relationships between indigenous institutions as the customary institutional arrangements of the people and other government and non-government systems, attempt has been made to assess the views and opinions of people as well as development programs and activities that are undertaken through the utilization of the structures of the different institutions at the government organizations, NGOs and community institutions or groups levels.

6.2.1. Government Organizations and Indigenous Institutions

Generally, the indigenous institutions covered in this paper are organized and work independently of the government structure that extends to the peasant association level. Basically, the latter also works on its own; i.e., without depending on the former.

Speaking from the structural point of view, the two (government organizations and indigenous traditional institutions) do not follow lines of organization that bring them together under common or one line of authority and responsibility. While the principle of promotion of collective development initiatives is generally accepted by the government agencies working at the zonal and wereda levels, at present it is the government supported development associations (DAs) such as the *Gurage* Development Association (GDA) which are attached to the

government structure at different levels. It means that these government-supported organizations, which have been introduced as a fashion with the coming to power of the current government, are closely attached to the government structures for resource, organization and coordination. This relationship, exemplified with the organizational structure of the *Cheha* Wereda Administrative Council, is depicted in figure 5 below.

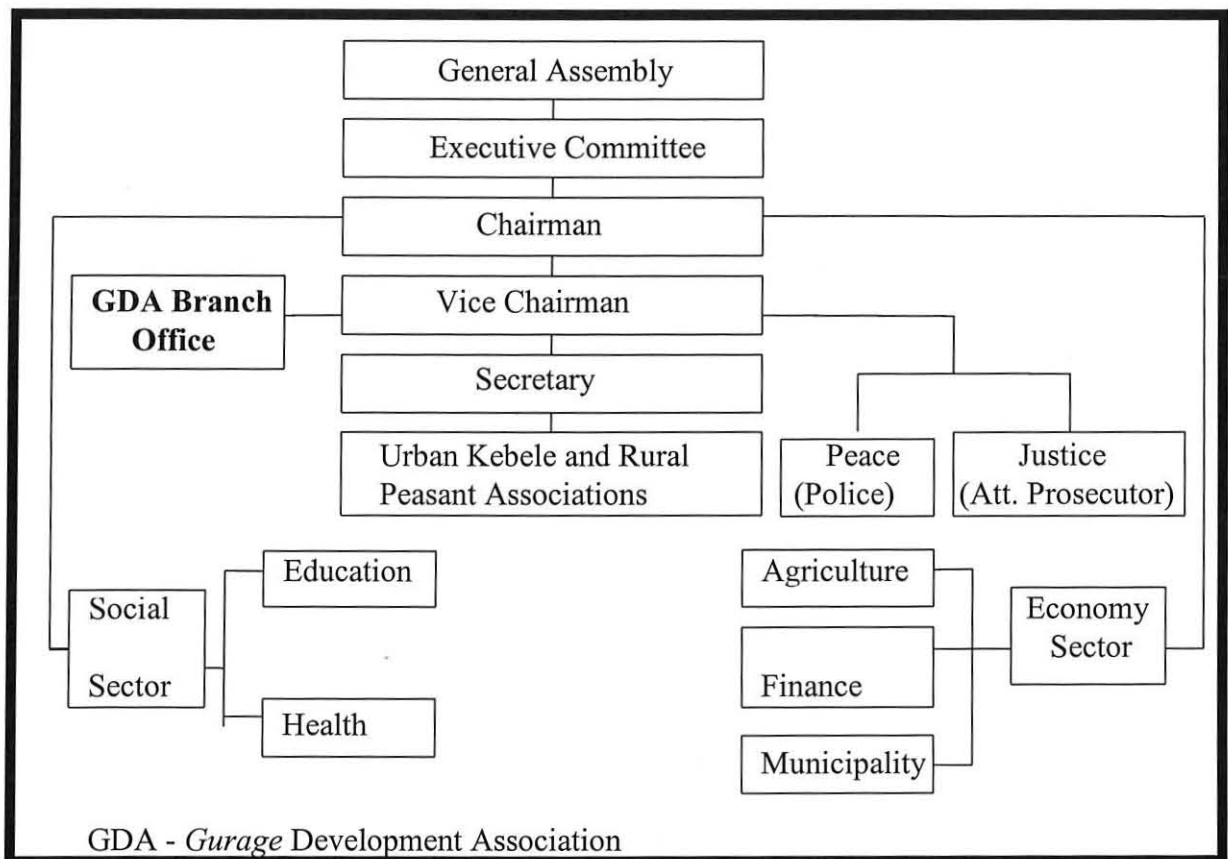


Figure 5. The Organizational Structure of the *Cheha* Wereda Council
 Source: *Cheha* Wereda Administrative Council Office

Thus, from figure 5, the *Cheha* Wereda GDA branch office is structurally attached to and is coordinated by the vice-chairman of the wereda council. As opposed to the government-supported DAs, indigenous institutions follow their own organizing pattern that is not dependent on or is structurally attached to the government administrative units or implementing agencies. They are organized on the people's own initiatives, methods and resources. While the DAs work in close collaboration with the Government's five year development program which

is currently being implemented (GDA, 1997), the latter operate on the decisions, programs and work schedules of the specific members and population who they represent.

The fact that indigenous institutions are not directly related to the state in terms of structure and program means that they are not entitled to direct support from the government units operating at various levels. For instance, while the recently established DAs can and do receive financial and material resources in donations and direct budget from the government, the support to indigenous institutions has so far not gone beyond studies in the name of promoting culture. This is evidenced by the absence of any recorded or oral information telling about tasks undertaken and achievements in this line, if any.

Although indigenous institutions are not structurally directly related or attached to government units, it is exemplified below that the two support each other in an indirect but very important way. Often there is also a temporary relationship established between the two in undertaking various development activities at the local level. Despite this, however, it's only recently that the government gave full recognition to the people's customary laws and grass roots institutions (for instance, see the 1994 Ethiopian Constitution). It is a fresh memory that these institutions were even considered as undesirable by the government because they were thought of as a breeding ground for anti-government activities and movements (for instance, see Kebebew 1978).

Seen practically, indigenous institutions play a significant role in facilitating the lives of the people thereby easing the work burden of government units. Even if reservations exist about the ways in which some of the institutions operate, it is observed that these institutions work to facilitate and complement the government activities and services. This indirect relationship, which is understood and recognized by government agents and officials working at various levels, can be illustrated by considering some of the activities which the indigenous institutions operating in the study area undertake and by relating and comparing these to the type of activities run by government agencies.

Consider the *Yejoka* institution. *Yejoka* is one of the most important indigenous institutions, which is involved in conflict management and administration of the affairs of the people. Its area of involvement ranges from defining rules to be followed in undertaking social activities (such as marriage) to settling simple disputes and complex conflict cases (such as those involving murder) through to creating a stable condition within the society by promoting social cohesion among its constituents. Thus, the operation of the *Yejoka* is essential where government services are inadequate or are even absent. As it is noted earlier, court services are limited to the wereda capitals and there are no such services outside these towns, where the administration of the affairs of the government is left up to the peasant kebele associations.

For instance, there is only one court in the *Cheha* Wereda which gives service with the help of the only three judges assigned there. And the social courts (*mahberawi shengo*) established in each peasant kebele association have not yet started to give service. Thus, the wereda court is over-flooded by legal cases that it has to handle. In this situation, the conflict management and dispute settlement role played by the *yejoka* and other indigenous institutions helps to settle cases which would otherwise be turned down by the wereda court because of the high work load. This is recognized by Ato *Figre Nida* (the wereda administrator), Ato *Shume Musema* (the wereda court president), and Ato *Lemma G/Medhin* (judge) who share the feeling that “without the services from the indigenous traditional institutions, life would have been difficult and chaos created in the wereda in the face of inadequate government capacity to give police service and maintaining justice.” The wereda administrator noted that uncontrollable situations might have been created during the transition of government in 1991 if these indigenous institutions and community elders did not shoulder on their own the task of administering the affairs of the society.

However, it should be noted that these institutions are not without limitations. For instance, the *yejoka* has the following limitations:

1. The rules of the *yejoka* are said to be lacking detailed formulation especially in the area of murder, particularly in differentiating between levels of crimes committed by people.

2. As the punishment for committing crime, particularly murder, is borne by tribal or clan members, individuals who actually commit the crime get only a little or no lesson from the punishment.
3. As punishments take only monetary forms, except in few areas where the accused is also kept under custody for a few days, they do lack effective means of deterring the person from committing similar crimes in the future.
4. Sometimes, even if individuals are judged and punished in the formal system they are subjected to another punishment by the traditional system, which in effect would mean that a person is punished twice for just one crime.

A group of elders in the study area refuted the above listed limitations in that even if people thinking in the modern ways identify them as limitations they said that their existence is justified in terms of the need to make the system more effective. They think that their traditional systems are even more effective compared to the formal systems. As an example, they cite that there are situations in which it might be impossible in the formal system to identify the person who actually committed a crime, which might be possible in the traditional system. This is facilitated by undertaking investigations on the accused's clan members in addition to him/her, in which case the former would be required to give response to the elders questions also by supporting it with an oath in the name of God and of *Gurage* ancestors and elders. This is done in the event that the accused denies having committed a crime that is being under investigation. As the elders explain, the act of swearing by clan members is a powerful instrument for deterring them from giving a false testimony or hide the information that they might know in relation to the crime. Thus, if one of the clan members (including the relatives) of the accused give a response to the questions of the elders that is different from (or opposite to) the one given by the accused, then it would mean the accused is lying. Also, if any member of the clan refuses to tell whatever information he knows in relation to the crime or support what he answers with an oath, then the elders would take a position that the crime under investigation is committed by the accused, which in fact is evident to the clan members who are trying to hide facts relating to it.

Obviously, the use of such a method is an addition to the techniques of undertaking investigation on crimes and of arriving at a conclusion about them. However, it may also be the case that the process leads to wrong conclusions and thereby result in unintended consequences to community members.

Even if it is difficult to claim that the traditional systems are superior to the modern ones, it has been seen that the former provide services that are essential to the lives of the people. As a matter of fact, the former systems are often more preferred by the people than the latter for services delivery. To illustrate this point, the situation with the utilization of various indigenous institutions by the people for credit purposes has been assessed in general ways.

For example, in the questionnaire survey respondents were asked if they borrow money and which sources they use for this purpose. Sixty point five percent (60.5%) of them responded that they have experience of borrowing money. They have also indicated from which source(s) they have currently borrowed money (see table 20 below).

Table 20. Distribution of Respondents by the Sources of Credit they use

| Source | No. of Respondents | % of Respondents |
|---|--------------------|------------------|
| Iddir | 48 | 46.6 |
| Iqqub | 7 | 6.8 |
| Money Lenders | 1 | 1.0 |
| Relatives | 33 | 32.0 |
| Bank | 3 | 2.9 |
| OMO Micro-finance Program (Govt. run rural credit) | 5 | 4.8 |
| Govt. Agency | 1 | 1.0 |
| A combination of Iddir, Relatives and Money Lenders | 5 | 4.9 |
| Total | 103 | 100.0 |

Source: Computed based on field data gathered by the author

From the above table, we can see that the largest proportion of respondents (46.6%) have currently borrowed money from *iddir*. The next largest number of the respondents (32%) have used relatives as the source of credit. *Iqqub* stands the third in rank as the source from which respondents have currently borrowed (6.8% of the respondents having borrowed from it). The number of respondents who have borrowed from money lenders in the informal sector

constitute only 1% of the valid percentage. The distribution of respondents who borrowed from the three sources from the formal sector, bank, government rural credit scheme (OMO Micro-Finance Program), and government agencies where the borrowers work, constitute only 2.9%, 4.8% and 1% of the valid percentages, respectively . The government bank is not accessible to the people in the study area. But those who have borrowed from the bank had to go to the capital of the *Gurage Zone, Welkite*, traveling over 35 to 40 kms on foot and by bus. The latter two types of credit facilities have been made available by the branch office of the OMO micro-finance program of the SNNPR operating in the wereda and the government agency where the respondent works, respectively.

The average amount of outstanding debt of respondents is calculated to be 206 birr; the maximum being 2000 birr and the minimum 10 birr. The distribution of respondents by the amount of outstanding debt has been shown in table 21 below.

Table 21. Distribution of Respondents by Reported Amount of Outstanding Debt

| Amount of Outstanding Debt | No. of Respondents | % of Respondents |
|----------------------------|--------------------|------------------|
| Up to 100 birr | 57 | 55.3 |
| 101-500 | 38 | 36.9 |
| 501-999 | 4 | 3.9 |
| 1000-2000 | 4 | 3.9 |
| Total | 103 | 100.0 |

Source: Computed based on field data gathered by the author

More than half of the valid responses (55.3%) indicate that respondents borrowed between 10 birr and 100 birr. People who borrowed from 101 birr to 500 birr constitute 36.9% of the valid percentage distribution. Respondents who borrowed more than 500 birr make up only 7.8% of the valid percentage. This distribution indicates that, in general, the majority of community members borrowed relatively small amounts that are supposed to be used for more immediate uses than for large-scale investments.

The important point about *iddirs*, relatives, *iqqubs*, and money lenders as sources of credit is that they are flexible in giving credit. People can negotiate the applicable interest rate and may

not need to surrender a guarantee to get the credit. Usually, the interest is calculated over a month's time and it is also true that different sources charge different rates of interest. Although it has been difficult to summarize the interest rates on borrowings from each of the different sources, the distribution of respondents paying different rates of interest have been presented in table 22 below.

Table 22. Distribution of Respondents by Rate of Interest Paid on Outstanding Debt

| Applicable Monthly Interest Rate | No. of Respondents | % of Respondents |
|----------------------------------|--------------------|------------------|
| Up to 1.0% | 6 | 8.6 |
| 1.25% - 2.5% | 12 | 17.1 |
| 3% - 4% | 3 | 4.3 |
| 5% | 29 | 41.4 |
| 6% - 10% | 14 | 20.0 |
| 12% - 25% | 6 | 8.6 |
| Total | 70 | 100.0 |

Source: Computed based on field data gathered by the author

Out of the total 103 respondents who reported that they have borrowed money from some source, 70 respondents (about 68%) pay interest on the outstanding debt, and the rest do not pay any interest on the debt. From table 22, the largest proportion of the interest paying respondents (41.4%) pay 5% interest per month. The next highest proportion of interest paying respondents (20%) pay 6%-10% per month. Seventeen point one percent (17.1%) of the respondents pay an interest rate of 1.25% to 2.5% per month. The rest 8.6% and 4.3% of the respondents pay 11%-25% and 3%-4% monthly interest rate on outstanding debt, respectively.

It is obvious that no uniform rate of interest is charged by all the different sources of credit. In general, *iddirs* charge 5%. But it could be learnt that the rate is varied depending on the type of the borrower, the purpose for which the credit is requested and the urgency with which the money is needed. The reported data shows that the rate charged by *iddirs* ranges from 0 to 10%. Poor *iddir* members who need a relief type of support can be given an interest free loan. The decision to charge or not to charge interest on loans is made by the *iddir* management in consultation with the general assembly. A person who is judged to have a repayment capacity can be charged an interest as high as 10% or even more. Also those who request for urgent

credit money may be charged a high interest rate. The varying of the interest rate *iddirs* charge is therefore based on the assessment of the conditions of community members with regard to their economic status and the use for which they need the credit money. This can be interpreted as a flexible system utilized by *iddirs* in giving credit service to their members. Not only are *iddirs* flexible but they are also sensitive to the conditions of their members in that they give appropriate services to satisfy the demands of their members without a formal collateral requirement. This puts *iddirs* in a superior position as compared to the formal financial institutions which are not easily accessible to the majority rural and poor people, charge similar interest rates on different borrowers, and require a formal collateral to give the credit.

Similarly, the rate charged by *iqqubs* varies from 0% to 10%. It is understood that even if there is a general practice of charging the same rate of interest on similar amounts of loans, the rates in the case of *iqqub* is determined by the agreement between the two parties involved. The case of borrowing from money lenders is limited to only one respondent. The borrower pays 2.5% interest rate on a 50 birr loan but the duration of the loan is not known. The practice with relatives lending money shows that the interest also varies from 0% to 10% or even more per month or per year, as the case may be. Still, agreement between the parties involved is decisive.

The rate of interest charged by the government rural credit scheme, OMO Micro-Finance Program is reported to be according to the rate charged by the commercial banks; i.e., 10.5% per year. It could be learnt that the government credit program gives advantages over the indigenous institutions in that it charges a relatively low interest rate per year. However, the indigenous institutions like *iddir* provide advantages in that they have flexible arrangements in association with the credit services they give to their members. Sometimes, they give interest-free loans depending on the financial capacity of the borrower.

Another interesting flexibility aspect of the credit facility furnished by the sources in the informal sector is the expected form of debt repayment. Generally, debts are expected to be repaid in cash. This is the only option provided by the formal financial institution. But the informal sector provides people with the opportunity to repay debts in any form on which the

two parties agree. For instance, the respondents to the questionnaire survey indicated various forms in which they are expected to repay their debts (see table 23 below).

In confirmation to general expectations, 79.6% of the valid responses indicated that respondents would pay their debts in cash. Seven point eight percent (7.8%) of the respondents would be paying in labor, where as 2.9% of them would use a combination of these forms. The rest 9.7% of the respondents are expected to repay their debts in any possible form. Clearly, this flexibility aspect in credit service is not seen in the arrangements of the formal financial institutions.

Table 23. Distribution of Respondents by Expected Form of Debt Repayment

| Expected Form of Repayment | No. of Respondents | % of Respondents |
|----------------------------|--------------------|------------------|
| Cash | 82 | 79.6 |
| Grain | 0 | 0 |
| Labor | 8 | 7.8 |
| Combination of 1 & 3 | 3 | 2.9 |
| Any Possible Form | 10 | 9.7 |
| Total | 103 | 100.0 |

Source: Computed based on field data gathered by the author

With respect to surrendering collateral, 23 respondents (18.4% of the valid percentage) reported that they surrendered collateral. Three forms of guarantees which these respondents have surrendered are identified; namely, livestock, a guarantor and just their signature. The distribution of respondents in terms of the three forms of collateral is 21.1% (4 respondents), 15.8% (3 respondents), and 63.1% (12 respondents), respectively. In terms of collateral, the formal financial institutions such as the bank are unthinkable to the ordinary rural people given the formal collateral requirement. From the above paragraph, it is known that the largest proportion of the borrowers submitted just a guarantor, and no other collateral, to get the loan. This shows that the people in the rural area highly rely on the social relationships and mutual trust they have developed over the years in making financial decisions. The social tie seems even more important for the other 15.8% of the respondents who were made to put just their signatures as a guarantee against their debt. Another important dimension of the collateral arrangement of the informal sector is the linkage between the financial sector and the livestock

sector; i.e., about 21% of the respondents surrendered livestock as collateral to get credit. This completely outshines the formal sector by adapting the collateral requirement to the local conditions and realities of borrowers.

To generalize the assessment, respondents were asked about the type and extent of services they get from government sources. Accordingly, 21 respondents out of 200 (10.5%) said that they received assistance from government sources. Nine out of these respondents (42.9%) received agriculture-related advice, 7 respondents (33.3%) received selected seeds and animal varieties, 2 respondents (9.5%) received pesticides, 1 respondent (4.8%) obtained relief food and the rest 2 respondents (9.5%) got credit money. Thirteen (13) of these respondents (62%) reported that they received the assistance on their own request. The distribution of the responses shows that the support from government sources to the daily lives of rural people is limited; according to this survey only 10.5% of the sampled households got support of some sort. It may be generalized that the service coverage by government sources is inadequate. Thus, it is clear that sources other than government agencies had to be considered by the people.

In relation to the functioning of such institutions as *iddir* and *iqqub*, government agents also believe that essential services are delivered to the people through these institutions. For instance, Ato *Haile Burge*, who is the chairman of the *Yefereziye* PA, reported that “the social-security system run by the *iddir* is indispensable to the people as there is no alternative system operating in the area”. Ato *Dula Bemare*, who is the chairman of the *Girarina Yeferemazigbe* PA, generally asks: “Who else is there for the people to solve its day-to-day problems other than its own institutions operating close to it?” In explaining the implication of the cooperative activities of the people in his area, Ato *Gebbru Tekle* who is the vice chairman of the *Girarina Yefermazigbe* PA expresses that “If one cleans his own house, it means he cleans his area and then his country,” showing that the self-initiated collective efforts of the people do contribute to the development of the whole country as well as specific locality in which they operate.

Not only are indigenous institutions important in delivering services to the local people, but they also play a significant role by acting as active collaborators to the government in its

various development activities. For instance, they collaborate by mobilizing their members to participate in government initiated development activities, by occasionally mobilizing financial resources for various relief activities as well as development activities, and by cooperating in the implementation of the government political and other development programs and the decisions of officials working at various levels. In this sense, indigenous institutions are important not only for the people but also for the government.

6.2.2. INDIGENOUS INSTITUTIONS AND NON-GOVERNMENT ORGANIZATIONS

In trying to assess the relationship between indigenous institutions and non-governmental organizations (NGOs), perhaps it's good to note from the outset that both come into existence in response to the challenge: first, to create an alternative supply of services that enables overcome the lack of government capacity and the limited reach of formal service delivery systems, particularly to the poor majority (also see Graham *et al*, 1997); and second, to adopt bottom-up participatory initiatives in the search for sustainable and people-centered development strategies. While the first focuses on relief activities that are concerned with short-term survival objectives, the second is concerned with the achievement of long-term development objectives which emphasize on the building of the capacity, particularly institutional capacity, of local people.

It is believed that analysis at all levels is desirable. However, as the scope of this paper is limited, the focus here is to make an assessment of the extent to and ways in which indigenous institutions and NGOs rely on and use each other in undertaking their development activities at the grass-roots level. It is observed that indigenous institutions desire to relate to NGOs in order to obtain assistance of any kind that would enable them give essential services to communities and also expand their capacity. On the other hand, although they have diverse operational philosophies (Graham *et al*, 1997), NGOs are motivated to work with indigenous institutions:

- to benefit from their partnership to development by involving them in joint needs assessment, project management and take over of responsibility for NGO projects after hand over;
- to use their local organizational methods to build upon existing practices and structures;
- to use them as entry points for development interventions because they are intermediaries between external organizations and the community;
- to mobilize people and other resources for development activities; etc.

For the purpose of this study, the relationship between indigenous institutions and an NGO operating in the study area, called the Archdiocesan Catholic Secretariat (ACS), has been assessed. An interview has been held with the Acting Head of the *Imdibir* branch office of the organization to solicit opinions about the organization's development programs and its relations with the indigenous institutions existing in its area of operation.

Currently, the Western *Shewa* branch of the ACS has four main areas of activities in its development program; viz., conservation activity, water development activity, saving and credit activity, and mother health education activity. The activities are currently undertaken in six development centers created in four weredas; namely, *Cheha* Wereda, *Gumer* Wereda, *Enemor* Wereda, and *Ezha* Wereda of the *Gurage* Zone.

According to the information obtained from the acting head of the office at *Imdibir*, *Ato Seyoum Asfaw*, the program works in close collaboration with the community and government agents at all levels. In explaining his office's philosophy about working with the different elements of the society, he said that

“The program is created for the people and thus it has to have the participation and get the acceptance of the people as the beneficiaries. And because government support is critical for the success of the program, active collaboration of government agents is always sought.”

Thus, “Development Committees” that embrace the program personnel, community representatives and government agents have been set in each development center in all the weredas in which the program operates. As part of the recent “Integrated Development Program” adopted by the branch office starting 1997, various development activities are being undertaken to solve different problems of communities in the program area of operation. All the activities are said to be undertaken in response to the demands of communities which have been identified in a joint needs assessment made through the committees in which all the three parties have been involved.

In relation to community participation in the program activities, it is learnt that collaboration is made with the organized element of each community in the program areas. Usually, elders and influential figures in the communities such as *iddir* chairmen and village heads are approached and made to know about the program, after which they will explain to the rest of community members and influence them to cooperate with the program activities. Thus, the various indigenous institutions play a great role not only in serving as a forum to introduce NGOs and other program objectives and activities but also to participate in and support the activities by contributing required labor and other resources. Such a participation and support is essential particularly for the conservation, water development and other activities which require the mobilization of community resources.

One aspect of the development activities run by the ACS in the areas it operates is the use of a food-for-work system to mobilize labor. This has been done almost for all the activities undertaken so far. As the acting head of the *Imdibir* Office explained, this method is used to compensate for the labor hours peasants spend on the program’s activities. Except for activities concerned with spring water development and a power generation program that is started recently, in almost all cases it has been difficult to mobilize labor for such activities as soil conservation without the use of some compensation for the peasants’ labor. Thus, it is claimed by the program coordinator that the use of food-for-work system is an effective method for mobilizing labor.

However, such a practice could not escape the criticism and opposition from community members and government officials in the area. It is reported that the system creates a dependency syndrome among the people. In many cases, peasants abandoned their main farm and other activities to work on the food-for-work activities. Community members reported that in areas where the ACS program operates it became difficult to gather and mobilize people for different purposes without the use of food-for-work. It is reported that the practice had the effect that even village headmen and institutional leaders could not any more influence community members for their usual collective endeavors because they couldn't offer food-for-work in the same way as the ACS program does. Thus, people's participation in development activities became determined not by the virtues and benefits of the activities themselves but by the availability of food-for-work.

Besides, it became evident that conservation activities undertaken on a food-for-work basis couldn't be sustained. According to the wereda administrative officials, many of the conservation measures constructed by the program were destroyed at night by people in an attempt to create the opportunity to rework on them to generate additional food-for-work benefits, thereby creating a vicious circle of conservation problems and dependency on external sources. This serious problem of sustainability and dependency became a reason for the ACS program to come under opposition from different corners of the society.

In one of the other development activities the ACS was running, mothers' health education program, similar problems were observed in that the nutrient food aid the program gives as part of a mothers' health care scheme was opposed for creating the same dependency syndrome and for lacking a lasting and sustainable effect on the lives of the people.

The eventual result of all the above situations was that the *Imdibir* Branch of the ACS Program was suspended by the local wereda administrative officials for reasons of lack of sustainability in program activities and creation of an alleged corrupt situation in the utilization of program resources. At the time the field research for this paper was conducted between April and

November 1998, the whole program was under evaluation by a team of experts organized at the zonal level of government administration.

Generally, there seems to be a belief of NGOs in community participation in development. However, from the practical situation of the ACS Development Program briefly described above, it seems that the motive of the participation is more to facilitate the program activities than to develop the capacity of beneficiary communities. This is evidenced partly by the situation of the participation that is actually limited to elders and key figures in the community who need to influence the community to support the activities. Lack of genuine participation is partly manifested by the creation of parallel community organizations and groups in association with the various development projects undertaken. For instance, there are various saving and credit groups created by the ACS. The relationships and potential linkages of these groups with indigenous institutions which give similar services has not been assessed.

On the other hand, the opinions of community members on development support activities run by NGOs has been assessed using the questionnaire survey conducted for this study. The survey covered questions that probe into any form of support which respondents might have received from any NGOs operating in the area. The response indicated that only 43 of the total 200 (21.5%) respondents covered by the survey are aware of the existence of a non-governmental organization that provides any form of support. Of these, 24 respondents (56%) received some form of assistance from the NGOs. Twenty three (23) out of the latter 24 (96%) respondents received the assistance in a form of relief food. One individual (constituting 4%) reported that he got a financial assistance from this source. Twelve (12) of the 24 respondents (50%) reported that they have received the assistance on their own request and the other 50% told that they were approached by the NGOs themselves. Thirteen of the 24 respondents (54%) reported that they were consulted in prior needs assessment.

As the above results indicate, the participation of communities in NGO development activities is limited to consultation in prior needs assessment. There is no indication that program design, implementation and management activities are undertaken with the active participation of the

community, especially involvement of their indigenous institution as collaborators in program management. However, not just community participation helps the achievement of development objectives, particularly objectives that emphasize long-term sustainable development. It is to be understood that the sustainability of a program and the achievement of its objectives depends largely on its ability to link with the institutional settings to which the beneficiaries are directly related as well as work towards helping the beneficiaries strengthen their institutional capacity.

VII. SUMMARY OF MAIN FINDINGS AND CONCLUSION

7.1. A SUMMARY OF MAIN FINDINGS

- ◆ This paper has attempted to draw attention to the need for closely studying, understanding and recognizing indigenous institutions, which constitute the often ignored and dominated element of communities in less developed countries. By contextualizing the study in the rural settings of the *Gurage* area of Ethiopia it has been shown that the survival of the poor majority of people depends to a large part on their traditional wisdom, which is manifested in the multitude of their traditional institutional arrangements with the underlying rules and norms designed to shape and guide social and economic relationships among the people.
- ◆ The significant contribution of indigenous institutions to the lives of people has been evidenced by the diverse forms of services they provide side by side public-sector agencies and private-sector operators. The important position of these institutions in development has been shown by giving explanations supported by sound theoretical arguments that draw on recent developments in institutional studies particularly in the fields of economics, sociology, anthropology, and development studies. Generally, it is argued that indigenous institutions play an important development role at the local level by providing the incentives for people to undertake exchanges and form cooperative relationships. The incentives range from the rules and norms that are provided to enable and enforce economic and social contracts between individuals to those devised to promote and maintain collective work arrangements aimed at tackling development problems by pooling resources and mobilizing joint community efforts.
- ◆ To substantiate the argument for the recognition to the people's traditional institutions, the diverse functions performed by them has been documented in the paper. This is done in order to show that there are advantages gained by utilizing these institutions for services delivery, with analysis of the same in association with each institution, relative to the government and market systems that have been the sole focus of development policy and strategy for many decades in the past.

- ◆ One of the major benefits derived from the utilization of indigenous institutions at the local level is that they are best adapted to the local condition where the people live and work. The formal government systems are inadequate in their presence and market systems have not yet developed to enable efficient services delivery in the rural areas. The problem of inadequate services from the latter two systems is aggravated by the cumbersome and often rigid formal procedural requirements which do not fit the realities of people in rural areas. However, indigenous institutions operate with due consideration to the realities in which people are found. For example, these institutions are formed on the basis of the typical characteristics of the community in which they operate, to enable them give services to people who belong to diverse community groups. Thus, adaptability to the local condition has enabled indigenous institutions to be resilient and sustainable in service delivery.

- ◆ Table 24 below presents a summary of the major characteristics of the indigenous institutions covered in the paper. The institutions derive their characteristics from the area of activity they are engaged in and the types of community members they serve. The characteristics of the institutions reflect situations in which the demands of community members are served by appropriate services and operational mechanisms designed by the community members themselves.

- ◆ Unlike the types of standardized services provided and operational procedures followed by institutions of the formal government and private sectors, indigenous institutions are diverse in the services they provide, flexible in their operation and least cost options in their services. For instance, conflict management is undertaken by the community in forums created by the different indigenous institutions that operate at different levels. People can get their disputes settled and conflicts resolved through these institutions operating close to themselves. They may not necessarily go to courts or other government organizations that are found far away in terms of physical distance and cumbersome bureaucratic procedures in search of their services. Similarly, while these institutions give services that are adapted to the local conditions, they also provide least cost options and the opportunity for people to collectively solve their development problems. This shows the response of the rural poor to the challenges they face as a result of inappropriate institutional arrangements and services of the formal organizations of the government and private sector.

Table 24. A Summary of the Characteristics of Indigenous Institutions Covered in the Paper

| Institution | Membership | Screening Criteria | Operational Rules | Enforcement mechanisms |
|------------------------|--|--|---|--|
| 1. <i>Yejoka</i> | <ul style="list-style-type: none"> - By default, it is open to all members of the <i>Sebat-bet Gurage</i> - Open to other Non- <i>Sebatbet Gurages</i> who want to be served by the institution through local elders | <ul style="list-style-type: none"> - Tribal and clan affiliation - Interest to be served by the institution - Acceptance of social norms by which the <i>Sebate-bet Gurage</i> are guided | <ul style="list-style-type: none"> - Traditionally formulated customary laws called <i>Ye Sebat-bet Gurage Qicha</i> | <ul style="list-style-type: none"> - Application of rules defined in the <i>Qicha</i> - Social sanctions |
| 2. <i>Mazoya</i> | <ul style="list-style-type: none"> - Open to inhabitants of a locality, usually a <i>jefore</i>, who want to form a rotating system of responsibility to guard the community at night | <ul style="list-style-type: none"> - Affiliation to a community living in a given locality - Capacity to participate - Willingness to participate | <ul style="list-style-type: none"> - Informally agreed upon rules and social norms | <ul style="list-style-type: none"> - Application of agreed upon rules - Social sanctions |
| 3. <i>Geyiz</i> | <ul style="list-style-type: none"> - Open to people interested to pool together labor and other resources to work together and help each other - Open to those who can afford to host work parties | <ul style="list-style-type: none"> - Willingness to participate in cooperative works - Financial and other capacities to host work parties - Appreciation for hard work | <ul style="list-style-type: none"> - Agreed upon rules - Reciprocal arrangements | <ul style="list-style-type: none"> -Application of agreed upon rules - Social sanctions at group and individual levels |
| 4. <i>Wusacha</i> | <ul style="list-style-type: none"> - Open to people interested to pool together labor and other resources to work together and help each other - Open to those who can afford to host work parties | <ul style="list-style-type: none"> - Willingness to participate in cooperative works - Financial and other capacities to host work parties - Appreciation for hard work | <ul style="list-style-type: none"> - Agreed upon informal rules - Reciprocal arrangements | <ul style="list-style-type: none"> -Application of agreed upon rules - Social sanctions at group and individual levels |
| 5. <i>Iqqub</i> | <ul style="list-style-type: none"> - Open to interested persons - Willingness to participate in mutual-aid activities - Open to those affiliated to certain occupational, professional or other groups - Open to those who can pay regular contributions | <ul style="list-style-type: none"> - Dependability - Past records in relation to such activities - Financial capacity | <ul style="list-style-type: none"> - Written or oral by-laws - Agreed upon rules | <ul style="list-style-type: none"> - Application of agreed upon rules - Social sanctions - Recourse to legal procedures |
| 6. <i>Qib-Yidemuji</i> | <ul style="list-style-type: none"> - Open to interested women | <ul style="list-style-type: none"> - Dependability - Past records in relation to such activities | <ul style="list-style-type: none"> - Agreed upon rules - By laws (usually oral) | <ul style="list-style-type: none"> - Application of agreed upon rules - Social sanctions at individual |

| | | | | |
|-------------------------------|---|--|--|--|
| | | - Capacity to pay regular contributions | | and group levels |
| 7. <i>Wujo</i> | - Open to interested women in a neighborhood or from some where else | - Dependability - Past records in relation to such activities - Capacity to pay regular contributions | - Agreed upon rules - By laws (usually oral) | - Application of agreed upon rules - Social sanctions at individual and group levels |
| 8. <i>Wekiya</i> | - Open to all community members who want to cooperate and help each other | - Being poor in economy to be helped - Having capacity to help poor community members - Willingness to keep the cattle in good condition - Readiness to accept and implement the terms and conditions of agreements | - Agreed upon terms and conditions - Social norms | - Social Sanctions at individual and group levels - Recourse to legal procedures |
| 9. <i>Wukiyer</i> | - Open to all community members | - Willingness to participate - Ability to engage in discussion - Acceptance by the community | - Social norms | - Social norms - Social sanctions |
| 10. <i>Iddir</i> | - Open to all households and community members - Open to those accepted by others in the community | - Willingness to participate in mutual-aid activities - Ability to pay regular contributions | - Agreed upon rules | - Application of agreed upon rules - Social sanctions |
| 11. <i>Senbete and Mahber</i> | - Open to all community members (mostly to those affiliated to Orthodox Christianity) | - Willingness to participate - Religious affiliation - Professional or other group affiliation (for <i>Mahber</i>) | - Agreed upon rules - Social norms | - Application of agreed upon rules - Social sanctions |
| 12. Youth Association | - Open to all interested youth members who want to take part in group activity | - Willingness to participate - Willingness to pay regular contributions | - Written and oral by-laws | - Application of agreed-upon rules - Social sanctions - Recourse to legal procedures |

Source: Based on a fieldwork conducted by the author.

- ◆ Indigenous institutions are important not only in facilitating the delivering of essential services through the creation of alternatives to the people. It is observed that they also play a significant role by working as partners and collaborators with formal development organizations. While government units use them as intermediaries to access community members for the implementation of government administrative and political programs, NGOs use them as intervention points through which they generate community participation in their development activities. Although it is encouraging to see the formation of such linkages between indigenous institutions and other formal organizations, the fact that the relationship is spontaneous, with inadequate study and research on its potential strategic effect, may endanger the enduring traditional practices of the people. Community participation without effective institutional involvement and where there is creation of parallel organizations will result in the lack of people's empowerment and weakening of their existing institutional networks.

- ◆ It is believed that a detailed and systematic analysis of the strengths and weaknesses of each indigenous institution would enable to form a clear picture regarding the benefits and problems associated with it. The major strengths of each of the institutions is discussed in the main text. Generally, however, the following few points reveal some of the major weaknesses of the institutions as a whole.
 1. One is that indigenous institutions work under conditions of relatively passive environment. That is to say, although dynamism is observed within the given contexts of the institutions, their leadership is observed to be lacking systematic record keeping, accounting and budgeting in relation to the institutions' activities and resources. This is observed to create loss and abuse of institutional resources as well as reduce coordination of activities.

 2. The leadership of some institutions seems to be lagging behind time in terms of adjusting to changes in the general socio-political environment of the country. While attempts are seen in the direction of adjusting to changes, such as the *Yejoka Qicha*

being updated and modernized in line with current requirements while keeping the good sides of traditions, many of the institutions still lack knowledge of the higher pace of change in the external environment. Even those trying to adjust to external changes are seen to be paradoxically sticking to traditional practices, which are in conflict with current changes.

3. Many of the indigenous institutions have not still clearly defined how to work with newly emerging and expanding formal organizations that are encroaching into their area of operation. Although many of the institutions are suffering from capacity limitations, they seem to have failed to take advantage of the potential support from other sources and possible areas of partnerships in the development of their area.

4. So far, many of the indigenous institutions have been working with their members who are identified with limited defined boundary. Experience of widening areas of operations, there by creating the opportunity to form possible collaborations among one another, has not been experimented.

- ◆ In sum, even if there are many advantages of the indigenous institutions, it seems that they have to work towards solving the above listed and many other problems associated with them. The environment is changing and many opportunities are being created that may enable them overcome many of their weaknesses and constraints, if utilized. Among the opportunities are the expanding philosophy to work with local groups and institutions, the tendency for local government units to change the negative attitude towards community institutions and showing of interest to work with them, and the tendency for NGOs to support and work with community institutions and groups in development. Thus, unless change is introduced to these institutions, where it is desired, the opportunities created in today's fast changing environment may turn to a condition of full threat which may in turn give way for the establishment and expansion of alternative community structures, which would eventually take over their place.

7.2. CONCLUSION

The following points are forwarded as a conclusion.

- ◆ This study has shown that there is no one best way to development. When it comes to the actors in development, it is suggested that first all the different actors should be analyzed in their given contexts. In line with this, the paper has suggested that indigenous institutions should be viewed as occupying their own place in development as distinct from other actors in development. Then there is the need to redefine the role of each sector relative to the other.
- ◆ The study helps to understand and recognize the nature and contribution of indigenous institutions to the alleviation of poverty and achievement of development at the local level. It draws attention to the alternative institutional arrangements that have the capacity to rescue people from short-term economic shocks such as shortage of the means of survival, provide mutual-aid services in the absence of modern systems of social security, help people with entrepreneurial spirit but unable to get the capital to establish themselves, and ensure the existence of collective means for overcoming development problems. Hence, in a society where welfare services and/or monetary relations have not developed enough, culturally appropriate social and economic institutions should be focussed on as the best option.
- ◆ The failure of centralized, top-down approaches have led to the search for alternative mechanisms to bring about development that can actually improve people's life. One way is to give people the opportunity to develop their own ideas and make their own decisions. This requires putting in place the appropriate institutions that promote bottom-up development and arouse and coordinate development initiatives at the local level. The starting point of this is the understanding and recognition of indigenous institutions that exist and operate close to the people. Thus, the good experience with community-based indigenous institutions should be used to develop ways for broadly-based community

development groups, advocacy groups, and social movements to emerge, participate and take part in the role of improving political, social, economic, and environmental conditions at the local level.

- ◆ Today, we are faced with an increasing tendency of the retreat of governments and international donors from direct involvement in development activities. Governments are continually redefining their roles and their capacity is reduced in association with the introduction of structural adjustment programs. This, coupled with the new focus of international development agencies on macro-level policy adjustment, partly justify an increased focus on the people's own institutional alternatives. Thus, in the rural areas, where there is no strong and capable private sector to take over governments' economic and social roles, indigenous institutions should continue to come out as the promoters of development at the local level. Hence, the need to support them and strengthen their institutional capacity to enable them pursue local development objectives that complement national development objectives.

- ◆ Given the diverse sources from which resources have to be obtained, indigenous institutions could collaborate by contributing their share to support development efforts. However, in addition to the fact that communities can contribute resources to support efforts in the delivery of services, indigenous community institutions may provide the models for more effective ways to organize formal institutions to improve services delivery at the local level, such as credit and saving services, welfare services, self-help initiatives, small-scale economic activities, etc. Therefore, the diverse traditional institutional heritages of the people should be deeply studied in relation to costing out alternative institutional arrangements, developing models for analyzing these costs and suggesting the best institutional design at the local level.

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2. relatives _____ 5. _____ Other
 (specify) _____

3. those farmers who rent out land for payment 6. I don't rent land from others
 (Skip D7 & 8)

D6. To who do you normally rent out land?

1. any farmer on reciprocal arrangement 4. neighboring farmers only
 2. relatives 5. _____ Other
 (specify) _____

3. those who rent ox for payment 6. I don't rent out land ==> Skip D9 & D10

D7. When you rent land from others in return for cash, how much do you normally pay?
 _____ Birr

D8. When you rent land in return for harvest, what %age of yield do you normally pay?

1. 1/2 2. 1/3 3. 1/4 4. 1/5 5. Other (specify) _____

D9. When you rent out land in return for cash, how much do you normally get as payment? _____ Birr.

D10. When you rent out land in return for harvest, what %age of yield do you receive as payment?

1. 1/2 2. 1/3 3. 1/4 4. 1/5 5. Other (specify) _____

D11. Do you have livestock in the household? 1. Yes 2. No ==> D13

D12. How many of the following livestock do you have?

| Livestock | Total # Kept by the HH | Total # Owned by the HH | Total # rented as Part of a Share Cropping Arrangement | Total # rented out as Part of a Share Cropping Arrangement | Total # kept to look after for profit | Total # given out to look after for profit |
|------------|------------------------|-------------------------|--|--|---------------------------------------|--|
| 1. Ox | | | | | | |
| 2. Cow | | | | | | |
| 3. Calf | | | NA | NA | | |
| 4. Donkey | | | | | | |
| 5. Horse | | | | | | |
| 6. Mule | | | | | | |
| 7. Sheep | | | NA | NA | | |
| 8. Goat | | | NA | NA | | |
| 9. Poultry | | | NA | NA | | |

D13. Do you normally engage in share-cropping arrangement to get access to or rent out ox or any other traction animal to others? If yes, how? In return for

1. cash 3. labor 5. seeds and fertilizer 7. I don't engage in such
 2. harvest 4. for free 6. land arrangements ==> D18

- D14. From whom do you normally rent ox or any other traction animal?
1. From any farmer on reciprocal arrangement
 2. From relatives
 3. From those farmers who rent out ox
 4. From nearby town
 5. From neighboring farmers
 6. I don't rent ox====>D17
- D15. When you rent ox or any traction animal in return for cash, how much do you pay? _____ Birr.
- D16. When you rent ox or any traction animal in return for harvest, what %age of yield do you pay?
1. 1/2
 2. 1/3
 3. 1/4
 4. 1/5
 5. Other (specify) _____
- D17. To who do you normally rent out oxen or any other traction animal?
1. To any farmer on reciprocal arrangement
 2. To Relatives
 3. To those who rent ox for payment
 4. To neighboring farmers only
 5. _____ Other
 6. I don't rent out ox====>D20
- (specify) _____
- D18. When you rent out ox in return for cash, how much do you normally receive? _____ birr.
- D19. When you rent out ox in return for harvest, how much do you normally receive?
1. 1/2
 2. 1/3
 3. 1/4
 4. 1/5
- D20. Does the cultivation of any of the crops you produce require the help of others or the participation of hired labor?
1. Yes
 2. No====>D24
- D21. Do you employ any one to work on your field? If yes, what do you pay?
1. Money
 2. Part of harvest
 3. Combination of 1& 2
 4. Other (specify) _____
 5. I don't employ
- D22. Do your siblings work with you?
1. Yes
 2. No
- D23. Do you call any work party for the main activity of the household?
1. Yes
 2. No
- D24. What is your main labor source during main crop season? Enter code or combination of codes for each category of activities.

1. Family members
2. Children in the house
3. Dabo (large work party)
4. Jige (Small work party)
5. Share-cropping arrangement
6. Grazing management group
7. Hired labor
8. Relatives
9. Other

| Activity | Code |
|-----------------------|------|
| 1. Land clearing | |
| 2. Ploughing | |
| 3. Hoeing | |
| 4. Manure application | |
| 5. Sowing/planting | |

| | |
|---|--|
| 6. Weeding | |
| 7. Shilshalo | |
| 8. Harvesting | |
| 9. Threshing | |
| 10. Crop residue collection (cut and carry) | |
| 11. Herding (grazing and watering) | |

E. Institutional Membership

E1. Do you or any other member of the household belong to any of the following institutions/associations? Enter code or combination of codes for each member of the household including the household head.

- | | |
|-------------------------|--|
| 1. Peasant Association | 6. NGO credit or any other group |
| 2. Service cooperatives | 7. Wereda Development Association |
| 3. Iqqub | 8. Gurage Road Development Association |
| 4. Iddir | 9. Other (specify) _____ |
| 5. Mahber | 10. Do not belong to any institution |

| Name of Household Members including the Household Head | Institution to which s/he belongs (Enter Code) |
|--|--|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |
| 6. | |
| 7. | |
| 8. | |
| 9. | |
| 10. | |

E2. Do you Participate in an iqqub? 1. Yes 2. No ==> E7

E3. For what purposes do you join iqqub(s)? 1.

- _____
2. _____
3. _____
4. _____

E4. In how many iqqubs do you participate currently?

1. One 2. Two 3. Three 4. Four 5. More than four

E5. What is the purpose, number of members and amount of contribution you make to the iqqub(s) you participate in?

| | Collection Period 1. Every week 2. Every month 3. Every two month 4. Other (specify) | Form of Payment (Money or in Kind) | Amount of Contribution/ Payment Per collection | # of Members | Purpose of the Iqqub | What is the life cycle of the Iqqub | With whom did you join the Iqqub | Would the Iqqub be continued at end of its life cycle |
|-----------|--|---------------------------------------|---|--------------|----------------------|-------------------------------------|----------------------------------|---|
| 1st Iqqub | | | | | | | | |
| 2nd Iqqub | | | | | | | | |
| 3rd Iqqub | | | | | | | | |
| 4th Iqqub | | | | | | | | |
| 5th Iqqub | | | | | | | | |

E6. What is the total amount of money you contribute to iqqub(s)? _____ Birr/week/month.

E7. Do other members of the household participate in iqqub (s)? 1. Yes 2. No=> E9

E8. How many other members of the household participate in iqqub(s)? _____ persons.

E9. What is the total contributions to iqqub(s) by all other household members _____ Birr/week/month?.

E10. Are you aware of modern bank services? 1. Yes 2. No=> E12

E11. Have you ever used a banking service? 1. Yes 2. No

E12. Do you participate in iddir (s)? 1. Yes 2. No=>E16

E13. In how many iddirs do you participate currently?

1. One
2. Two
3. Three
4. Four
5. More than four

E14. What is the purpose, number of members and amount of contribution you make to the iddirs you participate in?

| | Collection Period 1. Every week 2. Every month 3. Every two month 4. Other (specify) | Form of Payment (Money or in Kind) | Amount of Contribution/ Payment Per collection | When was the Iddir started | # of Members | Purpose of the Iddir | With whom did you join the Iddir |
|-----------|--|---------------------------------------|---|----------------------------|--------------|----------------------|----------------------------------|
| 1st Iddir | | | | | | | |
| 2nd Iddir | | | | | | | |
| 3rd Iddir | | | | | | | |
| 4th Iddir | | | | | | | |
| 5th Iddir | | | | | | | |

E15. What is the total amount of money you contribute to iddir(s)? _____ Birr/week/month.

E16. Do other members of the household participate in iddirs? 1. Yes 2. No=>E19

E17. How many other members of the household participate in iddir(s)? _____ persons.

E18. What is the total contributions to iddir(s) by all other household members _____ Birr/week/month?

E19. Are you aware of modern insurance services? 1. Yes 2. No=> E22

E21. Have you ever used a modern insurance service? 1. Yes 2. No

- E22. Do you participate in a Mahber? 1. Yes 2. No====>End of section E
- E23. In what type of a Mahber do you participate?
1. Religious group 3. Neighborhood group 5. Other (specify)____
2. Social group 4. Professional group

F. Saving and Borrowing Schemes

- F1. Do you save money? 1. Yes 2. No====>F3
- F2. What types of saving schemes do you use? (Circle all that are mentioned.)
1. Iqqub 3. I deposit my money with a relative
2. Iddir 4. Bank 5. Other (specify)____
- F3. Did you borrow money? If yes, what was the purposes for which the money was needed?
1. To purchase oxen and farm implements 4. To meet other social obligations
2. To buy fertilizers, seeds and pesticides 5. Other (specify)_____
3. To construct a house 6. I do not borrow money ====> F8
- F4. From whom did you borrow money? (Circle all that are mentioned.)
1. Relative/Family member 4. Iddir 7. Did/do not borrow
2. Money lender 5. NGO credit association 8. Other (specify)_____
3. Iqqub 6. Government supplied credit
- F5. At the moment, to who is the largest debt owed?(Circle all that are mentioned.)
1. Relative 4. Iddir 7. Did/do not borrow ====>F9
2. Money lender 5. NGO credit association 8. Other (specify)_____
3. Iqqub 6. Government supplied credit
- F6 At the moment, what is the total amount due to your creditors? _____ birr.
- F7. In what form did you pay or expect to pay the principal and the interest?
1. In Cash 3. In labor 5. Other (specify)_____
2. In kind (for example, cereals) 4. Combination
- F8. If you didn't borrow money or take credit of any other form, what was the reason? (Circle all that are mentioned.)
1. Fear of being in debt 4. Credit supply problem
2. Fear of failure to repay 5. I don't need credit
3. High rate of interest (I can't afford it) 6. Other
- (specify)_____
- F9. Did you have experience of default on your repayment before?
1. Yes, once in the past 3. Yes, three times in the past 5. Not at all
2. Yes, twice in the past 4. Yes, more than three times in the past
- F10. Did you borrow money from money lenders? 1. Yes 2. No ====>End of section F
- F11. What is your relationship with the money lender you borrowed from? _____
- F12. How much is the interest you pay, on what amount?

| | <u>Principal</u> | <u>Interest</u> |
|----|------------------|-----------------|
| 1. | _____ | _____ |
| 2. | _____ | _____ |
| 3. | _____ | _____ |

2. Collect from grazing field
 3. Collect from the livestock pen of a neighbor
 5. Other (specify) _____
- I18. Do you deposit manure before applying it to fields or gardens? If yes, how?
 1. Loose storage in heaps
 2. Compact storage in pits
 3. Other means (specify) _____
 4. I do not store manure
- I19. Do you have problem of erosion on your field? 1. Yes 2. No ==> I11
- I10. What control measures do you use or intend to use to control erosion? (Circle all that are mentioned.)
 1. Physical measures
 2. Biological measures
 3. Other (specify) _____
 4. I do not use control measures
- I11. If you have any physical measure of conservation on your farm, how did you construct them?
 1. Personally
 2. By involving other household members
 3. With the help of relatives
 4. With the help of neighboring farmers
- I12. Are you aware of extension services given by government agents? 1. Yes 2. No=>End
- I13. Have you ever benefited from extension services given by the government? 1. Yes 2. No
- I14. What type of extension services have you used? On payment or free of charge? If on payment, how much did you pay? Indicate for each type of service.
 1. _____
 2. _____
 3. _____
 4. _____
 5. _____

DECLARATION

I, the undersigned, declare that this thesis is my original work and has not been presented for a degree in any university, and that all sources of materials used for the thesis have been dully acknowledged.

Name: Getinet Assefa

Signature:  _____

Place: Addis Ababa University, Ethiopia

Date: March 1999



The thesis has been submitted for examination with my approval as a university advisor

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Dejene Aredo (Dr.)

March 1999